



COMMONWEALTH OF PENNSYLVANIA  
GOVERNOR'S OFFICE OF GENERAL COUNSEL

April 29, 2009

Re: Agora Cyber Charter School

Dear Superintendent:

Pursuant to the Charter School Law ("CSL"), school districts are to pay cyber charter schools for the school districts' resident students who are enrolled in the cyber charter school. The amount to be paid per student is determined through a formula set forth in the CSL, which the Pennsylvania Department of Education ("Department") refers to as the Selected Expenditures Per Average Daily Membership ("Selected Expenditures"). If a school district fails to pay its Selected Expenditures to a cyber charter school, the cyber charter school can ask that the Department deduct this amount from the school district and pay it to the cyber charter school.

Through the years, numerous school districts have not paid the Selected Expenditures to Agora and Agora has asked that the Department deduct the Selected Expenditures from these non-paying school districts and pay the amount directly to Agora. Over the years, the Department has made such payments directly to Agora.

Recently, the Department has learned about improprieties in the operation of Agora. Because of the serious nature of these matters, the Department will not continue to make payments to Agora. The Department will continue to deduct the Selected Expenditures from non-paying school districts when appropriate documentation is provided to the Department by Agora, but the funds will be placed into an escrow account created by the Budget Office rather than being paid directly to Agora.

Additionally, if your school district pays the Selected Expenditures directly to Agora when invoiced by Agora, the Department is requesting that the payments due after today be made on or after Wednesday, May 6, 2009 into the escrow account (Account No. 1028858919 - Title of the Account: Commonwealth of Pennsylvania, Dept of Education-Agora Cyber Charter School) rather than directly to Agora. You can make payments to the escrow account as follows:

•Bank by Mail address is as follows:

P7-PFSC-04-C  
PNC Bank by Mail  
500 First Ave  
Pittsburgh, PA 15219-3129

(You must provide the deposit account number or the check will not be applied correctly)

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•By wire - the ABA number that would be needed for wires is 043000096.

The Department will pay funds from the escrow account only as required by court order or agreement of the parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Judy Shopp". The signature is stylized and cursive.

Judy Shopp, Esquire  
Chief Counsel