

Resolution Denouncing the Misuse of Taxpayer Funds in Pennsylvania Cyber Charter School Funding and Urging Legislative Reform

WHEREAS, Pennsylvania's cyber charter school funding system requires local school districts to pay tuition rates that are not based on the actual cost of educating students in a cyber setting, resulting in tuition payments that vary widely from \$6,975 to \$25,150 per student for regular education and \$18,329 to \$60,166 per student for special education; and

WHEREAS, more than one billion dollars in property tax revenue is diverted annually from local public schools to pay cyber charter school tuition, forcing school districts to cut essential programs, reduce resources, and increase property taxes to compensate for these excessive costs; and

WHEREAS, a newly released audit from Pennsylvania Auditor General Tim DeFoor has confirmed that the five largest cyber charter schools have amassed enormous reserves, with fund balances increasing by 144% from \$254 million in 2019-20 to \$619 million in 2022-23, revealing that cyber schools receive far more taxpayer money than is necessary to educate students online; and

WHEREAS, the audit further uncovered that cyber charter schools are using taxpayer dollars for questionable expenditures unrelated to direct student instruction, including real estate acquisitions, lavish capital projects, gift cards, staff bonuses, vehicle payments, and advertising, highlighting a severe lack of oversight and transparency; and

WHEREAS, the Pennsylvania Department of Education has failed to provide adequate regulatory oversight, allowing cyber charter schools to operate under expired agreements and without sufficient financial or academic accountability resulting in these entities ranking at the top in revenue and among the lowest in student performance; and

WHEREAS, this ongoing financial mismanagement and lack of oversight undermine the quality of education for students in both traditional public schools and cyber charter schools while placing undue financial strain on local taxpayers; and

WHEREAS, numerous school boards, education advocates, and taxpayer organizations across Pennsylvania have called for immediate legislative reform to correct these funding inequities and ensure responsible stewardship of public education funds; and

WHEREAS, the Forest Area School District taxpayers bear a burden of over \$474,191 dollars annually in cyber-school tuition costs, resulting in a total cost of approximately \$73.50 per person in Forest County per year to fund largely ineffective schools with huge fund balances; and

WHEREAS, the Forest Area School District, like most other school districts in the commonwealth, offer our own virtual-learning option for Forest Area students, making an alternative cyber school an unnecessary taxpayer expense; and

WHEREAS the reforms set forth in the 2024-25 budget have clearly failed to make any meaningful impact on this growing problem;

NOW, THEREFORE, BE IT RESOLVED, that the Forest Area School District Board of Directors formally denounces the current cyber charter school funding system for its misuse of taxpayer funds and calls upon the Governor and the Pennsylvania General Assembly to enact meaningful reforms that:

1. Align cyber charter school tuition rates with the actual cost of delivering online education to prevent overpayments and financial waste;
2. Implement stricter financial oversight and accountability measures to ensure cyber charter schools use public funds appropriately;
3. Require cyber charter schools to return excess reserves to local school districts or reinvest them directly into student instruction;
4. Ensure that public school districts and their taxpayers are not forced to disproportionately bear the financial burden of cyber charter tuition costs;
5. Strengthen Pennsylvania Department of Education oversight and enforcement of cyber charter school academic performance and financial practices; and
6. Hold publicly funded cyber-charter schools to the same standards, expectations, and regulations as all other public schools;

BE IT FURTHER RESOLVED, that the Forest Area School District Board of Directors directs the Superintendent to share this resolution with the Governor of Pennsylvania, the Pennsylvania General Assembly, the Pennsylvania Department of Education, and other relevant stakeholders to advocate for immediate legislative action.

Adopted this 9th day of April, 2025, by the Forest Area School District Board of Directors.

ATTEST: (seal)

Secretary, Board of School Board Directors

FOREST AREA SCHOOL DISTRICT

By _____

President, Board of School Board Directors