

**COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF EDUCATION  
STATE CHARTER SCHOOL APPEAL BOARD**

Insight PA Cyber Charter School	:	
	:	
v.	:	CAB Docket No. 2015-01
	:	Appeal from Denial of Charter
Pennsylvania Department of Education	:	

**OPINION**

**I. BACKGROUND**

This matter comes before the Pennsylvania State Charter School Appeal Board (“CAB”) on an appeal by Insight PA Cyber Charter School (hereinafter “Insight” or “Applicant”) from the denial of its Cyber Charter School Application (“Application”) by the Pennsylvania Department of Education (“PDE”).

**II. PRELIMINARY MATTER**

Insight submitted applications to PDE in 2012, 2013, and 2014 respectively. *See* Insight Amended Facts. Insight argues that the previous denials by PDE in 2012 and 2013 should be considered by CAB because they show an alleged bias of PDE in denying cyber charter applications. However, Insight chose not to file an appeal with CAB after its 2012 or 2013 applications were denied. Thus, CAB takes official notice of the previous denials, but considers only the 2014 application relevant to the current proceedings.<sup>1</sup> CAB’s consideration of an appeal of PDE’s denial of a charter is based only on the application before it. 24 P.S. § 17-1745-A(d). However, according to the Charter School Law (“CSL”), CAB may supplement the record

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<sup>1</sup> Insight contends that it submitted a revised application in 2012 in accordance with 24 P.S. § 17-1745-A(g), and that CAB should take official notice that PDE received the revised application but never acted on it. Insight Amended Facts at 2. CAB takes official notice of these applications pursuant to Pa.R.E. 201(b)(2) and 1 Pa. Code § 35.173, but finds the previous applications irrelevant to the instant proceeding. Insight had a remedy for the denial of its 2012 and 2013 applications and the alleged failure to act on the 2012 revised application and chose not to exercise these remedies.

if the supplemental information was previously unavailable. 24 P.S. § 17-1746-A(b)(1). CAB takes into consideration the Certified Record<sup>2</sup> and also the Additional Materials<sup>3</sup> that were admitted into the Record as supplemental information pursuant to CAB's May 6, 2015 Order.

### **III. RELEVANT PROCEDURAL HISTORY**

On October 1, 2014, Insight submitted an application to PDE to establish a cyber charter school. On November 14, 2014, PDE held a public hearing on the Application. *See* Transcript. After the hearing, counsel for the Office of General Counsel ("OGC"), PDE, and Insight exchanged a series of emails regarding elements of the application and testimony from the hearing, starting with an email on December 22, 2014. Appx. at 2. On January 14, 2015, Insight's attorneys met with the Secretary of Education (then-Acting Secretary Carolyn Dumaresq), OGC and PDE counsel. Appx. at 8, 50. Counsel continued to exchange emails after the January 14 meeting. Appx. at 8-48.

On January 26, 2015, Insight submitted a letter to PDE along with supplemental information gathered by Insight in conjunction with PDE to support its application. Appx. at 50; *see also* note 3. On January 29, 2015, PDE denied the Application and provided Insight with reasons for the denial and a description of the deficiencies PDE found in the Application. Appx. at 173. PDE stated that it did not consider the supplemental information, but instead based its decision on the original Application Insight submitted on October 1, 2014. Answer at 6.

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<sup>2</sup> The Certified Record consists of: (1) Insight's Cyber Charter School Application ("2014 Application"); (2) Transcript from the November 14, 2014 Public Hearing on Insight's Cyber Charter School Application ("Transcript"); and (3) PDE's January 29, 2015 Denial of Insight's Cyber Charter School Application ("Denial") located in the Appendix to Insight's Amended Brief.

<sup>3</sup> The Additional Materials consist of: (1) The emails and attachments dated December 22, 2014 through January 16, 2015 (Appx. at 1-48); and (2) the January 26, 2015 letter from Insight's Counsel to PDE's Charter Schools Office and additional emails (Appx. at 50-171).

On February 27, 2015, Insight filed an appeal with CAB regarding PDE's January 29 Charter Denial ("Appeal"). On March 18, 2015, PDE received CAB's letter acknowledging receipt of Insight's Appeal and directed PDE to file an answer and the record of the application proceeding within ten days of receiving the letter. On March 31, 2015, PDE filed an answer to the Appeal ("Answer") and the record of the application proceeding.

On April 9, 2015, PDE filed a Motion in Limine ("Motion") to have the Additional Materials, which had been attached to Insight's appeal, excluded from the record before CAB. On April 21, 2015, Insight filed an objection to PDE'S Motion and filed a Cross Motion to supplement the record with the Additional Materials. On May 6, 2015, after a telephone conference call among counsel, counsel for CAB issued an order denying PDE's Motion and granting, in part, Insight's Cross Motion allowing the Additional Materials to be submitted into the record before CAB. PDE retained its objection and preserved its right to appeal the decision to supplement the record.<sup>4</sup> Answer at 6. Subsequently, Insight filed a Motion to Strike portions of PDE's Answer on May 22, 2015. PDE filed a Cross-Motion to Strike portions of Insight's Findings of Facts and Brief on June 1, 2015. CAB granted Insight's Motion and granted in part and denied in part PDE's motion. A Hearing before CAB ("CAB Hearing") was held on June 9, 2015. CAB then voted on this appeal at its meeting on July 15, 2015.

#### **IV. FINDINGS OF FACT**

##### **A. Procedural History**

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<sup>4</sup> PDE was not required by the CSL to accept the Additional Materials from Insight after the conclusion of the November 2014 Hearing. However, the Record established through both OGC's and PDE's actions shows that PDE accepted such information and made no effort to reject or rebuff Insight from continuing to send information during the period of December 22, 2014 through January 16, 2015. Thus, PDE will not now be permitted to exclude that which it solicited and entertained during that entire period of time.

1. In 2012, Insight first submitted an application to PDE to establish a cyber charter school pursuant to the CSL.
2. On January 28, 2013, PDE denied Insight's 2012 application.
3. On April 26, 2013, Insight filed a revised application with PDE.
4. Insight submitted another application in the fall of 2013.
5. On January 23, 2014, PDE denied Insight's 2013 application.
6. Insight did not appeal PDE's 2013 denial to CAB.
7. On October 1, 2014, Insight submitted another application to PDE to establish a cyber charter school.
8. On November 14, 2014, PDE held a public hearing to consider the Application ("November 2014 Hearing").
9. At the November 2014 Hearing, PDE denied Insight's request to supplement the record. Certified Record at 202.
10. Between the hearing and PDE's decision, counsel for Insight, OGC, and PDE exchanged emails beginning on December 22, 2014.
11. PDE states that no representation was made to Insight that information or documents created by Insight after obtaining technical assistance and guidance from PDE would become part of its Application or part of the record on which PDE would base its decision to grant or deny Insight's Application. Additional Materials; PDE Findings of Fact at 2 n. 6.
12. On January 14, 2015, Insight attorneys met with Secretary Dumaresq and counsel for OGC and PDE to discuss the Application.
13. On January 26, 2015, Insight submitted additional materials to PDE (Appx.).

14. Secretary Dumaresq left office without having acted on Insight's application.<sup>5</sup>

15. On January 29, 2015, Secretary Pedro Rivera,<sup>6</sup> denied Insight's 2014 Application

("Denial"). The denial stated the following deficiencies (Appx. at 173-191):

- i. The applicant failed to submit sufficient evidence of proper governance and of the necessary support and planning to provide a comprehensive learning experience to students.
- ii. The applicant failed to provide sufficient information to demonstrate compliance with technology requirements applicable to and necessarily part of the operation of a cyber charter school.
- iii. The applicant failed to demonstrate that it was prepared to meet the needs of students with disabilities.
- iv. The applicant failed to provide sufficient evidence of an English as a Second Language Program.
- v. The applicant failed to demonstrate a necessary understanding of the applicable academic assessment and accountability programs and of the resources available to schools and students.<sup>7</sup>
- vi. The applicant failed to demonstrate necessary financial support and planning.

16. The Denial noted that PDE did not consider the Additional Materials as part of the Application and record on which PDE based its decision to deny Insight's Application because the Additional Materials were submitted after the October 1, 2014 application deadline. Certified Record at 1.

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<sup>5</sup> Insight places emphasis on the understanding of Insight's counsel that former Secretary of Education Carolyn Dumaresq indicated she would not deny Insight's Application. *See* Appx. at 48-49; *see also* CAB meeting at 21-22, 27-28. CAB acknowledges the correspondence between OGC, PDE, and Insight; and it notes that Secretary Dumaresq did not act on the Application before leaving office. Consequently, CAB bases its decision not on Secretary Dumaresq's alleged remarks but on an assessment of the record as it stands.

<sup>6</sup> PDE Secretary Rivera has recused himself from this appeal as is mandated in the Charter School Law (CSL). 24 P.S. § 17-1746-A(b).

<sup>7</sup> While this criterion was used in PDE's Denial, PDE did not address it in its Answer to Insight's Appeal, and it was not part of the record created at the CAB Meeting. As such, CAB will also not address this issue.

17. PDE's Denial further noted that Insight could have properly requested PDE's consideration of the Additional Materials by availing itself of the revise and resubmit procedures pursuant to section 1745-A(g) of the CSL. 24 P.S. § 17-1745-A(g).

18. On February 27, 2015, Insight filed an Appeal with CAB.

**B. Governance/Comprehensive Learning Experience**

19. Insight's application included an organizational chart that showed only the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") as reporting directly to Insight's Board. Application at 9.

20. The other administrative staff who are involved with Insight were all K12 employees and they all reported to K12's Executive Director. *Id.*

21. K12's Executive Director had dual reporting responsibilities to K12's Regional Vice President-East and to Insight's CEO. *Id.*

22. The Director of Finance, a K12 employee, reports to both the executive Director and the CFO, but there is no direct relationship between the remainder of the fiscal staff, all of whom are K12 and Insight employees. *Id.*

23. Insight's teachers and lead teachers report to K12 Principals who report to K12's Director of Academics who in turn reports to K12's Executive Director. *Id.*

24. Insight has contracted with K12, a for-profit virtual educational products and services provider, for K12 to provide curriculum and management services to Insight. Appx. at 198.

25. Insight included an executed copy of the Amended and Restated Educational Products and Services Agreement ("Agreement") in its Application. Appx. at 193-231.

26. In accordance with CAB's May 6 Order, Insight supplemented the record on appeal with additional materials concerning the Agreement. Appx. at 1-48.

### C. Technology

27. PDE found that Insight “failed to provide sufficient information to demonstrate compliance with technology requirements applicable to and necessarily part of the operation of a cyber charter school.” Appx. at 181.
28. PDE determined Insight did not adequately plan for the necessary level of internet connectivity. *Id.*
29. PDE also determined Insight did not provide evidence that it had developed policies or formalized procedures to ensure that appropriate arrangements could be made for students to obtain adequate access to the internet at the same level and quantity, including the allocation of sufficient funds for reimbursing individual students for the cost of internet connectivity. Appx. at 181-82.
30. PDE found that Insight failed to provide information about plans to educate students regarding proper online behavior and safety. Appx. at 182.
31. Insight has submitted an Acceptable Use Policy and an Anti-Cyberbullying informational policy in the Additional Materials. Appx. at 21-28.
32. Insight based its budget for reimbursing students for internet expenses on K12’s past record of student reimbursement in Pennsylvania. Amended Brief at 34.
33. Insight provided testimony at the November 2014 Hearing on internet connectivity, citing examples by which the school would ensure that all students would have requisite connectivity. Transcript at 221-23.
34. Insight also provided written information in the Additional Materials clarifying its policy and commitment toward compliance with requirements for reimbursement for internet and related services. Appx. at 55.

35. Insight answered the questions in the Application regarding technology in a comprehensive manner. *See* Appx. at 268-75.

#### **D. Special Education**

36. PDE found that Insight “failed to demonstrate that it was prepared to meet the needs of students with disabilities.” Appx. at 182.

37. PDE contends Insight did not adequately plan for the provision of special education resources across the state because Insight failed to demonstrate that it had initiated the process of contacting service providers throughout the state. Appx. at 183.

38. PDE found Insight did not adequately demonstrate knowledge of the requirements for providing special education programs and services in a cyber environment because Insight did not include a narrative or other evidence of policies or procedures in several key areas of special education that would demonstrate a working knowledge of how special education operates and how Insight will implement these requirements within its program. *Id.*

39. In its Application, Insight provided a list of 45 special education programs/services providers across the state that have a history of supporting students with disabilities enrolled in Pennsylvania cyber charter schools. Appx. at 284-85.

40. Insight also provided information, both in its Application and at the November 2014 Hearing, about its plans for providing special education services to students with disabilities. *See* Appx. at 277-79, 282-83, 287-88; Transcript at 45, 50-51, 66-68, 149, 154, 196.

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#### **E. English as a Second Language**

42. PDE found that Insight “failed to provide sufficient evidence of an English as a Second Language Program.” Appx. at 184.



43. PDE contends that Insight intends to use K12's pre-packaged English as a Second Language ("ESL") curriculum and did not verify that this curriculum is aligned to Pennsylvania Academic Standards and English Language Proficiency Standards. *Id.*
44. Insight's application provided detailed information in over 100 pages describing Insight's primary instructional plan and curriculum for ESL students. *See* Appx. at 290-309; Application Appx.
45. Insight provided information about its supplementary program using materials from National Geographic. Appx. at 45-46, 67-124, 135-71.

#### **F. Financial Support and Planning**

46. PDE found that Insight "failed to demonstrate necessary financial support and planning." Appx. at 187.
47. PDE determined Insight failed to demonstrate its ability to manage and oversee its finances appropriately. Appx. at 190.
48. PDE found that aside from its volunteer Board Treasurer, Insight will employ only a CFO to perform financial management tasks. *Id.*
49. Insight's CFO's responsibilities are to manage school revenues, financial audits and calculations of payments to K12 and to develop the budget and propose modifications in partnership with K12. Appx. at 199-200, 202-03.
50. K12 will employ all other individuals who perform financial management tasks and these individuals will report to K12's Executive Director. *See* Agreement.
51. Insight provided both a Proposed One-Year Budget and a Five-Year Budget. Appx. at 356-63.

52. In Insight's budget, K12's administrative services are not only delineated as professional services but also as several other line item categories, making it difficult to determine if some payments for fees to K12 are duplicative of expenditures to be incurred directly by Insight. *See Appx. at 188, 356-63.*

## V. CONCLUSIONS OF LAW

1. This matter is properly before CAB to review the decision made by PDE to deny a charter school application based on the criteria established in section 1745-A(f)(1). 24 P.S. §§ 17-1745-A(f)(4); 17-1746-A(a)&(b)(1).
2. The Charter School Law ("CSL") governs the application process, the approval process, and the operation of charter schools in Pennsylvania. 24 P.S. §17-1701-A *et seq.*
3. CAB's standard of review is *de novo*. *W. Chester Area Sch. Dist. v. Collegium Charter Sch.*, 812 A.2d 1172, 1180 (Pa. 2002).
4. In a cyber charter school appeal, CAB must "[r]eview the decision made by the department . . . on the record as certified by the department." 24 P.S. § 17-1746-A(b)(1).
5. The Charter School has the burden of proving that all of the enumerated requirements as to contents of a charter school application were satisfied, including:
  - i. The demonstrated, sustainable support for the charter school plan by teachers parents or guardians and students;
  - ii. The capability of the cyber charter applicant, in terms of support and planning, to provide comprehensive learning experiences to students under the charter;
  - iii. The extent to which the programs outlined in the application will enable students to meet the academic standards under 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4;
  - iv. The extent to which the application meets the requirements of section 17-1747-A; and

- v. The extent to which the cyber charter school may serve as a model for other public schools.

24 P.S. § 17-1745-A(f)(1).

- 6. Insight failed to demonstrate proper governance and the independence necessary to provide a comprehensive learning experience to students. *See* 24 P.S. § 17-1702-A; 17-1719-A(4); 17-1745-A(f)(1)(ii); 17-1747-A.
- 7. Insight demonstrated its capability to comply with the technology requirements necessary for a cyber charter school. *See* 24 P.S. §§ 17-1719-A, 17-1743-A(e)(3), 17-1747-A(6), -A(9).
- 8. Insight demonstrated its capability to meet the needs of students with disabilities. *See* 24 P.S. §§ 17-1719-A, 17-1747-A(13).
- 9. Insight demonstrated its capability to comply with the Commonwealth requirements for establishing an English as a Second Language program. *See* 24 P.S. §§ 17-1719-A(5); 17-1747-A(1); 22 Pa. Code §§ 4.12,
- 10. Insight failed to demonstrate the necessary financial support and planning to operate a cyber charter school. *See* 24 P.S. §§ 17-1719-A(9); 17-1725-A(a)(5).

## **VI. DISCUSSION**

### **A. Standard of Review**

CAB is required to apply a *de novo* standard of review when considering decisions denying charter school applications. 24 P.S. § 17-1746-A; *see also* *W. Chester*, 812 A.2d at 1180. Insight argues that the CSL’s omission of language requiring PDE to give “due consideration” from section 17-1746-A(b)(1) of the CSL implies that the General Assembly “intended such decisions to be treated differently than those of a local school board.” Amended brief at 16. CAB agrees. However, CAB is required to [r]eview the decision made by the

department . . . on the record as certified by the department.” 24 P.S. § 17-1746-A(b)(1).

Although CAB will certainly consider the Department’s reasons for denial, and allow the Department to guide its review of the application, it will conduct a *de novo* review and will not give “due consideration” to the findings of the Department. 24 P.S. § 17-1746-A.

**B. Failure to Submit Evidence of Proper Governance and Independence to Provide a Comprehensive Learning Experience to Students**

Pursuant to sections 1719-A, 1745-A(f) and 1747-A of the CSL, an applicant seeking to establish a cyber charter school must demonstrate that it has the ability to provide comprehensive learning experiences to students in compliance with the CSL. *See* 24 P.S. §§ 17-1719-A; 17-1745-A(f); 17-1747-A. Charter schools are permitted to contract management and administrative roles out to for-profit entities. *See W. Chester*, 760 A.2d at 468. According to the CSL, the charter school’s board of trustees may “employ, discharge, and contract with necessary professional and nonprofessional employees” for the purposes of budgeting, curriculum, and operating procedures. 24 P.S. § 17-1716-A(a); *see also* 24 P.S. §§ 17-1724-A(a) ; 17-1749-A(a)(1). Additionally, charter schools may create contracts and enter into leases in order to procure services, equipment and supplies. *See* 24 P.S. §§ 17-1714-A(5); 17-1749-A(a)(1).

CAB has also held that a charter school may contract with a for-profit entity that has proprietary educational or curricular materials or has educational/managerial expertise. *See In re: Collegium Charter Sch.*, CAB Dkt. No. 1999-9 at 24. The caveat in all of the aforementioned scenarios is that the charter school’s board of trustees must maintain *real* and *substantial* authority over both educational decision-making and school staff. *See W. Chester*, 760 A.2d at 468 (emphasis added). It is a charter school board’s retention of “ultimate” or “fundamental control” over educational decisions that enables the board to ensure that its students receive a

comprehensive learning experience. Although a for-profit entity is permitted to provide curricular guidance and management services to a charter school, the board is meant to retain the responsibility for key educational decisions that will ensure that the students have a comprehensive learning experience. *See In re: Fell Charter Sch.*, CAB Dkt. No. 2001-9 at 13-17 (citing *In re: Lincoln-Edison Charter Sch.*, CAB Dkt. No. 2000-11 at 7-8).

1. *Insight's Board of Trustees lacks real and substantial managerial authority over the budget.*

PDE argued that the Agreement between Insight and K12 placed Insight at greater financial risk than K12 and did not adequately provide for the maintenance of Insight's financial solvency. PDE points out that under the Agreement, K12 can terminate the Agreement if Insight's Board "adopts an annual school budget, or budget modification, which reasonably anticipates the non-payment of K12's fees due under this Agreement." Appx. at 19; Answer at 13-14. Insight has no comparable right to terminate. PDE suggests that Insight's inability to terminate the contract in a comparable fashion if Insight is at financial risk of insolvency means that the Board lacks managerial authority over the budget. Answer at 13-14. In addition, the only remedy for the Board's adoption of a budget or budget modification which anticipates K12's non-payment is for Insight and K12 to collaborate to find alternative funding, agree to budget adjustments, or seek alternative means for the Board to pay K12's fees. Appx. at 19.

PDE notes that Insight may still terminate if the parties do not agree to any of the alternatives within the thirty-day timeframe. Answer at 14. If K12 elects not to terminate, K12 can "revise and determine the level of products and services to be provided . . . in consultation with the Board or CEO" in order to allow for the payment of K12's fees. Appx. at 19. PDE found that this provision meant that Insight must agree to any of K12's proposed price increases

to avoid termination or a loss of valuable educational products and services that are necessary to provide a comprehensive learning experience to students. Answer at 13-14.

Insight argued that PDE was attempting to place Insight and all cyber charter schools in a “unique, commercially disfavored situation” by purporting to insist upon contract terms that PDE finds favorable. Amended Brief at 27. Insight asserted that it is commercially reasonable for a school to enter into a contract with a for-profit management company and “agree to fixed terms that provide the other party certainty as to how long the relationship will last.” *Id.* Insight also argued that the terms of the Agreement are reasonable because schools have to give management companies some assurances in order to entice companies to provide better pricing.<sup>8</sup>

CAB finds the situation more complicated than either PDE or Insight postulates. CAB has reviewed the Transcript of the November 2014 Hearing and identified information that conflicts with the Agreement and Insight’s Amended Brief regarding the degree of financial risk that this provision gives to Insight. At the Hearing, K12 employees assured PDE that if Insight was anticipating its inability to pay K12 within the first fiscal year, Insight would “work for free” in order to allow for budget modifications, made by Insight and K12 collaboratively, ensuring that teacher salaries and school expenses were still paid. Transcript at 139-42. Insight and K12 modified the Agreement to amend Section 6.2, *Priority of Payments*, to place K12’s fees and any loans from K12 to Insight in the penultimate and ultimate positions, respectively. Appx. at 17. Even so, there is still no provision in the Agreement that corroborates K12’s testimony at the Hearing that K12 would reduce its fees to any extent necessary to achieve a positive operating

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<sup>8</sup> Insight cites that “financial inability to perform will not discharge a contractual obligation” as support for its position that there does not need to be a provision in the Agreement allowing Insight to terminate if continuing with the contract would result in Insight’s financial insolvency. Amended Brief at 28 (quoting *Luber v. Luber*, 614 A.2d 771, 774 (Pa. Super. 1992)).

result and allow the deficit to K12 to be carried over to the next year.<sup>9</sup> *Id.* CAB finds this situation to be untenable.

The CSL and CAB precedent allow charter schools to contract with for-profit management companies only so long as the Board retains ultimate control over educational decisions. Here, K12 prepares and submits reports on school finances to the Board, and Insight's CFO has little cognizable oversight of the actions of K12 employees. *See* Appx. at 200. In the case of Fell charter school and its relationship with the for-profit company, Mosaica, Mosaica prepared future annual budgets "but [they were] subject to the *approval of the board.*" *In re: Fell Charter Sch.*, CAB No. 2001-9 at 16. In this situation, Insight's Board has little authority to dispute any proposed budget or budgetary changes. If the budget will anticipate the non-payment of K12's fees, and Insight and K12 do not agree on alternative funding or budget adjustments to allow for payment of K12's fees within a mere thirty days, then K12 may terminate the agreement immediately.<sup>10</sup> In such case, Insight will be left with only a CFO and CEO and a teaching staff but no other administrative staff or curricular materials. Insight will then be without the services necessary to run a cyber charter school and maintain a comprehensive learning experience for its students.<sup>11</sup> Even with the ninety-day buffer added to the Agreement, the majority of the staff and administration is employed by K12 and most if not all educational materials belong to K12, leaving Insight essentially without operational capacity.

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<sup>9</sup> Insight relied on the re-budgeting process (Agreement § 4.2, Appx. at 200) and the payment terms (Agreement § 6.2, Appx. at 17) to argue that K12 is at financial risk instead of Insight. However, this is untrue because K12 determines whether it is owed funds by Insight and the Adverse Budget Termination provision can be invoked allowing K12 to terminate.

<sup>10</sup> K12 may terminate its contract by giving at least ninety days' notice prior to the commencement of any school year or by giving notice prior to the end of a school year.

<sup>11</sup> Even the Principals are K12 employees until Insight *may* decide after the *second* year to directly employ them along with the Attendance and Truancy Elimination Coordinators. *See* Appx. at 19. However, Insight argues that the scenario where K12 will not get paid is unlikely to occur or will be a singular occurrence if it does. *See* Transcript at 139-42.

Thus, CAB agrees with PDE that there is a discrepancy in bargaining power between K12 and Insight that is not adequately remedied in the Agreement.

It is also problematic that Insight does not appear to have any recourse for disputes over a budget amount other than formal legal proceedings. As noted in the 2014 Hearing, the Agreement does not provide a method for redress after Insight submits a good faith claim and supporting documentation to challenge a budget amount. Transcript at 180, *c.f.* Appx. at 205. Thus, CAB finds that the management agreement between K12 and Insight fails to afford Insight's Board with the necessary managerial authority over the budget to ensure a comprehensive learning experience for its students.

*2. Insight's Board lacks real and substantial managerial authority over the staff.*

PDE also contends that Insight lacks the ability to hire and fire the majority of the school's staff, with that responsibility falling to K12. As PDE argues, "the Agreement provides K12 with the authority to hire, supervise, compensate and determine compensation, evaluate, transfer, promote, discipline, and dismiss K12 staff assigned to Insight, which would include the large majority of those individuals providing services to Insight's students." Answer at 15; *see* Appx. at 203 (Agreement § 7.2).

Other than a Chief Executive Officer ("CEO"), who will manage the day-to-day operations of the school, and a Chief Financial Officer ("CFO"), who will manage school revenues, financial audits, and the calculation of payments to K12, all other staff report directly to K12. Answer at 15; Appx. at 202-03 (Agreement § 7.1, 7.4). Insight would hire the teachers and student counselors, but they would report to K12. *Id.* K12 would employ an Executive Director to implement K12's programs and initiatives. Appx. at 197 (Agreement § 1.7). K12 would also employ directors of operations, academics, finance, and student services. Appx. at



203 (Agreement § 7.4). K12 is also initially responsible for employing the student support staff, including those individuals who interact with students directly, such as Special Education Coordinators, the Registrar, Nurses, Community Relations Coordinators, Truancy Officers, Related Services Coordinators, etc.<sup>12</sup> *Id.*<sup>13</sup>

PDE also found fault with the method for Insight to bring staffing concerns about K12 employees to K12's Regional Vice President for School Services ("Regional VP"). Answer at 17; Appx. at 56-57 (Agreement § 7.3). PDE determined that it was a "lengthy and bureaucratic process under the direction of and overseen by K12" and pointed out that K12 is the ultimate decision-maker as to whether action will be taken. *Id.* After consultation with the CEO, K12's Regional VP *may* decide to create an individual Performance Improvement Plan ("PIP") for the K12 staff member for a forty-five day period, at the end of which the CEO and the Regional VP will review it together. *Id.* If there are still concerns, the parties must turn to the dispute resolution procedures detailed in Section 21 of the Agreement, which may lead to mediation and arbitration. *Id.* PDE finds it problematic that Insight cannot suspend staff until after the complaint is resolved via a lengthy and complicated process and the only circumstance that warrants immediate removal is a violation of law that threatens the immediate health or well-being of a student. *Id.*

Insight argues that the system of dual reporting gives its Board operational authority over the staff and finds that PDE misread its organizational chart. Amended Brief at 31; Appx. at 18

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<sup>12</sup> PDE also criticizes the administrative structure, finding it violates the CSL. See Answer at 18; 24 P.S. §§ 17-1715-A(12), 17-1749-A(a)(1) (stating that any administrator of a charter school, meaning an employee of a charter school who exercises management or operational oversight responsibilities, may not receive compensation from any other charter school or from a company that provides management or other services to another charter school). CAB rejects this argument because the administrators who are paid by K12 are K12 employees and are not employees of the charter school.

<sup>13</sup> Insight *may* choose to employ the Principals and Attendance and Truancy Elimination Coordinators after the second year with thirty days' written notice to K12 and pursuant to direct authorization by K12. Appx. at 19; see, *supra*, n. 3.

(Agreement § 7.2), Appx. at 350. Insight also points out that K12 employees will be subject to the Public Official and Employee Ethics Act. *Id.* Insight also asserts that the CFO has authority over the school's fiscal operations even though K12 staff is responsible for providing financial reporting because, if the accounting staff is not doing a good job, K12 could be held to be in material breach and have its contract terminated. Amended Brief at 31. Insight upholds the changes made to its staff complaint process, including the development of a PIP, as a solution to any of PDE's concerns about the K12 staff complaint and removal process. *Id.*; Appx. at 56. CAB disagrees.

The board of trustees of a cyber charter school must have the authority to employ, discharge, and contract with necessary professional and nonprofessional employees subject to the school's charter and the CSL. *See* 24 P.S. §§ 17-1716-A(a); 17-1749-A(a)(1). Additionally, the board of trustees of a charter school must determine both the level of compensation and the employment terms and conditions of the staff. *See* 24 P.S. §§ 17-1724-A(a); 17-1749-A(a)(1).

CAB agrees with PDE and finds that Insight lacks the requisite authority over the staff to ensure a comprehensive learning experience for its students. CAB finds that the addition of a CEO and CFO to the managerial structure does not bridge the gap between the teaching staff and the Board. According to the organizational chart provided by Insight in its Application, all of the teaching staff report directly to K12's Principals<sup>14</sup> and the Principals report to K12's Director of Academics. Appx. at 350. There is no direct relationship between K12's Director of Academics and Insight's CFO or CEO. *Id.* The Director of Academics who oversees all of the teaching staff reports only to K12's Executive Director and does not have a designated dual reporting role.

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<sup>14</sup> Principals will be employees of K12 for at least two years. Appx. at 19.

*Id.* Although K12's Director of Finance has a dual reporting role with both Insight's CFO and K12's Executive Director, and K12's Executive Director has a dual reporting role with Insight's CEO and K12's Regional Vice President, this does not cure the problem. Rather, it seems to suggest that the Director of Academics should be a dual report as well and should also report to the CEO. *Id.*; *see also* CAB Meeting at 25. The Director of Finance has no direct connection to the teachers; so the only pathway for the teachers to communicate to the Board would be through the Director of Academics, if that position reported to the Board. Appx. at 350.

At the CAB meeting, Insight argued that Insight's CEO would receive "every piece of information necessary" to then report to the Board thanks to this dual reporting system. *Id.* However, CAB's examination of the organizational chart leads CAB to conclude otherwise. The Director of Academics, to whom Insight's Teachers and Lead Teachers report, also oversees the Professional Development Coordinator, the Data Coordinator, and the Director of Special Education. Appx. at 350. The Director of Academics then reports to the Executive Director who is responsible for the Director of Student Services, Director of Operations, and Director of Finance as well. *Id.* The Executive Director reports to the Regional VP who hears unresolved complaints about K12 employees and oversees the employment status and compensation of K12 employees. Appx. at 203, 350. As such, there are many layers of K12 bureaucracy between Insight's teachers and K12's Executive Director who is the individual with dual reporting responsibility to Insight's CEO. This organizational scheme creates a detachment between the teachers and the Board. Thus, we conclude that there is no reasonable pathway of communication between Insight's teachers and the Board, such that the Board lacks real and substantial managerial authority over the teaching staff.

Additionally, although K12's Director of Finance reports to both Insight's CFO and K12's Executive Director, it is K12 which is responsible for the employment status and compensation of K12 employees. The CFO has little oversight over K12's employees, and the complaint process provides little recourse if the Director of Finance is not providing full reports to the CFO compared to the Executive Director who reports to the Regional VP, the person responsible for the Director of Finance's employment and compensation.

CAB also finds that Insight lacks real managerial authority over the support staff. In *Fell*, Mosaica recommended teachers and support staff who were then hired by *and* designated as employees of Fell. Mosaica could evaluate teachers and make recommendations to the Board about promotions, salaries, or employment discharge; but the Board made all of the final determinations. *See Fell*, CAB Dkt. No. 2001-9 at 16-17. Here, K12 employees submit concerns to K12's Executive Director, while any Insight employees must submit concerns to Insight's CEO. Appx. at 204; (Agreement § 7.4). Insight hires the teaching staff, but K12 employs the initial student support staff and merely "consult[s]" with Insight's CEO prior to evaluating the employees. *Id.* This shows that Insight lacks real and substantial managerial authority over the staff hired by K12 and also lacks the ability to ensure that the staff provides the students with a comprehensive learning experience as required by the CSL.

3. *Insight's Board lacks real and substantial managerial authority over academic and curricular decisions.*

PDE contends that "[t]here are no provisions in the K12 Services Agreement that will permit Insight to obtain educational products and services from another provider should Insight determine that K12's products and services do not provide students and teachers with the educational opportunities to meet and exceed benchmarks and goals." Appx. at 176. PDE had

concerns that K12's first right of refusal, according to the Exclusivity provision, would obligate Insight to purchase products from K12 despite having higher costs than other vendors. Appx. at 176; Appx. at 206 (Agreement § 9.4)(Exclusivity provision: "[p]rior to any third party procurements, the School shall give K12 a thirty day right of first refusal to provide such services or goods not enumerated herein (or in the future), and, if K12 is able and willing to provide such services or goods, the School shall procure them from K12"). PDE also pointed out that the Agreement only allows for termination if the school fails to meet state-mandated standards and Insight's academic goals after the parties have engaged in the corrective action plan ("CAP") process. Insight's only recourse, if it fails to meet its academic goals after the first year, is that Insight and K12 will agree upon a reasonable CAP that is determined and financed by K12. Answer at 11; Appx. at 31 (Agreement § 2.8). Insight can then terminate only if K12 does not perform according to the CAP. *Id.* The Agreement does not provide for Insight to alter the CAP or to terminate if it determines the CAP is inadequate to improve Insight's academic performance. *Id.*

Insight responded that "while the Department would prefer it if Insight used an a la carte purchasing policy with respect to K12, the complexity of a startup school, and the time constraints of any voluntary Board demonstrate that this is not the right course of action." Amended Brief at 26. Insight argued that it is not a commercially reasonable reading of the Agreement to say that Insight must use K12 even if a more competitive price is offered by a third party vendor. Amended Brief at 27; *citing County of Mercer v. Unilect Corp.*, 612 F. Supp. 2d 638, 649-50 (W.D. Pa. 2009) (finding that ambiguous contracts will not be interpreted in a commercially unreasonable manner). Insight also points to language in the Exclusivity provision, that states: "[n]othing within this provision, however, shall be construed to restrict the

Board in the exercise of its fiduciary obligations related to the School.” Appx. at 206 (Agreement § 9.4). However, CAB concludes that this provision in and of itself is a restriction upon the fiduciary obligations of the Board to the school’s students. To conclude otherwise would render the initial portion of section 9.4 of the Agreement meaningless. Insight also contends that the new language in Section 2.8 of the Agreement relating to Adoption of Academic Goals clarified that the parties could terminate if Insight failed to meet its academic goals. Amended Brief at 26.<sup>15</sup>

CAB finds Insight’s argument to be in direct contradiction to statements made by both Insight and K12 during the November 2014 Hearing, that K12 is providing Insight with an a la carte option to use or not use its products or services as Insight sees fit. *See* Transcript at 178-81. There is no language in the Agreement that supports Insight’s position that it can choose another vendor if that vendor provides equal services at a lower cost. Thus, CAB finds that the Board lacks real and substantial managerial authority to choose its academic and curricular products and services and make academic and curricular decisions to ensure a comprehensive learning experience for its students.

#### *4. Conclusion*

CAB agrees with PDE and finds that Insight’s Board does not possess real and substantial authority over the management of the cyber charter school, even with the addition of a CEO and CFO to the managerial structure. Although CAB has held that it is reasonable for a charter school to contract with a more experienced for-profit entity, the contract terms between Insight and K12, as set forth in the Amended and Restated Educational Products and Services

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<sup>15</sup> As discussed previously in this opinion, CAB agrees with PDE that the termination rights are unequal between the parties to the Agreement and that the CAP language added to Section 2.8 does not remedy the problem.

Agreement for Governance (Appx. at 192 – 231), establish unequal termination rights between the parties and a lack of Board oversight such as would be crucial to establishing and managing a cyber charter school. Although Insight argues that it has made substantial changes to the Agreement, there are still critical issues remaining with the budget and staffing that adversely affect the Board's ability to provide students with a comprehensive learning experience that complies with the CSL. Although Insight contends that numerous changes to the Agreement were made, the number of changes made is not the measure that CAB uses to determine if the Agreement complies with the CSL, but rather the actual language of the Agreement itself. CAB finds that the Agreement falls short on its face of meeting the governance requirements set forth in the CSL.

**C. Demonstrated Compliance with Technology**

PDE contends that Insight failed to provide evidence of compliance with the necessary technology requirements for a cyber charter school. Answer at 24. In its denial of Insight's charter application, PDE enumerated four areas of concern: (1) the applicant failed to demonstrate planning for the necessary level of internet connectivity; (2) the applicant failed to demonstrate compliance with requirements for reimbursement for internet and related services; (3) the applicant failed to provide sufficient information to demonstrate preparation and education of students in the area of appropriate online behavior; and (4) the applicant failed to explain policies, procedures and software that the school will use to ensure internet safety for all students. Appx. at 181-82. *See* 24 P.S. §§ 17-1743-A(e)(3); 17-1747-A(6), (9)-(10), (12).

PDE found that, although Insight testified as to the options for providing internet connectivity to students in remote areas, the lack of formal policies or procedures outlining these processes constituted a failure to comply with the CSL. *See* Appx. at 181; Answer at 24-25.

PDE also found that Insight under-budgeted for internet reimbursement in FY 2016 and that Insight would only reimburse individual students \$10.20 per month. Answer at 22.

The CSL requires that a cyber charter school “provide or reimburse for all technology and services necessary for the on-line delivery of the curriculum and instruction.” 24 P.S. § 17-1743-A(e)(3). Additionally the CSL requires that the cyber charter’s application include a description of the technology, equipment, and other materials provided by the cyber charter school and a description of how the cyber charter school will monitor the school day. 24 P.S. § 17-1747-A. The CSL does not mandate that formal procedures or policies be in place at the application stage related to providing students with internet connectivity, or that the school budget provide for every student before a charter is granted, but internet access and equipment must be provided and reimbursed for each student. Insight provided a variety of methods to arrange for internet access in rural areas and to work with families to make sure that the school could accept students regardless of where the student lives. Transcript at 221-23. In terms of reimbursement, Insight based its budget for internet reimbursement on K12’s “tenured track record of student internet reimbursements in Pennsylvania.” Amended Brief at 34. CAB finds that this budgetary estimate, in conjunction with Insight’s ability to pull supplementary funds from its net operating surplus, along with the common sense understanding that some students will already have internet in their homes, is sufficient and satisfies the requirements of the CSL.

PDE also noted in its Denial that it found Insight failed to provide information about educating students as to proper online behavior, and that the Application lacked an Acceptable Use Policy and a policy on educating students about cyberbullying. Appx. at 182. Insight provided an Acceptable Use Policy and an Anti-Cyberbullying informational policy in the Additional Materials, and CAB finds that these policies satisfy the requirements of the CSL.



Therefore, based upon the above, CAB disagrees with PDE that Insight failed to demonstrate its compliance with technology requirements.

**D. Preparation to Meet the Needs of Students with Disabilities**

The CSL mandates that a cyber charter applicant provide information related to the “provision of education and related services to students with disabilities, including evaluation and the development and revision of individualized education programs.” 24 P.S. § 17-1747-A(13). In addition, a cyber charter applicant must be prepared to accept students who reside anywhere within the Commonwealth and demonstrate its capability to provide all necessary services to those students immediately upon enrollment. 24 P.S. §§ 17-1723-A(a); 17-1749-A(a)(1). A cyber charter school must comply with federal laws and regulations governing children with disabilities and provide a free appropriate public education (“FAPE”) to students with disabilities. 42 U.S.C. § 1413.

PDE concluded that Insight failed to demonstrate that it was prepared to meet the needs of students with disabilities because it: (1) failed to demonstrate the establishment of sufficient resources across the state for this purpose; and (2) failed to demonstrate reasonable knowledge of the requirements for providing special education programs and services. Appx. at 182-83. Although Insight included a list of 45 potential special education service providers in its Application, PDE found that it should have “at least initiated the process of contacting” the service providers to arrange for special education services and programs at the time of enrollment. Answer at 26. Insight included information about special education initiatives and programs in its Application, but PDE determined that it lacked adequate knowledge of how to implement them in the cyber environment because of a lack of a narrative or explicitly stated policies or procedures.

CAB has held that the assurance by a charter school that it would comply with federal and state disability laws, the planned employment of a special education teacher, and demonstrated the ability to provide additional services through vendors as needed was sufficient under the CSL. *Young Scholars of McKeesport Charter Sch. v. McKeesport Area Sch. Dist.*, CAB Dkt. No. 2013-14 at 28. Here, Insight has proven its ability to make the necessary contracts with vendors by listing 45 vendors across the Commonwealth. It would be unnecessary for Insight to act preemptively by contacting vendors before a charter is even issued to the school, especially because it would be more feasible for Insight to determine where the disability services would be needed based on student enrollment and location.

Additionally, in *Provident Charter School for Children with Dyslexia*, CAB found that the charter school's failure to provide a written policy/procedure for screening students by using Child Find did not render the application deficient, and that the lack of information "should not be used as a basis for denial" of the application. *Provident Charter Sch. for Children with Dyslexia v. Pittsburgh Pub. Sch. Dist.*, CAB Dkt. No. 2014-06 at 27. CAB finds that Insight showed adequate knowledge of the requirements for providing special education programs and services in compliance with federal and state laws in the information contained in its Application and clarified in the November 2014 Hearing. *See* Appx. at 277-88; Transcript at 45, 50-51, 66-68, 149, 154, 196. CAB disagrees with PDE and finds that Insight has met its burden to provide adequate information on its understanding of its special education responsibilities and to establish its ability to serve students with disabilities.

#### **E. English as a Second Language Program**

A cyber charter applicant must show the support and planning structure to enable students meet the academic standards under 22 Pa. Code Chapter 4. *See* 24 P.S. § 17-1745-

A(f)(1)(iii). The purpose of an ESL program is to aid students in achieving English language proficiency according to the standards set in 22 Pa. Code § 4.12 and in compliance with the guidance for ESOL provided in 22 Pa. Code § 4.26.

PDE found that Insight's application lacked "sufficient evidence of an ESL Program that is appropriate for the education of [ESL] students," and that it failed to provide a copy of the ESL curriculum to allow PDE to determine if the program was properly aligned with Pennsylvania academic standards. Appx. at 184. PDE determined that Insight's description of its ESL program lacked sufficient detail "to demonstrate an understanding that ESL is core instruction delivered through a standards-based curriculum." *Id.* CAB disagrees.

According to CAB precedent, a curriculum "needs to be described in substance, not merely in terms of goals and guidelines." *In re: Career Connections Charter Middle Sch.*, CAB Dkt. No. 2006-03 at 15 (citing *In re: Shenango Valley Regional Charter Sch.*, CAB Dkt. No. 1999-11 at 14. However, a charter school applicant need not "completely describe the content of its curriculum." *Career Connections*, CAB Dkt. No. 2006-03 at 15 (citing *Pocono Mountain Mathematics Science & Tech. Charter Sch.*, CAB Dkt. No. 2004-5 at 14). Additionally, CAB has previously held that an ESL program need not be delineated beyond the charter school showing a preparedness to meet the needs of its potential students, including those with limited English proficiency. *See Provident Charter Sch. for Children with Dyslexia*, CAB Dkt. No. 2014-06 at 27. The standard for preparedness is set at a minimum of hiring an ESL teacher and having resources or contacts available for additional support if needed. *See Young Scholars*, CAB Dkt. No. 2013-14 at 28.

Insight has provided information related to how it will identify ESL students by conducting a Home Language Survey, teacher observation and student placement assessment

test.<sup>16</sup> See Appx. at 290-309. Insight also provides information about its supplementary program using National Geographic materials to help ESL students who may need additional supports. See Appx. at 45-46, 67-124, 135-71. Thus, CAB finds that Insight's proposed ESL program complies with the CSL.

**F. Failure to Demonstrate Necessary Financial Support and Planning**

Lastly, PDE contends that the confusing and possibly duplicative nature of Insight's budget line-items is a fundamental budgeting issue that displays a lack of transparency and financial accountability. Answer at 20. Insight asserts that its expenditure estimates are not unreasonable or inconsistent and that it answered all relevant questions regarding staffing at the November 2014 Hearing. See Amended Brief at 51-56.

An applicant seeking to establish a cyber charter school must propose a financial plan and include procedures for conducting audits in the charter school application. 24 P.S. § 17-1719-A(9). A budget will not satisfy the CSL if it does not provide sufficient information for CAB to determine that the applicant both considered fundamental budgeting issues and will have the necessary funds for school operation. See *In re: Lincoln-Edison Charter Sch.* CAB Dkt. No. 2000-11 at 17. Although precedent calls for CAB not to rely solely on financial support and planning as a basis for supporting the denial of a charter, an application is deficient if it fails only one of the criteria in 24 P.S. § 17-1745-A(f)(1). See *In re: Helen Murray Charter Sch. for the Arts*, CAB Dkt. No. 2005-5 at 5; *but see Young Scholars*, CAB Dkt. No. 2013-14 at 29. Nonetheless, the budget is a critical component for CAB to consider and determine if an

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<sup>16</sup> Insight refers to using Child Find to identify ESL students (Appx. at 290). Although the Home Language Survey questions may be helpful in this regard, it is CAB's understanding that Child Find is used primarily to identify students who may benefit from special education services (although the two services may overlap). Because Insight also uses other methods to identify ESL students, this distinction does not factor into CAB's decision.

applicant is capable of providing a comprehensive learning experience to students. *Young Scholars* at 29 (quoting *Central Dauphin Sch. Dist. v. Founding Coalition of the Infinity Charter Sch.*, 847 A.2d 195, 202 (Pa. Cmwlth. 2004)).

Although the CSL does not require final and comprehensive finance and budgetary plans, the information provided must allow CAB to determine that the Board has the requisite budgetary knowledge and control to provide students with a comprehensive learning experience. *See Accord Legacy Charter Sch.*, CAB Dkt. No. 2000-14 at 10; *Leadership Learning Partners Charter Sch.*, CAB No. 2000-8 at 14. At the November 2014 Hearing, PDE asked Insight and K12 many budget and finance-related questions. *See* Transcript. Insight points to this extended questioning as evidence of the transparency of the information it has provided. Amended Brief at 9. Although the CSL does not require a high degree of specificity, CAB finds that the information Insight has provided is confusing and it remains unclear whether some items are duplicative. For example, the description of the roles of K12's employees in charge of budgeting and finance and the role of the CFO are not clearly delineated (Transcript at 211-213), and multiple budget items are vaguely stated or meant to be umbrella items for other expenses.<sup>17</sup> *See* Transcript. The time that PDE dedicated to asking questions to clarify the roles and payment of K12 employees versus Insight employees demonstrates the confusion created by the language used in the Proposed Budget and, consequently, CAB's difficulty in determining if some items are duplicative.<sup>18</sup> Transcript at 183-193; 203-13; c.f. Appx. at 356-63. Additionally, PDE

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<sup>17</sup> Nurse services on outings that include third-parties are budgeted under "professional services, and the associated expense line item, facilities rental, et cetera, travel reimbursement, whatever the case may be" according to K12. Transcript at 170. Educational services is inclusive of student/family outreach, community network management, and public relations. Transcript at 168.

<sup>18</sup> PDE noted, "Typically, when we look at budgets we're accustomed to seeing amounts paid to a management company such as K12 in the professional services budget category. It seems that that's not always the case in your budget." Transcript at 182; *see also* Appx. at 188.

questioned the discrepancy in bargaining power between K12 and Insight and expressed concerns about how this would affect the negotiation of certain budget items that required annual determination in the budget allocation process; and CAB finds that concern about the increased financial risk for Insight were not alleviated satisfactorily.<sup>19</sup> See Transcript at 189-92. For the aforementioned reasons, CAB concludes that fundamental budgeting issues exist which affect the ability of Insight to provide a comprehensive learning experience to its students.

## VII. CONCLUSION

For the foregoing reasons, CAB concludes that Insight has failed to demonstrate proper governance and the independence necessary to provide a comprehensive learning experience to students and failed to demonstrate the necessary financial support and planning. We agree with PDE that these two deficiencies support denial of Insight's charter application. For the reasons stated above, we reject the other three bases for PDE's denial of the application and make the following:

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<sup>19</sup> PDE expressed concern that "K12 has an interest in maximizing [the amounts to be determined annually], Insight has an interest in minimizing those amounts." Transcript at 189. Insight provided that "for cause" termination is a fail-safe built into the Agreement, and K12 asserted that contrary to PDE's understanding, the negotiations would be an opportunity for the Board to "customize its program annually, and, in doing so, tailor the fees which its service provider will charge it." Transcript at 190-92.

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF EDUCATION  
STATE CHARTER SCHOOL APPEAL BOARD

**Insight PA Cyber Charter School** :  
: **CAB Docket No. 2015-01**  
v. : **Appeal from Denial of Charter**  
: **Pennsylvania Department of Education** :

**ORDER**

AND NOW, this 31<sup>st</sup> day of August 2015, based upon the foregoing and the vote of the Board,<sup>1</sup> the Appeal of the Insight PA Cyber Charter School is DENIED; and the Charter School Application Denial of the Pennsylvania Department of Education is hereby AFFIRMED.

For the State Charter Appeal Board,



Lee Ann Munger  
Chairman Pro Tempore

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<sup>1</sup> At the July 15, 2015 meeting, the Board voted 4 to 1 to deny Insight's Appeal with Members Scott Miller, Lee Ann Munger, Jonathan Peri and Mitch Yanyanin voting to deny and Member Julie Cook voting to grant. Chair Rivera recused himself from the vote and Member Bracey was absent.