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Editor's Note: *The following is a statement from Daleville (Ind.) Community Schools (DCS) in response to the report released by the Indiana State Board of Accounts regarding the decisions/actions by DCS in fulfilling its responsibilities as Authorizer of the Indiana Virtual School (IVS) and Indiana Virtual Pathways Academy (IVPA) virtual charter schools.*

For purposes of attribution, please quote Paul Garrison, Superintendent of Daleville Community Schools.

**STATEMENT – DALEVILLE COMMUNITY SCHOOLS AFFIRMS COMMITMENT TO STUDENT
LEARNING, FULFILLS RESPONSIBILITIES AS CHARTER SCHOOL AUTHORIZER
Leadership Acted with Integrity, Transparency**

As educators and school leaders, we are expected to act with integrity; to make certain that our decisions – as it regards student learning – are accountable, with outcomes that are as transparent as they are measurable.

As Authorizer of IVS and IVPA, DCS was led by its strong commitment to integrity, accountability, and excellence in education. Although it is deeply regrettable that those in leadership positions at IVS and IVPA apparently did not share this commitment, DCS rests assured that it fulfilled all of its responsibilities as Authorizer to guide and oversee the educational endeavors of these charter schools. Whatever misdeeds IVS and IVPA leadership may have perpetrated was done alone and in the dark, hidden from view until DCS uncovered their alleged scheme and blew the whistle to the proper government agencies.

Following on our response to a recent examination by the Indiana State Board of Accounts (SBOA), we are pleased to announce that our schools did, in fact, deliver on our commitment to student learning and we achieved – by every reasonable measure – the highest level of accountability as a public school corporation and authorizer of a charter school.

However, as has now been alleged by SBOA, these Charter Schools were apparently secretly operating a scheme outside of established and known processes, policies and procedures in a manner that had no relationship to our oversight or understanding of the legitimate enrollment and student engagement process of the Charter Schools.

Although a more complete response to the SBOA report is included in our official response released with the SBOA report, it is important to reiterate a few key details in relation to the report and our conduct.

First, it is important to understand that our schools never received any public funds from the State of Indiana for serving as Authorizer of IVS and IVPA. The authorizer fees that were paid by IVS and IVPA were not state-mandated and were not paid to DCS by the State. Rather, authorizer fees were paid as part of the contractual relationship between DCS and the charter schools.

The charter schools had complete fiscal control and responsibility over the funds they received, both as a matter of state law and in accordance with the charter agreements with DCS. Under these circumstances, DCS was paid like any other vendor of the charter schools. Furthermore, DCS kept all of the authorizer fees it received from the charter schools in accounts separate from all other school accounts and used those fees only for purposes directly related to its role as Authorizer of the charter schools. As we have noted in the past, DCS did not profit from its role as Authorizer.

Second, our schools played no role, whatsoever, in any erroneous ADM reports that may have been submitted by the charter schools to the State. In fact, DCS did not even have the means by which to verify the charter schools' ADM counts until we received access to IDOE data in August 2018, something which we had asked for over several years but were prohibited from seeing by IDOE until seven (7) years into our relationship with the charter schools. Upon receiving access to this data, we immediately conducted an in-depth analysis of this information, well beyond the scope of what is typically performed by charter school authorizers. As soon as it became apparent that the data was revealing irregularities, we immediately notified SBOA, who then opened an investigation with our full cooperation.

But for our work in analyzing this data as soon as it became available to us, the apparent enrollment inflation activities of IVS and IVPA would not have been discovered.

Finally, we view the report released by SBOA as a vindication of our conduct – at its core affirming that DCS acted appropriately and reasonably fulfilled our duties as Authorizer. The SBOA's tepid conclusion that different actions by DCS "may have" changed the outcome shows that the only "blame" that can be reluctantly placed at DCS' feet is blame that can be placed at the feet of many, not only DCS, and only with the benefit of hindsight. This is a fact that Paul Joyce, SBOA's State Examiner, acknowledged, in his statement to the State Board of Education on July 10, 2019. In that statement, Mr. Joyce said it is "...always easy to look behind" and acknowledged that "it is typically not the failure of one part of the system that leads to these kinds of situations, but is usually because of failures of multiple agencies, even the legislation itself".

In hindsight, it is easy to play a game of "what ifs" because we know now what we could not have known then. But this game is not one of real blame or cause for a multi-million dollar punishment (which ultimately will only hurt local taxpayers and innocent students), but rather is an opportunity to learn from the past to make the system better to deter and prevent similar future schemes.

And, regardless of the purported wrongdoing by individuals seeking to take advantage of vulnerabilities in the system, we shouldn't lose sight of the fact that virtual education did work for a significant number of real students – students for whom traditional brick and mortar schools were not working and who craved another way to continue with their valuable education. Serving these students – the students who otherwise might have fallen through the cracks – is at the heart of why we got involved in the first place and continuously pressed and supported IVS and IVPA to improve their educational services and student performance.

Our commitment to student achievement remains strong and as this issue moves towards resolution, we will aggressively defend the reputation and actions of Daleville Community Schools. It is important to understand that the demand and Report by SBOA is not the equivalent of an obligation to pay. Whether DCS is eventually found liable is an issue that, ultimately, may be decided by a court if the Indiana Attorney General decides to pursue funds from DCS. If that is the course this matter takes, DCS is determined to vigorously defend against any such action as it is outside the bounds of what the law allows, and it is against the interests of fairness and truth.

We genuinely believe that once the entire story is shared with the public regarding the involvement, oversight, and engagement of multiple agencies and individuals, the public will have a clear understanding of the events surrounding this entire situation. As that process continues, we welcome the opportunity to clear up any questions regarding our conduct and the activities of all parties involved.

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