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## **When going to school means going online**

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With Internet-based technologies challenging business models in many industries, it was only a matter of time before they started to challenge K-12 education. Policymakers who feel the need to catch up with these changes should resist the temptation to blindly apply old-school regulations to the new environment.

Online learning is growing rapidly. "Education Week," the trade magazine of K-12 education, says that its use may have grown 20-fold during the last five years. There are now anywhere from 750,000 to 1 million registrations for online courses.

Some online tools involve people interacting at the same time, such as chats, Web seminars or simulations. Others applications, such as e-mail or discussion forums, are used at a participant's leisure. Depending on the tool and instructional method, an online student may interact with a teacher only occasionally or on a fixed schedule. Interaction among students taking online courses, meanwhile, can vary from little to extensive.

Online learning is more than simply playing a videotape in a classroom. Thanks to charter school laws, an entirely new institution has been born: the virtual charter school. These public schools, free from some of the regulations that hamper traditional schools, are free to draw students from around a state, country or beyond.

Online learning can have several advantages for students. The most obvious is a flexible schedule for those people who for whatever reason (sports, a budding business, family obligations) cannot be present in a classroom on a regular basis. Students can use online schooling to their local school experience, or replace it entirely. Some parents might find online learning, with its ready-made curriculum and instructional support, an attractive alternative to home schooling.

School districts and communities can benefit, too. School districts with small enrollments can supplement their class offerings, making small schools viable. A small but enterprising district that creates an attractive product, it can snare state dollars from students who enroll from other districts.

Online learning can also be used to help a school help meet various state or federal requirements. The Louisiana Virtual School, for example, offers a hybrid class that pairs classroom teachers who are not certified in algebra with an online teacher who is.

Communities also benefit when parents, who no longer feel like they must move to offer their children more educational options, can remain as employers, business owners, and participants in civic life.

## Challenges for Policy Makers

While virtual schools can be a godsend to many people, they present a lot of questions for policymakers—as well as a challenge to the status quo.

Denver-based Evergreen Consulting Associates (<http://www.evergreenassoc.com>) has been tracking the development of online learning. Its annual publication “Keeping Pace with K-12 Online Learning” reviews the questions that states are asking. Let’s discuss a few of them now.

**How much does online schooling cost?** There is no agreement on whether online virtual schools should cost less than bricks-and-mortar schools. Some observers argue that virtual schools don’t cost less, they just have different costs.

**How should online schooling be funded?** Options vary. The Michigan Virtual High School was given \$18 million in seed money from the legislature and is still partially funded by annual appropriations and grants.

The Florida Virtual School, on the other hand, receives money based on full-time equivalent student enrollment, similar to a traditional school. As the Evergreen report notes, this approach offers a more predictable funding stream than annual appropriations, which are more often discretionary and subject to budget cycles.

**Can a student enroll in an online course anywhere?** Some states require students to obtain the permission of their local district before taking online classes elsewhere; others do not.

**Does the money follow the student?** In Minnesota, an online program that enrolls a student gets only 88 percent of the general education revenue normally allocated for that student. The balance goes to student’s district of residence on the theory that the district still incurs certain costs for students who attend elsewhere.

Two years ago, the Ohio legislature put a moratorium on the creation of virtual charter schools. Among the reasons, says Evergreen: “Enrollment in eCommunity schools has contributed to decreased enrollment in many public school districts.”

Given the poor quality of many schools in Ohio, it’s not surprising that nearly 21,000 students enrolled in the state’s virtual charter schools.

As the technologies grow, teachers adapt and word of online learning spreads, policymakers will face many challenges in responding to competing claims on public dollars. As the Ohio cases bears witness, policymakers must ask the question: how can the public best finance not merely schools, but education?