Online Learning Annual Report
2012–13

RCW 28A.250.040

Information Technology Services
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Executive Summary

Online learning plays an important role in the state’s education landscape. Both students and schools benefit from online courses by:

- allowing students to enroll in courses that are otherwise not available at their school;
- ensuring that students are able to earn credits needed for graduation;
- providing schools with a wide array of educational options to meet student needs;
- providing students with an important alternative to traditional classrooms, assisting students who seek remediation or acceleration in their learning;
- meeting the needs of students with different learning styles.

In school year 2012–13, over 23,000 Washington students enrolled in 72,000 K-12 online courses. The number of students enrolled increased by 18 percent over 2011-12, and the number of course enrollments increased by 9 percent. In addition, more district and schools added online courses to their offerings.

In previous reports, the Office of Superintendent of Public Instruction (OSPI) highlighted concerns about student achievement in online courses. Based on the 2012–13 data, there is still cause for concern. Course completion is lower for online course enrollments (92 percent) than for non-online course enrollments (98 percent). In addition, high school students in online courses are more likely to earn a D or F—nearly 20 percent of online courses end in failure. Finally, students in online programs met standard on the state assessments at a lower rate than the state average; the least significant gaps were in reading and writing, and the most significant gaps were in math.

However, there is also reason for optimism, as most metrics show positive year-over-year trends. With four years of data, we see that fewer students are failing their courses and the rates of passing grades are rising. This suggests that performance in online courses is beginning to mirror performance in non-online courses.

<table>
<thead>
<tr>
<th></th>
<th>2011-12</th>
<th>2012-13</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>School districts</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>with at least 1 online</td>
<td>123</td>
<td>130</td>
<td>5.7%</td>
</tr>
<tr>
<td>course enrollment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Schools</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>with at least 1 online</td>
<td>215</td>
<td>227</td>
<td>5.6%</td>
</tr>
<tr>
<td>course enrollment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Students</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>who took at least 1</td>
<td>19,891</td>
<td>23,466</td>
<td>17.9%</td>
</tr>
<tr>
<td>online course</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The Legislature made significant changes to both online learning and Alternative Learning Experience (ALE) laws in 2013. We recommend that the Legislature not modify these laws in 2014. By maintaining a stable regulatory environment, schools will have the chance to fully implement the changes in the laws and rules. It will afford OSPI and the State Auditor’s Office at least a year to collect additional data about ALE and online learning. This will help inform any future policy discussions in this area.
Introduction

In 2009 the Washington State Legislature created an accountability system for online learning (Substitute Senate Bill 5410, RCW 28A.250.005). The Legislature directed the Office of Superintendent of Public Instruction (OSPI) to develop an online provider approval system and report annually on the state of online learning in Washington.

As requested, this report covers:

- The provider approval process and results.
- Student demographics.
- Student achievement (statewide assessment results and course performance).

Process

Definitions

As defined in RCW 28A.250.010, an online course is one where:

- More than half of the course content is delivered electronically using the Internet or other computer-based methods, and
- More than half of the teaching is conducted from a remote location through an online course learning management system or other online or electronic tools.

In Engrossed Substitute Senate Bill (ESSB) 5496, the 2013 Legislature added two additional points to the definition of an online course. These additions were not in place during the time period covered in this report.

- A certificated teacher has the primary responsibility for the student’s instructional interaction. Instructional interaction between the teacher and the student includes, but is not limited to, direct instruction, review of assignments, assessment, testing, progress monitoring, and educational facilitation; and
- Students have access to the teacher synchronously, asynchronously, or both.

An online school program is “a school program that offers a sequential set of online courses or grade-level coursework that may be taken in a single school term or throughout the school year in a manner that could provide a full-time basic education program if so desired by the student” (RCW 28A.250.010). Although ESSB 5946 altered this definition to the version we have included here, the revision was largely technical and did not meaningfully change the definition from what was in place.

Online course providers offer individual online courses (as defined above) and have the following characteristics:

- Online course providers must supply all of the following: course content, access to a learning management system, and online teachers.
Online courses can be delivered to students at school as part of the regularly scheduled school day.

Online courses can be delivered to students, in whole or in part, independently from a regular classroom schedule and must comply with RCW 28A.150.262 to qualify for state basic education funding as an Alternative Learning Experience (ALE) program.

This report uses a number of terms to refer to students:

- **Headcount** measures each unique student served.
- **A full-time equivalent (FTE)** is a measurement of student enrollment for funding purposes. It provides an accurate estimate of the portion of time a student is served by a given program, with 1.0 referring to a full-time student.
- **A course enrollment** refers to a single student enrolled in a single course for a single term. For example, a single student taking a full load of courses would have 10 (if the district offers five periods a day) or 12 course enrollments (if six periods are offered) for the school year.

**Data Sources**

This report makes use of three main data sources: the monthly ALE enrollment report, the Comprehensive Education Data and Research System (CEDARS), and the Digital Learning Department’s (DLD) registration system.

**ALE Enrollment**

The Legislature included a budget proviso (House Bill 1087, Part XIV, Section 1401 (1)(a)(ii)) with the 2011–13 operating budget directing OSPI to collect and report a monthly headcount and FTE enrollments for students in Internet ALE programs, as well as information about resident and serving districts.

This data source provides information on interdistrict “choice” transfers and FTE funding measurements, in addition to headcounts.

School districts needed to complete this report as a part of the enrollment reporting for apportionment. As a result, we have a high degree of confidence in the quality of the enrollment figures, especially as compared to school years prior to 2010.

Other aspects of this data set are less firm; in particular, the categorization of program type. ALE programs are able to self-categorize as either digital/online, parent partnership, or contract-based. Although the majority of programs listed as digital/online on the ALE monthly report do offer courses that meet the definition of an online course, some programs that self-report under this category are offering access to online curriculum—not online courses. Therefore, the ALE enrollment data may show an inflation of true online course activity.

We made one alteration to the program type data reported by the ALE programs to maintain consistency with previous years. Prior to 2011–12, Valley School District’s Columbia Virtual Academy (CVA) had been reporting as a parent partnership, but in 2011–12 they reported as a digital/online program. Although CVA offers online course options and is reportedly shifting more of their courses online, we have seen little evidence of a dramatic increase in online enrollments.
especially in Valley School District’s K–8 CVA program). As a result, we re-classified CVA as a parent partnership in 2011–12 and made the same adjustment in 2012–13.

The ALE data set used in this report was generated on December 5, 2013.

**CEDARS**

Districts report enrollment and high school grading data to OSPI through the Comprehensive Education Data and Research System (CEDARS). Online courses are designated as such, so that CEDARS may be queried for information about students who have taken high school-level online courses.

The reporting standards required by RCW 28A.250.040 (2), requiring districts to designate online courses, came into effect with the 2010–11 school year. Even after three years, not all districts are properly designating online courses. To ensure that we have a more accurate count of online students, we’ve included both students who were enrolled in courses designed as online and students enrolled in schools that are known to be online school programs in the CEDARS data set. In order to qualify as a “known online school program,” the school must offer only online courses (and not face-to-face courses) and the individual district must report data for the program as a standalone school. As a number of online school programs are combined with other brick-and-mortar programs (such as alternative schools or parent partnerships), some online schools were not included in this method. The known online school programs are shown in Table 1.

<table>
<thead>
<tr>
<th>District</th>
<th>Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bethel</td>
<td>ALE</td>
</tr>
<tr>
<td>Central Kitsap</td>
<td>CK Online Academy</td>
</tr>
<tr>
<td>Edmonds</td>
<td>Edmonds e-learning</td>
</tr>
<tr>
<td>Evergreen (Clark)</td>
<td>iQ Academy</td>
</tr>
<tr>
<td>Federal Way</td>
<td>Internet Academy</td>
</tr>
<tr>
<td>Kelso</td>
<td>Kelso Virtual Academy</td>
</tr>
<tr>
<td>Monroe</td>
<td>Washington Virtual Academy (High School)</td>
</tr>
<tr>
<td>North Franklin</td>
<td>North Franklin Virtual Academy</td>
</tr>
<tr>
<td>Omak</td>
<td>Washington Virtual Academy (High School)</td>
</tr>
<tr>
<td>Omak</td>
<td>Washington Virtual Academy (Elementary)</td>
</tr>
<tr>
<td>Omak</td>
<td>Washington Virtual Academy (Middle School)</td>
</tr>
<tr>
<td>Quillayute Valley</td>
<td>Insight School of Washington</td>
</tr>
<tr>
<td>Snohomish</td>
<td>APEXOnline</td>
</tr>
<tr>
<td>White Salmon</td>
<td>Columbia Tech High</td>
</tr>
<tr>
<td>Yakima</td>
<td>Yakima Online!</td>
</tr>
<tr>
<td>Toppenish</td>
<td>NW AllPrep</td>
</tr>
</tbody>
</table>
When reporting data for all online students in CEDARS, we are counting each student individually. This means that if a student was enrolled in more than one school, the student will be counted only once using the most recent demographic information.

The CEDARS data set used in this report was generated on December 3, 2013.

**OSPI's Digital Learning Department (DLD) Registration System**
The Digital Learning Department (DLD) data set includes information about students who were enrolled in individual online courses through the DLD’s course catalog and registration system.

See Appendix A for demographics and enrollment information about students enrolling in online courses through the DLD catalog.

**Provider Reviews**

**Background**
Revised Code of Washington (RCW) [28A.250.020](https://app.leg.wa.gov/rcw/default.aspx?c=28A&ch=25&cl=0&cn=0&cp=0#28A.250.020), as enacted in 2009, directed OSPI to create a set of approval criteria, an approval process, an appeal process, and a monitoring and rescindment process for multidistrict online providers. As a result, OSPI developed WAC [392-502](https://app.leg.wa.gov/wac/default.aspx?c=392&c1=5&c2=0&ch=0&cp=0#392-502) to outline these criteria and processes. The Online Learning Advisory Committee (OLAC), appointed by Superintendent Randy I. Dorn, assisted and advised throughout this development.

Although OSPI online provider approval has been required since the 2011–12 school year, the Legislature amended RCW [28A.250.060](https://app.leg.wa.gov/rcw/default.aspx?c=28A&ch=25&cl=0&cn=0&cp=0#28A.250.060) during the 2011 session to broaden the approval requirement beyond just the multidistrict providers that had been covered initially.

Beginning with the 2013–14 school year, school districts may claim state funding under RCW [28A.150.260](https://app.leg.wa.gov/rcw/default.aspx?c=28A&ch=150&cl=0&cn=0&cp=0#28A.150.260), to the extent otherwise allowed by state law, for students enrolled in online courses or programs only if the online courses or programs are offered by an online provider approved under RCW [28A.250.020](https://app.leg.wa.gov/rcw/default.aspx?c=28A&ch=25&cl=0&cn=0&cp=0#28A.250.020) by the superintendent of public instruction.

Accordingly, beginning with the 2013–14 school year, all online school programs must be approved. In an effort to reduce the burden on both affected school districts and OSPI, while at the same time maintaining an appropriate level of monitoring and oversight, OSPI introduced two alternate approval pathways in addition to the one initially developed for multidistrict online programs: affiliate approval and single-district approval.

**Affiliate Program Approval**
The affiliate program approval option has been available since fall 2010. This option allows for a streamlined approval process for online school programs which have entirely outsourced the content, platform, and instruction of their programs to previously approved online school program providers. Programs choosing this option do not need to submit evidence demonstrating that the program meets the approval criteria, but they must be accredited with the Northwest Accreditation Commission and they accept the approval assurances.
Affiliate programs are considered to be “multidistrict”. They are eligible to serve students residing out of district at a rate of 10 percent or more. More information about the affiliate approval option can be found on the DLD Website: http://digitallearning.k12.wa.us/approval/process/affiliate.php.

Single District Program Approval
The single district program approval option was newly instituted in the 2012–13 school year. It allows online school programs which serve out-of-district students at a rate of less than 10 percent to seek approval without participating in the full review process. Like the affiliate approval option, the single district option does not entail the program’s submission of evidence demonstrating that it meets the approval criteria, but does require the program’s accreditation with the Northwest Accreditation Commission and the acceptance of the approval assurances. If, at the end of a school year, the annual average headcount of out-of-district students enrolled in the program increases to 10 percent or more of the total program enrollment headcount, the program will be required to apply for approval as a multidistrict online provider in the next approval cycle. Some district programs, though eligible for the Affiliate approval option, have opted to seek approval via the Single District option in order to limit the scope of their program to serving only in-district students. More information about the single district approval process can be found on the DLD Website: http://digitallearning.k12.wa.us/approval/process/single.php.

Three Categories of Online Provider
In order to be subject to approval, a provider must be considered an online school program, an online course provider, or an online program provider.

- **Online school program** is a district-run online school that offers online courses in a sequential program—a set of courses or coursework that may be taken in a single school term or throughout the school year in a manner that could provide a full-time basic education program, if so desired by the student. Students may enroll in the program as part-time or full-time students.
- **Online course provider** is a company, non-profit organization, or school district that provides individual online courses.
- **Online program provider** is a company, non-profit organization, or school district that provides a complete online school program—content, technology platform, and teachers—to districts.

The criteria, assurances, and approval process are identical for all providers seeking approval using the full review option, regardless of the category that applies to them. A single provider can qualify as more than one type of provider.

Approval Process
Approval Reviewers and Scoring
OSPI uses contracted external reviewers to score applications that qualify for the “full” review process. Nine reviewers participated in the spring 2013 review process. To protect the integrity of the process, OSPI has not released the names of the reviewers.

All of the 2013 reviewers conducted reviews in previous review cycles. In earlier review cycles, these reviewers underwent extensive training in preparation for their reviews and scoring. All
reviewers participating in the spring 2013 review cycle attended a training to update them on the changes to approval eligibility, to the criteria, and to the review process.

The reviewers scored each application against the 54 criteria, with each item worth a single point. Applicants must have provided evidence to show the reviewer that they met the criteria. Reviewers could score an item 0, .5, or 1. Applicants draw on many sources for this evidence, including sample courses, written policies, and other documents. OSPI provides applicants with extensive feedback on their application, including written comments from the reviewers.

**Process Changes**

After each review cycle, OSPI staff, working with the Online Learning Advisory Committee (OLAC), updates the criteria based on feedback from applicants and reviewers. OSPI made extensive edits to the criteria prior to the spring 2013 review cycle based on facilitated feedback sessions with approval reviewers to examine each of the 54 approval criteria and 16 assurances. A compilation of all changes to the criteria can be found on the department’s Changes to the Criteria Web page: [http://digitallearning.k12.wa.us/approval/process/criteria/changes.php](http://digitallearning.k12.wa.us/approval/process/criteria/changes.php).

**Provider Technical Assistance**

OSPI offered a series of webinars for online providers to learn about the approval options available, the processes, assurances, and criteria. Additionally, OSPI staff in the DLD continued to answer questions that applicants had throughout the application period through online and in-person meetings, phone calls, and emails.

**Results**

In order to be approved, providers were required to meet or exceed a cut score of 46 points (85 percent of 54 possible points). The cut score was set in consultation with OLAC.

**Spring 2013 Approval Cycle**

Two providers were approved (out of four applicants) during the spring 2013 approval cycle. The approved providers are Carone Fitness and Lewis River Academy.

**Approved Providers**

As of November, 2013, there are a total of 82 approved providers, including 17 online course providers, 14 program providers, and 66 online school programs. The complete list is available in Appendix B.

**Student and Course Totals**

**CEDARS**

Districts report enrollment and course grade data to OSPI through CEDARS, and we query CEDARS for information about students who have taken online courses.

According to district data submitted to CEDARS, 23,466 students took at least one online course in 2012–13. This is 18.0 percent higher than the 2011–12 count of 19,891 students, noticeably higher than the 6.7 percent growth rate from the prior year. In both cases, we are using a statewide total. A
A student is only counted once, even if the student was enrolled in multiple districts throughout the year.

Students took a total of 72,203 K–12 online courses in 2012–13, a 9.3 percent increase from the 66,048 enrollments in the previous year. Note that students in Grades K–8 often have their courses reported in a single entry such as “third grade” or “elementary curriculum” rather than multiple courses broken out by subject area. A full-time elementary enrollment would show up in the data as a single course.

A total of 227 schools in 130 districts reported at least one online course enrollment, a 5.6 percent and 5.7 percent increase, respectively, over the 2011–12 figures of 215 schools in 123 districts.

Taken together, the four metrics supplied by CEDARS show some variability. While we’ve seen fairly steady increases in the number of students taking online courses, the number of course enrollments have either shown large increases or decreases. In previous years, we have suggested that improvements in district reporting may play a role, along with actual increases in activity, in the reported figures. This could certainly be the case again with the 2012–13 results.

Table 2: CEDARS Online Activity by School Year

<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>Student Headcount</td>
<td>16,003</td>
<td>18,649</td>
<td>19,891</td>
<td>23,466</td>
</tr>
<tr>
<td>Course Enrollments</td>
<td>57,303</td>
<td>72,180</td>
<td>66,048</td>
<td>72,203</td>
</tr>
<tr>
<td>Schools</td>
<td>87</td>
<td>146</td>
<td>215</td>
<td>227</td>
</tr>
<tr>
<td>Districts</td>
<td>59</td>
<td>89</td>
<td>123</td>
<td>130</td>
</tr>
</tbody>
</table>

A complete list of schools with online students can be found in Appendix C.

**Alternative Learning Experience Data**

Alternative Learning Experience (ALE) programs are required to report enrollment information to OSPI on a monthly basis.

The yearly totals are reported as “annual averages.” Enrollment data was collected monthly from the ALE programs. The monthly collections were averaged together to create the annual totals. This means that more students may have enrolled in an online program at any given time, but the figures reported here represent the average over the entire year.

Districts reported the following for “digital/online” ALE programs in 2012–13:

- Annual average headcount: 10,969.2
- Annual average FTE: 8,911.2

Both the headcount and FTE were higher than 2011–12, by 6.8 percent and 5.7 percent respectively. One hundred and nineteen ALE programs categorized themselves as “digital/online” programs in their yearly report to OSPI, compared to 102 in 2011–12, a 16.7 percent increase.
Digital Learning Department Course Catalog

School districts can purchase access to individual online courses through OSPI’s Digital Learning Department (DLD) online course catalog. During 2012–13, 1,328 students enrolled in 2,652 courses. Enrollments came from 78 schools in 60 different school districts.

Both the student headcount and enrollment figures were essentially unchanged from the prior year (-0.4 percent and -0.5 percent changes). However, the number of participating schools and districts dropped 11.4 percent and 15.5 percent, respectively.

Student Demographics

Gender

Female students continue to be slightly over-represented among students taking online courses, as compared to the population of non-online K–12 students in the state. Female students made up 51.2 percent of the online student population in 2012–13 (from CEDARS), compared to 48.1 percent of the non-online student population.

The over-representation of female students was considerably more pronounced when we initially reported demographics in 2009–10. Since then, the gender ratio has steadily moved towards that of non-online students. See Appendix D for complete demographic data.

![Gender of Online Students, 2009–10 to 2012–13](image)

Ethnicity

As compared to the non-online student population, White students are over-represented amongst online students. Hispanic/Latino and Asian students are under-represented compared to non-online students. Like the gender statistics, the trend over the four years for which we have data is for the online student demographics to be moving closer to the non-online student demographics. In 2009–10, 77.1 percent of online students were White, compared to 68.6 percent in 2012–13.

See Appendix D for complete demographic data.
Figure 2: Ethnicity/Race of Online Students, 2012–13

<table>
<thead>
<tr>
<th>Category</th>
<th>Non-online Students in WA</th>
<th>Online Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Provided</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Two or More Races</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Native Hawaiian/Other Pacific Islander</td>
<td></td>
<td></td>
</tr>
<tr>
<td>White/Caucasian</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td></td>
<td></td>
</tr>
<tr>
<td>African American/Black</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian</td>
<td></td>
<td></td>
</tr>
<tr>
<td>American Indian/Alaskan Native</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Transitional Bilingual

Of the 23,466 students listed in CEDARS as participating in an online course, 363 (1.55 percent) were marked as transitional bilingual students. Although this is significantly lower than the 9.07 percent (99,678) of non-online students in the state with the same designation, it does represent an increase over the 2011–12 rate of 0.59 percent (117) of transitional bilingual online students.

See Appendix D for complete demographic data.

Special Education

Of the 23,466 students listed in CEDARS as participating in an online course, 1,771 (7.5 percent) were reported as students in special education. This figure is lower than the 13.9 percent of non-online students listed in special education, but it is higher than the 2011–12 rate of 6.6 percent of online students listed in special education.

Even though the percentage of online students in special education rose from 2011–12 to 2012–13, there was a case of a reporting anomaly. Insight School of Washington, one of the largest online schools in the state, reported only five special education students in 2012–13, compared to 220 the prior year. When contacted about the issue, Insight reported that they didn’t have a significant change in the number of special education students, so the discrepancy appears to be the result of an issue with the district’s CEDARS reporting.

There are a number of possible reasons for the disparity between the overall special education rate and the online school rate, including:

- Depending on a student’s individual needs, an online school program may not be the most appropriate educational option. Online programs require the ability to operate a computer, as well as the motivation to complete a significant amount of coursework in an independent
manner. Students who feel they may not be able to operate within this learning environment are less likely to seek it out.

- Many of the students enrolling in online school programs are transferring from their resident district into an online school in another district. Students who are already receiving special education services in their resident district may be hesitant to transfer for fear that equivalent services will be unavailable or difficult to obtain.
- Online schools may be discouraging special education students from enrolling, either through pre-enrollment counseling or transfer rejections, out of concern for providing special education services to remote students. Rejection of a transfer request solely because of special education status is not consistent with the law.

See Appendix D for complete demographic data.

**Part-time Homeschooled Students**

Students can enroll part-time in a public school district and can be homeschooled for the other part of their education. A parent who wishes to home school his or her children must file a declaration of intent to provide home-based instruction. This is a distinct category apart from students who may have homeschooled in the past, but are now enrolled full-time in an online program, or from students who are enrolled full-time in an ALE program, yet complete their school work at home. The part-time homeschoolers discussed here are those who were, during the 2012–13 school year, involved in both an online course and a homeschool experience.

Of the 23,466 students listed in CEDARS as participating in an online course, 129 (0.5%) were reported as being enrolled part-time in a public school district and in addition to being homeschooled. In comparison, only 0.3 percent of non-online students, or 3,589 total, were part-time homeschooled and part-time enrolled in the public school system.

We have reason to believe that both the online and non-online figures may be undercounting the actual number of part-time homeschooled students. In 2011–12, CEDARS showed 900 (4.5 percent) online students in this category, along with 5,208 (0.5 percent) non-online students. Washington Virtual Academy, or WAVA, (run by the Omak and Monroe School Districts) reported 818 students as part-time homeschooled in 2011–12 and only one student in this category in 2012–13. When asked, WAVA reported that they did not see a major shift in the demographics of their students that would account for this change. Instead, the discrepancies seem to be related to a change in how CEDARS tracks part-time homeschooled students. Beginning with the 2012–13 school year, this specific field moved from allowing responses of “Y” or “N” to numerical responses to differentiate the percentage of time a student was enrolled in the school district. This change was driven by an updated assessment requirement in the ALE rules. Apparently, WAVA’s data submissions reflected the earlier response codes, not the updated ones.

See Appendix D for complete demographic data.
Course Enrollment Patterns

Grade Level

Most online learning is happening at the high school level; 81.1 percent (19,050) of the online student population, up from 76.6 percent in 2011–12, are high school students. In contrast, K–8 students make up 18.9 percent (4,431) of the online students (8.7 percent of these students are K–5 students, which tend to be full-time online learning students.). Because CEDARS only tracks course enrollment patterns for high school students, we need to identify K–8 online students based on attendance in an online school. As a result, this method could undercount the number of K–8 online students.

The other significant source of data we have about student enrollment is the ALE data set. Of the 8,519.3 students (annual average headcount) reported in “Digital/Online” ALE programs, 14.9 percent (1,636.5) were in grades K–5 and 32.4 percent (3,557.2) were in K–8. Note that these figures may over-count the number of students actually taking online courses, as not all the ALE programs that self-designate as “Digital/Online” offer exclusively online courses. As a result, K–8 students likely make up between 19 and 33 percent of online students.

The picture is further muddied due to the fact that online learning at the elementary level, especially with the earlier grades, looks fundamentally different than online learning for middle and high school students. Programs aimed at elementary students are often structured to include significant parental involvement. Many of these programs, especially for students in grades K–5, also provide a good deal of non-online curriculum.

Figure 3: Online Students by Grade Level (CEDARS), 2012–13

See Appendix D for more details about online student grade levels.
Part-time and Full-time Course Enrollment Patterns

The majority of online students do not take all of their coursework online. Of the high school students who took online courses during the 2012–13 school year, 71.2 percent (12,845) took fewer than five online courses. Only 12.2 percent (2,202) of students took enough courses (10 or more) to be considered full-time for the entire school year. This data is limited to high school students for which we have a grade history in CEDARS (18,034 students in total). There were 1,048 high school students enrolled in online school programs where the district did not report grade histories, and therefore we do not know how many online courses those students may have taken.

A course in this context refers to a single semester-long enrollment, so a year-long course (Algebra 1, for example) would be reported as two courses. We have scoped the analysis of part-time and full-time enrollment to high school students only. Each high school course is reported in CEDARS as a distinct course. Full-time high school students will take five or six courses per semester, or 10 or 12 courses for the school year. Students in Grades K–8, however, are more likely to have their courses reported in a single entry (e.g., “elementary curriculum”). A full-time elementary enrollment would show up in the data as a single course. By examining only high school courses, we are better able to distinguish course-taking patterns.

**Figure 4: Number of High School Online Courses Taken, 2012–13**

The course enrollment data only addresses high school students. As discussed above, K–8 students likely make up between 19 percent and 33 percent of online students. Many of those K–8 students are likely enrolled full-time, or nearly full-time. Because most K–8 online students are claimed under ALE, we can compare the ALE headcount and FTE to get a rough picture of how many students are engaged in a full-time online experience. Digital/online ALE programs reported an annual average K–8 headcount of 3,557 students, compared with an annual average K–8 FTE of 3,228 FTE. The reported FTE made up 90.8 percent of the reported headcount in grades K–8. In grades 9–12, the reported FTE was only 75.8 percent of the reported FTE, showing a lower percentage of students attending full-time. (Note that some students taking online courses,
especially in high school, aren’t claimed under ALE.) See Appendix E for the data supporting Figure 4.

Subjects
Of the 66,503 online course enrollments for which we have CEDARS subject area data in 2012–13, 17.5 percent were English Language Arts courses, 15.6 percent were math courses, 13.9 percent were physical, health and safety education courses, 12.0 percent were history courses, and 11.1 percent were science courses.

See Appendix E for complete details on subjects taken by online students.

Student Motivation
Students seek online courses for a variety of reasons, and those reasons likely vary depending on the type of course. The DLD gathers data about students enrolling in individual online courses. As a part of the registration process, course registrars are asked to report the reason for the student’s enrollment.

<table>
<thead>
<tr>
<th>Reason</th>
<th>Enrollments</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course not available at the school</td>
<td>734</td>
<td>27.8%</td>
</tr>
<tr>
<td>Course helps student earn credit needed to graduate</td>
<td>876</td>
<td>33.2%</td>
</tr>
<tr>
<td>Online learning environment perceived as better-meeting student's learning style</td>
<td>438</td>
<td>16.6%</td>
</tr>
<tr>
<td>Course helps student make up failed credits needed to graduate</td>
<td>223</td>
<td>8.4%</td>
</tr>
<tr>
<td>Online course venue helps alleviate scheduling conflict</td>
<td>148</td>
<td>5.6%</td>
</tr>
<tr>
<td>Course allows student to better prepare for college-level coursework</td>
<td>42</td>
<td>1.6%</td>
</tr>
<tr>
<td>Other</td>
<td>102</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reason</th>
<th>Enrollments</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course offers student enrichment or subject matter of interest</td>
<td>43</td>
<td>1.6%</td>
</tr>
<tr>
<td>Course helps student earn college credit</td>
<td>1</td>
<td>0.0%</td>
</tr>
<tr>
<td>Course is needed to earn the second half of a full online credit</td>
<td>18</td>
<td>0.7%</td>
</tr>
<tr>
<td>Course allows student to prepare for the state assessments (MSP/HSPE)</td>
<td>16</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Total 2,641 100.0%

These results only apply for students taking individual online courses, and not those enrolling in an online school program, as motivations likely vary dramatically for students enrolling in a full-time online school program. Currently, there is no data that speaks to student motivation for enrollment in online school programs.
Payment

School-based registrars are asked to identify the funding source for course payments when registering students for individual DLD online courses. Most courses, according to the registrars, were paid for by the school, not the student. Note that if the course is taken as a part of the student’s basic education, then the school must pay for the course. If the course is taken outside of basic education—for example, as an after-school course—local district policy determines responsibility for payment.

Table 5: Payment Source for DLD Online Courses, 2012–13

<table>
<thead>
<tr>
<th>Response</th>
<th>Count</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>School will pay full amount</td>
<td>2,087</td>
<td>78.6%</td>
</tr>
<tr>
<td>Student/family will pay full amount</td>
<td>448</td>
<td>16.9%</td>
</tr>
<tr>
<td>Student/family will pay partial amount; school will pay partial amount</td>
<td>112</td>
<td>4.2%</td>
</tr>
<tr>
<td>Other</td>
<td>7</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,654</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Schools spent, in total, $635,332 on DLD online courses, an increase of $58,012 over the previous year. Seventeen schools spent more than $10,000 during the school year on DLD courses, and eleven spent between $5,000 and $10,000.

Schools paid an average of $275 for each completed DLD course. The highest single semester course cost was $600, for an Advanced Placement course that included additional materials. The lowest cost was $150 for a summer-term course. Note that many credit recovery courses have a lower cost structure, averaging $165 per semester, to reflect the fact that students can often quickly move through material they have previously mastered.

Dropped DLD courses are charged based on when the drop occurred. If the student drops prior to the course start, there is no charge to the school. If the student drops within two weeks of the start date, the school pays a fraction of the overall fee, and the school pays the full fee if the drop occurs outside of the two-week window. On average, schools paid $85 for dropped courses.

Non-Resident Students

Based on the non-resident district data submitted by ALE programs, an average annual headcount of 7,195.6 students were enrolled in a “digital/online” ALE program in a district other than their resident district. In order to do this, some students completely transferred to a non-resident district. In other cases, a student’s resident district contracted with a non-resident district to allow the student to split their coursework between two districts. Based on the total annual average headcount, non-resident students represented 65.6 percent of students enrolled in online ALE programs, a percentage that was slightly lower than the 67.2 percent of students in this category during the prior year. The annual average non-resident FTE was 6,557.0 FTE, representing 73.6
percent of all digital/online ALE FTE. The percentage of non-resident FTE was virtually identical to the 2011–12 figure of 73.6 percent.

One-hundred-and-nineteen digital/online programs reported ALE enrollment to OSPI. Of those, 54 programs (48.9 percent) enrolled non-resident students. Twenty-nine programs had more than 10 percent of their students enroll from out-of-district.

The bulk of the non-resident students (86 percent) were enrolled in the eleven programs that had over 90 percent non-resident students. In other words, a few large programs—including Insight School of Washington, the WAVA programs, and NW AllPrep—accounted for the vast majority of non-resident students.

See Appendix F for the complete list of schools with non-resident ALE enrollments.

Online Learning in the ALE Context

The ALE data set helps us understand online course enrollment patterns. However, ALE is a much broader category, and it is useful to understand how online learning fits into ALE.

ALE exists to provide students a public education option that takes place, in whole or in part, independently from a regular classroom setting or schedule. The ALE rules determine how school districts can claim state funding for students who are not following the “seat time” model.

While most online learning is claimed under ALE, districts can also offer online courses and use the seat time rules by assigning the student to work on the course in a classroom on a regular schedule.

There were three types of ALE programs operating during 2012–13:

- **Online programs**, as defined earlier in this report
- **Parent partnerships** are characterized by significant participation from parents.
- **Contract-based programs** do not refer to programs that have been contracted out to a company. Instead, the “contract” refers to an agreement between the program and the students. Contract-based programs tend to serve largely at-risk high school students.

When reporting to OSPI, programs self-categorize. In practice, there is often blurring of the boundaries between the program types; for example, many parent partnerships and contract-based programs offer online courses.

The lack of clarity around the program types was addressed by the Legislature in ESSB 5946, which replaced the three program types with ALE categorizations based on three course types: remote, site-based, and online. Because these new designations were not in place during the 2012–13 school year, this report will use the program designations.

Total ALE enrollment declined by 1,799 FTE from 2011–12 to 2012–13. Enrollment in contract-based programs and parent partnerships declined by 1,068 FTE and 1,209 FTE, respectively. Digital/online programs, on the other hand, grew enrollment by 478 FTE. Parent partnership
remains the largest classification, at 12,274 FTE, followed by digital/online at 8,911 FTE and contract-based at 7,741 FTE.

**Figure 5: ALE FTE from 2005–06 through 2012–13**

![Graph showing ALE FTE from 2005–06 through 2012–13](image)

Parent partnerships represent the bulk of K–8 enrollments, along with a smaller proportion of digital/online programs. Contract-based and digital/online programs are more prevalent in high school.

**Figure 6: ALE FTE by Grade, 2012–13**

![Graph showing ALE FTE by grade, 2012–13](image)

The monthly ALE report gives us some insight into the physical location of students enrolled in ALE programs. Of the students in digital/online ALE programs, 73.6 percent transferred from another
school district. This sharply contrasts with contract-based programs at only 15.4 percent non-resident FTEs, and parent partnerships at 48.6 percent non-resident FTEs.

**Figure 7: ALE FTE by Location, 2012–13**

Across all three program types, FTE declined from 2011–12 to 2012–13 in all three location categories. The only increases in FTE came with in-district (+137.2 FTE) and out of county (+637.7 FTE) digital/online programs.

**Table 6: Change in ALE FTE from 2011–12 to 2012–13**

<table>
<thead>
<tr>
<th></th>
<th>In District</th>
<th>Out of District/In County</th>
<th>Out of County</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract-based</td>
<td>-729.9</td>
<td>-81.39</td>
<td>-257.89</td>
<td>-1,068.27</td>
</tr>
<tr>
<td>Digital/Online</td>
<td>137.17</td>
<td>-296.69</td>
<td>637.72</td>
<td>478.20</td>
</tr>
<tr>
<td>Parent Partnership</td>
<td>-185.28</td>
<td>-116.29</td>
<td>-907.62</td>
<td>-1,209.19</td>
</tr>
<tr>
<td>Totals</td>
<td>-777.11</td>
<td>-494.37</td>
<td>-527.78</td>
<td>-1,799.26</td>
</tr>
</tbody>
</table>

Engrossed Substitute House Bill 2065 (2011) cut funding for ALE programs by an average of 15 percent through the 2012–13 school year. OSPI implemented the cut by funding some programs at 80 percent of their normal rate, and others at 90 percent, depending on how much contact time with students the program was able to provide. About two-thirds of ALE FTEs were funded at the 90 percent level.

Most contract-based programs were able to claim at 90 percent, largely because they had existing instructional models that required the necessary in-person instructional time and they served a high percentage of resident students. Online programs, by comparison, often struggled to meet the
contact time requirements, and therefore more online FTEs were claimed at the lower amount. Parent partnerships, by a two-to-one margin, were able to claim at 90 percent.

**Figure 8: Differential Funding by Program Type**

![Bar chart showing differential funding by program type.](#)

Additional data on ALE can be found in Appendix G.

**Assessment**

Scores on the state assessments—the Measurements of Student Progress (MSP), High School Proficiency Exam (HSPE), and End-of-Course (EOC) exams—can help gauge the effectiveness of online school programs.

For this analysis, we looked at assessment results from the known online schools (see Appendix H). If a program tested fewer than 10 students in a particular subject and grade level, those results were not reported or included in this analysis. As a result of this methodology, the results reported here represent a subset of all online students.

**Students Tested**

After seeing the rate of online students tested fall in 2011–12, the rates increased in 2012–13 but did not return to the 2010–11 mark. Exceptions to this were sixth grade reading, sixth grade math, and EOC math year 1 where the rates fell. Testing rates did increase to their highest reported levels in tenth grade reading, tenth grade writing, and EOC biology, but are still running over 20 percent below the state average.

**Assessment Results**

Averaging all tested grades together, students in online school programs met standard on the assessment at a lower rate than the state average; the subject areas with the smallest gaps were reading (3.4 percent gap) and writing (9.7 percent gap). Online students taking the science MSP met
standard at a rate that was 14.2 percent lower than the state average, and the biology EOC had a 13.8 percent gap. Across multiple grades, the gaps were most significant in the subjects of math MSP (27.4 percent gap) and math EOC (23.8 percent). Though the scores are lower, online students did achieve higher scores from the previous year for all grades in reading, seventh grade math MSP, math EOC, all grades in science MSP, and biology EOC.

The scores reported are for the assessments administered during spring 2013. With the small sample sizes (fewer than 500 students tested in each of the grades 3–7), we would expect some variability in the scores. The tenth grade scores are perhaps a more reliable measure of online school performance.

In the results shown on the following pages and Appendix H, scores for all available online schools have been averaged together. There are two measurements of assessment results that are useful for evaluating program effectiveness:

- **Percentage of students who met standard**: This measurement does not include students who had previously passed the subject area of the test in question.

- **Percentage of students who met standard, excluding those with no score**: The first measurement counts any student who should have taken the test, but did not, resulting in a “0” score for the school. By contrast, this measurement includes only those students who actually took the assessment.

**Figure 9: All Subjects, Percent of Students that Met Standard, Excluding No Score Results**

![Bar chart showing the percentage of students who met standard for all subjects excluding no score results.](chart.png)
Table 7: All Subjects, Percent of Students that Met Standard, Excluding No Score Results

<table>
<thead>
<tr>
<th></th>
<th>Online Students Tested</th>
<th>Total Students Tested in State</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reading Scores</td>
<td>2,765</td>
<td>73,570</td>
</tr>
<tr>
<td>Writing Scores</td>
<td>1,307</td>
<td>222,475</td>
</tr>
<tr>
<td>Math Scores</td>
<td>2,022</td>
<td>457,676</td>
</tr>
<tr>
<td>M EOC Scores</td>
<td>1,080</td>
<td>168,905</td>
</tr>
<tr>
<td>Science Scores</td>
<td>777</td>
<td>151,321</td>
</tr>
<tr>
<td>Biology Scores</td>
<td>632</td>
<td>75,325</td>
</tr>
</tbody>
</table>

Reading
There were increases at each grade level from the 2011–12 MSP and HSPE scores. Tenth grade online students met standard at a rate of 82.1 percent, 4.4 percent lower than the state average. Grades five, seven and 10 achieved their highest scores since 2009–10.

Math
In 2011–12, online students in third, fifth, and eighth grade had been achieving at higher levels each year on the MSP. However, MSP scores fell this year in all grades except seventh grade. Online student scores increased in 2012–13 for math EOC to 30.6 percent for year 1 and 55.7 percent for year 2. Although, the scores are much lower than the state average of 55.4 percent for year 1 and 77.8 percent for year 2.

Writing
Tenth grade writing scores continued a gradual decline from previous years. At 79.7 percent, the 2012–13 scores are 9.2 percent lower than the state average. Online students in the fourth and seventh grade lag over 22 percent from the state average but held steady with a very slight increase from 2011–12.

Science
Science scores have increased each year since our initial report of assessment results for online schools in 2009–10. Fifth grade MSP scores have seen strong growth from 19 percent in 2009–10 to 62.4 percent this year. Eighth grade MSP and biology EOC scores have increased slightly each year to reduce the 14 percent gap with the state average.

More details on assessment scores by grade level can be found in Appendix H.

Student Achievement: Completion, Passing, and Grades

CEDARS provides us with data on course completions and grades through “grade history” data submitted by school districts to OSPI. Grade histories are only submitted for students in grades 9–12, so we do not have any course-based achievement data for students in grades K–8.
Completion Rates

Of the 66,085 online courses for which CEDARS has grade history data, 92.3 percent (61,630) were completed. By comparison, students completed 98.0 percent of the 3,871,410 non-online course enrollments with CEDARS grade history data. The 2012–13 online course completion rate is higher than the 2011–12 rate of 90.1 percent. In the 2011–12 report, we’d highlighted a potential anomaly with the 79.1 percent completion rate in 2010–11. Since the other three years (2009–10, 2011–12, and 2012–13) showed completion rates near or above 90 percent, the 2010–11 data appears to be an anomaly.

For grade history data from CEDARS, the completion rate is the percentage of total enrollments where the student was not marked as withdrawn ("W") or no credit ("NC"), and for which the student received a final grade.

A course withdrawal does not necessarily imply failure, as many courses are dropped, especially early in the course, for reasons independent of the student’s or provider’s performance in the course. A student may withdraw from a course due to a schedule change, for example, or a realization that the course content or environment does not match his or her educational needs. In some cases, however, a dropped course does represent a failed course. Unfortunately, the data set available to us does not explain why a student dropped the course, so we do not have insight into that aspect.

In previous reports, we noted some variation from district to district in terms of when a program awarded a “NC”, “W”, or “F.” Broadly, there are three schools of thought with regards to the use of the “NC” grade. The first type only awards “NC” in rare circumstances, preferring to either assign a “W” for a withdrawn course. The second type of district uses “NC” to designate a dropped course. The third type uses “NC” as a proxy for a failed course, assigning that grade rather than an “F”. Recognizing that there is significant variation between districts, we will remain consistent with our 2010–11 and 2011–12 reports and group the “NC” with the “W.” (This methodology was a departure from the 2009–10 report, where we grouped “NC” grades with “F” grades.)

See Appendix I for course completion rates by school.

Pass Rates

A pass rate is the percentage of total completions where the student received a 70 percent or higher grade (A, B, C, or Pass) in a course. It is calculated based on the provider’s Washington State enrollments for a given school year.

Of the 61,630 completed courses, 66.9 percent passed with a C- or better and 80.4 percent passed with a D or better. Statewide, of the total 3,749,273 completed non-online courses reported in CEDARS, 83.1 percent passed with a C- or better and 92.0 percent passed with a D or better.

As shown in Table 8, the pass rates for online students have been steadily improving throughout the four years for which we have data.
Table 8: Course Completion and Pass Rates From 2009–10 to 2012–13

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Completed Courses (less W/NC)</td>
<td>45,387</td>
<td>52,949</td>
<td>54,296</td>
<td>61,630</td>
</tr>
<tr>
<td>Completion Rate</td>
<td>89.3%</td>
<td>79.1%</td>
<td>90.1%</td>
<td>92.3%</td>
</tr>
<tr>
<td>Pass Rate (C- or better)</td>
<td>47.9%</td>
<td>57.9%</td>
<td>62.8%</td>
<td>66.9%</td>
</tr>
<tr>
<td>Pass Rate (D or better)</td>
<td>60.9%</td>
<td>72.2%</td>
<td>75.4%</td>
<td>80.4%</td>
</tr>
</tbody>
</table>

When examining online schools using data from CEDARS, we have the flexibility to report data in two different ways: courses passed with a C- or better and courses passed with a D or better. This helps to account for the fact that districts often have different definitions of a passed course, some including D grades as passing and others not.

See Appendix I for online course pass rates by school.

**Grades**

CEDARS provides us with a breakdown of grades earned in online courses. See Appendix I for the grading scale used.

**Figure 10: Percentage of Grades Earned in High School, 2012–13**

![Figure 10: Percentage of Grades Earned in High School, 2012–13](image)
High school students in online courses are more likely to earn a D or an F, and less likely to earn an A or a B, as compared to students in non-online courses. But, with four years of data, we see that fewer students are failing their courses and the rates of passing grades (A, B, C) are rising. This suggests that performance in online courses is beginning to mirror performance in non-online courses.

Even with this encouraging trend, we cannot look past the fact that nearly 20 percent of online courses end in failure. Online learning programs attract a very diverse student population in terms of prior academic achievement and motivation for using online learning. Many programs specifically target students who are at risk of dropping out, and many students come to online learning programs having had limited academic success in the past. Although programs that advertise to this population must be prepared to meet their academic needs, clearly the population being served has some effect on the overall performance.

**Withdrawal and Graduation Rates**

**Graduation Rates**

Traditional graduation rates can be difficult to apply to online school programs. Graduation rates for 2012–13 will not be finalized until after the writing of this report, due to the process by which both districts and OSPI verify and analyze the data. We do have graduation rate data available from 2011–12, but this data set should be used with some caution due to the following concerns:

1. The majority of high school online learners appear to be enrolled in online courses on a part-time basis. During 2011–12, fewer than 15 percent of online students took enough online courses to be considered full-time online students. Only one program, WAVA (Monroe), had
more than half of their students enrolled on a full-time basis, and only eight programs had more than half of their students enrolled in at least five courses during the entire school year. Given this, we face a number of issues, including:

a. If we see graduation rate as a tool to measure the effectiveness of a program, a large number of part-time students involved in the analysis can make it difficult to draw firm conclusions about the online program, as there is at least one other non-online program that was providing courses to the student.

b. For most schools, we simply do not have many full-time students upon which to base an analysis. Including part-time students, as is done, only serves to muddy the analysis.

2. There appears to be a fairly high level of mobility in online school programs. In the traditional schooling environment, it is common for students to attend the same school for grades 9–12. With online, many students attend an online school for just a single year or two. Given that a high percentage of students have not attended a school for all four years of high school, graduation rate may not fully speak to a school’s effectiveness.

Of the programs with a cohort of more than 10 students, the adjusted five-year cohort graduation rates ranged from 13.2 percent to 40.6 percent. The complete list of graduation rates for online school programs can be found in Appendix J. For more information on the calculation of graduation rates, see http://k12.wa.us/DataAdmin/pubdocs/GradDropout/GradRateCalculationsinWASchYrsMarc2012.pdf

Given the limitations of graduation rates, we have used the withdrawal rate in an attempt to speak to online program effectiveness. Whenever a student leaves a school, the reason is recorded using a withdrawal code (see Appendix J). We examined records for twelfth grade students based on enrollment data, and found the last enrollment record for a student. The online student data set includes any twelfth grade student who took at least one online course, including students who graduated from online schools, who attended an online school but transferred elsewhere, and students who took individual online courses at a non-online school. For comparison, we also examined records for twelfth graders who did not take an online course during 2012–13.

In the online student data set, 6,225 twelfth graders took at least one online course. Of those, 3,718 (59.7 percent) had a year-end status that indicated a successful outcome, such as graduation or completion of an individualized education program (codes C2, G0, GA, and GB). Of the 86,025 twelfth graders who had not taken an online course in 2012–13, 61,407 (71.4 percent) had a successful outcome.

Given the large number of students enrolled in online experiences in a part-time manner, we also examined withdrawal rates based on the number of online courses a student had taken in twelfth grade.
Figure 12: “Successful” Withdrawal Codes Based on Number of Online Courses Taken, 2012–13

Students taking one to four online courses had a successful outcome in 65.9 percent (3,039) cases, compared to 42.3 percent (428) of students taking five to 10 online courses, and 41.6 percent (251) students taking more than 10 courses. But, given that students taking online courses may have been looking to this medium as a means to make up needed credits, it is difficult to assign causality to the students’ use of online learning and their graduation status. In other words, the students’ use of online learning may not be the cause of their unsuccessful outcome, but rather an unsuccessful attempt to complete high school.

Online students have a higher rate of transfer both out of the school (but remaining within the district) and out of the district, as compared to non-online students. Again, this could be a reflection of the student’s academic situation prior to engaging in online learning, or it could be related to students who had an unsuccessful experience with online learning. Students taking more than five online courses also have a high rate of withdrawals marked as “unknown” (19 percent of students taking 5-10 online courses and 31.5 percent of students taking more than 10 online courses). These students may be expected to return for another year, and many are at a high risk for dropping out.

It appears that many online students either drop out or are at risk of dropping out, which is concerning. But, there are several factors that somewhat mitigate the concerns presented here. Online learning is often seen as the option of last resort for students who are credit deficient and at risk of dropping out. Many of the twelfth grade students taking individual online courses are likely doing it to make up a previously failed course. We would expect to see a higher dropout rate among credit-deficient students. And, on a positive note, there are a significant number of students who use online learning as a strategy to successfully complete high school.

Complete withdrawal code information can be found in Appendix J.
Online Courses in the Credit Recovery Context

Many students turn to online courses as a strategy to make up credits needed for graduation. Based on the 1,390 course enrollments as a student taking an online course after failing a non-online course, students were able to earn at least some credit in 68 percent of those enrollments.

Compared to the total number of online enrollments, 1,390 is a fairly small number that warrants explanation. Courses included in this data set were identified using the state course code. State course codes were first required in the 2012–13 school year and were optional in prior years. To construct this data set, we identified students who took an online course in 2012–13 and had not earned credit in a non-online course with the same state course code in either 2012–13 or a prior year. The 1,390 courses in this data set do not represent every instance when a course was taken for credit recovery. We expect this data set to grow in future years as all courses are coded with the state course codes.

Examining the course-by-course breakdown, we see that the most popular online courses taken in the credit recovery context are ninth and tenth grade English/Language Arts, Geometry, Biology, and Algebra. Of those, Algebra stands out as having the lowest success rate: only 49 percent (34) of enrollments resulted in the student earning credit. This mirrors the overall pass rate (C or higher) in online courses: out of 2,418 completed online Algebra courses, only 49 percent of students earned a passing grade. In non-online courses, 68 percent (116,916) of students passed. Both figures are well below the passing rates for all online and non-online courses, respectively. These figures highlight a potential trouble spot with online courses. This also suggests that online providers should re-examine their Algebra courses to ensure they are as effective as possible, and schools enrolling students in online Algebra courses should ensure that students have adequate support to be successful.

See Appendix K for the results, by subject, for courses taken in the credit recovery context.

Teacher/Student Ratios

ALE programs are required to report the number of certificated instructional staff (CIS) in each program, and their ratio of CIS per 1,000 students is calculated. In non-ALE settings, districts are required to maintain a ratio of 46 CIS per 1,000 students across the entire district. ESHB 2065 (2011) exempted ALE programs from this ratio, but the figure remains useful when comparing online programs to traditional programs.

Looking at the three types of ALE programs, we see that digital/online programs are staffing, on average, at 39.0 CIS per 1,000 students. This staffing level is below the 46/1000 standard in non-ALE schools. Parent partnership programs staffed at a much lower rate—30.3 CIS per 1,000 students. Contract-based learning programs had the highest staffing rate, 55.0 CIS per 1,000 students, reflecting the need for a more hands-on approach when working with at-risk students.

See Appendix L for school-level teacher/student ratios.
**Student Satisfaction Survey**

In January 2013, OSPI surveyed students and parents to examine student and family experiences with approved online providers and to provide a way for prospective students, parents, and schools to compare the options available to them. Providers distributed the survey to enrolled students, and student/parent participation was not mandatory. The results of the survey, as well as all comments submitted by students and parents, are available on the OSPI Web site, displayed by provider, at [http://digitallearning.k12.wa.us/approval/providers/](http://digitallearning.k12.wa.us/approval/providers/).

Overall, students were slightly more satisfied with their online provider in 2013 compared to 2012. The number of students choosing “somewhat satisfied” or “very satisfied” increased from 84 percent to 85 percent.

Looking over the three years for which we have responses, we see a declining number of respondents agreeing that the enrollment process was clear and easy and that enrollment issues were resolved in a clear and timely manner. Even with the declines, nearly 60 percent still agree with both statements.

Students feel well-served by the online teacher (77 percent) and agreed that the online course met the student’s academic needs (78 percent) in similar rates as in previous years.

Some caveats should be noted with this data:

- Some programs had very low response rates.
- The survey included both online school programs and online course providers.
- OSPI instructed high school students to answer the survey on their own, middle school students could work with a parent, and parents were to answer on behalf of elementary-aged students.

For full results, see Appendix M.

**Conclusions and Next Steps**

The Legislature made significant changes to both the ALE and online learning laws in 2013. We recommend that the Legislature not modify either the ALE or online learning laws in 2014. By maintaining a stable regulatory environment, schools will have the chance to fully implement the changes in the laws and rules. And, it will afford OSPI and the State Auditor’s Office at least a year to collect additional data about ALE and online learning. This will help inform any future policy discussions in this area.

In order to ensure that students have access to high-quality online learning options, OSPI will continue to review and monitor online programs. OSPI will also continue to work with the Online Learning Advisory Committee to address any modifications that may need to be made to the provider approval criteria and process. Finally, OSPI will continue to provide technical assistance to school districts around the implementation of online learning programs.
Appendices

Appendix A: DLD Catalog, Enrollment and Demographics.
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_A_DLD_Catalog.xlsx

Appendix B: Approved Online Providers
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_B_Approved_Providers.docx

Appendix C: Demographics for Schools with Online Students
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_C_Demographics_by_school.xlsx

Appendix D: State-level Demographics for Online Students
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_D_State_Demographics.xlsx

Appendix E: Online Course Enrollment Patterns
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_E_Enrollment_Patterns.xlsx

Appendix F: Non-resident Attendance
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_F_NonResidentALE.xlsx

Appendix G: ALE
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_G_ALE_totals.xlsx

Appendix H: Assessment
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_H_Assessment.docx

Appendix I: Student Achievement (Completion Rates, Pass Rates, Grades)
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_I_Student_Achievement.xlsx

Appendix J: Graduation Rates and Withdrawal Rates
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_J_Graduation_Rates_and_Withdrawal_Codes.xlsx

Appendix K: Credit Recovery
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_K_Credit_Recovery.xlsx

Appendix L: Teacher/Student Ratios
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_L_CIS_Ratios.xlsx

Appendix M: Student Satisfaction Survey
http://digitallearning.k12.wa.us/about/reports/2012-13/Appendix_M_Student_Satisfaction_Survey_2013.docx
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