

Susan Spicka Comments
1/25/2022 Press Conference in the Capitol Rotunda

Hello and welcome. I am Susan Spicka, the executive director of Education Voters of PA. We are here today to talk about the more than 3500 pages of invoices for advertising costs that we received from Pennsylvania's cyber charter schools from the 2019-2020 and 2020-2021 school years through Right to Know requests.

What we have learned is deeply troubling and should serve as a call to action for leaders in the Pennsylvania legislature to immediately allow a vote on legislation that will ensure public education dollars are used efficiently and appropriately educating children and to enact reforms that will hold charter schools to the same financial accountability and transparency standards as school districts.

In the 2020-2021 school year, school districts sent more than \$1 billion in student tuition payments to cyber charter schools.

The state no longer provides funding to help districts pay for charter school tuition, so charter tuition bills are paid for primarily through property taxes.

When Pennsylvanians write a check to pay their property taxes, most probably think that these dollars are being used to educate children in their community. But unfortunately, this is not the case thanks to Pennsylvania's broken charter school law.

The state audits school districts every three years and anyone can learn how their school district is spending the tax dollars it receives.

But when school property tax dollars are sent to cyber charter schools it becomes impossible to understand how these schools are spending the money they receive.

Most of Pennsylvania's cyber charter schools have never been audited or were audited many years ago.

And because there is no state oversight over cyber charter schools' finances, the opportunities for waste, fraud, and abuse of tax dollars are staggering. And cyber charter school operators are taking advantage of these opportunities.

Through our Right to Know requests and information from schools' tax forms we estimate that Pennsylvania's cyber charter schools spent more than \$35 million tax dollars on advertising on advertising during the previous two school years.

What did they spend this money on?

Cyber charter schools spent property tax dollars on bus wraps and billboards; TV, radio and internet advertisements; ads on Hulu, Pandora, YouTube, Pinterest, Twitter and Facebook. They paid for museum sponsorships and embroidered Eddie Bauer vests.

- Agora Cyber Charter school spent \$50,000 sponsoring the *Mummies of the World* exhibit at the Carnegie Science Center.
- REACH cyber charter school spent \$31,000 on air zooka blasters that were branded with the school logo. They also spent \$19,000 on a sponsorship agreement with the Lehigh Valley Iron Pigs minor league baseball team.
- PA Cyber spent more than \$100,000 on sponsorships for dozens of groups ranging from the Beaver County Humane Society to Lehigh Valley Pride to the Premiere Fitness and Boxing Club to the Erie Seawolves.

- Achievement House Cyber Charter School Spent \$5400 per month on search engine optimization. Over two years, this school averaged about \$860 per student on advertising according to the documents that they provided us.
- Commonwealth Charter Academy wins the award for most dollars spent at more than \$19 million on advertising over two years, including more than \$3 million on fees paid to private communications firms.

The list goes on and on and on—for 3500 pages which we have posted in a [Google drive](#) so that the press, state lawmakers, and the public can look at this hard evidence of enormous waste with their own eyes.

Beyond what is in the invoices what did we learn from our Right to Know Requests?

First, cyber charter schools provide the information that they want to provide. And as private citizens, we have no way of knowing if they have provided all their advertising expenses or not.

- Pennsylvania Virtual Cyber Charter School did not respond to our request, so we have no information from them.
- REACH Cyber Charter school provided a handful of invoices, but none that document what they paid for mail or internet advertising. We know that REACH sent mailings b/c we have two flyers that were mailed to us and many screen shots of their Facebook ads.

Second, cyber charter schools' tax forms are an unreliable source for their advertising expenses.

- Commonwealth Charter Academy provided us with invoices totaling more than \$8 million in advertising expenses for the 2020 fiscal year yet reported \$0.00 for advertising expenses on their tax forms.
- REACH Cyber Charter School reports \$0.00 for advertising costs on their 990 forms, yet they provided us with some invoices and in correspondence in an appeal we filed with the Office of Open Records claim that a 3rd party has been doing advertising for them, so that there is no way to know how much they spent.

And while cyber charter schools are awash in millions of dollars of excess funding that they waste on advertising and who knows what else, we've heard more than two months of testimony in Pennsylvania's school funding lawsuit trial describing the heartbreaking and deep deprivation of resources that students in school districts throughout the commonwealth are experiencing.

Taxpayers should be outraged by the legislative leaders' failure to take action to rein in this staggering waste of property tax dollars and their refusal to hold cyber charter schools to any basic standard of financial accountability and transparency.

In addition, every single cyber charter school is among the lowest performing schools in the commonwealth. The average graduation rate for Pennsylvania's nine large cyber charter schools is just 58%. So, Pennsylvanians are spending \$1 billion each year to send students to schools where more than 40% of students are not expected to earn a diploma.

It is past time for the Pennsylvania legislature to reform their charter school law to protect taxpayers from this gift.

And it is way past time for charter school operators to stop prioritizing advertising and growing their enrollments and instead to begin focusing on providing their current students with a quality education.

Thank you.