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## **How Should we Fund “Students Without Borders?”**

By Chris Braunlich

12/15/2011 – Shortly after I was elected to the Fairfax County School Board in 1995, a gentleman rose at a school budget meeting to ask, “Can’t we charge these kids for their textbooks?”

The legal answer was, “No, not without losing all your state aid.”

The larger answer, however, dealt with the role and responsibility of communities in providing education for the children who live there. My answer then, as it is (more or less) for every local school board member I know, is that local communities have always had a clear civic responsibility to educate the children of that community, and that the benefits of well-educated students accrue to the locality in which that child resides by making it a place worth living in.

That is the core rationale for extracting funds from taxpayers without children to fund public education.

But this system of geographically-based education is challenged by the onset of virtual education, in which a student may live anywhere in the state and receive an education from anywhere in the state.

More than 200,000 children in America receive their full-time K-12 education online. While it’s clearly not for everyone, virtual learning is just as clearly one possible answer for military families who move frequently, students on homebound instruction with medical needs, special education and gifted students, and others.

Funding virtual schools has become a challenge because education is largely funded by state and local taxes, with huge variations based on the relative “wealth” of a jurisdiction. But in an instructional world that doesn’t recognize geographic boundaries, how should we fund online education?

State funding alone, which this year averages \$4,100 per pupil, won’t be enough over the long term. The International Association for K-12 Online Learning (iNACOL) estimates the necessary funding for virtual schools at about \$6,500 per student – less than a bricks and mortar school but enough to keep a program growing, provide special training in online instruction and ongoing staff development for teachers, engaging and interactive curriculum development, computers, course delivery, data systems, and physical materials (books).

Simply put, a new system of education delivery requires a new system of funding – one not bound by the geographic limitations of real property taxes that pay the local share of public education.

That's why the Thomas Jefferson Institute recently released a new paper, *Students Without Borders: Funding Online Education in Virginia*. It suggests a new system of funding online education taking three issues into account – state funding, local funding and accountability – blending them in a way that makes all components work together for the benefit of students, parents, taxpayers and school divisions.

First, it recognizes that a virtual school student is a “student without borders” who can be educated from any approved online program in the state. Funding virtual school students with dollars that equal the *average* state-wide share of Standards of Quality (SOQ) funding would put all school divisions on a level playing field so that every school system – rich or poor – could create a robust online program.

But because state funding alone is insufficient, some local funding must also be utilized. This recognizes that a student's locality bears some responsibility to educate a child living there. Parents pay taxes to the community, and the benefits of well-educated students are obvious: The better educated a region's residents are, the lower the unemployment and the higher the average wages.

One answer is to transfer the *average* required local share – the amount required to be raised by local taxpayers -- of SOQ funding to the virtual school which actually educates a child. And because the average required local funding (about \$2500) is often far less than the amount *actually* spent by local school divisions (Fairfax County, for example, spends more than \$6,500 in local funds beyond the average required local funding), the cost to the residential school division will be less than they currently spend.

Finally, to ensure that local school division funds achieve good outcomes, all or part of the local share should be transferred to the virtual school only after the student has successfully demonstrated mastery of the subject matter, preferably through passage of Standards of Learning tests. In essence: If the student doesn't learn, the local government doesn't have to pay.

While certainly there are more details to work out, the underlying principle remains the same: Virtual schools can only be funded if both the state and localities contribute a share and there is a system of accountability.

Funding online learning isn't an extravagance. In the international arena, it is a necessity. In China, 100 percent of the K-12 academic curriculum has been digitized, and South Korea will replace textbooks within four years. In Turkey, 15 million students are taking online courses and 100 percent of Singapore secondary schools use online learning. The European Union uses an online International Baccalaureate program in more than 26 countries.

Virginia is at a crossroads. It can take that step towards preparing our children for the international marketplace, or it can stand down and let the world pass us by.

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