

NEPC REVIEW: PUBLIC-PRIVATE VIRTUAL-SCHOOL PARTNERSHIPS AND FEDERAL FLEXIBILITY FOR SCHOOLS DURING COVID-19 (MERCATUS CENTER, MARCH 2020)



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April 2020

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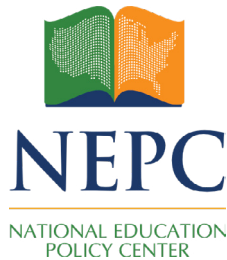
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Executive Summary

A short, new report from the Mercatus Center argues that, in response to the COVID-19 pandemic, education budgets should be reallocated toward investments in virtual schools. It also describes the pandemic as presenting Americans with the opportunity to see the benefits of virtual schooling, which “could change education content delivery forever, making instruction more flexible and suited to the needs of each individual student.” While this is the first report we have seen that makes this argument, it is unlikely to be the last. As the report points out, these virtual schools are primarily run by two private vendors, so the “public-private partnerships” involve school districts contracting with one of these vendors. While immediate crisis responses may reasonably involve such partnerships, the report’s broader call for this crisis response to lead to a long-term shift to virtual schooling is not supported by the report. In fact, this recommendation flies in the face of a half-dozen clear shortcomings of this online approach: low achievement outcomes, disproportionate harm to students with the fewest advantages, limited ability to serve children with special needs, lack of needed infrastructure, an inability to fulfill schooling’s group/team activities or social purposes, and a lack of wraparound services. The sector has also been plagued by misuse of taxpayer funds. With the exception of brief discussions of infrastructure and special education, these issues are not addressed in the Mercatus report. The result is an unconvincing plea for policymakers to use this crisis to embrace an educational approach that the author sees as beneficial, notwithstanding the clear evidence of its limitations and problems.



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I. Introduction

The U.S. and the world are in the midst of a crisis like no other, marked by illness, death, and economic devastation. Because of the need for social distancing, most schools have been closed, with children kept at home as much as possible. In this context, schools have ramped up distance learning. And some of this distance learning makes use of existing virtual-school platforms, largely provided by two private companies, K-12 Inc. and Connections Academy. A new report authored by Jonathan Butcher of the Heritage Foundation and Goldwater Institute, and published by the free-market-oriented Mercatus Center at George Mason University, argues that educational budgets should be reallocated toward investments in these virtual schools, which could guide the way to a transformed future:

As the pandemic forces schools to innovate, Americans will get a glimpse into what the future of learning looks like. Such a perspective could change education content delivery forever, making instruction more flexible and suited to the needs of each individual student. (p. 4)¹

This is the first report we have seen that makes this argument, but it is unlikely to be the last – so we thought it important to engage with the key contentions. In doing so, we stress our appreciation for the hard work of policymakers and educators struggling to find ways to serve their students.² Similarly, when private companies step forward to offer their products (sometimes for free) in this time of need, we do not hesitate to welcome their efforts and ascribe to them only the best of motives. Distance learning is a necessity in the moment, and virtual schooling is a part of that.

But the arguments presented by the new Mercatus policy brief frame a different question: whether the current crisis should be used to advance “Public-Private Virtual-School Partnerships” over the long term. Virtual schools “deliver all curriculum and instruction via the Internet and electronic communication, usually asynchronously with students at home and teachers at a remote location.”³

II. Findings and Conclusions of the Report

Because there are only about three pages of text in the brief, we have the luxury here of presenting the report's primary arguments using its own words. Accordingly, the below description is built around seven key quotes from the report.

The policy brief begins by noting that the U.S. Department of Education (ED) has removed regulatory barriers that might otherwise prevent a large-scale shift to virtual education (and distance education more broadly). Thus, the brief asserts:

Schools and districts should not be allowed to cite rules and point to obstacles that prevent any attempts at offering virtual instruction. The pandemic offers an opportunity to see just how quickly, and how extensively, public and private educators can expand virtual instruction—which may change the way society considers all of education in the future. (p. 1)

In fact, it's those private providers that stand ready to fulfill districts' virtual education needs:

Instead of attempting to create new virtual platforms, school districts and physical charter schools should create public-private partnerships with virtual learning providers. Some private providers are prepared for this arrangement. K12 Inc. and Connections Academy, two of the nation's largest K-12 online learning companies, have already created resources to assist districts. (p. 2, endnote citations omitted)

Public funding will need to be reallocated, to reflect this shift to virtual education:

Lawmakers should also allow districts to repurpose taxpayer resources meant for bus routes, food service, and facility maintenance, to name a few, and use this spending to purchase education services from online providers. (p. 3)

A large-scale shift to virtual education may raise concerns about how protections for students with special needs will be addressed. How, for example, will the needs set forth in Individualized Education Plans (IEPs) under the IDEA or Section 504 Plans be met?

While some schools are acting quickly to try to repurpose content, other districts are waiting for assurance from other federal and state agencies that they will not face sanctions for attempts to provide online instruction to children with special needs. (p. 3)

But the policy memo points out that these are among the regulatory barriers already waived by ED.

[The U.S. Department of Education] memo that said schools should not fear reprisal for good-faith efforts to move classes online, even for children with special needs. (p. 3)

Moreover:

During the pandemic, school administrators, teachers, parents, and policy-makers must understand that schools may have to try different approaches to reach children with special needs, including assistive software and manip-

ulatives such as a specific kind of computer mouse. Existing virtual schools have already been providing such accommodations for children with special needs for many years. (p. 4)

Toward the end, the report portrays a tension between “traditional schools” and people’s interests, with the latter wanting online instruction and former possibly standing the way:

Parents, taxpayers, and policymakers should not allow traditional schools to claim they don’t have the resources or expertise to deliver instruction online . . . (p. 4).

The report acknowledges that it would be quite a leap to scale up to 55 million students, from the current number of one million receiving at least some school content online. But it sees real potential, considering the “near-ubiquity” of Internet access and cell phones, plus the readiness of virtual-school vendors.

The policy brief closes with the earlier-quoted comment that this massive reorganization could change education forever.

III. The Report’s Rationale for Its Findings and Conclusions

While the Mercatus brief is ambitious in its policy scope, it is modest in its presentation. It is a simple thought piece, arguing that policymakers should seize the moment to move forward with virtual schooling. Accordingly, it is replete with admonitions to not let government officials or public schools or lack of vision interfere with this opportunity to advance digital learning and, thus, to potentially change the delivery of education forever.

The brief also expresses the author’s concern that if schools fail at this time to implement virtual education in a high-quality way, “parents will reflect on this temporary period as evidence that online platforms are not prepared to meet the learning needs of children across the country” (pp. 2-3). As such, the brief appears to see the policy window opened by the coronavirus crisis as offering a very important opportunity for virtual-school vendors, so public school authorities and educators must successfully carry out their roles, delivering “instruction online in a user-friendly way that is easy to access” (p. 2).

However, as discussed below, the brief merely assumes that a well-executed scale-up of participation in virtual learning would be beneficial (and would be seen as such). Thus the rationale for the brief’s recommendations is implicitly grounded in the assumption that virtual schools are a heretofore inaccessible product that consumers will love if they just give it a try.

IV. The Report’s Use of Research Literature

By design, the brief is not research-based. It’s a short argument or essay, although it does have endnotes with about 15 different references. Almost all of the references are either to news reports or governmental regulatory guidance or statistics, although three are to vendors or providers of virtual schooling.

V. Review of the Report's Methods

The brief is an advocacy piece that does not make empirical claims about new or existing research, so there are no methods to review.

VI. Review of the Validity of the Findings and Conclusions

The Mercatus brief portrays cyber-schooling as only having to overcome technical and regulatory obstacles. But readers of the brief (and of future, similar arguments presented during this crisis) might consider key, non-technical limitations on the long-term value of large-scale virtual schooling.⁴ These limitations, set forth below, do not render the approach useless; in fact, there are students and families for whom virtual schooling is the best (or the only) realistic option. Rather, the limitations undermine the validity of the core recommendation of the Mercatus brief: that this crisis is an opportunity to demonstrate the potential of virtual schooling to be substantially scaled up (and that we should start doing so).

- A. The Broad Purposes of Schools. With the closure of school buildings throughout the nation, parents and others have become starkly aware that public schools provide much more than academic lessons.⁵ Schools have social purposes, of course, and they provide childcare and supervision. They provide free meals. Particularly in higher-poverty communities, they provide healthcare services and mental health counseling. Full-service community schools provide even more wraparound services. The Mercatus report does not address the loss of these vital services or the impairment of the broad purposes of our schools.
- B. Distance Education versus Virtual Schooling. Initially, readers should note that the policy brief never considers the approach to temporary distance education that most schools seem to be turning to: using products like WebEx and Google Classroom to facilitate communications between the school's students and their teachers. This allows those relationships to continue, for the teachers to provide much-needed supports and stability to students, for the curriculum to continue with as little interruption as possible given the remarkable circumstances, and for the schools to benefit from the teachers' professional knowledge and skill. It's certainly possible that when the crisis-induced wave of distance-education recedes it will leave behind useful fragments of these online approaches. But that is a different discussion than the virtual schooling one proposed in the policy brief.
- C. Quality. The outcomes of online schooling at the K-12 level are consistently and troublingly low.⁶
- D. Discriminatory Impact. Beyond the overall outcomes, online schooling also appears to amplify pre-existing disadvantages. A few years back, Susan Dynarski looked at the extant online-education research at the higher education and K-12 levels and reached the tentative conclusion that, while online courses can offer clear benefits for some advanced students,

academically challenged students do worse in online than in face-to-face courses. The existing evidence suggests that online coursework should be focused on expanding course options or providing acceleration for students who are academically prepared, rather than shoring up the performance of those who are lagging.⁷

- E. Students with Special Needs. The Mercatus brief offers a couple of somewhat contradictory arguments about these students. First, it argues that during this crisis schools should move forward with virtual-school partnerships with private vendors, notwithstanding potential discriminatory impacts on special needs populations, as authorized by the ED memos.⁸ Second, it argues that those private vendors “have already been providing such accommodations for children with special needs for many years.” However, the CREDO study of online charter schools concluded that students with disabilities performed worse on outcome tests than the brick-and-mortar comparison group.⁹
- F. Alternatives for Students with Special Needs. Groups like the State Educational Technology Directors Association and the Center on Online Learning and Students with Disabilities have posted important guidance, recommendations and resources for general-education and special education teachers as lessons move online.¹⁰ We can expect that the transition will be far from seamless, but these are the efforts called for by the ED memos cited by the Mercatus brief, and students with special needs have a right – legal and moral – to ask that all reasonable efforts be made to provide needed resources and accommodations.

A recent article in *Education Week* describes some of the difficulties that school districts are encountering as they attempt to provide a free and appropriate public education for students with special needs:

- “Some special education students don’t have access to home internet, and even mobile hotspots aren’t effective because they live in “dead zones” where there is limited cell phone reception.
- “There are students with behavioral, developmental, and physical needs that require one-on-one support that schools say they can’t deliver remotely. Those include behavioral interventions and specialized instruction for deaf-blind students.
- “There are students with disabilities whose parents don’t speak English and cannot assist educators with home instruction and support.
- “Some schools lack capacity because educators and staff members have had to step away from their duties to care for family.”¹¹

- G. Social Cohesion. Similarly, the report does not engage with the reality that our public school systems are arguably the most vital institutions for providing social cohesion. These schools also often serve as the center of communities in rural areas as well as urban areas.

- H. Group Activities. The effects of moving away from in-person schooling are felt very

directly for students involved in team sports, music, the arts, and various forms of community engagement.

- I. Fraud and Misuse of Taxpayer Money. Finally, the policy brief skips over any concerns about the misuse of taxpayer money by virtual-school vendors.¹² Scaling up this sector and shifting more public money to these companies, without serious new controls on spending, auditing, and transparency, is inviting more such problems.

VII. Usefulness of the Report for Guidance of Policy and Practice

This new brief from the Mercatus Center offers a clear example of “disaster capitalism” – the exploitation of instability and crisis to advance marketization – as set forth by author Naomi Klein.¹³ To the author’s credit, he does not try to hide that goal, instead embracing what he sees as a potential beneficial consequence of the awful crisis now facing the country. Yet the benefits of a longer-term scaling up of virtual schooling are far from apparent, given the documented problems and limitations of the sector. In fact, history and recent evidence strongly suggest that the disadvantages and shortcomings of virtual schools will generate more harm than good to the quality of schools and the coherence of our society.

We suspect that this short policy brief is just the first of many proposals from advocates for various forms of marketization and privatization of American schooling. Yet the real lesson for many Americans is a renewed appreciation for vital roles played by their children’s schools and teachers. When the current crisis ends and the country steels itself for the enormous task of rebuilding, we will face collective choices hopefully informed by a great deal of democratic deliberation. Some of those choices will point away from our system of common schools, as proposed, e.g., by the Mercatus policy brief. Other choices will invite a renewed investment in that institution, restoring and improving the public school system to last for years to come.

Notes and References

- 1 Butcher, J. (2020, March 25). *Public-private virtual-school partnerships and federal flexibility for schools during COVID-19*. Arlington, VA: Mercatus Center at George Mason University. Retrieved March 27, 2020, from <https://www.mercatus.org/system/files/butcher-virtual-schools-covid-19-mercatus-v1.pdf>
 - 2 The current situation is undoubtedly exacerbating inequities, which we can easily see from the perspective of two areas of research that demonstrate differences in learning when students are not in school. Before students even begin the first grade, we see gaps in measured learning. See Chatterji, M. (2006). Reading achievement gaps, correlates, and moderators of early reading achievement: Evidence from the early childhood longitudinal study (ECLS) kindergarten to first grade sample. *Journal of Educational Psychology*, 98(3), 489-507. In addition, research has documented a “summer slide” that exacerbates measured achievement gaps. See Alexander, K. L., Entwisle, D.R., & Olson, L.S. (2007). Lasting consequences of the summer learning gap. *American Sociological Review*, 72(2), 167-180. Given such research, policymakers can unfortunately anticipate that the disruption in formal schooling in the spring of 2020 will drive further opportunity gaps and thus achievement gaps. We reasonably feel a sense of urgency and welcome well-motivated attempts to provide resources and opportunities in this time of great need.
 - 3 Molnar, A., Miron, G., Elgeberi, N., Barbour, M. K., Huerta, L., Shafer, S. R., Rice, J. K. (2019). *Virtual schools in the U.S. 2019*. Boulder, CO: National Education Policy Center. Retrieved March 27, 2020, from <http://nepc.colorado.edu/publication/virtual-schools-annual-2019> (p. 7).
 - 4 The utility of the policy brief is undermined by an unsubstantiated faith in computers and cell phones as an infrastructure substitute. For instance, it simply notes and then dismisses the problem that nine percent of homes do not have any form of broadband, with rural areas particularly underserved. But the long-term plan of the author would likely be for all of these gaps to be closed by an infusion of public spending.
 - 5 See, e.g., the brief discussion in Cohen, D. (2020, March 25). *COVID-19 is putting the value of public schools on display*. Oakland, CA: In the Public Interest. Retrieved March 29, 2020, from <https://www.inthepublicinterest.org/covid-19-is-putting-the-value-of-public-schools-on-display>
 - 6 Fitzpatrick, B.R., Berends, M., Ferrare, J.J., & Waddington, R.J. (2020). Virtual illusion: Comparing student achievement and teacher and classroom characteristics in online and brick-and-mortar charter schools. *Educational Researcher*. Retrieved March 29, 2020, from <https://journals.sagepub.com/doi/pdf/10.3102/0013189X20909814>
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- Woodworth, J.L., Raymond, M.E., Chirbas, K., Gonzalez, M., Negassi, Y., Snow, W., & Van Donge, C. (2015). *Online charter school study 2015*. Stanford, CA: Center for Research on Educational Outcomes. Retrieve March 28, 2020, from https://credo.stanford.edu/sites/g/files/sbiybj6481/f/online_charter_study_final.pdf
- At the college level, see Bettinger, E.P., Fox S., Loeb, S., & Taylor, E. (2017). Virtual classrooms: How online college courses affect student success. *American Economic Review*, 107(9), 2855-2875.
- 7 Dynarski, S.M. (2017). *Online schooling: Who is harmed and who is helped*. Washington, DC: The Brookings Institution. Retrieved March 28, 2020, from <https://www.brookings.edu/research/who-should-take-online-courses/>
- See also Larkin, M. (2020, March 11). *Separated by a screen? Advice for online teaching amid the coronavirus outbreak*. Boston, MA: WBUR. Retrieved March 28, 2020, from <https://www.wbur.org/edify/2020/03/11/online-learning-best-practices-coronavirus>

- 8 ED released a guidance document on March 12, 2020 and a “fact sheet” on March 21, 2020.
- 9 Woodworth, J.L., Raymond, M.E., Chirbas, K., Gonzalez, M., Negassi, Y., Snow, W., & Van Donge, C. (2015). *Online charter school study 2015*. Stanford, CA: Center for Research on Educational Outcomes. Retrieve March 28, 2020, from https://credo.stanford.edu/sites/g/files/sbiybj6481/f/online_charter_study_final.pdf

See also Lin, E. (2008). Virtual schools: Real discrimination. *Seattle University Law Review*, 32, 177-200. Retrieve March 28, 2020, from <https://digitalcommons.law.seattleu.edu/cgi/viewcontent.cgi?article=1924&-context=sulr>
- 10 See, for example, State Educational Technology Directors Association: <https://www.setda.org/main-coalitions/elearning/accessibility/>

Center on Online Learning and Students with Disabilities: <http://www.centerononlinelearning.res.ku.edu/>
- 11 Blad, E. (2020, March 31). Fierce debate as DeVos weighs schools’ obligations to students with disabilities. *Education Week*. Retrieved April 1, 2020, from <http://blogs.edweek.org/edweek/campaign-k-12/2020/03/devos-idea-coronavirus-special-education.html>
- 12 See, for example:

Wang, S. (2020, February 12). In a damning audit, Indiana calls on two virtual schools to repay \$85 million in misspent state funds. *Chalkbeat*. Retrieved March 27, 2020, from <https://chalkbeat.org/posts/in/2020/02/12/in-a-damning-audit-indiana-calls-on-two-virtual-schools-to-repay-85-million-in-misspent-state-funds/>
- 13 Klein, N. (2007). *The shock doctrine: The rise of disaster capitalism*. New York, NY: Allen Lane.