Private School Choice: Supply-Side Constraints to Educational Opportunity

Vaughn Sylva

Loyola University Chicago

Follow this and additional works at: https://ecommons.luc.edu/luc_theses

Part of the Education Commons

Recommended Citation
https://ecommons.luc.edu/luc_theses/4261

This Thesis is brought to you for free and open access by the Theses and Dissertations at Loyola eCommons. It has been accepted for inclusion in Master's Theses by an authorized administrator of Loyola eCommons. For more information, please contact ecommons@luc.edu.

This work is licensed under a Creative Commons Attribution-Noncommercial-No Derivative Works 3.0 License.
Copyright © 1996 Vaughn Sylva
PRIVATE SCHOOL CHOICE: SUPPLY-SIDE
CONSTRAINTS
TO EDUCATIONAL OPPORTUNITY

A dissertation submitted to the faculty
of the Division of Leadership and Policy Studies
in candidacy for the degree of
Doctor of Education

SCHOOL OF EDUCATION

BY

Vaughn Sylva
Columbus, Indiana
3-27-96
ACKNOWLEDGEMENTS

As with anything in life, you never do it alone. There are always people the Lord puts in your path to enable you to accomplish that which He has laid on your heart to do. I would first like to thank Dr. Philip Carlin from Loyola University of Chicago, having been so patient with me over the years, and the two other members of my doctoral committee, Dr. Janis Fine and Dr. Max Bailey. I thank Margaret Horan, also with Loyola University of Chicago, for masterfully working out so many details. I'm very appreciative of the input and advice I received from David Florine (St. Peters Lutheran School, Columbus, IN), David Kerr (COMMIT, Indianapolis, IN), Dan Elsner (Office of Catholic Education, Indianapolis, IN), Carol D'Amico (Hudson Institute, Indianapolis, IN), and Tim Erhgott (Educational Choice Charitable Trust, Indianapolis, IN). Tim and his staff also deserve an extra-special thanks for all the time and resources used in helping send out the surveys and in following up with phone calls. In addition, I am very grateful for the unselfish assistance provided by Joann Davis at the Columbus, IN. campus of Indiana University-Purdue University during the literature review phase of this study.

I have also received constant support and encouragement from the greatest parents and in-laws a person could have, as well as from the most loving wife and kids a man could ask for.

But as truly blessed as I have been by all of these people, there will never be the appropriate words to describe how much I thank and praise our Lord and Savior Jesus Christ for
giving me the vision, the words, the perseverance, the encouragement, the spiritual insights, the time, and the resources through His indwelling Spirit. Thank God from whom all blessings flow.
# TABLE OF CONTENTS

**ACKNOWLEDGMENTS**  
ACKNOWLEDGMENTS iii

**LIST OF TABLES**  
LIST OF TABLES vii

**Chapter 1- INTRODUCTION**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our Educational Dilemma</td>
<td>1</td>
</tr>
<tr>
<td>Role of Choice</td>
<td>4</td>
</tr>
<tr>
<td>Statement of the Problem</td>
<td>8</td>
</tr>
<tr>
<td>Scope of Study</td>
<td>10</td>
</tr>
</tbody>
</table>

**PART ONE**

**Literature Review**

**Chapter 2-Public Choice**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of Public Choice Alternatives</td>
<td>18</td>
</tr>
<tr>
<td>Surveys</td>
<td>20</td>
</tr>
<tr>
<td>Issues</td>
<td>22</td>
</tr>
<tr>
<td>Past and Existing Programs</td>
<td>28</td>
</tr>
</tbody>
</table>

**Chapter 3-Private Choice**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description of Private Choice Alternatives</td>
<td>40</td>
</tr>
<tr>
<td>Privately Funded (Foundational Choice)</td>
<td>41</td>
</tr>
<tr>
<td>Publicly Funded- Nonreligious (Secular Choice)</td>
<td>44</td>
</tr>
<tr>
<td>Publicly Funded-Religious (Comprehensive Choice)</td>
<td>51</td>
</tr>
</tbody>
</table>
1. Polls, Surveys, and Studies 51
2. Issues 56
3. History 69
4. Federal Initiatives 77
5. State and Local Initiatives 82
6. Legal Perspectives 89

PART TWO

The Data

Chapter 4- METHODOLOGY 105
Chapter 5- ANALYSIS OF DATA 112
Chapter 6- CONCLUSIONS 138
Chapter 7- LIMITATIONS AND FURTHER RESEARCH IDEAS 144
BIBLIOGRAPHY 147
APPENDIX 166

A. Survey

B. Private Elementary and Secondary Schools in Marion County, Indiana
## LIST OF TABLES

<table>
<thead>
<tr>
<th>Table</th>
<th>Name</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>3-1</td>
<td>Golden Rule-type Scholarship Programs</td>
<td>26</td>
</tr>
<tr>
<td>3-2</td>
<td>Golden Rule-type Scholarship Programs- Number of Participating Children</td>
<td>27</td>
</tr>
<tr>
<td>3-3</td>
<td>Golden Rule-type Scholarship Programs- Types of Schools Participating</td>
<td>28</td>
</tr>
<tr>
<td>5-1</td>
<td>Grade Levels, Tuitions, and Enrollments for Responding Private Schools</td>
<td>77</td>
</tr>
<tr>
<td>5-2</td>
<td>Gender of Principals from Responding Schools</td>
<td>79</td>
</tr>
<tr>
<td>5-3</td>
<td>Composition of Teaching Staffs from Responding Schools</td>
<td>79</td>
</tr>
<tr>
<td>5-4</td>
<td>Analysis of Question 15</td>
<td>81</td>
</tr>
<tr>
<td>5-5</td>
<td>Analysis of Question 17</td>
<td>82</td>
</tr>
<tr>
<td>5-6</td>
<td>Analysis of Question 18</td>
<td>83</td>
</tr>
<tr>
<td>5-7</td>
<td>Analysis of Question 19</td>
<td>84</td>
</tr>
<tr>
<td>5-8</td>
<td>Analysis of Question 20</td>
<td>85</td>
</tr>
<tr>
<td>5-9</td>
<td>Analysis of Question 21</td>
<td>86</td>
</tr>
<tr>
<td>5-10</td>
<td>Analysis of Question 22</td>
<td>87</td>
</tr>
<tr>
<td>5-11</td>
<td>Analysis of Question 23</td>
<td>88</td>
</tr>
<tr>
<td>5-12</td>
<td>Analysis of Question 24</td>
<td>89</td>
</tr>
<tr>
<td>5-13</td>
<td>Analysis of Question 25</td>
<td>90</td>
</tr>
<tr>
<td>5-14</td>
<td>Analysis of Question 28</td>
<td>91</td>
</tr>
<tr>
<td>5-15</td>
<td>Distribution of Negative Responses to Questions 17-25</td>
<td>93</td>
</tr>
<tr>
<td>5-16</td>
<td>Enrollments and Capacities of Responding Schools</td>
<td>94</td>
</tr>
<tr>
<td>5-17</td>
<td>Enrollments and Capacities of Responding Schools by Religious Affiliation</td>
<td>95</td>
</tr>
</tbody>
</table>
5-18 Desired Size of Private Schools Participating in a Public Funding Plan 95

5-19 Comparison of Desired Size to Current Capacity for Surveyed Schools 97

6-1 Supply/Demand for Private Schools in Marion County 100
A. Our Educational Dilemma

The last century in American history has seen some dramatic changes in the way American children are educated. The most notable periods of educational change in the 1900's were the Progressive education movement of the early twentieth century, generally attributed to the philosophy and principles of John Dewey, and the reactionary educational legislative movement of the 1960's, the result of the grave concerns the American public had following the Soviet launching of the Sputnik satellite.¹

But, in the 1970's and 1980's, there was a significant increase in concern about the quality of American public education. Take, for example, the problems that confronted inner city schools. Among the most important of these concerns were (a) the continuing decline of standardized test scores, (b) unacceptable student dropout rates, and (c) high unemployment rates among young adults. During this time, these problems appeared to have been exacerbated by (a) middle class flight to affluent suburban areas, (b) white flight to private schools, and (c) inadequate financial support for urban education. In addition, from 1963 to 1980, there was a steady decline in scholastic aptitude tests of high-school students.
And during the 20 years preceding 1992-1993, enrollment actually declined by 7 percent while spending rose 390 percent. As a result, spending per pupil in America's public schools has soared to $5971 per student in 1992-1993, up 136 percent from 1980-1981 in nominal terms, and 43 percent in 1992 dollars. With the single exception of Switzerland, the U. S. spends more on education per student than any other nation in the world, almost 50 percent more than West Germany and about 85 percent more than Japan.²

The nation's frustration with its educational system reached a climax with the April 1983 release of the National Commission on Excellence in Education's grim report entitled, A Nation at Risk.³ The document painted a bleak picture of the American educational system and called for extensive changes in school organization, professional personnel, and student achievement and expectations.

Since the issue of A Nation at Risk, state after state across the country has reshaped its educational system for its students. In fact, the redesigning of the profession during the 1980's and 1990's has been referred to as "the greatest and most concentrated surge of educational reform in the nation's history."⁴ But Chubb and Moe feel that previously implemented educational reforms "are likely to fail."⁵ They argue that it is the existing system of American institutions which is the cause of "the very problems they are supposed to be solving."⁶

A similar viewpoint of the educational reform movement of the late twentieth century is held by David N. Plank of the University of Pittsburgh. He stated that: "Nearly

Chapter 1- Introduction
all of the reforms that have been adopted in the past five years have left the structure and operation of American schools and school systems largely intact. " In his discussion of the political and organizational perspectives of recent school reform, he concluded: "the principal consequence of the reform movement to date has been further homogenization of educational standards and practices across states and across districts, rather than innovation or differentiation. "

Concern over the performance of public education has heightened interest in private educational alternatives. In fact, many leaders and scholars throughout the educational profession are discussing and debating the notion of school choice. In its issues analysis book, Public Schools of Choice, the Association for Supervision and Curriculum Development claimed that "public schools of choice have become one of today's most talked-about school reform strategies." Cookson claimed that "few school reform movements have aroused public passions as deeply as 'school choice'. " To be sure, supporters and opponents continue to invest substantial time and resources in implementing or preventing state governments from adopting choice legislation.

Advocates of choice say that parents have a vested interest in their children's education and should, therefore, have greater say in where their children are educated. Consequently, proponents of school choice have basically endorsed one of two general approaches- one, known as "public" school choice, whereby parents have the choice of having their child(ren) attend another public school (plans will vary on the extent of this choice); and the second, referred to as private choice, whereby parents are given public

Chapter 1- Introduction
funds, generally in the form of a government-guaranteed voucher for a fixed sum of money, that may be applied towards the tuition of any school, public or private, religious or secular.

B. The Role of Choice

Without a doubt, choice has always existed in American education. A parent has always been able to choose which school their child attended by residing in a quality public school district or by electing to send their child to a nonpublic school. The problem is that not all parents are in a position to live wherever they want or to pay the tuition to have their child attend another school.

In fact, Germany and Japan, countries competing with the United States in an increasingly tough international market, already give their citizens school choice. Other countries where school choice is a reality include Australia, Belgium, Canada, Chile, France, Ireland, the Netherlands, New Zealand, Sweden, the former Soviet Union, and the United Kingdom. In 1993 Sweden, once a model Socialist country, adopted a sweeping school choice program allowing parents to choose any public or private school for their children anywhere in the country, with funds following the students. "Our monopoly is just as disastrous in schools as in many other areas," says Swedish Undersecretary of Education Odd Eiken. "We need an alternative, competing system." A recent survey by The Heritage Foundation discovered that members of Congress
exercise school choice for their own children at a much higher rate than the U.S. population as a whole. Yet majorities in the United States House of Representatives and the Senate rejected school choice amendments to the Clinton Administration's Goals 2000 legislation. While just 9.5 percent of U.S. school-age children nationwide attend private schools, the Heritage survey found that 44 percent of U.S. Senators and 30 percent of Representatives who have children and responded to the survey have sent their children to private schools. Surprisingly, the survey found that the greatest discrepancy between Members of Congress and their constituents occurs with minority lawmakers. Nationwide only 6 percent of Hispanic Americans and 4 percent of African Americans send their children to private schools. Yet 70 percent of the Hispanic Caucus and 30 percent of the Congressional Black Caucus decided to send their children to private schools. While school choice is an option for many Members of Congress, it is not an option that many of those same Members are willing to extend to other Americans, including poor Americans. This is evident despite the numerous polls and surveys that show that minorities overwhelmingly favor school choice and would send their child to another school if they could afford it.

Across the nation, public school employees are twice as likely as their neighbors to place their own children in the private schools. Further, according to Keith Gieger, President of the National Education Association, 40 percent of urban-area public school teachers with school-age children send their children to private schools. A private survey in Milwaukee, where the nation's first public voucher program has been implemented,
found that 40 percent of the public school teachers wouldn't send their own children to the school where they teach. Understandably, there was an uproar from Milwaukee's public school teachers when it was merely suggested that there should be a law requiring public school teachers to educate their own children in the public schools.

Some sort of school choice legislation was introduced or pending in 25 states in 1994. Forty state governors have indicated support for some form of school choice, up from 33 in 1993. At least 41 states have significant parents' and grassroots coalitions working for school choice. A total of 20 states have implemented charter school legislation and many additional states have charter school legislation pending. Several thousand low-income students were able to attend the school of their choice in 1994 under one of 18 privately sponsored voucher programs based on the Golden Rule model, up from six private programs in 1992 and two in 1991. Similar efforts are in the planning stages in at least five other cities. In addition, there are at least twelve alternative programs around the country that offer tuition aid for nongovernmental schools.

Enthusiasts for educational choice have been motivated by the work of social scientists John Chubb and Terry Moe. Their scholarly work, *Politics, Markets, and American Schools*, outlines elements they recommend for developing an educational choice program. Chubb and Moe were so convinced of the effectiveness of school choice and market competition that they described it as the panacea to revolutionize American education.

Finn provided six reasons to incorporate choice into American education:

Chapter 1- Introduction
1. The alternative is incompatible with American democracy

2. Choice fosters equality of opportunity

3. Choice helps parents play their proper roles with respect to the education of their children

4. Choice stimulates autonomy among schools, professionalism among teachers, and good leadership on the part of principals

5. Schools of choice are more effective educational institutions; that is, students learn more in them

6. Choice is a potent mechanism for accountability

ASCD considered four areas whereby choice might address educational problems: poor student achievement; lack of responsiveness to the concerns of parents and students; shortcomings of overt desegregation strategies; and difficulty of revitalizing public schools. Former United States Education Secretary Lamar Alexander has predicted "a dramatic transformation of educational results" should school choice plans be incorporated nationwide. Alexander supports choice for reasons such as: "open enrollment systems foster competition in education. Choice...would provide public support to the family rather than the school...[and improved] accountability in American schools [would occur]."
C. Statement of the Problem

While many studies have examined the issue of voucher plans involving either public or private schools (which is a demand-side consideration), few have seriously considered the supply-side issue: namely, how do private school administrators and their boards feel about participating in a voucher program; and what capacities, both near-term and longer-term, are likely to exist to accommodate the expected demand for their services? In fact, most studies that even address the capacity question simply make the assumption of infinite nonpublic school capacity.

Williams, et.al., stated, "people appeared to respond to the questions (in their study) about tuition tax credits as if the supply of private schools were perfectly elastic, i.e. that tuition costs would not rise at all as the result of the implementation of a credit, and that there would be enough seats in private schools in appropriate locations to accommodate all who would want to apply. Neither is a realistic assumption." 29

Buckland stated that the physical capacity of some nonpublic schools would prevent a significant increase in enrollment in these schools. 30 Although his study did not attempt to determine the enrollment capacity of each nonpublic school he surveyed, Buckland stated that "it seems quite possible that a full credit TTC (tuition tax credit) or voucher plan would result in many of the best known and the most prestigious nonpublic schools receiving more applicants than they could accommodate. It also seems possible that some of the families whose youngsters were refused admission to their first choice
school would decide to remain in their current public school rather than enroll their child in a less prestigious or well-known nonpublic institution."

A second concern is that most, if not all, choice plans (existing and proposed) make no allowance for capital expenditures; in order to help "sell" the idea of a voucher or tuition tax credit, these plans promise choice to the parents and savings to the state (or other funding source). They generally only focus on paying a portion of the operating expenses; even "fully-funded" vouchers generally don't cover anything but current operating expenses. Since private school facilities are built from member donations and loans, it is highly unlikely that additional facilities would be built in sufficient quantities if funding wasn't available.

A third concern dealing with capacity is the "occupational mobility" of teachers and administrators. Koutromanes claims, "the supply curve for private education is assumed to be perfectly elastic in the long run (in the short run, the supply curve for schooling may be upward rising because of limitations in factor mobility). This is reasonable since there does not appear to be any input that is specialized to the private schooling sector which is a small sector in all of education. Nonlabor inputs such as desks, blackboards, books, etc... are purchases in a market in which private schools constitute a minor demand for output. Teachers, principals, and other administrators are mobile between private and public schools within their occupations and between districts...The relative ease of expansion and entry means that private schools can expand by allowing increased enrollments or by increasing the number of schools."

Chapter 1- Introduction
On the contrary, there is not necessarily total mobility between sectors. Most, if not all, private religious schools have special religion requirements for their teachers in addition to academic teaching requirements. And not all private schools require public teaching certification, which means that some private school teachers may not be licensed to teach in public schools.

Therefore, the survey looked at all private schools in Marion County, Indiana, to determine:

1. What private schools in Marion County, Indiana, would participate in a government-funded voucher program and under what conditions, and

2. What are the immediate and longer term projections of school capacities.

As a result, the survey showed how capacity projections compare to estimates of parent demand for private schooling, should a voucher be offered. In other words, would parents and students get their choice of schools, or would waiting lists be expected to develop? Based upon these findings, there may be more optimal levels of voucher funding that the government could utilize in order to truly give students a choice in where they are educated.

D. Scope of Study/Definition of Terms

The term "choice", as it has been used in the literature, is far too broad for the
purposes of this study. There are those, for example, who endorse a parent's choice to select another school within their own public school district (which may or may not include the creation of new schools- charter or magnet). Others support choices within the public school sector anywhere in a region or state. Yet others expand on this concept of choice by including private schools, as long as religious orientation isn't an issue; but there are a significant number of people that would make choice comprehensive by including all private and public schools. So, by necessity, a distinction needs to be made as to what is meant by "choice". For this purpose, "choice" has been categorized into the following:

Public School Choice- use of public monies (local and/or state) to offer alternatives for students to attend another public school entity- including public school-sponsored magnet schools, charter schools, alternative schools, interdistrict choice, intradistrict choice and open enrollment.

Foundational Choice (also known as Private Voucher Programs)- private funds given by individuals, businesses, and other groups in the form of vouchers to primarily low-income children to attend the private school of their choice. The programs may differ in what type of support they give to families and in what type of schools are eligible.

Secular Choice- use of public funds to attend any public or nonreligious private
school. Minimum standards related to staff, health and safety and curriculum may be required of participating private schools.

Comprehensive Choice- use of public funds to attend any public or private school, including any religious schools. As with secular choice, certain minimum standards may be required of participating private schools.

In addition to these fundamental distinctions in the term "choice", there are a number of other terms associated with this study of "choice" that need to be defined to avoid confusion or misunderstanding:

Charter Schools- schools created with public monies but operated by a group of teachers or other qualified individuals that are largely free from state and district oversight. They differ from magnet schools in their autonomy and method of creation.

Interdistrict Choice- permits students to cross district lines to attend another public school. Some states, like Colorado, allow interdistrict choice only among a limited number of districts.
Intradistrict Choice- open enrollment among schools in a particular district only.

Magnet Schools- public schools that offer specialized programs to attract students. These schools offer students an option or substitute for their location-based school assignment.

Open Enrollment- a public school choice option that allows parents in a state to decide which public school their children will attend anywhere in the state, rather than having children assigned to a school based upon location. In some states, this option is voluntary on the part of a school district.

Tax Credits- a funding method discussed primarily in the 1960's and 70's in which parents receive a credit against their income or property taxes for money spent on school tuition, books, or other approved expenses associated with sending their child to school.

Vouchers- certificates having a designated dollar value which may be spent at the educational institution of the parents' choice. The extent of the
choice involved varies across voucher plans, although most include both public and private schools.
CHAPTER 1 ENDNOTES


5. Chubb and Moe, p.18.

6. IBID


14. IBID


16. IBID

17. IBID

18. IBID


20. IBID

21. IBID


24. IBID


27. ASCD, pp.5-7.


Chapter 1- Introduction


31. Buckland, p.95.


Chapter 1- Introduction
CHAPTER 2

LITERATURE REVIEW: Public Choice

A. Public Choice Alternatives

Public school choice, for the most part, is a relatively new phenomenon in the history of American education. In fact, many of the early school choice plans were developed in the 1960s to promote school desegregation. An array of intradistrict choice and open enrollment plans were developed (a) in response to demands by community activists to develop quality desegregated schools, and (b) to reduce the "white flight" that accompanied many desegregation programs. These options included magnet schools, alternative schools, and open enrollment plans.1

Joe Nathan provided three basic rationales for public school choice: "expansion of opportunity for parents, students, and educators; recognition that there is no one best program for all students or educators; and use of controlled competition to help stimulate improvement among schools."2

In the 1990's a variety of forms of public school choice exist in practice:

1. intra- and interdistrict choice

2. open enrollment plans
2. open enrollment plans
3. magnet schools and schools within a school
4. postsecondary education options
5. area learning centers
6. charter schools

Intra- and interdistrict choice are options whereby parents can send their children to other neighborhood schools within the district (intradistrict) or other schools within a specific region (interdistrict), depending upon attendance and acceptance policies (note: usually racial balance must be maintained—this is known as controlled choice—and resident students to a particular school have first priority in enrolling at that school).

Open enrollment is generally considered to be a form of statewide interdistrict choice. In addition, open enrollment may be limited to certain students (i.e. handicapped, special needs students, etc.) or may be comprehensive and available to all students (as it is in Minnesota, for example).

Scott claimed that open enrollment allows parents to choose from a variety of educational programs without raising the issue of church-state separation as a result of tuition vouchers. However, he cautioned that a variety of educational opportunities and experiences must be made available to students to make participation in an open enrollment plan effective. Levin echoed the above concern in stating that students must be provided with meaningful choices. He also believed that accessible transportation must
be a component of open enrollment plans in order to allow students to equitably participate. 4

Chubb and Moe indicated: "Magnet schools are alternative schools that are set up with special programs and often granted additional funds and equipment in order to attract students from throughout the district. They tend to be located in minority areas, thus offering minority kids an attractive alternative to their neighborhood school...and offering incentives to white or suburban children for choosing a racially mixed school." 5 Magnet schools frequently have themes such as gifted/talented, the arts, sciences, multicultural curricula, etc.; they are usually racially integrated, and many in the country were created to achieve racial balance.

The new kid on the block insofar as public school choice is concerned is the concept of charter schools. In fact, President Clinton has endorsed the idea of charter public schools. 6 Under this system, which has been proposed by both leading Democrats and Republicans throughout the country, certified teachers or other qualified individuals are given the opportunity to create new and distinctive schools. In exchange for freedom from thousands of rules, these charter schools will be accountable for student results. Within the last several years, legislatures in twenty states have approved charter school plans. 7

B. Surveys
Gallup Polls conducted in the 1980's have reflected the general public's support of school choice plans. Each year, respondents have been asked: "Do you favor or oppose allowing students and their parents to choose which public schools... the students attend?" In 1989, 60% of the respondents favored choice among public schools (31% opposed). In 1990, an increase to 62% of the respondents favored choice among public schools (31% opposed). The 1991 opinion survey revealed that 62% of the respondents continued to favor choice among public schools (33% opposed).

The Commonwealth Foundation, a public policy think tank located in Harrisburg, PA, conducted an opinion poll in 1989 regarding school choice. 1200 Pennsylvanians were contacted by telephone by the Pennsylvania State University Data Center. 61.5% of those surveyed believed that parents should be able to choose the public school their children attend, while 33.5% did not support public school choice.

In Minnesota, the pioneer of school choice at the state level, a major shift in public opinion has taken place concerning school choice. In 1985, the first year school choice legislation was passed in Minnesota, 33% of the people affirmatively answered the question, "Do you favor or oppose allowing parents to send 11th and 12th graders to any public school, regardless of location?" In a 1988 survey conducted by Minnesota's largest teacher union, more than 60% of its members supported cross-district public school choice. A 1992 statewide poll conducted by major education groups found that 76% of Minnesotans endorsed their public school choice laws. And in 1994, an overwhelmingly 86% of the people in Minnesota favored the concept of school choice.
C. Issues

The 1980's reform movement has brought the concepts of excellence and efficiency to the forefront, with many believing that school choice systems can accomplish both of these goals. Prior to his inauguration, Former President Bush endorsed public school choice programs when he noted "Further expansion of public school choice is a national imperative." Adam Urbanski, president of the Rochester (New York) Federation of Teachers, describes public school choice as "an indispensable part of any agenda for restructuring our education system."

The key ingredient in any choice plan is the change from the current closed, bureaucratic model of education to a market-driven system. Two of the strongest advocates for market systems in education are John Chubb of the Brookings Institution and Terry Moe of Standford University. They believe that choice solves the major dilemma of government-controlled education-- it eliminates the current system. They claim: "Markets are not a perfect means of providing education; they are simply a better means...than the political process." Chubb and Moe defend choice as the sole educational remedy by stating: "We believe existing institutions cannot solve the problem, because they are the problem- and that the key to better schools is institutional reform." Kirkpatrick claimed: "Needed change...will not be brought about by those currently in the field, however much they like to talk of change, reform, or even revolution. Professions, like other "establishments", are rarely changed from within."
However, a greater majority of educational scholars and practitioners view school choice plans, not as a panacea to American educational change, but as one of many components of the reform movement. In its recent report on educational practices entitled *Tyrannical Machines*, the National Endowment for the Humanities stated: "Choice can help bring about a host of important reforms, but that does not mean it should be the only item on the reform agenda."\(^{23}\) Ann Bastian's writing on choice issues and controversies included her concern that "choice is a complex, double-edged issue, not a quick fix for school improvement."\(^{24}\) In her overview of the school choice system in New York City's Community School District Number Four, she stressed that choice in East Harlem has been successful because "it was an important ingredient, not the motive force, of change."\(^{25}\)

A similar conclusion was reached by James Cibulka of the University of Wisconsin who discussed choice plans as one of many potential approaches to school reform. He encouraged the incorporation of a variety of restructuring strategies when he stated: "If we want to succeed in our current reforms, we must think more carefully about how to maximize the interdependent elements in these educational reform strategies rather than approach them piecemeal."\(^{26}\) Even many teachers organizations, like the Pennsylvania State Education Association, have released policy statements cautiously supporting public choice in controlled settings. They generally support school choice plans provided that the following tenets are included: 1. Every student shall have fair and equitable access to a quality education; 2. The plan shall not provide any mechanism for directing public funds
to private schools; 3. The plan shall not violate any legal or contractual right of education employees; 4. Parents shall have full opportunity to contribute to and be involved in the development of educational programs for their children; and 5. The plan shall not lead to ethnic or racial segregation or foster scholastic or athletic elitism.  

There are a number of rationales favoring school choice suggested in the literature that are linked to providing educational programming that is market-driven:

1. **One of the goals of choice is to reform education by offering alternatives, which would have the indirect effect of holding schools and teachers accountable.** Seeley believed that choice will require the education profession to improve its unsatisfactory components. Harley felt that choice will improve weak schools, as those institutions will be forced to reform in order to compete with educationally superior schools. Successful programs will want the best teachers, which means that the least competent teachers would not likely be given the opportunity to move to one of the more successful programs. They have three choices: improve their present school's program, improve their own skills to make them more marketable to others, or find another profession.

In her dissertation conclusions, Wells argued, "[public]school choice does not empower, rather it segregates the empowered from the powerless." She continued: "[choice] will lead to a system that leaves those students who need the most guidance and support from the educational system... behind in schools with the fewest resources and quite possibly the least desirable teachers." But Nathan claimed that school choice plans
will allow parents, students, and school personnel to expand educational opportunities. He stated, "[the] use of controlled competition [will] help stimulate improvement among schools." Paulu suggested that choice may not cause weak schools to close as many fear, but may result in changes in school personnel which may alone improve educationally poor schools.

2. The promotion of racial integration is oftentimes another justification for the choice concept. Lines supported choice as a means of voluntary desegregation. Friedman stated, "integration has been most successful when it has resulted from choice, not coercion." Davis claimed that desegregation in choice schools occurs, not only by race, but economically as well.

3. A democratic society should allow parents to determine which school their child attends. Finn claimed this viewpoint parallels the American philosophy that the family should be the focal point of education. According to Allen, the ability to choose leads to one of two outcomes. In many instances, as supporters of choice contend, it leads to parents gaining the self-confidence to exercise control over their lives. But even if this does not happen, and parents do not bother to choose a school for their children, they are still assigned a school under choice plans. The assigned school is not likely to be worse than the one now attended by the child. Indeed, it is likely to be better because of the
improvements forced by increased pressure from other parents. Supporters of school choice also will emphasize the finding that many low-income minority families want high-quality education for their children and are willing to make substantial financial sacrifices to obtain it when options are available, like the over-subscribed foundational choice scholarships.

Witte was generally concerned by the transfer of educational decision-making from school personnel to parents and noneducators. He questioned if parents will indeed be able to make sound and proper decisions regarding their children's schooling. Levin contended: "available methods of providing appropriate information on a large number of educational alternatives to a wide variety of audiences...is likely to be costly and problematic. He believed difficulties could arise in providing equality of information dissemination to poorly-educated families, non-English speaking families, and transient families. But the experiences of many school districts offering some form of choice, like District #4 in East Harlem, prove that these concerns have been successfully dealt with through frequent and varied methods of information desemination.

Another concern expressed by critics is that too many parents will be inclined to select schools on some basis other than academics. Says Albert Shanker, President of the American Federation of Teachers(AFT), "A good location or a day care program or top-notch sports facilities are more likely to dictate the choice of a school than a first class academic program." Many critics argue that most parents would not bother to choose a school or if they did, they would do so on the basis of non-academic concerns. In 1992 the
New York City-based Carnegie Foundation added its voice of desent and claimed that parents choose "mostly for non-academic reasons." 44

Initially, some parents who have never had to judge a school before may cast their votes on the basis of non-academic factors. However, studies of two states where hundreds of thousands of children have an opportunity to choose a school demonstrate that academic reasons are a priority for most parents. A recent study of Massachusetts choice programs shows that the overwhelming majority of families chose schools for academic concerns; issues such as athletics or convenience are of minor importance in their choice. 45 Since choice has become an option, studies show that academics quickly supersede all other factors. An independent evaluation of Minnesota's public school choice program, now entering its seventh year, also confirms that parents choose first and foremost for academic reasons. 46 Schools, in turn, have responded to parent and student demands and made significant changes in response to competitive pressures. Since the introduction of post-secondary enrollment options in 1985, more than 50,000 high schoolers have used this program to go to local colleges for their courses, for both high school and future college credit. The number of advanced placement courses offered in Minnesota high schools have quadrupled in the years since the program began as the high schools strive to gain back the students (and their education dollars) who have gravitated to college campuses to seek more challenging course work. The post-secondary enrollment option is just one of the state's choice programs; in all, over 113,000 Minnesota students every year- nearly 15% of the state's enrollment- participate in the

CHAPTER 2: PUBLIC CHOICE
state's various school choice options.\textsuperscript{47}

4. Choice will improve student achievement.

In reporting the conclusions of his study, Chubb found aptitude to be the most important factor in determining student achievement. His data indicated the second most important factor influencing student achievement to be the school one attends. His results also revealed that the school of attendance surpassed parents and/or peer groups as a contributing factor to student achievement.\textsuperscript{48} The most common justification for the student achievement argument has been the improvement in standardized test scores in school systems where choice plans have been implemented, such as East Harlem, NY; Los Angeles; Montgomery County, MD; and Montclair, NJ.\textsuperscript{49}

D. Past and Existing Programs

The concept of choice in the public education arena has not, until recently, received widespread endorsement. The most publicized of the early public choice programs took place in the Alum Rock Union School District in California from 1972 to 1975. Alum Rock is a middle and working class area within the city of San Jose. The program was intended to be a working model of a voucher system as espoused by Milton Friedman, but it was restricted to public schools because of constitutional concerns about
the involvement of parochial schools. Therefore, it was actually an intradistrict program involving existing public schools only. Christopher Jencks' evaluation of the Alum Rock program found no significant difference existed between the student achievement scores of those who selected the minischool they attended as opposed to those who did not choose. Bridge and Blackman claimed that the Alum Rock school officials found it quite difficult to persuade lower socioeconomic status parents to become actively involved in the selection of their child's school.

Choice was used in other school districts in order to combat racial segregation—most notably in Rochester and Buffalo, New York, Cambridge, Massachusetts, and Price George's County, Maryland, to name a few. Cambridge, Massachusetts, for example, implemented a districtwide "controlled choice" plan. There were no neighborhood schools or attendance areas. Parents and students were free to choose any school in the district. To assist them in gaining information and making wise decisions, the district provided a Parent Information Center complete with parent liaisons, whose job it was to know about the special characteristics of individual schools, to discuss with parents the special needs of their children, and to facilitate the application process. Parents and students could rank order up to four schools in submitting their applications to the district's assignment officer, who gave weight to racial balance as well as proximity and siblings in making his determinations.

Contrary to what some thought, students did not try to get into a few select schools, in part because some preferred schools were close to home. Many other students
sought out schools that offered a distinctive program. The end result was that a great majority of students received their first-choice school, and almost all received one of their picks.  

According to Chubb and Moe, the Cambridge plan has been a huge improvement over the district's troubled past. The perennial problem of racial imbalance has dramatically changed for the better. Student achievement scores are up, and achievement differences between the worst and best schools are significantly down.

In many districts, choice plans are built around alternative or "magnet" schools. These are schools set up with special programs and are often granted additional funds and equipment in order to attract students from throughout the district. They tend to be located in minority areas, thus offering minority kids an attractive alternative to their neighborhood school (or taking buses to the suburbs), and offering incentives to white or suburban children for choosing a racially mixed school in the city. A prime example of such a choice program is Manhattan's District No. 4 in East Harlem.

Out of New York City's 32 school districts in 1973, District No. 4 ranked last in reading and mathematics. The demographics seemed to paint a predictable picture: more than half of all families were headed by single females; 80% of the students qualified for free-lunch programs; and almost all students were minorities- 60% Hispanic and 35% black. But, beginning in 1974, dynamic leaders oversaw the creation of an expanding number of alternative schools built around distinctive themes, philosophies, and programs. The district encouraged teachers with ideas and initiative to put forth proposals of their
own, and, together with the district’s guidance, form their own schools. Since schools were, consequently, to be identified with programs and not with buildings, a particular building could house a number of different schools, each with its own director, staff, and student body. 59

Like the Cambridge schools, District No. 4 assists parents through orientation sessions, providing information on each school, lessons in decision-making, and meetings with school representatives. But schools control their own admissions- they set their own criteria and make their own decisions about who to accept and reject. In fact, the schools are largely free to make their own decisions about virtually everything pertaining to the kind of education they provide. 60

Freeing up the supply and governance of the East Harlem schools has not led to the kind of chaos or unfairness that critics of market systems typically predict. The system appears to work smoothly, fairly, and effectively. While only about 16% of the students were reading at or above grade level in 1973, about 63% were doing so by 1987. They are now ranked in the middle of New York City's districts, an amazing feat considering their socioeconomic predicament. 61

Many other cities have since followed in the footsteps of Cambridge and East Harlem to offer their students the opportunity to choose the school (within district boundaries) they would like to choose. For instance, the Indianapolis school board, in February 1992, approved a citywide public school choice plan. 62

Minnesota has led the choice movement at the state level. In 1988 it became the

CHAPTER 2: PUBLIC CHOICE
first state to provide statewide open enrollment for all students. Students are allowed to attend schools outside their own districts, with both state and local monies (up to a minimum set by the state) following them as long as the receiving district has room and racial balance isn't adversely affected. Students are also permitted to receive high school and college credit for courses taken at colleges of their own choosing, again with state and local monies following them. Then, in 1991, Minnesota continued its educational reforms by enacting the Charter Schools Act that permits teachers to create and operate new public schools virtually unhampered by state and local bureaucracy.

Critics argue that relatively small percentages of Minnesota students use school choice. However, about 41,000 students used Minnesota's cross-district choice law in the 1992-93 school year. Another 5600 used the Post-Secondary Enrollment Options law. And an additional 67,000 actively selected their school under local district choice programs. Thus, more than 113,000 (14%) of Minnesota's 786,000 K-12 students actively selected their schools in 1992-93. This is far higher than the 2-3% often cited.

While Minnesota was the first state to enact charter school legislation, there have since been a number of other states who have introduced educational reforms dealing with charter schools. In particular, there are five other states, besides Minnesota, that offer what The Center for Educational Reform refers to as "quality" programs:

-California (enacted in 1992): currently there are 70 charter schools across the state, with the 100th to be approved in the spring of 1995 (the total number is capped at 100).
-Colorado (enacted in 1993): there are 14 charter schools in operation, with 9 in process. The law sets a cap of 50 charter schools.

-Michigan (enacted in 1993): there is no cap on the number of schools, and there are 8 currently open.

-Massachusetts (enacted in 1994): 14 schools are scheduled to open in the fall of 1995.

-Arizona (enacted in 1994): 3 schools have been approved, with as many as 30 expected to be opened by 1996.66

In all, 246 charter schools have opened in 20 states, with New Jersey becoming the 20th state to pass charter school legislation in December, 1995, authorizing 135 charter schools of up to 500 students each.67
CHAPTER 2 ENDNOTES


10. IBID

Toward the Public Schools", Phi Delta Kappan, Vol. 72, No. 1, 1990, p.44.


16. IBID


CHAPTER 2: PUBLIC CHOICE


25. Bastian, p.179.


42. IBID


44. Allen, pp.11-12.


47. IBID


51. Buckland, p.20.

52. Buckland, p.19.
54. Chubb and Moe (1990), p. 211.
55. IBID
56. IBID
58. IBID
60. Chubb and Moe (1990), p. 213.
64. IBID
67. COMMIT, p. 1.
A. Description of Private Choice Alternatives

Just as the word "Choice" had several connotations in the public arena, the term "Private Choice" also does not have a single interpretation. While the general meaning of "Private Choice" refers to the option of choosing any public or private school within a given jurisdiction, there are two primary distinctions that need to be made: (1) is the funding source public (vouchers) or private (scholarships), and (2) are the private schools to be included in the "choice" religiously-based or not. Consequently, the programs that involve private funding will be referred to as "Foundational Choice"; the publicly-funded programs that only include nonreligious private schools will be referred to as "Secular Choice"; and the publicly-funded programs that include religious private schools (along with all other schools, both public and private) will be referred to as "Comprehensive Choice".
B. Privately Funded- Foundational Choice

The private scholarship movement for precollege education has been an area that has expanded greatly in the last decade. These scholarships are largely targeted for low-income students desiring to attend private schools—especially religiously oriented ones. While the sources of funding for these scholarships have traditionally been established philanthropic organizations and religious foundations, "new money" is coming from corporate and individual sponsors desiring to give students options in education they otherwise would not be able to afford.

The CEO of the Golden Rule Insurance Company, J. Patrick Rooney, created the Educational Choice Charitable Trust to provide half-tuition scholarships to poor Indianapolis children to use at the school of their choice. From this single program launched in Indianapolis in 1991, the private voucher concept has spread to at least 17 other cities by the end of the 1994-95 school year and could double by the 1996-97 school year (see Tables 3-1, 3-2, and 3-3).¹

Scholarship awards range from a low of $66 to a high of $3000, and in almost every case a family co-payment of 50% is expected. To date over $11 million in scholarship dollars have been awarded by these programs. In the 1994-95 year alone, over $5 million in scholarships were made available to over 6520 students, at an average of around $846 per student.²

It is interesting to note that while almost all of the Golden Rule-type programs
only pay 50% of the tuition up to a certain maximum (Denver being the exception, paying 65%), around half of all participant families earn less than $15,000 a year. And in Milwaukee, home of the nation's first public school voucher program (available for secular private schools only), the Golden Rule-type program there (known as PAVE- Partners Advancing Values in Education) served around 2700 students in the 1994-95 school year and had over 1000 students on a waiting list. Also, none of the 18 programs, except for San Antonio, noted any expansion of private school capacity- either through adding classes or opening new schools- as a result of these scholarship programs beginning.

In addition to the Golden Rule programs, there is a similar effort being organized under the name CEO America, based in Bentonville, Ark. Other private scholarship programs that exist around the country differ from the Golden Rule programs in one or more material ways- either they restrict the choices of schools a recipient can attend; they may require no co-payment; their rules for who can receive a scholarship may be more restrictive; or, as is the case with the Student-Sponsor Partnership, the program offers a unique feature to the scholarship itself. While the list is not exhaustive, it is fairly representative:

NEW YORK- Founded by businessman Peter Flanigan in 1986, New York City's Student-Sponsor Partnership offers scholarship assistance to needy students who are deemed likely to drop out of high school and helps them attend a Catholic high school instead. The program's distinctive approach lies in matching donor-sponsors
with specific students, with the sponsor taking responsibility for all or part of a student's tuition, as well as taking on a mentoring role and recruiting new sponsors to the program. At the end of the 1994-95 school year, the Partnership had 825 students enrolled in Catholic schools with an average tuition of $2800. Similar programs exist in Fort Worth, Newark, and Washington, D.C., to name a few. Also in New York, Operation Exodus Inner City has placed 110 low-income inner-city children in 11 private religious schools in rural areas. The program uses an open application process and imposes no academic qualifications. Most participating schools provide partial scholarships, and families have to contribute between $500 and $2000 per year.

CHICAGO- There are three notable scholarship programs offered in the Windy City. The Daniel Murphy Scholarship Foundation gives scholarships averaging $9000 to low-income students based on a competitive application process. During the 1994-95 year, 150 students received scholarships. In addition, the Big Shoulders Fund gives scholarships to low-income students attending Catholic schools totalling $300,000 a year. And since 1966, Link Unlimited, which has a mentoring component similar to the Student-Sponsor Partnership, has awarded financial aid to low-income students, enabling 200 students to attend Catholic schools in 1993-94.
DETROIT- Since 1991, the Cornerstone Schools, three schools established by a coalition of church groups, businesses, and labor and community organizations, have provided a partner-matching program similar to Student-Sponsor Partnership. 363 students were enrolled during the 1993-94 school year.¹⁰

LOS ANGELES- Since 1988, the Archdiocese Foundation has had a Tuition Awards Program that helps low-income families afford a Catholic school education. Since its inception, the program has granted $13 million in scholarships to over 17,000 children. The Education Foundation has another scholarship program, The Education Advantage Program, set up after the Los Angeles riots, that offers tuition grants administered by the principals of Archdiocese schools located in low-income areas.¹¹ Archdioceses in most large cities across the nation have similar scholarship programs.

According to Alyson Tucker of the Heritage Foundation, besides giving poor children an alternative to unsuccessful local public schools, these programs can also serve as working models for private school choice as practical, affordable alternatives.¹²

C. Secular Choice- Public Funding for Nonreligious Schools
In spite of the fact that the public funding of nonreligious private schools does not have to contend with the major constitutional question concerning separation of church and state, there are only two established voucher programs in this country which assists low-income students in attending secular private schools. Milwaukee is the home of a nationally recognized voucher plan for low-income children. Spearheaded in 1990 by Representative Annette "Polly" Williams, a Democrat, and signed into law by Governor Tommy Thompson, a Republican, the plan permits up to 1000 low-income Milwaukee students to use an annually adjusted amount ($2967 for the 1994-95 school year) in state funds to go to a private, non-sectarian school of their choice. The Milwaukee program began operation in the fall of 1990 with 300 children using vouchers at 6 private schools. Now entering its fifth year, 832 students attend one of eleven participating private schools. The program, however, is under-subscribed, due largely to the fact that the program excludes religiously affiliated schools. By comparison, PAVE, Milwaukee's privately funded voucher program, offers a less generous grant (max. $1000 K-8 and $1500 9-12), mandates a matching payment from families, includes all nongovernment schools, and is over-subscribed, with a waiting list of 1036. The Milwaukee choice plan has been bitterly opposed by various educational establishment groups, including the state school board association and the Wisconsin Congress of Parents and Teachers, Inc. The Milwaukee experiment has also been subjected to court challenges by anti-school-choice forces. Although the courts initially upheld the Milwaukee plan, the state Court of Appeals overturned the lower court decision in November 1990 on a technicality. The Wisconsin

CHAPTER 3- PRIVATE CHOICE
Supreme Court responded to the Appeals Court decision with a landmark ruling in March 1992, which declared the plan to be fully in line with the Wisconsin state constitution.16

In 1994, Puerto Rico began its second year of offering the largest choice program that includes independent schools. Like the government program in Milwaukee, eligibility is determined by income level. While any child can transfer from one public school to another, tuition grants for secular schools are available only to the poor. More than 1900 students from households with incomes below $18,000 attend secular schools under this choice program. An even greater number, 14,922, have used the choice program to attend public schools previously not opened to them. Although the program has since been ruled unconstitutional, the complications are specific to Puerto Rican law and are in the process of being modified to satisfy constitutional requirements.17

Even though there is no voucher plan in Georgia, school choice advocates recently uncovered a 32 year old statute which permits any child between the ages of 6 and 19 to receive an "education grant" to pay for all or part of the tuition of a nonsectarian private school. The law, approved by the Georgia legislature in 1961, originally was passed to enable white students to flee desegregated public schools. Now, education reformers are attempting to use the law to enable many minority students to flee poorly performing public schools (interesting paradox).18
### Table 3-1

**GOLDEN RULE-TYPE SCHOLARSHIP PROGRAMS**

<table>
<thead>
<tr>
<th>CITY</th>
<th>HIGH</th>
<th>LOW</th>
<th>AVERAGE</th>
<th>HIGH</th>
<th>AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany</td>
<td>$6,000</td>
<td>$800</td>
<td>--</td>
<td>$1,500</td>
<td>$950</td>
</tr>
<tr>
<td>Atlanta</td>
<td>$8,400</td>
<td>$2,000</td>
<td>$3,200</td>
<td>$3,000</td>
<td>--</td>
</tr>
<tr>
<td>Austin</td>
<td>$9,600</td>
<td>$132</td>
<td>$2,350</td>
<td>$1,000</td>
<td>$905</td>
</tr>
<tr>
<td>Battle Creek, MI</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Dallas</td>
<td>--</td>
<td>--</td>
<td>$1,850</td>
<td>--</td>
<td>$865</td>
</tr>
<tr>
<td>Denver</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>$1,250</td>
<td>$633</td>
</tr>
<tr>
<td>Detroit/G. Rapids</td>
<td>$2,900</td>
<td>$1,500</td>
<td>--</td>
<td>--</td>
<td>$1,000</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>$1,950</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,900</td>
<td>$1,400</td>
</tr>
<tr>
<td>Houston</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>$910</td>
</tr>
<tr>
<td>Indianapolis</td>
<td>$5,200</td>
<td>$250</td>
<td>$1,547</td>
<td>$800</td>
<td>$669</td>
</tr>
<tr>
<td>Little Rock</td>
<td>$2,000</td>
<td>$1,200</td>
<td>$1,900</td>
<td>--</td>
<td>$890</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>$3,000</td>
<td>$745</td>
<td>$2,064</td>
<td>$1,300</td>
<td>$1,032</td>
</tr>
<tr>
<td>Midland, TX</td>
<td>$6,000</td>
<td>$1,000</td>
<td>--</td>
<td>--</td>
<td>$5,000</td>
</tr>
<tr>
<td>Milwaukee</td>
<td>$3,900</td>
<td>$500</td>
<td>--</td>
<td>--</td>
<td>$637</td>
</tr>
<tr>
<td>Oakland</td>
<td>$8,000</td>
<td>$1,200</td>
<td>$1,500</td>
<td>$750</td>
<td>$675</td>
</tr>
<tr>
<td>Phoenix</td>
<td>$3,000</td>
<td>$800</td>
<td>$1,200</td>
<td>$800</td>
<td>$600</td>
</tr>
<tr>
<td>San Antonio</td>
<td>$8,615</td>
<td>$950</td>
<td>--</td>
<td>$750</td>
<td>$610</td>
</tr>
<tr>
<td>Washington</td>
<td>$20,800</td>
<td>$1,500</td>
<td>$4,420</td>
<td>$1,500</td>
<td>$911</td>
</tr>
<tr>
<td>Average</td>
<td>$6,383</td>
<td>$1,005</td>
<td>$2,153</td>
<td>$1,323</td>
<td>$846</td>
</tr>
</tbody>
</table>

### Table 3-2

**GOLDEN RULE-TYPE SCHOLARSHIP PROGRAMS**

**NUMBER OF PARTICIPATING CHILDREN**

<table>
<thead>
<tr>
<th>City</th>
<th>91-92</th>
<th>92-93</th>
<th>93-94</th>
<th>94-95</th>
<th>Waiting List</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany</td>
<td>25</td>
<td>25</td>
<td>450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Atlanta</td>
<td>200</td>
<td>160</td>
<td>160</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Austin</td>
<td>46</td>
<td>69</td>
<td>250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Battle Creek</td>
<td>53</td>
<td>116</td>
<td>180</td>
<td>na</td>
<td></td>
</tr>
<tr>
<td>Dallas</td>
<td></td>
<td></td>
<td>100</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Denver</td>
<td>42</td>
<td>74</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Detroit</td>
<td>3</td>
<td>12</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fort Worth</td>
<td>23</td>
<td>13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Houston</td>
<td>91</td>
<td>800+</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indianapolis</td>
<td>746</td>
<td>895</td>
<td>1075</td>
<td>984</td>
<td>1030</td>
</tr>
<tr>
<td>Little Rock</td>
<td>17</td>
<td>17</td>
<td>50</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Los Angeles</td>
<td></td>
<td>775</td>
<td>1500+</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Midland</td>
<td>8</td>
<td>5</td>
<td>na</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Milwaukee</td>
<td>2089</td>
<td>2450</td>
<td>2699</td>
<td>1036</td>
<td></td>
</tr>
<tr>
<td>Oakland</td>
<td></td>
<td></td>
<td>169</td>
<td>1200</td>
<td></td>
</tr>
<tr>
<td>Phoenix</td>
<td>57</td>
<td>60</td>
<td>450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>San Antonio</td>
<td>930</td>
<td>950</td>
<td>902</td>
<td>2400</td>
<td></td>
</tr>
<tr>
<td>Washington</td>
<td>57</td>
<td>175</td>
<td>600</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>746</td>
<td>4167</td>
<td>5006</td>
<td>6520</td>
<td>9945</td>
</tr>
</tbody>
</table>

Table 3-3  
GOLDEN RULE-TYPE SCHOLARSHIP PROGRAMS  
TYPES OF SCHOOLS PARTICIPATING

<table>
<thead>
<tr>
<th>City</th>
<th>Catholic</th>
<th>Christian</th>
<th>Independent</th>
<th>Jewish</th>
<th>Muslim</th>
<th># of Schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany</td>
<td>23%</td>
<td>38%</td>
<td>31%</td>
<td>7%</td>
<td>0%</td>
<td>13</td>
</tr>
<tr>
<td>Atlanta</td>
<td>24%</td>
<td>43%</td>
<td>24%</td>
<td>3%</td>
<td>5%</td>
<td>45</td>
</tr>
<tr>
<td>Austin</td>
<td>22%</td>
<td>28%</td>
<td>22%</td>
<td>0%</td>
<td>0%</td>
<td>25</td>
</tr>
<tr>
<td>Battle Creek</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Dallas</td>
<td>49%</td>
<td>50%</td>
<td>1%</td>
<td>0%</td>
<td>0%</td>
<td>14</td>
</tr>
<tr>
<td>Denver</td>
<td>48%</td>
<td>48%</td>
<td>8%</td>
<td>4%</td>
<td>0%</td>
<td>25</td>
</tr>
<tr>
<td>Detroit</td>
<td>90%</td>
<td>10%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>10</td>
</tr>
<tr>
<td>Fort Worth</td>
<td>100%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>3</td>
</tr>
<tr>
<td>Houston</td>
<td>20%</td>
<td>58%</td>
<td>11%</td>
<td>9%</td>
<td>0%</td>
<td>44</td>
</tr>
<tr>
<td>Indianapolis</td>
<td>27%</td>
<td>18%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>70</td>
</tr>
<tr>
<td>Little Rock</td>
<td>20%</td>
<td>40%</td>
<td>40%</td>
<td>0%</td>
<td>0%</td>
<td>5</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>30%</td>
<td>64%</td>
<td>0%</td>
<td>7%</td>
<td>0%</td>
<td>180</td>
</tr>
<tr>
<td>Midland</td>
<td>14%</td>
<td>56%</td>
<td>28%</td>
<td>0%</td>
<td>0%</td>
<td>7</td>
</tr>
<tr>
<td>Milwaukee</td>
<td>54%</td>
<td>35%</td>
<td>10%</td>
<td>0%</td>
<td>0%</td>
<td>103</td>
</tr>
<tr>
<td>Oakland</td>
<td>85%</td>
<td>10%</td>
<td>7%</td>
<td>0%</td>
<td>3%</td>
<td>18</td>
</tr>
<tr>
<td>Phoenix</td>
<td>50%</td>
<td>50%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>15</td>
</tr>
<tr>
<td>San Antonio</td>
<td>44%</td>
<td>47%</td>
<td>7%</td>
<td>1%</td>
<td>0%</td>
<td>86</td>
</tr>
<tr>
<td>Washington</td>
<td>51%</td>
<td>18%</td>
<td>29%</td>
<td>0%</td>
<td>2%</td>
<td>41</td>
</tr>
</tbody>
</table>

D. Comprehensive Choice - Public Funding for All Schools

1. PRIVATE CHOICE POLLS, SURVEYS, AND STUDIES

Overall support for vouchers had increased significantly since the 1971 Gallup Poll of the Public's Attitudes toward the Public Schools, when 38% of the general public favored vouchers and 44% opposed them.\(^{19}\) In 1983 the Gallup Poll found that 51% of the general public favored a voucher plan and that American blacks favored a voucher plan by 65% to 23%.\(^{20}\) Gallup polls taken since the mid-80's concerning support for public and private choice have been fairly consistent. Regarding the question, "Should families be given a choice in the public school their children attend?", 60-62% have responded positively and 31-33% have opposed the notion. In terms of allowing families to participate in a private school voucher plan, 46-50% of respondents have been in support and 39-41% have opposed to the idea.\(^{21}\) So there appears to be substantial support for "public" choice, while a weak majority exists for "private" choice.

A July 1993 survey commissioned by the Arizona Chamber of Commerce asked 1000 registered voters in Arizona the following question: "Some people suggest the government allot a certain amount of money for each child's education. Parents can then send the child to any public, private or parochial school they choose. This is called the 'voucher system'. Would you like to see such an idea adopted in this state?" The overall response was 53.5 percent in favor, with 39.2 percent opposed. Among African Americans questioned, 75.5 percent supported parental choice, while 25.4 percent opposed. 65 percent of Native Americans surveyed approve of parental choice, while 19.2
percent do not. These survey results, when compared to a 1991 survey of minorities commissioned by the Goldwater Institute, show that minority support for parental choice is growing.\footnote{22}

A 1994 statewide public opinion poll in New Jersey showed that 62.5\% of New Jersey voters supported a pilot school choice program for Jersey City. Support for Mayor Bret Schundler's school choice program was greatest among African-Americans (71.6\%), Hispanics (64.2\%), younger voters (78\%), and lower income households (68.2\%). The survey results also showed that support for school choice cuts across ideological lines, with 69.3\% of self-described conservatives and 65.6\% of liberals supporting a pilot school choice program for Jersey City.\footnote{23}

On the other hand, there is no consensus regarding the effect tuition tax credits or vouchers would have on school enrollments. Several simulation studies, using Census Bureau data, have been conducted to estimate the number of public school students that would switch to nonpublic schools if their families were given tuition tax credits. Gemello and Osman's 1981 study, based on the 1970 U.S.Census data, indicated that a 1\% increase in family income resulted in a .95\% increase in all of California's nonpublic schools.\footnote{24}

When Gemello and Osman's calculations were applied to tuition tax credit (TTC) proposals, a $250 TTC would be expected to increase nonpublic school enrollment from 2-3\% in California. A larger TTC of $1500 would lead to an estimated 14\% increase in nonpublic school enrollment.

Noell and Myers' 1982 work, using Bureau of Census data, indicated that the
maximum number of public school students that would enroll in nonpublic schools would be 2% if their parents were given a $250 tax credit. The study assumed that tuition remained constant and that the availability of nonpublic schooling was infinite.\textsuperscript{25}

The findings of several nationwide, state, and local telephone surveys suggest that much larger numbers of pupils would be likely to switch to nonpublic schools. The results of a Newsweek poll in 1981 found 23% of public school parents were willing to switch their children to a nonpublic school if the parents were given a $250 TTC.\textsuperscript{26} A major weakness of the Newsweek survey was its failure to determine the availability and cost of nonpublic schooling to those surveyed.\textsuperscript{27} M.F. Williams' et al. 1983 survey asked parents if they would switch their youngster to a nonpublic school if they were given a $250 TTC. 90% of all public school families indicated they would be very likely to switch to nonpublic schools and another 14% were "somewhat" likely to switch to nonpublic schools.\textsuperscript{28} Williams et al. found that this percentage would increase as the amount of the TTC increased. They also found that the groups that displayed the greatest likelihood of switching their children to nonpublic schools tended to be (a) less educated, (b) black, (c) low income, (d) urban, and/or (e) dissatisfied with the school their children attended.

When the study eliminated individuals who did not have a nonpublic school nearby, they found that the upper limits of students who would switch decreased from 23% to 15%.\textsuperscript{29} Glickman, Bruce, and Newfield's 1983 telephone survey of Georgia parents found that 25% of the parents interviewed would be likely to switch their youngsters to nonpublic schools if they were granted a $500 TTC. This study indicated that
matriculation from public school to nonpublic schools was 15% higher for families with incomes in excess of $15,000 than for families with incomes under $15000.\textsuperscript{30}

DuBray's 1984 study resulted in findings that were similar to the findings of Glickman. DuBray's study, consisting of a telephone survey of 100 randomly selected parents of school age children in the St. Louis metropolitan region, found nearly 50% of the public school parents were likely to switch their child to a nonpublic school if the entire school tuition was negated by a tax credit. The percentage of parents switching to a nonpublic school dropped to under 20% when parents were asked if they would switch to a nonpublic school if they were granted a $250 TTC.\textsuperscript{31} However, DuBray also found that nearly one half of the public school parents had little or no awareness of how TTC would operate. Thus it appears likely that the number of parents who indicated that they would switch their children's school is an overestimate of the percentage of parents who would switch their children's school if a TTC were available.\textsuperscript{32}

An Ohio TTC research project was conducted in the Toledo Public Schools by Gerrick in 1985. Gerrick surveyed parents of public school junior high students and found that over 50% of the parents he surveyed claimed that they would be likely to transfer their children to nonpublic schools if a TTC was available.\textsuperscript{33}

A nationwide Gallup poll in 1986 asked American families if they would choose to keep their child in the same school as the child was attending if the parents (a) could choose to send their child to any public or nonpublic school in the general area, and (b) were given a $600 voucher to help reduce the cost of attending another school. 6% of the
families stated they would switch their child to another public school while 27% of the respondents indicated they would switch their child to a nonpublic school. There was no attempt made to ascertain if parents were aware they would need to pay any tuition and transportation costs in excess of the $600 voucher.\textsuperscript{34}

An assumption made in these studies was that individuals' "what if" statements are a somewhat accurate depiction of their actions in similar circumstances. However, Schuman found that a tenuous link existed between attitudes and actions since one's attitudes were often biased by an unrealistic perception of future contexts.\textsuperscript{35} Bell noted that social policy research involving school choice was biased by parents' limited and unrealistic knowledge of nonpublic school costs and the tendency of many uninformed parents to demonstrate great variance in their responses as they acquire additional information about a subject.\textsuperscript{36}

A dissertation done by Buckland in 1990 estimated the impact public aid amounts that varied from $500 to a full credit TTC or voucher would have on parents' school choice decisions. In order to determine if school choice programs might result in racial and economic inequities, parents were divided into groups based on their race and family income level. He found that under a completely funded voucher or tuition tax credit plan, 19% of public school families would be interested in switching their children to nonpublic schools and 11% interested in switching to other public schools (a total of 30%). Buckland also found that partial funding changed the results dramatically- a total of only 4% were interested if given a $500 voucher, 5% with a $1000 voucher, 6% with a $1500
voucher, and 9% with a $2000 voucher. Another finding was that increasing the amount of a TTC or voucher did not appear to have an inequitable effect on either black families or on families whose income was below the poverty level. However, black, poverty level families were found to be slightly less likely than any other socioeconomic group to use a partial TTC or voucher.

In a study done by Koutromanes in 1992, price elasticities were calculated in order to understand demand for private schooling. Elasticities describe how changes in prices for the educational expenses of a family might affect their choices for schooling. The price elasticity for parochial schools and independent schools was calculated to be .17 and .34, respectively. Both types of schools were price inelastic; but the price elasticity of independent schools was not significant. Koutromanes' conclusion was that the implementation of a tuition tax credit or voucher would induce parents to switch to private school. A voucher that paid for half of the tuition to parochial schools (an effective price decrease of 50%, for example) would increase demand for parochial schools by about 9% (50% x .17).

2. ISSUES

Peterson described both supporters and opponents of private school choice in an interestingly descriptive way. Of the proponents, he stated: "Those favoring greater choice are a motley collection of diverse interests whose views of the appropriate alternatives to the existing system are hardly congruent...[They] include neoconservatives interested in using market economies to improve public services, leftists suspicious of centralized
bureaucracies, some Evangelical Protestants... Roman Catholics... and a limited number of members of the academic community."\(^{40}\) Peterson described the opponents of choice as: "... school boards, school superintendents, teacher organizations, parent-teacher associations and others who have a stake in preserving and extending the quasi-monopoly [of education]."\(^{41}\)

The issues surrounding private school choice include those discussed on pages 10-14 concerning public choice, as well as many others (not the least of which is the issue of separation of church and state). The ramifications of these issues, though, have far greater consequences for public education as we now know it. Consequently, the issues have been clustered around seven themes:

1. Separation of Church and State
2. Market versus Bureaucratic Educational System
3. Parents as the Primary Educators of their Children
4. Student Achievement in the Private Sector
5. Equality of Educational Opportunity for Students
6. National versus Individual Interest
7. Financial Reasons to Support Private Education

**1. SEPARATION OF CHURCH AND STATE**

Most arguments against private choice begin and end with critics claiming that any choice
plans which include religious schools are in violation of the First Amendment. Robert L. Maddox, Executive Director of Americans United for Separation of Church and State, claims that public funds cannot be used at religious schools without "violating the constitutional separation of church and state." He goes on to say that "a long line of Supreme Court cases has repeatedly found that the First Amendment bars the expenditure of tax money to support religion or religious schools." To be sure, the Supreme Court has applied its three-part test, known as the Lemon test, in "establishment clause" cases to determine whether legislation providing public monies for private schools is constitutional. But, as will be seen more clearly in the Legal Perspectives section of this chapter, the Court's opinion in recent years has become more accommodative. In the words of Clint Bolick of the Heritage Foundation, "as long as a school choice program puts the decision of where the funds are spent in the hands of individual students or parents, and as long as the program does not discriminate in favor of religious schools, the program is likely to survive any constitutional challenge."

2. MARKET-VERSUS BUREAUCRATIC EDUCATIONAL SYSTEM

In the section on public school choice, the issue of using market competition as the driving force for bringing about change in education was discussed. The strength of the argument increases dramatically when the "market" is expanded from including not only public schools but all schools, public and private. Davis stated: "The voucher (choice) system is predicated on the belief that a free enterprise system introduced into the educational system would provide students and their parents with highly desirable
educational alternatives." Choice advocates say that parents would be given a wider choice of education for their children, and that the schools would be better as a result of the natural competition that would arise. They point to the fact that the public schools now maintain a natural monopoly and are very slow to react to public pressure and criticism, but that private schools that are dependent upon favorable public opinion react quickly to the desires and needs of their students.

Glenn claimed nonpublic schools tend to be more effective than are public schools. He suggested that this occurs because schools of choice can specialize in meeting the demands of their particular clientele. In contrast, a comprehensive public school tends to be less effective since it is obligated to meet the diverse and often conflicting demands and needs of an academically and philosophically diverse clientele. Molnar, in a rather tongue-in-cheek fashion, described the situation this way: "(choice) reformers reject the assumption that our democratic culture is best served when most schools are organized as public institutions paid for by and politically accountable to citizens. Viewing public education through an economic lens, they characterize public schools as monopolies that harm the public by restraining free trade in educational services. Nonpublic school educational choice proposals are largely derived from monetarist economic and social theory and are only one part of the more general right-wing social policy goal of 'privatizing' public institutions...From the monetarist perspective, the government is inherently inferior to the 'private sector' in providing cost-effective, efficient public services, and the roles of citizen and consumer are virtually indistinguishable. It is

CHAPTER 3- PRIVATE CHOICE
consistent with this logic to assert that educational quality would be most likely to improve if schools were considered products and were marketed to consumers free to select any school that best satisfied their individual preferences.  

Rosenberg expressed concern that schools are different from business and industry and may not be manageable according to market theory. Raywid claimed: "Vouchers are actually a plan for financing schools, not for improving them...Roles from the economic metaphor don't seem to fit relationships in education." LaNoue argues that marketplace analogies do not fit well to the educational world. Competition in the private school sector does not correspond to market theory.

Two other primary concerns critics have of a market-based education system that incorporates choice are (1) creaming effects and (2) the increased difficulty of planning and staffing. Mary Anne Raywid, an advocate of public school choice, does not support voucher systems. Her concerns focus upon the possibility of large numbers of students leaving the public schools, and consequently, weakening the system even further. Califano noted if nonpublic school aid caused a mass flight from public to nonpublic schools, then urban public schools could become the schools of last choice for disadvantaged pupils unable to gain admission to a nonpublic school. Califano stated that this type of flight might occur if nonpublic school aid legislation resulted in a decrease in public financial support of urban public school systems. Others who oppose aid to nonpublic schools fear TTC and vouchers (private choice) would lead to "bright flight" - the transfer of the highest achieving students from public schools to exclusive private

CHAPTER 3- PRIVATE CHOICE
schools—just as "white flight" was a response to large city racial desegregation. But evidence from Milwaukee, where the nation's first publicly-funded voucher program has been implemented, suggests that the opposite is true. The First Year Report of the Milwaukee choice program states: "Rather than skimming off the best students, this program seems to provide an alternative educational environment for students that are not doing particularly well in the public school system." And, insofar as critics are concerned about the further weakening of an already weak education system, the question must be asked: are they interested in what's best for the students or simply in saving the "Pony Express"—an enterprise whose purpose was enormously valuable but whose methods were made obsolete by faster, cheaper, and more reliable means of communication?

Critics of market competition have identified what advocates concede is a major obstacle— the planning process in a full choice environment is far more complicated and problematic than under the present system. According to McConnell, public school boards can envision the vast array of problems associated with student transfers, transportation problems, closing some schools, overcrowding in others, and moving teachers from school to school. But advocates continue by saying that the "market" will likely adjust, and legislative requirements modified, to accommodate the needs of market participants to plan effectively; not to mention the internal changes that organizations will necessarily make to adapt to the competition.

3. PARENTS AS THE PRIMARY EDUCATORS OF THEIR CHILDREN

One of the foundational considerations of choice advocates is that parents should
have freedom of choice in the education of their children. Proponents cite the case of Pierce v. Society of Sisters as a guarantee of such choice. Said the court, "The fundamental theory of liberty under which all governments in this union repose excludes any general power of the State to standardize its children by forcing them to accept instruction from public teachers only." And strong evidence exists that parents want this freedom to choose. In the Golden Rule-type voucher programs, where low-income parents are generally required to contribute half of the cost of their child(ren)’s education in a private school, the parents have shown their willingness to make tremendous sacrifices to place their children in a better educational environment. Parental choice grant programs in Indianapolis, Atlanta, San Antonio, Milwaukee and other participating cities have had the same results: long waiting lists for half-tuition grants. In Indianapolis, 26 percent of the more than 900 children participating in the choice program come from families making less than $10,000. This means that these low-income families are willing to contribute what amounts to nearly 10 percent of their annual income to give their children better educational opportunities.

Nathan noted that choice proposals might need to be extended to allow participation by nonpublic schools since the current traditional public schools and public alternative schools are not sufficiently varied to meet the diverse academic, religious, economic, and social concerns of parents. Lieberman rationalized that because of financial constraints, many parents are forced to send their children to non-religious public schools, even though they would prefer their children to have a religious-based
educational experience. Consequently, Lieberman claimed this violates parents' opportunity to choose religion. He argued in favor of tuition vouchers, because he felt, in instances like the one explained above, vouchers will protect the religious freedom of those who want to choose religion. The second consideration proposed by Lieberman is that tuition vouchers would reduce social conflict. Lieberman believed that by attempting to educate the masses, social conflict becomes an inevitable component of public education. However, vouchers could allow families to select schools which are in agreement with their individual social philosophy (i.e. sex education, values, drug and alcohol education, evolution, etc.). By selecting a school with a similar social philosophy, Lieberman argued that social conflict would be reduced.62

And its not just religious instruction that parents are looking for in a private school. Buckland assessed the relative importance to parents of six factors previous researchers have identified as the elements that are most often associated with a voluntary switching of schools. The study found that parents believed that the quality of teaching instruction within a school was the factor most likely to influence their school choice decisions. A school's discipline climate was the next most important factor...The factor that was least likely to influence parents' school choice decisions was school officials' philosophy regarding religious instruction within the school.63

In a research study of the Montclair (New Jersey) Public Schools, Schwartz attempted to:"determine why parents who could make educational choices for their children within a public school system chose to send their children to private schools."64 In
particular, she analyzed the reasons parents chose private schools, despite the choice options provided by the Montclair, New Jersey Public School System...When asked to rate the factors which contributed to their decision to enroll their child in a nonpublic school, primary reasons provided were: "quality of teaching staff; academic studies of the school; and maintaining of discipline and order." Interestingly, one school selection factor rated as unimportant by parents surveyed by Bingaman was the desire for religious instruction. Rather, more emphasis was placed on civic and moral values than religious instruction. Academic factors proved to be the most important consideration in selecting a private school.

4. STUDENT ACHIEVEMENT IN THE PRIVATE SECTOR

The ongoing debate concerning the relative merits of private versus public education greatly intensified in 1982 with a study released by Coleman, Hoffer, and Kilgore. Analysing data from a longitudinal study of 58,728 U. S. high school students, they concluded that, in general, private schools performed better than public schools. Their findings included...[that] Catholic and private school students scored approximately two grade-equivalency levels higher than their chronological age public school peers. Upon release of this report, some members of the educational community immediately inferred that private and Catholic schools were superior to public schools.

The conclusions of Coleman, et al, have met with considerable skepticism and disagreement. Willms claimed: "there are no observed differences in achievement for advantaged white students, those who are most likely to attend private schools." Willms
questioned the validity of tuition vouchers and their effect on education, as they may still exclude minorities and disadvantaged students from nonpublic schools. Cookson is another individual who had concerns about Coleman, Hoffer, and Kilgore's report, *High School Achievement*. He expressed his concern regarding the validity of the findings claiming private and Catholic schools are superior. Cookson felt it impossible to make such a general comparison, as both educational systems are completely different.

But in a study by William Sanders, Professor of Economics at DePaul University, he found that "Catholic schooling reduced the odds that sophomores did not graduate with their class by 10 percentage points. Further, we found that Catholic schools had a significant positive effect on the test scores of African-Americans and Hispanics." Research by Brookings scholars John E. Chubb and Terry Moe further showed that private schools in general excel because of their organization, not because they weed out less-able students through set admissions criteria. After controlling for all of the variables used to explain away the performance of private schools such as selection criteria, as well as socio-economic status, student ability, and the influence of peers, Chubb and Moe found that private schools still out-perform public schools, particularly as concerns the less advantaged. In the words of sociologist James Coleman, "The proximate reason for the Catholic schools' success with less-advantaged students from deficient families appears to be the greater academic demands that Catholic schools place on these students."

5. EQUALITY OF EDUCATIONAL OPPORTUNITY FOR STUDENTS

CHAPTER 3- PRIVATE CHOICE
Choice advocates seem to agree that a major goal of school choice programs should be to promote educational equity for (a) poverty level income children, and (b) youngsters who are members of a racial minority group. King stated that the equity concern was the essential conceptual question that must be addressed before any nonpublic aid proposals were enacted.

But many educators have suggested that school choice options will further segregate schools by both race and economic class. In particular, Raywid cited evidence from schools in France which claimed that tuition vouchers created exclusive private schools and "pauper schools." Witte expressed concern that if the best students leave the public schools, only poor students (academically and economically) will remain in those schools. He claimed market systems could cause greater inequality than the present system.

On the other hand, several proponents of nonpublic school participation in choice legislation believe nonpublic schools are more likely to promote racial and economic integration than are public schools. Coleman, Hoffer, and Kilgore's study indicated that private schools had a lower racial segregation rate than did their public school counterparts. Thus they noted that increasing school choice might enable more children to attend desegregated schools. Sowell reiterated this point by arguing that the greatest abuse of public school power is the arbitrary and capricious nature of school laws that sentence poor children to an inferior quality education. Thus Sowell championed comprehensive choice as a method of giving the urban poor a chance to escape poverty.
In citing schools in New York City, Washington, D.C., Vermont, and Washington state, Nathan disagreed with the inequality argument against school choice. He claimed that a large number of handicapped, disruptive, and minority students are currently receiving services in private and parochial schools, and choice will merely allow more of these special students to attend already established institutions.81

To be sure, there are many within the academic community who feel the current system is terribly inequitable economically. Finn claimed that choice has always existed for wealthy families, but disadvantaged people simply do not have the financial means of moving to a better school district or paying private school tuition.82 West argued that the common school no longer exists, if indeed it ever did exist. He noted that among the most economically elite schools in the nation are the suburban lighthouse districts. In these districts residents have to pass a test of affluence by purchasing a house out of reach for low and middle income families.83 Finn agreed; "government should aid nonpublic education because educational diversity is a good thing."84

Supporters of public aid to nonpublic schools have cited two financial inequities which they believe private choice would rectify. The first inequity is an alleged subsidization of suburban school systems. Glazer noted that the federal tax code permits homeowners to "charge" part of the cost of quality education to the federal government. Glazer viewed this subsidization as discriminatory since it was not available to poor, non-homeowning inner city families. Rather, the parents of these children must pay tuition to enroll their children in nonpublic schools if they are to receive a quality education.85

CHAPTER 3- PRIVATE CHOICE
The second inequity occurs because middle and upper class communities are more likely than are poor central city areas to provide their local schools with the financial assistance needed to provide a community's children with a quality education. Former Secretary of Education William Bennett viewed private choice as a viable way to overcome this perceived inequity. Bennett noted affluent families have been afforded the privilege of "voting with their feet" by moving to a suburban district or by enrolling their children in a nonpublic school when they felt their children were receiving an inferior education. Bennett claimed vouchers would offer poor parents this same opportunity.

6. NATIONAL VERSUS INDIVIDUAL INTEREST

Coleman indicated that educational choice causes two of America's greatest values to conflict. One value is the right of parents to select what is best for their child; the second value is the need for an educated populace, with equal opportunities for all. Kirkpatrick felt government schools cause: "a continual struggle for power...a struggle between those who worry about "social cohesion" and "good citizenship", and those who want the freedom to have their children educated in a manner that is consistent with the values upheld in the family."

Kane explained the difference between the purposes of public and private schools: "Public schools were established to serve the broad democratic interests of society as a whole and to contribute to the economic welfare of the nation. The individual interests of parents, students, and teachers have been...subordinated to broader societal aims such as
equity and pluralism. Public schools...ensure that the interests of society are being served. Private schools were established to serve the particular values or religious orientations of individuals and are accountable only to the families they serve. 

But because education is such a vital public interest, society benefits from the private education of students as well, as long as these students are educated in subjects of vital secular interest. Nevertheless, this issue will continue to be debated until a way is found to merge the interests of society with those of the individual parent.

7. FINANCIAL REASONS TO SUPPORT PRIVATE EDUCATION

The failure of nonpublic schools would create a tremendous impact on the financing of public education. Failures of nonpublic schools in such states as Oklahoma and Utah (where only 1.5 percent of school children attend nonpublic schools) or North Carolina (where approximately 5 percent attend nonpublic schools) would not cause a significant financial adjustment. On the other hand, the major closing of nonpublic schools in Rhode Island (with an enrollment of 22 percent of the students in nonpublic schools), New York (21 percent), or Pennsylvania (16 percent) would cause a tremendous financial burden on the public schools. From the economic point of view it would be better to finance nonpublic schools to the extent necessary to keep them solvent.
3. A BRIEF HISTORY OF PRIVATE SCHOOL EDUCATION AND SCHOOL CHOICE

Comprehensive choice is not a completely new innovation to American education. David Kirkpatrick, in his historical analysis of school choice via tuition vouchers, explained: "the proposal to fund education by supporting students rather than institutions has been with us for more than two hundred years." He stated that the notion of vouchers was suggested as a component of the United States educational system by early Americans such as Adam Smith and Thomas Paine. Coons and Sugarman mentioned that, in 1792, Thomas Paine supported the notion of selecting the school one's child attends. Paine discussed school choice in his book, *The Rights of Man*. Reference to educational choice was also made by Adam Smith in his 1776 classic *The Wealth of Nations*. J.S. Mill proposed in his 1859 work *On Liberty* that: "parents should be required to provide adequately for the child's education, and, where they could not meet all the tuition in the school by the family, the state should make up the difference."

The story of the funding of private education began with the passage of the 1647 "Old Deluder Satan Act" by the Massachusetts Bay Colony, the first public education funding act. In 1647 the general court passed the act, which from the language of its preamble is known as "the old deluder Satan" law, and which required all towns of fifty families to maintain an elementary school, and towns of one hundred families to provide a secondary school to train boys for college. The law set a fine for failure to comply (some towns found it cheaper to pay the fine than to maintain the school). Consequently, the

CHAPTER 3- PRIVATE CHOICE
American colonies had community schools, supported by state funds. In Puritan Massachusetts, those schools were conducted by Puritan schoolmasters; in Catholic Maryland, by Catholics. That tradition of community schooling continued through the Civil War.\textsuperscript{99}

Just as religion was a primary reason for establishing early publicly supported schools, religion played a major part in moving away from public funding for private schools. As Catholics became more numerous and took greater interest in getting their share of public funds for their schools, they were met by numerous Protestants who opposed public funding for private schools. In the 1840's, New York state was the scene for a bitter battle over funding for parochial schools. The issue of public funding for religious schools was never any more prevalent in the minds of the people than it was at this period.\textsuperscript{100}

A strong voice for separation of church-state and public vs. private funding was President U.S. Grant. In 1876, reflecting on past conflicts and suggesting future national church-state policy, he insisted that no money be appropriated to religious schools:

"Encourage free schools and resolve that not one dollar of the money appropriated to their support shall be appropriated to the support of any sectarian school; that neither the state or nation, nor both combined, shall support institutions of learning other than those sufficient to afford every child in the land the opportunity of a good common-school education, unmixed with sectarian, pagan, or atheistical dogma."\textsuperscript{101} Writes New York University historian Diane Ravitch: "The rise of the common school during the nineteenth

\textbf{CHAPTER 3- PRIVATE CHOICE}
century cannot be understood without reference to the dominant influence of evangelical Protestantism on common schools, and more specifically, to the relentless efforts by evangelical Protestants to deny funds to Catholic schools. In essence, the purpose of this movement "was not to create secular schools but to assure that all public funds were devoted solely to nondenominational Protestant schools.

In fact, according to McConnell, the rise of Roman Catholic schools can be traced to widespread misgivings of Catholics over the proselytizing and Protestant slant that marked the public schools in the 19th century. To take just one example of this bias, more than 120 million McGuffey Readers, containing a strong Protestant orientation, were sold between 1839 and 1920. Other textbooks were openly anti-Catholic; the New England Primer is a famous example. In addition, waves of Roman Catholic immigrants who landed on U.S. shores throughout the 19th century were greeted by pervasive class and race bias. Within 50 years, Catholics went from a tiny minority to the single largest religious group in the nation. The newcomers were not likely customers for a new private school movement. Mostly Irish and German, with some Slavs, Italians, and others, they were too poor to leave the vicinity of Ellis Island, and many settled in New York City, where they lived in overcrowded, unsanitary conditions. They migrated north, south, and west only after gaining some small economic base.

The nation's compulsory education laws were in place by the time of the

CHAPTER 3- PRIVATE CHOICE
immigration to New York City and the secondary migration to other parts of the country. Laws designed to enlighten poor Protestant immigrants were not applied to the newcomers. Although poor and poorly educated, Catholic immigrants quickly perceived bias on the part of the authorities at any given point in history. Thus the working class and Catholics (often the same people) led the opposition to the development of public education. The New York Workingmen's Party opposed the establishment of public schools, while Catholics developed their own schools.¹⁰⁷

In 1844 the bitterness of this debate in Philadelphia led to the famous riot over which version of the Bible should be used in the public school system. Catholic leaders attacked the Protestant nature of the public schools not only for the sake of Catholic children in those schools, but also as an argument for state aid to the new Catholic schools. The political efforts to stop or alter the development of public education failed; however, the private education efforts endured—though without governmental financial support. By mid-century, Catholic schools were growing as fast as public schools.¹⁰⁸ In 1884 the Third Plenary Council of Baltimore declared its goal: every Catholic child in a Catholic school. From the middle of the 19th century until the mid-1920's, well over 90% of the children in private schools were in Roman Catholic schools.¹⁰⁹

"One of the great sins of American history," says Schundler, "is that we moved away from religious freedom and moved toward the establishment of civil religion. As long as the Protestant majority held its cultural sway, that 'civil religion' provided the structure for a sound educational system, built on principles that the vast majority of

CHAPTER 3-PRIVATE CHOICE
Americans would accept. But then," Schundler explains, "the dominant elites moved from being Protestant to being humanist."110 And the trend continued, imperiling the soul of the educational system. Today, he laments, "We've gone beyond that, where now the dominant philosophy- in many of our education schools, at least- borders on radical skepticism: skepticism about right and wrong... when you say there's no such thing as right and wrong- that Nature doesn't have a nature."111

During the 1930s parochial school supporters again began to pursue legislation that would have enabled either parochial schools or their clientele to receive state and federal financial assistance.112 In the 1960s and 1970s parochial school supporters such as the National Catholic Education Association and the Catholic Bishops' Conference urged passage of legislation that would have permitted parochial schools to share in the massive federal school financing programs enacted during the 1960s and 1970s. However, critics of aid to parochial schools such as the National Education Association stridently opposed legislative actions that would have enabled parochial schools to share in the public funding of education.113

In the early 1960's voucher advocates began appearing on the American scene. George R. LaNoue listed several of these advocates in his book Educational Vouchers: Concepts and Controversies. Among those most prominent in the voucher movement, LaNoue listed the following: (1) Milton Friedman, whose pro-voucher essay on the role of government in education represented a traditional Republican philosophy of the marketplace; (2) Christopher Jencks, whose 1970 report from Harvard analysed several kinds of vouchers and supported a carefully regulated voucher system; (3) John E. Coons,
The concept of vouchers was originally proposed by economist Milton Friedman in 1962. Friedman felt that government administration of education had become "an indiscriminate extension of government responsibility." In support of choice systems he claimed, "a market permits each to satisfy his own taste...whereas the political process imposes conformity." Friedman also believed that tuition vouchers would foster diversity far better than nationalized education. Reduced to its simplest form, his plan recommended: (1) determination of a minimum level of education by each state, (2) the issuance to parents of vouchers that could be used in approved schools to purchase the education obtainable in that school, and (3) the payment by parents of the additional amount of money required by a particular school over and above the amount of the voucher. Lieberman claimed that Friedman based his arguments in support of vouchers on two assumptions: "One is that a voucher plan would result in competition between schools for students. The other is that such competition would have positive effects on educational achievement."

Another proponent of vouchers, though in a different style, was Christopher Jencks, who proposed a regulated voucher system. The rationale behind the Jencks' regulated voucher plan was that it provided great diversity and choice within public education and that it would attract entrepreneurs to compete with the public sector.

Like many ideas, vouchers have become more complex in theory after years of discussion and consideration. Several variations on the plan are now found in the
literature. One of the principle adaptations is the "family power equalizing" plan developed by John Coons and Stephen Sugarman of the University of California at Berkeley Law School.¹²⁰ Champions of the choice movement for over a quarter of a century, they have attempted unsuccessfully to get the issue on California's election ballot on several occasions. The following are the basic principles of choice described by Coons and Sugarman: (1) any system of choice must aim to reduce the class and racial segregation characteristic of the present order; (2) in order to assure equality of access to all participating public and private schools, choice must tilt toward the poor; (3) school systems must guarantee transportation for reasonable distances to those who cannot afford to pay for it themselves; (4) the choice system must make special efforts to direct information to families unaccustomed to choosing schools for their children; (5) government-operated schools must be able, if they wish, to free themselves from regulations not imposed on private schools; (6) the plan should not encumber private schools with new regulations governing hiring, curriculum, or choice of facilities; and (7) the value of the scholarships should suffice to stimulate new providers.¹²¹ The concept embodies (a) the family as an embryonic school system, (b) the parents' choice among schools with established tuition fees, (c) the school tuition cost would fit the family tax rate, and (d) the tax rate would also be predicated on family income with the idea of equalizing for all families the economic sacrifice required to attend any school at a given spending level. The authors rejected the local property tax for financing schools and sought an "equalization of aid to poor school districts plus opportunities for family choice in school selection."¹²²
In addition to educational grants at the state level, Hawkins called for the incorporation of vouchers at the federal level. He stated that federal Title I monies for remedial instruction should be provided to the individual students requiring this remediation. Hawkins claimed that allowing students and/or parents to choose the means by which to receive remediation (i.e.- school system, individual tutor, private study skills center, etc.) would be more effective to improving weak students' deficiencies than requiring these services to be conducted in their public school of assignment.123
4. FEDERAL INITIATIVES

Since the latter part of the 1960s several attempts have been made to enact national tuition tax credit (TTC) or voucher legislation that would extend aid to parochial schools. However, despite a series of Congressional and Presidential proposals that are discussed in the following paragraphs, Congress has never passed any TTC or voucher legislation.

With the election of President Nixon, America began to move in a more conservative direction. And that new conservative political environment was conducive to the emergence of the voucher and tax credit issues. Leading the way have been the new-right fundamentalists who have developed much political clout. In 1972, President Nixon endorsed the concept of TTC. In 1976, both major political party platforms called for additional aid to nonpublic schools. However, the voucher concept was a low priority during President Ford's administration and was nonexistent in President Carter's administration.

One of the proponents of vouchers during this period was Senator Patrick Moynihan. In an article, "The Federal Government and the Ruin of Private Education", Senator Moynihan insisted that private education would stagnate and perhaps disappear without federal support. Consequently, Senators Robert Packwood and Daniel Moynihan introduced legislation in 1978 to provide tax deductions for parents of private or parochial school students. The Tuition Tax Credit Act (generally known as the
Packwood-Moynihan Bill) proposed that parents who paid tuition for children in nonpublic schools should be given a tax credit. According to Buckland, this bill would have granted a 50% credit for tuition and fees for youngsters attending most nonpublic schools. The maximum credit was set at $500. The bill also included a refundability clause that granted a cash subsidy to any family whose tax obligation was less than the limit of the TTC. The credit applied to each student rather than to each family. They justified their proposal by claiming that private and parochial schools relieve the states from educating the students served by these institutions. Hence, that savings should be returned to parents who utilize nonpublic schools. After the bill's defeat in 1978, a similar bill was again introduced in 1983, but was also unsuccessful.

The Republican Party platform in 1980, 1984, and 1988 endorsed both TTC and voucher legislation while the Democratic Party platform during 1980 called for the enactment of constitutionally valid forms of federal aid to nonpublic schools. In fact, vouchers and tax credits were two of the major elements of the Ronald Reagan administration's social platform. In April, 1982 the President proposed a tuition tax credit plan that included a full TTC up to a maximum of $300 for taxpayers whose adjusted gross income was under $40,000. The press release from the White House followed most of the same reasoning used by others who have promoted the concept. It noted the following:

-all parents have a fundamental right and responsibility to direct the education of their children in a way that best serves their individual needs and aspirations.

CHAPTER 3- PRIVATE CHOICE
Private schools provide an essential means for many in fulfilling their aspirations. The President's draft tuition tax credit proposal provides tax relief to the working families of nonpublic school students, and expands the ability of American parents to exercise educational freedom of choice.

-Educational opportunity and choice in a pluralistic society require a diverse range of schools- public and private.

-This choice raises issues of tax equity for those who carry the double burden of supporting both private and public school costs. A tuition tax credit would assist these working families in meeting the increasing costs of nonpublic education. While still paying local taxes to support public schools, these families would be able to recover up to half the cost of each child's tuition.\textsuperscript{134}

After Congress took no action on his tax credit proposal, Reagan outlined a voucher plan in 1983 that would have granted low-income parents a tuition voucher that could be spent at either a nonpublic or public school. A few years later (in 1985), Secretary of Education William Bennett unveiled proposed legislation to convert the Chapter I education program for disadvantaged school children, at least in part, into a voucher program. Entitled the "Equity and Choice Act of 1985," the proposal would permit the parents of children eligible to participate in Chapter I programs, at their option, to receive a voucher worth a proportionate share of Chapter I funds and to use that voucher to purchase educational services from public or private schools other than the
schools in whose attendance area the children lived. In introducing the proposal, Secretary Bennett said the voucher plan would give parents of disadvantaged school children, "the opportunity to choose the best available education for their children and encourage competition among all schools."135

In August 1986, Representative Paul Henry (R-Mich) and six colleagues unveiled a Children's Option for Intensive Compensatory Education Act of 1986 (CHOICE). The CHOICE plan was considered among some Washington observers as a more moderate Republican response to President Reagan's educational voucher proposal introduced earlier in Congress, although it, too, couldn't garner a sufficient number of votes.136

Even though all previous attempts to pass choice legislation had failed, then-Secretary of Education William Bennett believed choice was among a cluster of ideas that fit together well-- ideas like accountability and school level autonomy. "The idea has won," Bennett contended. "There will be people who will balk at extending choice to private schools; there will be people who object to other parts of it, but the general principle has won."137

School choice has continued to be a politically pivotal issue as we approach the twentieth century. It was included, for instance, as part of the 1988 Republican political platform. However, by April 1989, President George Bush stated that he did not favor tuition tax credits, noting that "we can't afford to do that...So I think that everybody should support the public school system."138 Then, in a Republican about-face in 1992, Secretary of Education Lamar Alexander proposed what he called the "GI Bill for

CHAPTER 3- PRIVATE CHOICE
It would provide $1000 scholarships to students from low and middle-income families to be used at any public, private, or parochial school. In 1994, Senators Dan Coats (R-IN) and Joseph Lieberman (D-CONN) offered an amendment to the federal education bill "Goals 2000" that would have established a demonstration project to test parental choice in education through vouchers, but it failed.

And in 1996, a central issue distinguishing the Democrats and Republicans is their position on Comprehensive Choice. President Clinton has said, "I support increased options and quality of education through such projects as: charter schools, public school choice and national standards...I do not support using public funds to pay for private school." Republican Presidential candidates Lamar Alexander, Pat Buchanan, and Bob Dole have all indicated they "favor providing parents with vouchers to send their children to any participating public, private, or religious school."

In spite of the fact no legislation has passed that would financially assist parents of private school students, the National Defense Education Act, the Elementary and Secondary Education Act, and the Education and Consolidation and Improvement Act of 1981 have all provided federal funds to public school districts that aid students in nonpublic schools through the "pass-through" provision. In addition, the federal government provides Pell grants to students at private, religiously affiliated colleges. And Kirkpatrick claimed that the Serviceman's Readjustment Act of 1944, commonly known as the GI Bill, is an example of a tuition voucher system applied to higher rather than basic education. The GI Bill even covers tuition at seminaries.

CHAPTER 3- PRIVATE CHOICE
5. STATE AND LOCAL INITIATIVES

Attempts at the state and local level to implement private school choice proposals that include religious schools have met with limited success. A rather unique situation has existed in Vermont since 1894. Under the Vermont system, communities with no schools, which number ninety-five, allow parents to send their children to public and private schools in nearby communities. Towns without schools are allowed to use state and local funds raised to fund these transfers. In the case of a student going to a private school, the home town is required to pay the full tuition cost up to a certain amount, set at the average district tuition of Vermont's high schools. In a few cases, Vermont parents successfully have petitioned local school boards to permit them to send their children to schools outside of their town, even if their town has a school. In 1961, Vermont began excluding parochial schools, due to a Vermont Supreme Court decision which found using tax dollars to pay tuition at a religious school in violation of the state constitution. But in 1994, the Vermont Supreme Court reversed its ruling of 33 years earlier and unanimously upheld the reimbursement of tuition for religious schools. At the present time, approximately 25 percent of Vermont high school students are "tuitioned out" to private or public schools outside their town or residential area. Some 36 percent of these students use their vouchers at private schools.

A similar program exists in Maine involving only 30, relatively small, school districts. The program permits students to attend any nonpublic school in the state. And in Hawaii, between 1965 and 1974, tuition tax credits were granted to youngsters from low
income families who attended either nonpublic or public schools. The plan was eliminated in 1974 when other types of tax-supported services were granted to nonpublic school children.150

In the early 1980s, when California was in the midst of a tax-restructuring movement, two University of California law professors, John Coons and Stephen Sugarman, initiated a proposal for a statewide tuition voucher system for public schools, private sectarian schools, and private nonsectarian schools. Although the Coons and Sugarman proposal was unsuccessful in securing a majority of referendum votes each time it appeared on the ballot, their initiative did create an interest across the country in the notion of statewide tuition voucher systems.151

Not only has Minnesota introduced one of the most elaborate public choice programs in the country, it allows families with children to take a tax deduction for school expenses, including private school tuition. The expenses which can be deducted include transportation, required clothing, school books, and other supplies. The tax deduction applies if the child attends either a private or parochial school. The maximum annual deduction for students in grades seven through twelve is $1000.152 A challenge to the constitutionality of this tax deduction, in the case of Mueller v. Allen, was heard and upheld by the state and U. S. Supreme Courts.153

Also, in May 1991, legislation was passed in Minnesota that provides certain students between the ages of 12 and 21, at risk of dropping out of the public school system, with the option of enrolling in a private school. Students who are at least 16 years
old and qualify for the program may enroll in church-sponsored schools. The religious schools must not exclude students based on religious beliefs and must provide "nonsectarian education services." The local school district is the contracting agent and provides 88 percent of the basic state funding to the participating nonpublic school. A similar measure allows high school juniors and seniors to attend college, including religious institutions, at district expense. The program was deemed constitutional by a federal district judge, indicating that it did not violate the establishment clause.

Iowa legislators, inspired by Minnesota's progressive thrust in education, also passed legislation that allows parents who send their children to private schools to take a tax deduction of up to $1000 for each child, up to four children. Taxpayers who do not itemize deductions on their tax returns may take the deduction in the form of a tax credit. Iowa also gives children attending non-public schools free transportation, if they and their schools are on the regular public school bus route. If they are not on the public route, parents can get reimbursement for transportation costs. Iowa's voucher payment for transportation has withstood several legal challenges.

Supporters of tax credits were encouraged in late 1990 when a town in New Hampshire authorized a tax abatement for property owners who sponsored high school students attending private schools -either secular or religious. Under the plan, property owners could receive property tax relief of as much as $1000. An interesting sidelight to the abatement is that the property owner may sponsor any student—whether a relative or not. Epsom was relying on the 1983 U.S. Supreme Court decision, Mueller v. Allen, as
A school voucher plan in Puerto Rico was signed into law in 1993. The $10 million pilot project enables parents with annual incomes of less than $18000 to receive vouchers with a limit of $1500 for the public or private school of their choice, including religious schools. In addition, there are forty different public schools which have been transformed into self-governing "community schools." These function much like charter schools. A trial court ruling struck down the private school provision of the program, and the case is being appealed to the Puerto Rican Supreme Court. Preliminary evidence lends no support to the assertion that a voucher program will ruin the public school system. In the fall of 1993, there were 1809 vouchers awarded. Of these, 1181 were used to transfer from one public school to another, 317 were used to move from private to public schools, and 311 were used to shift from public to private schools.

In late 1993, Bret Schundler, Mayor of Jersey City, proposed dramatic legislation called the "Jersey City 'Children First' Education Act." This novel legislation would create charter schools and provide both public school choice and private school choice for Jersey City students. It allows for duplication of the East Harlem District 4 alternative school program in Jersey City, unlimited creation of charter schools in Jersey City, and for special "scholarship" schools, which are private schools which will receive vouchers. The amount of the voucher would depend on the number of students who leave the public system and enter the new scholarship school system. The funding mechanism in Schundler's bill actually will increase per-pupil spending in the public schools, because all local money will

CHAPTER 3- PRIVATE CHOICE
remain in the public school system. Only New Jersey state funds will follow transferring students.\textsuperscript{160}

In 1994, several education voucher proposals were introduced across the nation. In New York, legislation would make education vouchers available to New York families on a phase-in basis. Both the value of the vouchers and the number of families eligible to receive them would be phased in over three years. In the first year, parents with incomes among the lowest one third in the state would qualify for vouchers worth about $1700, or 20 percent of the cost per student in New York's public schools. In the second year, families with incomes among the lowest two thirds in the state would qualify for vouchers worth $2550, or about 30 percent of the public school cost. By the third year, all families would qualify and the voucher's value will increase to $3400, or about 40 percent of the per capita public school cost.\textsuperscript{161}

Legislation was proposed in Oklahoma that would allow students to attend any private or public school. Students choosing to attend public schools would receive a scholarship equal to the state's average per-pupil amount, while students choosing private schools would receive only 70 percent of the average per-pupil amount. The 30 percent saved from a student moving from a public to a private school would be returned to taxpayers as a tax cut.\textsuperscript{162}

In early 1994 Milwaukee Mayor John Norquist, a Democrat, and Wisconsin State Representative Annette (Polly) Williams, called on state legislators to increase the number of Milwaukee students eligible for the current school choice program from 1000 to 5000.
This would be done by letting the students attend not just private schools, but also parochial schools. A bipartisan group of state lawmakers, including State Representative Robert Welch, introduced this proposal. State Rep. Polly Williams moved to include the changes as an amendment to the state budget, but the measure was defeated on a procedural ruling by Assembly leadership. Then in June, 1995, the Wisconsin Legislature approved a massive expansion of the state-funded voucher program in Milwaukee, authorizing vouchers to be used at any private school, including religious schools, increasing the amount of the voucher to $3600 and increasing the number of eligible children to 7,000 in 1995-96 and to 15,000 in 1996-97. However, a court injunction has prevented any funded to be used until a final ruling on the constitutionality of giving public funds to religious schools is rendered. That decision is expected in 1996.

The Ohio Legislature, also in June, 1995, approved scholarships for 2000 Cleveland students (at $2500 each) who are presently eligible for free or reduced-price lunches to attend any school of their choice. The program is scheduled to start in September, 1996.

And in Indiana, a coalition of business leaders known as COMMIT has backed legislation for full state-wide choice in public and private schools since 1991. In late 1992, in order to increase chances of legislative approval, COMMIT deleted the private school provisions. But this bill still didn't pass, so COMMIT once again included private schools in their choice plan. State Representatives Crawford and Frizzell in 1994 introduced
legislation whereby low-income children in Marion County (Indianapolis) would be given up to $1500 (scaled down to zero for families at 200% of the poverty level) towards the tuition of any public or private school in Marion County, including religious schools. Known as House bill 1342, the plan never received a hearing in the House Education Committee during the 1994 short session. The sponsors had intended to resubmit the bill in the next session, but Crawford instead proposed HB 1295 which would establish a pilot voucher program in the Indianapolis Public School system for up to 300 students who are at risk of academic failure. Students could enroll in another public or eligible non-public school of their choice, with the entire tuition paid for. In addition, a charter school bill (SB 396) has been introduced in the Indiana State Senate that would allow state and local funding to schools run by either a public or private entity. Hearings are scheduled for 1996.\textsuperscript{168}
6. LEGAL PERSPECTIVES

The Establishment Clause of the United States Constitution has played a crucial part in the history of American education. Justice Hugo Black wrote his interpretation of this clause in 1947 in the Everson case when he stated, "Neither a state nor the Federal Government can pass laws which aid one religion, aid all religions, or prefer one religion over another...No tax in any amount, large or small, can be levied to support any religious activities or institutions, whatever they may be called, or whatever form they may adopt to teach or practice religion...In the words of Jefferson, the clause against establishment of religion was intended to erect a 'wall of separation between church and state.'" 169

However, R. Freeman Butts noted that neither Madison nor the majority of framers intended for government to disdain religion. They intended that republican government guarantee equal rights of conscience to all persons. This major issue, focusing on the Establishment Clause, is central to a voucher or voucher-related legal system of education.170

The Supreme Court has never developed a clear path and complete format concerning aid to religious schools. As Justice White, in Regan, stated: "Establishment Clause cases are not easy; they stir deep feeling; and we are divided among ourselves, perhaps reflecting the different views on this subject of the people in this country. What is certain is that our decisions have tended to avoid categorical imperatives and absolutist approaches at either end of the range of possible outcomes. This course sacrifices clarity and predictability for flexibility, but this promises to be the case until the continuing
interaction between the courts and the states-the former charged with interpreting and
upholding the Constitution and the latter seeking to provide education for their youth-
produces a single, more encompassing construction of the Establishment Clause. 171

The Supreme Court involvement in education cases prior to the decade of the 70's
unfolded in the following manner. The 1908 Quick Bear v. Leupp case focused on using
federal money for contracting with sectarian schools to provide an education for Indian
children on reservations. In 1894 opposition developed and Congress enacted legislation
prohibiting sectarian education. A pro-rata share of an Indian trust fund was then
requested by the Sioux Indians in South Dakota to contract with the St. Frances Mission
Roman Catholic School for an education for their children. The Supreme Court ruled: (1)
the trust fund was private money, not public; (2) the Sioux Indians had requested a
pro-rata share for sectarian school support; and (3) this request was in reality a free
exercise of religion, constitutionally protected. 172

In Meyer v. Nebraska (1923), even though the decision had no church-state
controversy, the decision established the premise that states' compelling interest in
education may not encroach on parent constitutional guarantees to direct their children's
education. 173

In 1925 Pierce v. Society of Sisters addressed a major church-state education
issue—an Oregon law required that all children ages eight to sixteen years attend public
schools. The Court concluded: "Under the doctrine of Meyer v. Nebraska...we think it
entirely plain that the Act of 1922 unreasonably interferes with the liberty of parents and
guardians to direct the upbringing and education of children under their control. The child is not the mere creature of the state; those who nurture him and direct his destiny have the right, coupled with the high duty, to recognize and prepare him for additional obligations. 

So parents have a constitutional guarantee to determine placement of children in either public or nonpublic elementary schools.

In the 1930 Cochran v. Louisiana State Board of Education decision the Supreme Court sustained a 1928 Louisiana statute compelling the state school board to provide "school books for school children...free of cost" to all children in the state, including children attending private schools. The state insisted the legislation involved aid to children, not to religious elementary and secondary schools. "The schools obtain nothing from them, nor are they relieved of a single obligation because of them. The school children and the state alone are the beneficiaries." The Court also created what has been referred to as the "child benefit" theory. Justice Hughes explained that the appropriations were made for the specific purpose of purchasing school books for the use of the school children of the state, and the school children of the state, not the private institutions, receive benefits. So religious elementary and secondary schools may receive textbooks at public expense under the child benefit theory.

The 1947 Everson v. Board of Education decision addressed the New Jersey legislative effort to provide transportation of children attending religious elementary and secondary schools. Acting in accordance with the state statute, a local board of education reimbursed parents of school children for the bus fares of students to and from school.
While the statute excluded students of private schools operated for profit, it included children who attended private sectarian schools. In this case, a taxpayer challenged the constitutionality of such payments made to the parents of children attending these private, sectarian schools. The Court held that a law authorizing reimbursement of the parents of school children for the bus fares of their children to and from private sectarian schools, when included in a general program of reimbursement for the bus fares of public school children, is constitutional. Moreover, the Court insisted the first amendment "requires state to be neutral in its relations with groups of religious believers and non-believers; it does not require the state to be their adversary."

In McCollum v. Board of Education (1948) the Court addressed the question of released time for on-campus religious instruction. School pupils choosing not to participate continued secular instruction. The plaintiff sought a court order forcing the school board to "adopt and enforce rules and regulations prohibiting all instruction in and teaching of religious education in all public schools". The plaintiff argued that tax funds were being used to support religion. In ruling for the plaintiff, Justice Hugo Black, writing the Court's majority opinion, insisted "this is beyond all question a utilization of the tax-established and tax-supported public school system to aid religious groups to spread their faith." And then Justice Black acknowledged that "the first amendment rests upon the premise that both religion and government can best work to achieve their lofty aims if each is left free from the other within its respective sphere."

In 1952 in Zorach v. Clausen the Court addressed the issue of released time for
off-campus religious instruction. Plaintiff Zorach and friends insisted that public schools manipulated schedules to accommodate religious activities in violation of the first amendment. The Supreme Court rejected 6-3 the plaintiff's arguments and sustained the New York City released time for off-campus religious instruction program.\textsuperscript{183}

The 1968 Board of Education v. Allen addressed the Cochran question of "apportioning state funds to school districts for the purchase of textbooks to be lent to parochial students."\textsuperscript{184} A New York state law required local public school authorities to lend textbooks free of charge to both public and private school students in grades 7-12. In this case, a local school board desiring to block the allocation of state funds for students of private, religious schools challenged the constitutionality of the statute. The Court ruled in favor of the statute.\textsuperscript{185}

Therefore, according to McConnell, prior to 1970, there was no first amendment religious violation where public funds were used under the child-benefit theory and for incidental administrative funds to administer off-campus released time that religious activities called for. To the contrary, where public funds were used for religious activities, such as on-campus public school and religious curriculum decisions, the practice failed constitutional muster as first amendment religious advancement.\textsuperscript{186}

In ruling on Lemon v. Kurtzman (1971), the Supreme Court dealt with two state statutes of similar nature: a Pennsylvania statute in Lemon v. Kurtzman and a Rhode Island statute in Robinson v. DiCenso. Rhode Island's 1969 Salary Supplement Act provided for a 15\% salary supplement to be paid to teachers in nonpublic schools at which
the average per-pupil expenditure on secular education was below the average in public schools. Eligible teachers were to teach only courses offered in public schools, using only materials used in the public schools, and they had to agree not to teach courses in religion. A three judge federal court found that about 250 teachers in Roman Catholic schools were the sole beneficiaries under the Act. Pennsylvania's statute provided direct aid to nonpublic elementary and secondary schools in the form of reimbursement to those schools for teachers' salaries, textbooks, and instructional materials in connection with the teaching of specific secular subjects.187

Both the Rhode Island and the Pennsylvania cases were heard by the Supreme Court, which declared both statutes unconstitutional. It held that both statutes were unconstitutional under the religion clauses of the First Amendment, through promoting secular legislative purposes, since both involved excessive entanglement of state with church. The Court ruled that the Rhode Island program operated to the benefit of parochial schools constituting an integral part of the religious mission of the church. The recipient teachers were under religious control and discipline. The Court noted comprehensive and continuing state surveillance required to insure obedience to restrictions as to the courses which could be taught, and the materials which could be used. The Pennsylvania program provided direct aid to church schools and an intimate and continuing relationship arising from the state's post-audit power to inspect and evaluate schools' financial records to determine which expenditures were religious and which were secular. Both statutes posed the danger of divisive political activity and the possibility of

CHAPTER 4- METHODOLOGY
progression leading toward the establishment of state churches and state religion. In so ruling, the Court developed the Lemon Test: any state aid to religious schools

(1) must have a secular legislative purpose

2) its primary effect must be one that neither advances nor inhibits religion, and

(3) the state must not foster an excessive government entanglement with religion.

About two months after the Lemon ruling the Pennsylvania General Assembly drew up a new aid law, the Parent Reimbursement Act for Nonpublic Education, providing funds to reimburse parents for a portion of tuition expenses incurred in sending their children to nonpublic schools. The Supreme Court, in Sloan v. Lemon, ruled the act unconstitutional. The Court said, "The State has singled out a class of its citizens for a special economic benefit. Whether that benefit be viewed as a simple tuition subsidy, as an incentive to parents to send their children to sectarian schools, or as a reward for having done so, at bottom its intended consequences is to preserve and support religiously oriented institutions." According to McConnell, this statute clearly violated the primary effect portion of the tri-part test.

In Committee For Public Education and Religious Liberty v. Nyquist (1973), amendments to New York's education and tax laws established three financial aid
programs for nonpublic elementary and secondary schools. The first program provided for direct monetary grants to "qualifying" nonpublic schools to be used for maintenance and repair of facilities and equipment to ensure the students' health, welfare, and safety. Qualifying schools were nonpublic elementary and secondary schools serving a high concentration of pupils from low-income families. The annual grant was $30 per pupil or $40 if the facilities were more than 25 years old, and could not exceed 50% of the average per-pupil cost for equivalent services in the public schools. The second program established a tuition reimbursement plan for parents of children attending nonpublic elementary or secondary schools. To qualify, a parent's annual taxable income had to be less than $5000. The reimbursement was $50 per grade school child and $100 per high school student, not to exceed 50% of tuition paid. The third program was designed to give tax relief to parents failing to qualify for tuition reimbursement. Each eligible taxpayer parent was entitled to deduct on his state income tax a stipulated sum from his adjusted gross income for each child attending a nonpublic school. The amount of the deduction was unrelated to the amount of tuition actually paid and decreased as the amount of taxable income increased. The Court, with Justice Powell delivering the opinion, upheld the district court in declaring the maintenance and repair grants and the tuition reimbursement grants unconstitutional. The Court reversed the lower court's decision to uphold the income tax deduction by declaring that this section of the law violated the Establishment Clause because it was not sufficiently restricted to assure that it would not have the impermissible effect of advancing the sectarian activities of religious schools.
In Levitt v. Committee for Public Education (1973), the New York legislature appropriated $28 million to reimburse nonpublic schools in the state for expenses of services for examination and inspection in connection with administration, grading, and the compiling and reporting of the results of tests and examinations, maintenance of records of public enrollment and reporting, maintenance of pupil health records, recording of personnel qualifications and characteristics, and the preparation and submission to the state of various other reports. Qualifying schools would have received annually $27 per pupil in grades 1-6 and $45 in grades 7-12 and would not be required to account for the monies received and how they were spent. The Supreme Court ruled the Act unconstitutional, stating that the statute constituted an impermissible aid to religion contravening the Establishment Clause, since no attempt was made and no means were available to assure that internally prepared tests, which are "an integral part of the teaching process," are free of religious instruction and avoid inculcating students in the religious precepts of the sponsoring church. Once again another statute failed the tri-part test.193

After the New York statute in Levitt had been held to be in violation of the Establishment Clause, the New York legislature enacted a new statute directing payment to nonpublic schools of the costs incurred by them in complying with certain state-mandated requirements, including requirements as to testing (pupil evaluation, achievement, and scholarship and college qualification tests), and as to reporting and record keeping. The new statute, unlike the earlier version, also provided a means by which state funds were audited, thus ensuring that only the actual costs incurred in

CHAPTER 3- PRIVATE CHOICE
providing the covered secular services were reimbursed out of state funds. The Supreme Court ruled, in Committee For Public Education and Religious Liberty v. Regan (1980), that the New York statute did not violate the First and Fourteenth Amendments. The Court's thinking was that the New York statute had a secular purpose of providing educational opportunity of a quality that would prepare New York citizens for the challenges of American life. There was no substantial risk that the examinations could be used for religious educational purposes and reimbursement for the costs of complying with state law had primarily a secular, rather than a religious purpose and effect.  

A 1983 Minnesota statute allowed state taxpayers, in computing their state income tax, to deduct expenses incurred in providing "tuition, textbooks, and transportation" for their children attending an elementary or secondary school. Minnesota taxpayers brought suit in federal district court against the Minnesota Commissioner of Revenue and parents who had taken the tax deduction for expenses incurred in sending their children to parochial schools. They claimed the statute provided financial assistance to sectarian institutions, thus violating the Establishment Clause. The district court and the court of appeals both upheld the statute as constitutional, not having a primary effect of either advancing or inhibiting religion. The Supreme Court, in its landmark Mueller v. Allen decision, held that the statute did not violate the Establishment Clause and satisfied all elements of the three-part test laid down in Lemon v. Kurtzman. The Court ruled that the tax deduction in question had the secular propose of ensuring that the State's citizenry is well educated, as well as assuring the continued financial health of private schools. It also
ruled that the deduction did not have the primary effect of advancing the sectarian aims of nonpublic schools because it was one of many deductions and it was available to all parents, whether their children attended public or private schools. A key statement by the Court was that "a program that neutrally provides state assistance to a broad spectrum of citizens is not readily subject to challenge under the Establishment clause." 

In Grand Rapids School District v. Ball (1985), the Grand Rapids School District adopted two programs—Shared Time and Community Education— that provided classes to nonpublic school students at public expense in classrooms located in and leased from the nonpublic schools. The Supreme Court sustained the lower court's decision that both programs did violate the Establishment Clause by having the primary or principal effect of advancing religion. The challenged programs had the effect of impermissibly promoting religion in these ways: first, the state-paid teachers, influenced by the pervasively sectarian nature of the religious schools in which they work, may subtly or overtly indoctrinate the students in religious tenets at public expense. Second, the symbolic union of church and state inherent in the provision of secular state-provided public instruction in the religious school buildings threatens to convey a message of state support for religion to students and to the general public. Third, the programs in effect subsidize the religious functions of the parochial schools by taking over a substantial portion of their responsibility for teaching secular subjects. Likewise, the Court, in Aguilar v. Felton (1985) disallowed state aid to nonpublic schools which were used part-time as public schools, calling the aid pervasively sectarian.
In May 1991, the U.S. Eighth Circuit Court of Appeals unanimously overturned a lower court decision in a Missouri case (Pulido v. Cavazo) which held that the U.S. Department of Education allocation of Chapter I funds that provided "off the top" money to provide leased mobile vans or portable classrooms for pupils in religious schools was unconstitutional. In a split vote, the panel also overturned the lower court's ruling that such vans and portable units could not be placed on the property of a church-affiliated school. The circuit court said that the units would be viewed as "religiously neutral" under proper circumstances.199

While the case of Lee v. Weisman (1992) involved the constitutionality of ceremonial prayer at public school events such as graduation, the Justice Department had urged the Court to scrap the Lemon test to allow "for greater civic acknowledgements of religion in public life."200 The use of the Lemon test was reaffirmed by the Court.201

The U.S. Supreme Court very recently ruled in the case of Zobrest v. Catalina Foothills School District, that the Catalina Foothills School District in Tucson, a public school district, can provide a sign language interpreter to a deaf student in a parochial school without violating the First Amendment's Establishment Clause. Chief Rehnquist, writing for the majority, stated: "[W]e have consistently held that government programs that neutrally provide benefits to a broad class of citizens defined without reference to religion are not readily subject to an Establishment Clause challenge just because sectarian institutions may also receive an attenuated financial benefit."202 According to the Goldwater Institute, "it is clear that as long as the decision about where the child attends
school resides with the student and the parents, parental choice grants do not violate the principle of separation of church and state.\textsuperscript{203}

In an important legal ruling for school choice, a recent Vermont Supreme Court decision, overruling a decision made 33 years earlier, upheld reimbursement of tuition for religious schools under a program that allows students to attend private schools at state expense where no public schools are available. The Court observed that "jurisprudence has evolved greatly since 1961...We must examine the constitutional issues anew in light of more recent teachings."\textsuperscript{204}

Finally, in 1995 the Supreme Court, in a 5-4 decision, reversed a Fourth Circuit Court of Appeals ruling against public university funding of a student religious organization publication. In Rosenberger v. Rector, the majority opinion cited "neutrality toward religion" as the crucial factor. "The guarantee of neutrality, " the majority held, "is respected, not offended, when the government, following neutral criteria and even-handed policies, extends benefits to recipients whose ideologies and viewpoints, including religious ones, are broad and diverse."\textsuperscript{205}

The previous references to key state and U.S. Supreme Court cases reveals that the tide is definitely turning in terms of Establishment clause objections to funding private education. Most of the pre-1970 cases stick to the major language in Lemon v. Kurtzman until the Mueller majority opinion changes the thinking considerably. The language moves from a firm opinion supporting basically no aid to sectarian schools, except for transportation and books, to a more favorable opinion. The language of the minority

CHAPTER 3- PRIVATE CHOICE
dissents in several of the earlier cases moves to the language of the majority opinion in Mueller. In particular, the philosophy of looking at who benefits from state aid to private schools held true to Lemon until it was overturned in Mueller. Justice Rehnquist in the majority opinion felt that the numbers of beneficiaries in Minnesota, which were similar to Pennsylvania's, was not an important factor in the Court's decision. In his majority opinion Justice Rehnquist noted the argument of the petitioners, who "contend that most parents of public school children incur no tuition expenses" and receive no benefits of the law and that 96% of the children in private schools in 1978-79 attended sectarian schools. Justice Rehnquist then stated, "We need not consider these contentions in detail. We would be loathe to adopt a rule grounding the constitutionality of a facially neutral law on annual reports reciting the extent to which various classes of private citizens claimed benefits under the law."

Also, in Nyquist, the state argued that any "precipitous decline in the number of nonpublic school pupils would cause a massive increase in public school enrollment and costs," and would seriously jeopardize quality education for all children. These arguments did not carry enough weight to persuade the Court to rule in favor of the New York statute. But, a decade later, the Court's majority spoke favorably toward the argument, placing high value on sectarian schools and adding one key point in their favor—competition for public schools. In Mueller, the majority opinion, written by Justice Rehnquist, stated "private educational institutions and parents paying for their children to attend these schools, make special contributions to the areas in which they
operate...Parochial schools, quite apart from their sectarian purpose, have provided an educational alternative for millions of young Americans; they often afford wholesome competition with our public schools; and in some states they relieve substantially the tax burden incident to the operation of public schools." 210

In addition to the turnabout in Mueller, the Court, in Regan, reversed another long-standing argument: In Lemon v. Kurtzman the Court clearly spoke against aid which directly or indirectly assisted sectarian schools. Justice Burger wrote, "What the taxpayers give for salaries of those who teach only the humanities or science without any trace of proselytizing enables the schools to use all of its own funds for religious training." 211 Another similar view was taken by the Court in Nyquist concerning funds provided to sectarian schools for maintenance and repairs.212 But in 1980, only nine years after the Court made its position clear on this issue, a change in thinking was written in Regan. Justice White wrote the majority opinion and clearly stated that relieving the sectarian school of a cost (grading state-mandated tests) was of no great concern to the 1980 Court. He said, "The Court has not accepted the recurrent argument that all aid is forbidden because aid to one aspect of an institution frees it to spend its other resources on religious schools." 213

As further evidence that the constitutional attitude is changing, Bolick noted in a recent article that five U.S. Supreme Court justices expressed the view that the Court's decision in Aguilar v. Felton (1985), which prohibited public remedial education teachers from providing services on the premises of religiously affiliated schools, should be
reconsidered.\textsuperscript{214} From this we can infer that a majority believes that religiously neutral assistance to school children is constitutional. The journal Congressional Quarterly also points out that Harvard Law School's Lawrence Tribe, one of America's most liberal constitutional scholars, says that the current Supreme Court would not find a "reasonably well-designed" choice plan a violation of church and state. He agrees there may be policy concerns about choice, but that the constitutional concerns have been addressed in a litany of cases.\textsuperscript{215} Public education policy scholar Terry Moe said the key distinction is that the vouchers go to parents, not to private schools. "The state is not supporting private or sectarian schools, the parents are, so this does not make the program unconstitutional."\textsuperscript{216}
CHAPTER 4

METHODOLOGY

Overview of Study

With the proliferation of legislation involving school choice, including charter schools, and with the legal climate being more amiable toward constitutional issues involving religion, more people are sensing that comprehensive school choice (involving the public funding of all schools, including religious ones) will soon become an integral part of educational reform. While the educational alternatives most children would have would dramatically increase, there could also be major changes in the structure of the suppliers of education- both private and public schools. Because this is such an important, but many times overlooked, aspect of any school choice discussion, this study seeks to determine what the private schools' reactions would be to the introduction of vouchers or charter school legislation that included private, religious schools.

This study is interested in three basic things concerning the private schools in Marion County, Indiana: (1) what is their status in terms of current enrollment, tuitions, and capacity, (2) what is the attitudes of the principals of these private schools concerning the public funding of private education through vouchers or charter school legislation, and (3) what is the likely impact such legislation would have on the future capacities of these schools.
The sample population of Marion County, Indiana (Indianapolis area) was chosen for several reasons. First of all, Marion County has been the focus of many legislative efforts in the Indiana Legislature to provide vouchers to students to be used at any school, public or private. Secondly, the Indianapolis area is the largest metropolitan area in Indiana, and it has a relatively high concentration of private schools. The Indianapolis area also has a number of organizations promoting private choice legislation, making it easier to obtain up-to-date information on the status of grass-roots and legislative efforts.

The Survey Instrument

The survey is comprised of a series of fill-in-the-blank and Likert-type questions broken down into five sections. Section I seeks information regarding the school, including tuition, enrollment, makeup of faculty, and religious affiliation. Section II is designed to determine what impact the Educational Choice Charitable Trust has had in Marion County. Section III focuses on vouchers and how principals feel about them, both in terms of the general principle of accepting public monies for private education and their reactions to possible conditions or restrictions voucher legislation might place on the private schools accepting the funding. Section IV poses a hypothetical scenario concerning the existence of charter school legislation that includes funding for students attending private schools. This section asks what the principal thinks the likely response would be by his/her school concerning participation as a charter school based on the hypothetical
capacities of the surveyed schools and what, if any, changes they would likely make as a result of comprehensive choice being made available. This section also asks what difficulties a school might have in the process of expanding.

**Summary of Statistical Procedures and Research Hypotheses**

In addition to statistics that were calculated to determine the representativeness of the survey results to the general population, the following statistics were sought:

1. median tuition for private schools in Marion County.
2. percentages for the gender of principals and teachers, with a breakdown by religious affiliation.
3. the optimal percentages used for funding scholarships provided by the Educational Choice Charitable Trust, and the impact their scholarships have had on private school finances.
4. frequency distributions for responses to questions on the desirability of voucher and charter school funding and the impact possible restrictions and conditions placed on that funding might have on the acceptance of such funding.
5. totals of current capacities for the surveyed schools and projections to the general population.
6. totals of desired enrollment size, given varying assumptions concerning the level of tuition charged, and projections to the general population.
7. comparisons of capacity projections with the desired enrollment projections to
7. comparisons of capacity projections with the desired enrollment projections to determine supply/demand imbalances.

8. frequency distributions for responses to impediments to expansion of capacity.

In addition, null hypotheses were tested from responses to questions 15, 17-25, and question 28 (dealing with attitudes towards public funding of private education and the responses to government-imposed restrictions or conditions) using the chi-square statistic. The null hypothesis represents, in general, what you would expect in terms of answers to a question if the population you are questioning (in this case, private school principals) is neutral toward an issue. In this study, neutrality is represented by responses that are equally likely to occur (the same number of "A" responses as "B", "C", "D", and "E" responses). This is referred to as a uniform distribution. The Chi-square statistic is used to measure the extent to which a question's responses differ from a uniform distribution. When the responses to a question approach a uniform distribution, the Chi-square statistic will have a low value and the null hypothesis is referred to as being accepted. On the other hand, when a question's responses are substantially different from a neutral pattern, the Chi-square statistic is high and the null hypothesis is said to be rejected.

The .05 level of significance was used to minimize Type I error (rejecting a true null hypothesis) while, at the same time, avoiding as much as possible the risk of missing significant relationships (type II error). The number of degrees of freedom was the five
response categories (definitely accept funding / probably accept funding / undecided / probably reject funding / definitely reject funding) minus one degree of freedom for the total number of frequencies. To reject the hypothesis required that the sample distribution be significantly different from a uniform distribution to generate a chi-square value of 11.070 or higher.

Since a number of population variables were available (gender of principal, size of school, religious affiliation of school, and tuition level of school), these variables were tested for independence for questions 15, 17-25, and 28. The variables tested were:

- Male vs. Female Principal
- Large Schools (300+ students) vs. Small Schools
- Catholic Schools vs. all other Private Schools
- High Tuition Schools($2200+ per year) vs. Low Tuition Schools

The null hypotheses tested for each question consisted of:

1. no difference in the responses of male principals and female principals
2. no difference in the responses of large schools and small schools
3. no difference in the responses of catholic schools and all other private schools,
   and
4. no difference in the responses of schools with tuitions above $2200 and those at or below $2200 tuition.

Since the expected frequencies were below the critical value of 5 in a large number of instances, response categories and variable categories were collapsed to generate 3x2
frequency matrices for each question. The chi-square value necessary to reject the null hypothesis was 5.991 for a significance level of .05 and 2 degrees of freedom.

**Face Validity of the Instrument**

The survey was initially sent to a group of significant others in order to establish face validity. This group included: Carol D'Amico at the Hudson Institute; David Kerr, Director of COMMIT- a coalition of businesses and individuals promoting educational reform in Indiana; Tim Erhgott, Executive Director of the Educationa Choice Charitable Trust- a private scholarship program for students in Marion County; Daniel Elsner, Executive Director of Catholic Education in Indianapolis; and David Florine, a private school principal in Columbus, Indiana, and an officer in the Indiana Non-public Education Association. The responses were all positive. While the basic form of the survey remained intact, there were several changes made in the wording of questions to clarify possible misconceptions.

**Data Collection**

The survey (Appendix A) was sent to all 88 private elementary and secondary school principals in Marion County, Indiana (see Appendix B for the list). The list was compiled from data furnished by the Indiana Department of Education and the Educational Choice Charitable Trust. Schools that are exclusively preschools or kindergartens were excluded. Three weeks after the initial mailing, each non-responding principal was
reminded and encouraged by phone to complete the survey. After three more weeks, a second phone call was made and an additional survey was forwarded if the original one had been misplaced. In all, 52 schools responded.
CHAPTER 5
ANALYSIS OF DATA

Representativeness of Sample Data to Population

Completed surveys were received from 52 out of the 88 private schools originally contacted (59%). A number of statistics were compared to determine the representativeness of the sample population to the general population of private schools in Marion County:

1. surveyed schools accounted for 13,394 students out of the total enrollment for 1995-96 of 23,118 (57.9%)
2. the number of responding schools with K-8 programs was 47 out of 81 (58%)
3. the number of responding schools with grades 9-12 programs was 11 out 18 (61.1%)
4. the number of responding Catholic schools was 21 out of 36 (58.3%)
5. the number of other Christian schools responding was 21 out of 37 (56.8%)
6. the number of independent and other religious schools responding was 10 out of 18 (55.6%)
7. the number of responding schools with enrollments ranging from 0-299 was 32
out of 55 (58.2%)

8. the number of responding schools with enrollments of 300+ was 20 out of 32
(62.5%)

9. 652 students receiving Educational Choice Charitable Trust scholarships
enrolled in responding schools out of a total of 1024 (63.7%)

Because every statistic clustered around the return ratio of 59%, it was determined
that the sample data did fairly represent all private schools in Marion County.

Section I - School Information

In Table 5-1, information was derived regarding 1995-96 enrollments for private
schools in Marion County, Indiana. Enrollments for schools not responding to the survey
were obtained from the Indiana Department of Education or by phone. The preliminary
total of 23,118 (obtained before final counts were taken) represents 15.8% of all students
in Marion County (this is based on a preliminary total public school enrollment of 123,549
obtained from the Indiana Department of Education). This percentage is substantially
higher than the 9.5% reported by the Heritage Foundation in Chapter I of this study for
students nationwide attending private schools.

Table 5-1 also lists the tuitions reported by the responding private schools. The
median tuition charged by the schools is $2200. When the median is calculated according
to the

CHAPTER 5- ANALYSIS OF DATA
### Table 5-1

**Grade Levels, Tuitions, and Enrollments for Responding Private Schools**

<table>
<thead>
<tr>
<th>School</th>
<th>Grade Level</th>
<th>Tuition</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>K-8</td>
<td>0</td>
<td>47</td>
</tr>
<tr>
<td>2</td>
<td>K-6</td>
<td>0</td>
<td>60</td>
</tr>
<tr>
<td>3</td>
<td>1-5</td>
<td>800</td>
<td>52</td>
</tr>
<tr>
<td>4</td>
<td>K-8</td>
<td>1320</td>
<td>215</td>
</tr>
<tr>
<td>5</td>
<td>1-8</td>
<td>1600</td>
<td>465</td>
</tr>
<tr>
<td>6</td>
<td>K-6</td>
<td>1620</td>
<td>165</td>
</tr>
<tr>
<td>7</td>
<td>1-8</td>
<td>1650</td>
<td>175</td>
</tr>
<tr>
<td>8</td>
<td>P-3</td>
<td>1710</td>
<td>48</td>
</tr>
<tr>
<td>9</td>
<td>P-6</td>
<td>1745</td>
<td>165</td>
</tr>
<tr>
<td>10</td>
<td>K-8</td>
<td>1794</td>
<td>243</td>
</tr>
<tr>
<td>11</td>
<td>P-6</td>
<td>1800</td>
<td>230</td>
</tr>
<tr>
<td>12</td>
<td>P-3</td>
<td>1800</td>
<td>28</td>
</tr>
<tr>
<td>13</td>
<td>K-8</td>
<td>1800</td>
<td>260</td>
</tr>
<tr>
<td>14</td>
<td>P-8</td>
<td>1815</td>
<td>190</td>
</tr>
<tr>
<td>15</td>
<td>P-6</td>
<td>1833</td>
<td>121</td>
</tr>
<tr>
<td>16</td>
<td>1-8</td>
<td>1874</td>
<td>340</td>
</tr>
<tr>
<td>17</td>
<td>K-12</td>
<td>1920</td>
<td>102</td>
</tr>
<tr>
<td>18</td>
<td>K-8</td>
<td>1925</td>
<td>400</td>
</tr>
<tr>
<td>19</td>
<td>K-12</td>
<td>1944</td>
<td>130</td>
</tr>
<tr>
<td>20</td>
<td>P-3</td>
<td>1950</td>
<td>48</td>
</tr>
<tr>
<td>21</td>
<td>P-6</td>
<td>1980</td>
<td>173</td>
</tr>
<tr>
<td>22</td>
<td>P-12</td>
<td>2059</td>
<td>340</td>
</tr>
<tr>
<td>23</td>
<td>K-6</td>
<td>2132</td>
<td>173</td>
</tr>
<tr>
<td>24</td>
<td>K-8</td>
<td>2195</td>
<td>310</td>
</tr>
<tr>
<td>25</td>
<td>P-8</td>
<td>2200</td>
<td>262</td>
</tr>
<tr>
<td>26</td>
<td>P-8</td>
<td>2200</td>
<td>305</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>School</th>
<th>Grade Level</th>
<th>Tuition</th>
<th>Enrollment</th>
</tr>
</thead>
<tbody>
<tr>
<td>27</td>
<td>1-8</td>
<td>2295</td>
<td>38</td>
</tr>
<tr>
<td>28</td>
<td>K-8</td>
<td>2300</td>
<td>520</td>
</tr>
<tr>
<td>29</td>
<td>P-12</td>
<td>2300</td>
<td>355</td>
</tr>
<tr>
<td>30</td>
<td>P-8</td>
<td>2320</td>
<td>317</td>
</tr>
<tr>
<td>31</td>
<td>P-8</td>
<td>2350</td>
<td>220</td>
</tr>
<tr>
<td>32</td>
<td>1-3</td>
<td>2400</td>
<td>25</td>
</tr>
<tr>
<td>33</td>
<td>K-8</td>
<td>2500</td>
<td>330</td>
</tr>
<tr>
<td>34</td>
<td>K-8</td>
<td>2500</td>
<td>60</td>
</tr>
<tr>
<td>35</td>
<td>P-8</td>
<td>2500</td>
<td>295</td>
</tr>
<tr>
<td>36</td>
<td>1-5</td>
<td>2520</td>
<td>185</td>
</tr>
<tr>
<td>37</td>
<td>1-8</td>
<td>2710</td>
<td>75</td>
</tr>
<tr>
<td>38</td>
<td>P-6</td>
<td>2982</td>
<td>225</td>
</tr>
<tr>
<td>39</td>
<td>P-8</td>
<td>3080</td>
<td>281</td>
</tr>
<tr>
<td>40</td>
<td>K-8</td>
<td>3300</td>
<td>30</td>
</tr>
<tr>
<td>41</td>
<td>K-8</td>
<td>3312</td>
<td>329</td>
</tr>
<tr>
<td>42</td>
<td>K-8</td>
<td>3400</td>
<td>367</td>
</tr>
<tr>
<td>43</td>
<td>7-12</td>
<td>4450</td>
<td>425</td>
</tr>
<tr>
<td>44</td>
<td>9-12</td>
<td>4450</td>
<td>587</td>
</tr>
<tr>
<td>45</td>
<td>9-12</td>
<td>4450</td>
<td>835</td>
</tr>
<tr>
<td>46</td>
<td>9-12</td>
<td>4800</td>
<td>974</td>
</tr>
<tr>
<td>47</td>
<td>P-8</td>
<td>5425</td>
<td>400</td>
</tr>
<tr>
<td>48</td>
<td>K-12</td>
<td>5800</td>
<td>45</td>
</tr>
<tr>
<td>49</td>
<td>1-8</td>
<td>6000</td>
<td>82</td>
</tr>
<tr>
<td>50</td>
<td>9-12</td>
<td>6400</td>
<td>694</td>
</tr>
<tr>
<td>51</td>
<td>P-5</td>
<td>8200</td>
<td>315</td>
</tr>
<tr>
<td>52</td>
<td>9-12</td>
<td>8600</td>
<td>338</td>
</tr>
</tbody>
</table>

**CHAPTER 5- ANALYSIS OF DATA**
students enrolled, it rises to $2500. In both cases the median errs to the high side because:

1. 14 out of the 52 schools responding (26.9%) have both member and higher non-member rates. This study used the non-member rates because the schools did not provide a breakdown of member and non-member students and because students wishing to enroll based on a voucher or charter school plan would most likely be classified as non-members.

2. In some cases, responding schools reported total enrollment but had tuitions that varied according to grade level. Since in most cases the enrollments were not broken down by grade level, the highest tuition was used in the study.

Median tuitions charged according to religious affiliation were $2200 by Catholic schools, $1980 by other Christian schools, and $4363 by non-Christian schools.

The overall tuition medians ($2200 by school and $2500 by student) differ greatly from numbers reported by the Legislative Services Agency, an advisory group for the Indiana General Assembly. The education advocacy group COMMIT reported in their Feb., 1996 newsletter that Legislative Services had found the average non-public school cost in Marion County to be $3,274. This number compares more favorably to the student-weighted mean in this study of over $3400, but the mean wasn't used in this study due to the few number of very large tuition values that were reported.

Table 5-2 shows the breakdown of principals by gender and by religious affiliation. It was interesting to note that while the Catholic and independent schools had a higher-than-average percentage of female principals (62% and 60%, respectively), the other Christian schools had a much lower percentage of female principals (23.8%).

CHAPTER 5: ANALYSIS OF DATA
Table 5-2

Gender of Principals from Responding Schools

<table>
<thead>
<tr>
<th></th>
<th>Catholic</th>
<th>Other Christian</th>
<th>Independent &amp;</th>
<th>Other Religious</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>8</td>
<td>38%</td>
<td>16</td>
<td>76.2%</td>
<td>4</td>
</tr>
<tr>
<td>Female</td>
<td>13</td>
<td>62%</td>
<td>5</td>
<td>23.8%</td>
<td>6</td>
</tr>
</tbody>
</table>

Table 5-3 shows the composition of the teaching staffs from the responding private schools in Marion County. Females, overall, make up over 75% of the teaching staffs, and over 80% of all teachers are currently state-certified (or certifiable). However, there are major differences in the percentages of state-certified teachers according to religious affiliation. Catholic schools reported that 97.7% of their teachers are certified; the non-Christian schools reported 64.8%; and the other Christian schools reported only 51.7% of their teachers are state-certified.

Table 5-3

Composition of Teaching Staffs from Responding Schools

<table>
<thead>
<tr>
<th></th>
<th>Catholic</th>
<th>Other Christian</th>
<th>Independent &amp;</th>
<th>Other Religious</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>134.5</td>
<td>25.4%</td>
<td>47</td>
<td>22.5%</td>
<td>31</td>
</tr>
<tr>
<td>Female</td>
<td>394</td>
<td>74.6%</td>
<td>161</td>
<td>77.4%</td>
<td>151</td>
</tr>
<tr>
<td>Clergy</td>
<td>14</td>
<td>2.6%</td>
<td>10</td>
<td>4.8%</td>
<td>0</td>
</tr>
<tr>
<td>State-Certified</td>
<td>516.5</td>
<td>97.7%</td>
<td>108</td>
<td>51.7%</td>
<td>118</td>
</tr>
</tbody>
</table>
Section II - Educational Choice Charitable Trust

As was reported in Chapter III, the Educational Choice Charitable Trust (ECCT) is a scholarship program established by the Golden Rule Insurance Company to help low-income students in Marion County attend the school of their choice by offering half-tuition scholarships up to $800. The question was asked of the private school principals in Marion County- "If you had sole discretion to set the funding percentage wherever you wanted, what would you choose?" Over 88% said they would leave it at the current 50% level. The schools were also asked what the impact would likely be on them financially if the ECCT scholarships were terminated. Over 77% of the schools said that termination of the scholarship program would have some effect on them, with about 13% saying that major changes would be required in order to adjust for the lost revenue.

Sections III and IV- Vouchers and Charter Schools

Tables 5-4 through 5-14 show the results and chi-square tests for questions 15, 17-25, and 28. All but questions 18 (dealing with whether a school would agree to submit to a public audit of school funds) and question 19 (asking if the $1500 voucher had to be accepted as full payment of the tuition) were found to have distributions significantly different from a uniform distribution. And while most of the variables tested were found to be independent of the response categories, the gender of the principal was found to be dependent (H₀ rejected) in questions 19, 22, 24, and 28. The Catholic/Non-Catholic variable was found to be dependent in questions 21 and 22.
According to question 15, a vast majority of the schools surveyed (84.6%, significant at the .05 level) would likely or definitely accept a publicly-funded voucher from a student if there were no conditions or restrictions placed on the school as a result of accepting the voucher, and only 3.8% would reject public funding outright.

Questions 17-25 analysed how schools would respond to various possible conditions or restrictions that could be attached to voucher legislation. Question 17, restricting a school's ability to teach religious principles, yielded 86.5% of the schools who would likely or definitely reject such a stipulation.

As mentioned earlier, question 18 (dealing with submitting to a public audit of school funds) found only 23.1% of the schools (not significant) rejecting such a condition but with a large number (28.8%) undecided as to how they would respond. Question 19, which looked at whether a school would be willing to accept the $1500 voucher as full payment for their tuition, found 44.3% of the schools (not significant) that would not agree to such a requirement, but there were 21.2% that would agree. Question 19 did generate a significant result from the gender variable, though. Male principals were much more likely to reject this condition than were female principals. At first glance one might think that this result could be tied to the fact that Catholic schools, with their generally lower tuitions and higher representation of female principals, might be more inclined to accept this condition. But none of the other variables (tuition level, size of school, or religious affiliation of the school) had a significant chi-square value.

Question 20, which dealt with conforming to state-mandated curricular
requirements in order to ensure that students received a minimal basic education, found a significant number (65.4%) that would likely or definitely accept this condition.

Question 21, which imposed a requirement that all teachers be state-certified, yielded 71.1% of the schools surveyed (significant at the .05 level) that would likely or definitely accept this requirement. The religious affiliation variable was also significant for this question. Catholic schools were much more likely to accept this condition than were non-Catholic schools.

Question 22 asked if schools would accept or reject the requirement that students would have to be accepted regardless of their religious beliefs. A significant percentage (63.4%) said they would likely or definitely accept this requirement. The gender variable and the religious affiliation variable were also found to be dependent. Male principals were more likely to reject this requirement, as were non-Catholic schools.

In question 23, schools were asked about their willingness to accept special needs students, if increased funding were available for the special need. A significant portion of them were undecided on this question (38.5%), with 48.1% agreeing to accept the stipulation and 13.5% rejecting it.

Question 24 focused on the requirement of accepting students with prior behavioral problems, with the further stipulation that increased funding would be available for students diagnosed with a special need. Fully 63.4% of the schools surveyed reported that they would not accept this condition (significant at the .05 level). The gender variable was also significant, with male principals much more likely to reject this provision than
were female principals.

The responses to question 25, requiring acceptance of students regardless of gender, were overwhelmingly agreeable (94.2%).

CHAPTER 5- ANALYSIS OF DATA
Table 5-4

Analysis of Survey Question 15

Question: During the last several years, Indiana's legislature has considered a proposal to give a limited number of low-income Marion County students a voucher for $1500 to be used toward the tuition of any Marion County public or private school. Please indicate your interest in participating in such a program if no conditions or restrictions whatsoever were placed on you by the state.

Response Categories

<table>
<thead>
<tr>
<th>Definitely Accept</th>
<th>Probably Accept</th>
<th>Undecided</th>
<th>Probably Reject</th>
<th>Definitely Reject</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td>E</td>
</tr>
<tr>
<td>Frequencies</td>
<td>30</td>
<td>14</td>
<td>6</td>
<td>0</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>57.7</td>
<td>26.9</td>
<td>11.5</td>
<td>0</td>
</tr>
</tbody>
</table>

\[ X^2(0.05, 4) = 57.231 \]

\( H_0 : X^2 < 11.070 \) is Rejected

Conclusion: The responses to question 15 are significantly different from a distribution of uniform responses.

CHI-SQUARE TESTS OF INDEPENDENCE

\( H_0 : X^2(0.05, 2) < 5.991 \)

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>( X^2 )</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>23</td>
<td>3</td>
<td>2</td>
<td>1.794</td>
<td>Accepted</td>
</tr>
<tr>
<td>Female Principal</td>
<td>21</td>
<td>3</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>26</td>
<td>4</td>
<td>2</td>
<td>1.428</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>18</td>
<td>2</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>23</td>
<td>1</td>
<td>2</td>
<td>4.758</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>21</td>
<td>5</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>18</td>
<td>3</td>
<td>0</td>
<td>1.590</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>26</td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5-5
Analysis of Survey Question 17

Question: If you were restricted in some way in your ability to teach religious principles.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>4</td>
<td>41</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>3.8</td>
<td>1.9</td>
<td>7.7</td>
<td>7.7</td>
<td>78.8</td>
</tr>
</tbody>
</table>

\[ X^2(0.05, 4) = 113.192 \quad \text{Ho : } X^2 < 11.070 \text{ is Rejected} \]

Conclusion: The responses to question 17 are significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**

\[ H_0 : X^2(0.05, 2) < 5.991 \]

<table>
<thead>
<tr>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>( \chi^2 )</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>1</td>
<td>2</td>
<td>25</td>
<td>.585</td>
</tr>
<tr>
<td>Female Principal</td>
<td>2</td>
<td>2</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>2</td>
<td>3</td>
<td>27</td>
<td>.385</td>
</tr>
<tr>
<td>Large School</td>
<td>1</td>
<td>1</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>0</td>
<td>1</td>
<td>25</td>
<td>4.556</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>3</td>
<td>3</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>0</td>
<td>0</td>
<td>21</td>
<td>5.480</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>3</td>
<td>4</td>
<td>24</td>
<td></td>
</tr>
</tbody>
</table>

CHAPTER 5- ANALYSIS OF DATA
Table 5-6

Analysis of Survey Question 18

Question: If acceptance of any voucher monies required your school to submit to public audits of school funds.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>9</td>
<td>16</td>
<td>15</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>17.3</td>
<td>30.8</td>
<td>28.8</td>
<td>7.7</td>
<td>15.4</td>
</tr>
</tbody>
</table>

\[ X^2(.05,4) = 9.731 \]

H$_o$: $X^2 < 11.070$ is Accepted

Conclusion: The responses to question 18 are not significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**

H$_o$: $X^2(.05,2) < 5.991$

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>$X^2$</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>10</td>
<td>11</td>
<td>7</td>
<td>4.318</td>
<td>Accepted</td>
</tr>
<tr>
<td>Female Principal</td>
<td>15</td>
<td>4</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>16</td>
<td>8</td>
<td>8</td>
<td>.624</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>9</td>
<td>7</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>13</td>
<td>6</td>
<td>7</td>
<td>.973</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>12</td>
<td>9</td>
<td>5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>13</td>
<td>6</td>
<td>2</td>
<td>4.206</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>12</td>
<td>9</td>
<td>10</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CHAPTER 5- ANALYSIS OF DATA
Table 5-7

Analysis of Survey Question 19

Question: If the $1500 had to be accepted as full payment of tuition.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>4</td>
<td>7</td>
<td>18</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>7.7</td>
<td>13.5</td>
<td>34.6</td>
<td>23.1</td>
<td>21.2</td>
</tr>
</tbody>
</table>

\[ X^2(0.05,4) = 10.885 \]

Conclusion: The responses to question 19 are not significantly different from a distribution of uniform responses.

Chi-Square Tests of Independence

\[ H_0 : X^2 (0.05,2) < 5.991 \]

<table>
<thead>
<tr>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>X^2</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>4</td>
<td>6</td>
<td>18</td>
<td>9.917</td>
</tr>
<tr>
<td>Female Principal</td>
<td>7</td>
<td>12</td>
<td>5</td>
<td>* * * * *</td>
</tr>
<tr>
<td>Small School</td>
<td>10</td>
<td>9</td>
<td>13</td>
<td>5.266</td>
</tr>
<tr>
<td>Large School</td>
<td>1</td>
<td>9</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>8</td>
<td>10</td>
<td>8</td>
<td>4.625</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>3</td>
<td>8</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>4</td>
<td>10</td>
<td>7</td>
<td>2.740</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>7</td>
<td>8</td>
<td>16</td>
<td></td>
</tr>
</tbody>
</table>
Table 5-8

Analysis of Survey Question 20

Question: If your curriculum had to meet certain conformity standards in the core subjects (math, english, etc.) to ensure that all students were receiving a minimal basic education.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>13</td>
<td>21</td>
<td>10</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>25</td>
<td>40.4</td>
<td>19.2</td>
<td>3.8</td>
<td>11.5</td>
</tr>
</tbody>
</table>

\[ X^2 (.05, 4) = 20.115 \]
\[ H_0: X^2 < 11.070 \] is Rejected

Conclusion: The responses to question 20 are significantly different from a distribution of uniform responses.

CHI-SQUARE TESTS OF INDEPENDENCE

\[ H_0: X^2 (.05, 2) < 5.991 \]

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>X^2</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>15</td>
<td>7</td>
<td>6</td>
<td>3.785</td>
<td>Accepted</td>
</tr>
<tr>
<td>Female Principal</td>
<td>19</td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>24</td>
<td>4</td>
<td>4</td>
<td>3.586</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>10</td>
<td>6</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>15</td>
<td>5</td>
<td>6</td>
<td>2.471</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>19</td>
<td>5</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>17</td>
<td>3</td>
<td>1</td>
<td>4.337</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>17</td>
<td>7</td>
<td>7</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 5-9

Analysis of Survey Question 21

Question: If your teachers had to become state-certified.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>22</td>
<td>15</td>
<td>3</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>42.3</td>
<td>28.8</td>
<td>5.8</td>
<td>3.8</td>
<td>19.2</td>
</tr>
</tbody>
</table>

\[ X^2(0.05, 4) = 27.038 \]

\[ H_0: X^2 < 11.070 \] is Rejected

Conclusion: The responses to question 21 are significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**

\[ H_0: X^2(0.05, 2) < 5.991 \]

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>(X^2)</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>17</td>
<td>1</td>
<td>10</td>
<td>5.636</td>
<td>Accepted</td>
</tr>
<tr>
<td>Female Principal</td>
<td>20</td>
<td>2</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>23</td>
<td>3</td>
<td>6</td>
<td>2.556</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>14</td>
<td>0</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>18</td>
<td>2</td>
<td>6</td>
<td>.360</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>19</td>
<td>1</td>
<td>6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>14.281</td>
<td>Rejected</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>16</td>
<td>3</td>
<td>12</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CHAPTER 5- ANALYSIS OF DATA
**Table 5-10**

**Analysis of Survey Question 22**

**Question:** If you had to accept students regardless of their religious beliefs.

**Response Categories**

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>18</td>
<td>15</td>
<td>8</td>
<td>4</td>
<td>7</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>34.6</td>
<td>28.8</td>
<td>15.4</td>
<td>7.7</td>
<td>13.5</td>
</tr>
</tbody>
</table>

\[ X^2(0.05,4) = 13.192 \quad H_0: X^2 < 11.070 \text{ is Rejected} \]

Conclusion: The responses to question 22 are significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**

\[ H_0: X^2(0.05,2) < 5.991 \]

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>X^2</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>14</td>
<td>3</td>
<td>11</td>
<td>12.021</td>
<td>Rejected</td>
</tr>
<tr>
<td>Female Principal</td>
<td>19</td>
<td>5</td>
<td>0</td>
<td>*****</td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>21</td>
<td>4</td>
<td>7</td>
<td>.532</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>12</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>15</td>
<td>4</td>
<td>7</td>
<td>1.091</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>18</td>
<td>4</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>15</td>
<td>5</td>
<td>1</td>
<td>6.452</td>
<td>Rejected</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>18</td>
<td>3</td>
<td>10</td>
<td>*****</td>
<td></td>
</tr>
</tbody>
</table>

CHAPTER 5- ANALYSIS OF DATA
Table 5-11

Analysis of Survey Question 23

Question: If you had to accept student with special needs (other than behavioral), assuming increased funding would be made available for the special need.

Response Categories

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>9</td>
<td>16</td>
<td>20</td>
<td>4</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>17.3</td>
<td>30.8</td>
<td>38.5</td>
<td>7.7</td>
</tr>
</tbody>
</table>

\[ X^2(0.05,4) = 21.269 \]

Conclusion: The responses to question 23 are significantly different from a distribution of uniform responses.

CHI-SQUARE TESTS OF INDEPENDENCE

\[ H_0 : X^2 < 5.991 \]

<table>
<thead>
<tr>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>( X^2 )</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>12</td>
<td>11</td>
<td>5</td>
<td>1.225</td>
</tr>
<tr>
<td>Female Principal</td>
<td>13</td>
<td>9</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>16</td>
<td>10</td>
<td>6</td>
<td>2.918</td>
</tr>
<tr>
<td>Large School</td>
<td>9</td>
<td>10</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>11</td>
<td>10</td>
<td>5</td>
<td>1.646</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>14</td>
<td>10</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>13</td>
<td>7</td>
<td>1</td>
<td>3.622</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>12</td>
<td>13</td>
<td>6</td>
<td></td>
</tr>
</tbody>
</table>
Question: If you had to accept any student, regardless of prior behavioral problems
(including suspension or expulsion), assuming increased funding would be made available
for those diagnosed as having a special need.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>5</td>
<td>7</td>
<td>7</td>
<td>19</td>
<td>14</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>9.6</td>
<td>13.5</td>
<td>13.5</td>
<td>36.5</td>
<td>26.9</td>
</tr>
</tbody>
</table>

$X^2 (0.05, 4) = 13.385$  \hspace{1cm} $H_o : X^2 < 11.070$ is Rejected

Conclusion: The responses to question 24 are significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**  
$H_o : X^2 (0.05, 2) < 5.991$

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>$X^2$</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>2</td>
<td>3</td>
<td>23</td>
<td>10.351</td>
<td>Rejected</td>
</tr>
<tr>
<td>Female Principal</td>
<td>10</td>
<td>4</td>
<td>10</td>
<td></td>
<td>******</td>
</tr>
<tr>
<td>Small School</td>
<td>9</td>
<td>5</td>
<td>18</td>
<td>1.890</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>3</td>
<td>2</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>6</td>
<td>5</td>
<td>15</td>
<td>1.558</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>6</td>
<td>2</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>6</td>
<td>4</td>
<td>11</td>
<td>1.959</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>6</td>
<td>3</td>
<td>22</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Table 5-13

**Analysis of Survey Question 25**

**Question:** If you had to accept students regardless of gender.

<table>
<thead>
<tr>
<th>Response Categories</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>34</td>
<td>15</td>
<td>0</td>
<td>0</td>
<td>3</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>65.4</td>
<td>28.8</td>
<td>0</td>
<td>0</td>
<td>5.8</td>
</tr>
</tbody>
</table>

\[X^2(.05,4) = 81.654\]

\[H_0: X^2 < 11.070\] is Rejected

**Conclusion:** The responses to question 25 are significantly different from a distribution of uniform responses.

**Chi-Square Tests of Independence**

\[H_0: X^2 (.05, 2) < 5.991\]

<table>
<thead>
<tr>
<th></th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>(X^2)</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male Principal</td>
<td>25</td>
<td>0</td>
<td>3</td>
<td>2.729</td>
<td>Accepted</td>
</tr>
<tr>
<td>Female Principal</td>
<td>24</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>29</td>
<td>0</td>
<td>3</td>
<td>1.990</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>23</td>
<td>0</td>
<td>3</td>
<td>3.184</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>26</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>2.157</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>28</td>
<td>0</td>
<td>3</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CHAPTER 5- ANALYSIS OF DATA**
Table 5-14

Analysis of Survey Question 28

Question: What would your interest be in participating in a hypothetical charter school plan that offered $4000 per student in exchange for your school making a commitment to achieve particular academic results on a year-by-year basis.

Response Categories

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequencies</td>
<td>21</td>
<td>15</td>
<td>10</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>% of Total Responses</td>
<td>40.4</td>
<td>28.8</td>
<td>19.2</td>
<td>3.8</td>
<td>7.7</td>
</tr>
</tbody>
</table>

\[ X^2(0.05,4) = 23.577 \]

\[ H_0 : X^2 < 11.070 \] is Rejected

Conclusion: The responses to question 28 are significantly different from a distribution of uniform responses.

**CHI-SQUARE TESTS OF INDEPENDENCE**

\[ H_0 : X^2(0.05,2) < 5.991 \]

<table>
<thead>
<tr>
<th>Male Principal</th>
<th>A-B</th>
<th>C</th>
<th>D-E</th>
<th>( X^2 )</th>
<th>Null Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>4</td>
<td>6</td>
<td>6.129</td>
<td>Rejected</td>
<td></td>
</tr>
<tr>
<td>Female Principal</td>
<td>18</td>
<td>6</td>
<td>0</td>
<td>******</td>
<td></td>
</tr>
<tr>
<td>Small School</td>
<td>23</td>
<td>7</td>
<td>2</td>
<td>2.403</td>
<td>Accepted</td>
</tr>
<tr>
<td>Large School</td>
<td>13</td>
<td>3</td>
<td>4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Tuition School</td>
<td>16</td>
<td>6</td>
<td>4</td>
<td>1.511</td>
<td>Accepted</td>
</tr>
<tr>
<td>High Tuition School</td>
<td>20</td>
<td>4</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catholic School</td>
<td>15</td>
<td>5</td>
<td>1</td>
<td>1.811</td>
<td>Accepted</td>
</tr>
<tr>
<td>Non-Catholic School</td>
<td>21</td>
<td>5</td>
<td>5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

CHAPTER 5- ANALYSIS OF DATA
Table 5-15 shows the distribution of schools according to the number of negative responses (answers D and E) given to conditions mentioned in questions 17-25. 7.7% of the schools had no objections to any of the conditions specified. On the other hand, 59.6% had a moderate number of objections (1, 2, or 3 negative responses) and 32.7% of the schools had a major number of objections (4-9 negative responses). Even if the only questions with significant negative responses were eliminated (questions 17 and 24), 31 out of the 52 responding schools (59.6%) had at least one condition where they would be likely to reject funding.

Table 5-15

<table>
<thead>
<tr>
<th># of Negative Responses</th>
<th>Frequency</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>4</td>
<td>7.7%</td>
</tr>
<tr>
<td>1</td>
<td>10</td>
<td>19.2%</td>
</tr>
<tr>
<td>2</td>
<td>11</td>
<td>21.2%</td>
</tr>
<tr>
<td>3</td>
<td>10</td>
<td>19.2%</td>
</tr>
<tr>
<td>4</td>
<td>8</td>
<td>15.4%</td>
</tr>
<tr>
<td>5</td>
<td>4</td>
<td>7.7%</td>
</tr>
<tr>
<td>6</td>
<td>2</td>
<td>3.8%</td>
</tr>
<tr>
<td>7</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>8</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9</td>
<td>3</td>
<td>5.8%</td>
</tr>
</tbody>
</table>
Question 28 dealt with participation in a charter school plan where state funds ($4000 per student) would be provided to every participating student in return for the receiving school agreeing to meet particular academic results on a year-by-year basis. A significant percentage of the responding schools (69.2%) were somewhat or definitely interested in such a program, but the number was substantially lower than was their response to accepting vouchers (question 15), where 84.6% of the schools said they would accept such funding. Also, male principals were much less likely than female principals to want to participate in a charter school plan.

Section V - Current and Future Capacity and Desired Size

Responding schools reported, in questions 31 and 32, that they have existing capacity of 15,627 students, with another 1,080 students being accommodated on a short-term basis by utilizing mobile classrooms or other conveniently-located space (see Table 5-16). However, in order to make these figures more realistic, enrollments and capacities were adjusted to eliminate those schools that said they were not interested in participating in a voucher or charter school plan. Therefore, enrollments for participating schools are 11,907 (11.1% less than original) and capacities for participating schools total 15,147, which are 9.33% lower than gross capacity. When total net capacity is compared to current net enrollment, capacity stands at 27.2% above enrollment. Both the 11.2%
Table 5-16

Enrollments and Capacities of Responding Schools

<table>
<thead>
<tr>
<th></th>
<th>Less Non-Participating Schools</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Enrollment</td>
<td>13,394</td>
<td>1487</td>
</tr>
<tr>
<td>Current Capacity using</td>
<td>15,627</td>
<td>1547</td>
</tr>
<tr>
<td>existing facilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Capacity available</td>
<td>1,080</td>
<td>13</td>
</tr>
<tr>
<td>on short-term basis</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Capacity</td>
<td>16,707</td>
<td>1560</td>
</tr>
</tbody>
</table>

reduction and the 27.2% capacity percentage will be needed for later projections of enrollment and capacity for the general population of private schools in Marion County.

Table 5-17 reveals the breakdown of current net enrollments and capacities of participating schools according to religious affiliation. Catholic schools comprise 65.8% of the net preliminary enrollment of private schools in Marion County and 62.6% of the net capacity.

Table 5-17

Enrollments and Capacities of Responding Schools by Religious Affiliation

<table>
<thead>
<tr>
<th></th>
<th>Catholic</th>
<th>Other Christian</th>
<th>Independent &amp; Other Religious</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Enrollment</td>
<td>7837</td>
<td>3213</td>
<td>857</td>
<td>11,907</td>
</tr>
<tr>
<td>Net Total Capacity</td>
<td>9485</td>
<td>4792</td>
<td>870</td>
<td>15,147</td>
</tr>
</tbody>
</table>
It is one thing for a school to have a given capacity. It is, on the other hand, quite different to ask a school what their desired size is. So this study asked principals: how many students are you willing to accommodate at the current tuition rate, at a tuition $500 higher than current, at a tuition $1000 higher than current, and at a tuition of $4000 (the level of the hypothetical charter school funding)? Table 5-18 shows the desired size of participating schools, broken down by religious affiliation.

**Table 5-18**

**Desired Size of Private Schools Participating in a Public Funding Plan**

<table>
<thead>
<tr>
<th>Tuition Level</th>
<th>Catholic</th>
<th>Other Christian</th>
<th>Other Religious</th>
<th>Total Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>At Current Tuition Level</td>
<td>9,305</td>
<td>4,242</td>
<td>1135</td>
<td>14,682</td>
</tr>
<tr>
<td>At $4000+</td>
<td>10,580</td>
<td>5,903</td>
<td>1665</td>
<td>18,148</td>
</tr>
</tbody>
</table>

Notice that the desired size at current tuition levels (14,682) is 23.3% higher than the current enrollment of participating schools (11,907). And the desired size at $4000 (18,148) is 52.4% higher than the current enrollment of participating schools (11,907). Both of these percentages will be used later to determine projections for the general population.

In order for the sample population numbers to be useful to us, it is necessary to project our findings to the general population. In other words, since we have a representative sample, what would the projected capacities and desired sizes be for the general population of private schools in Marion County and how do they compare. Based upon previous findings, the following estimates are derived for the entire population of private schools in Marion County:
1. Current Enrollment = Total Preliminary Enrollment less Enrollment of Non-participating schools (from p.94)

\[ = 23,118 - 11.1\% = 20,552 \text{ students} \]

2. Current Capacity = Current Enrollment increased by Capacity Percentage (from p.94)

\[ = 20,552 + (27.2\%) = 26,142 \text{ students} \]

3. Desired Size at Current Tuition Levels = Current Enrollment increased by 23.3%

\[ = 25,341 \text{ students} \]

4. Desired Size at $4000 Tuition = Current Enrollment increase by 52.4%

\[ = 31,321 \text{ students} \]

Table 5-19 shows an interesting comparison of a school's response to question 36 (desired size at the $4000 tuition level) and its current capacity. Over 65% of the surveyed schools favored only modest increases in capacities (24% of less), with over 50% of those surveyed desiring no growth at all.

### Table 5-19

**Comparison of Desired Size to Current Capacity for Surveyed Schools**

<table>
<thead>
<tr>
<th>Percent Growth Beyond Current Capacity</th>
<th># of Schools</th>
<th>Percent of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% or Less</td>
<td>27</td>
<td>51.9%</td>
</tr>
<tr>
<td>1-24%</td>
<td>7</td>
<td>13.5%</td>
</tr>
<tr>
<td>25-49%</td>
<td>8</td>
<td>15.4%</td>
</tr>
<tr>
<td>50-99%</td>
<td>6</td>
<td>11.5%</td>
</tr>
<tr>
<td>100% +</td>
<td>4</td>
<td>7.7%</td>
</tr>
</tbody>
</table>
In terms of possible impediments schools might anticipate in the process of expanding capacity, questions 38-40 revealed that 30.2% of those responding felt that acquiring land would pose a serious or impossible problem; 37.2% felt that securing the necessary financing for expansion would be a serious problem; and only 9.3% of the schools responding felt that availability of qualified teachers would pose a serious problem.

CHAPTER 5 ENDNOTES

1. This figure was derived from data furnished by Karen Lane at the Indiana Department of Education, Feb. 20, 1996.
CHAPTER 6

CONCLUSIONS

Conclusion #1

It is more than a little intriguing that the Indiana Legislative Services Agency, whose information and advice is seriously considered by the Indiana Legislature, would apparently use a student-weighted mean to determine the "average" tuition charged by private schools in Marion County. It would seem that using the mean would grossly overstate tuitions, since the mean calculation is dramatically influenced by the large tuitions of a few schools. The problem created by using the mean instead of the lower median is that legislators may be falsely informed as to what the cost would likely be of funding a private school education. Legislators need to use the median tuition estimate of $2200 for its decisions regarding school choice.

Conclusion #2

Private schools in Marion County, Indiana, have stated unequivocally, through this study, they are interested in participating in a voucher or charter school plan --- but how that plan is designed will make all of the difference in how it is ultimately received by the private school community. The following issues received either significant, positive
responses or neutral responses from the private schools surveyed:

**Significantly Positive:**

1. Willingness to have curriculum meet certain standards in core subjects
2. Willingness to have teachers state-certified
3. Willingness to accept students regardless of their religious beliefs
4. Willingness to accept students with special needs (other than behavioral)
5. Willingness to accept students regardless of gender

**Neutral Responses:**

1. Willingness to submit to an audit of school funds
2. Willingness to accept $1500 as full payment of tuition

Only two issues emerged as being significant reasons for rejecting public funding—restricting a school's ability to teach religious principles and requiring that all students, regardless of prior behavioral problems, have to be accepted. Even several non-Christian schools commented that, while they don't teach religious principles, they would be very concerned about having the government restrict that ability in other schools. It is also important to point out that even if these two issues were resolved, almost 60% of the schools still had at least one issue that would cause them to reject public funding of private education. Future legislation dealing with school choice will have to be very sensitive to

CHAPTER 6- CONCLUSIONS
Conclusion #3

Table 5-1 shows that a $1500 voucher would cover the tuitions of but a few schools, although question 19 determined that 21.2% of the schools would be likely to accept the $1500 as full payment. Since the median tuition charged by private schools is around $2200, the $1500 represents a 68% reduction in the average cost of a private education in Marion County. According to the Koutromanes study\(^1\), the price elasticity for parochial schools is .17. This translates into an 11.6% increase in demand for private, religious schools (68% x .17) when a $1500 voucher is given to students. This is a conservative estimate for demand because Koutromanes estimated the private, non-religious school price elasticity to be .34, twice as high as the parochial school elasticity.\(^2\)

Table 6-1 shows that if there were no limitations on who could receive a voucher, it would be estimated that 14,332 public school students would want to transfer to private schools (11.6% x 123,549 total public school enrollment for Marion County). But since it is also estimated there would only be a desire on the part of private schools to enroll an additional 4,789 students (25,341 desired private school size at current tuition levels minus 20,552 adjusted private school enrollment), such a voucher would create far more demand than would be expected to be supplied. Consequently, the voucher legislation would create a rather large waiting list and would provide educational opportunities for less than 1/3 of those desiring a private school education.
Table 6-1

Supply/Demand for Private Schools in Marion County

<table>
<thead>
<tr>
<th>OPTION</th>
<th>INCLUDED</th>
<th>SIZE</th>
<th>CURRENT</th>
<th>EST.</th>
<th>SUPPLY</th>
<th>DEMAND %</th>
<th>PUBLIC SCHOOL</th>
<th>EST.</th>
<th>DEMAND</th>
<th>LIST</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1500</td>
<td>All</td>
<td>25341</td>
<td>20552</td>
<td>4789</td>
<td>17.68%</td>
<td>11.6%</td>
<td>123549</td>
<td>14332</td>
<td>9543</td>
<td></td>
</tr>
<tr>
<td>Voucher</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$1500</td>
<td>Low</td>
<td>25341</td>
<td>20552</td>
<td>4789</td>
<td>17.68%</td>
<td>11.6%</td>
<td>47848</td>
<td>5550</td>
<td>761</td>
<td></td>
</tr>
<tr>
<td>Voucher</td>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$4000</td>
<td>All</td>
<td>31321</td>
<td>20552</td>
<td>10769</td>
<td>17%</td>
<td></td>
<td>123549</td>
<td>21003</td>
<td>10234</td>
<td></td>
</tr>
<tr>
<td>Charter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$4000</td>
<td>Low</td>
<td>31321</td>
<td>20552</td>
<td>10769</td>
<td>17%</td>
<td></td>
<td>47848</td>
<td>8134</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Charter</td>
<td>Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

One way legislatures have tried to deal with this discrepancy of supply and demand is to limit the number of eligible students. The Indiana Department of Education has reported there were 47,848 students receiving free or reduced price lunches in 1994-95, the most recent data available. If vouchers were restricted to only students eligible for free or reduced price lunches, student demand for a private school education would increase by 5,550 students (see Table 6-1). This is still over 760 more than private schools are willing to accommodate, so waiting lists would still result.
These results suggest that any future voucher legislation will need to focus on substantially larger voucher amounts than $1500 if they hope to provide the opportunities such legislation is supposedly designed to give. Private schools have limited excess capacity, and unless the stakes are higher, they can't afford to expand capacity to accommodate the wishes of students desiring to transfer to a private school.

**Conclusion #4**

If a fully-funded, comprehensive choice charter school plan were developed for Marion County, then the price elasticity of demand for private education would be estimated by Koutromanes to be the full 17%. This would translate into increased private school demand of 21,003 students overall or 8,134 students on free or reduced price lunch (see Table 6-1). However, existing private schools in Marion County would only be willing to enroll 10,769 students. Therefore, overall demand would be about twice what the expected supply would be. On the other hand, if eligibility were restricted to low-income students, the private schools would be expected to be willing to meet the demand.

The implications of these findings for future charter school legislation are significant. If the prevailing concern of the legislators is to provide educational opportunity to those who can least afford it, then funding levels approaching $4000 will be needed to accommodate the anticipated demand. If, on the other hand, educational opportunity is seen as a goal for all of our students, then existing educational alternatives will fall far short of meeting the needs of those desiring a private school option. Legislation will need to focus on stimulating the growth of new schools. As this study has
highlighted, this will require minimizing restrictions and conditions placed on the new schools, as well as lowering barriers faced by the new providers of education. These educational pioneers will also need increased funding to provide for not only the programming and staffing costs but to also acquire, renovate, equip, and supply their "charter school" facilities properly.

Undoubtedly, some of the demand generated by a charter school plan will be satisfied by existing public schools who seize the opportunity to refocus their educational mission and provide a program and an environment students can thrive in. But unless and until the present educational market is forced to deal with and respond to new educational alternatives, they will have very little incentive to change.

CHAPTER 6 ENDNOTES

1. Koutromanes, p.93.

2. IBID

3. per Sharon Cook, Director of the Division of School Food and Nutrition, Indiana Department of Education, Feb. 20, 1996.
CHAPTER 7

LIMITATIONS AND FURTHER RESEARCH IDEAS

Limitations of This Study

The greatest limitation this study faced was limiting the population to Marion County, Indiana. While there are certainly areas of the country where the findings of this study would apply, the results are not readily generalizable.

A second limitation resulted from the small sample size. Although many statistics supported the contention that this study's sample fairly represented the population of private schools in Marion County, the small sample size limited the analysis that could be done. Several of the chi-square tests appeared as if they would have generated significant results if the sample size had been larger.

A third limitation centers on the nature of many of the critical questions that were asked in the survey. Principals were asked, first of all, to speak for themselves and their school boards or other governing bodies. Not all principals are in tune with their governing boards, and the compositions of these boards change often. Secondly, they were asked how they would feel at a future time regarding a hypothetical issue. There are many instances in life where we say one thing but react much differently when the decision actually has to be made. Only by presenting these principals with the real thing- a real
vouher or charter school plan- will we know for sure how they will react.

**Suggestions for Further Research**

This study found several instances where the responses of male and female principals were significantly different. Research needs to be done to examine the gender variable and why there are, at times, differences in their perceptions of key questions regarding school choice. The same is true of the religious affiliation variable. As one might expect, private schools don't all look at the school choice issues in the same way. Further research could shed more light on where these differences are and why.

This study dealt with the responses of existing private schools. A major unknown is what new schools would be formed if charter school legislation permitted them. Further research is needed in areas of the country where charter schools already exist to investigate: (1) characteristics of the educational leaders who begin these new schools, (2) the costs of starting up a new school, (3) marketing a new school, and (4) legislative barriers to forming a new school.

A number of studies have suggested that the price elasticity for low-income families is higher than it is for the general population. If consideration is given to passing legislation that targets low-income students only, then research is needed to more accurately represent the likely response of this segment of our society.

Because most public school systems in this country receive funding from a number of other sources besides the state, the fiscal impact voucher or charter school legislation

CHAPTER 7- LIMITATIONS AND FURTHER RESEARCH IDEAS
would have on existing public schools is of paramount importance. Issues regarding busing, facilities, and teacher contracts are but a few of the many aspects of public education that would be materially affected by school choice legislation. Research needs to identify the critical areas of financial concern and how best to deal with them.

Probably one of the most important questions that remains to be answered is what impact school choice, in general, has on student learning. While some studies have found some tentative results, a much more comprehensive study needs to be done to determine if, in fact, offering students educational alternatives improves learning.

It would also be suggested that this study be replicated using a larger population and sample size in order to improve the statistical precision of the results.
BIBLIOGRAPHY


BIBLIOGRAPHY


BIBLIOGRAPHY


BIBLIOGRAPHY


Committee for Public Education and Religious Liberty v. Regan, 100 S. Ct. 840 (1980).


BIBLIOGRAPHY


BIBLIOGRAPHY


LaNoue, G.R., Educational Vouchers: Concepts and Controversies, New York: Teachers
College Press, 1972.

Lawler, P., "Breaking the Logjam?", the Catholic World Report, July, 1994, p.44.


BIBLIOGRAPHY


Nathan, J., "Programs, Problems, and Prospects with State Choice Programs", in J. Nathan (ed.), *Public Schools by Choice: Expanding Opportunities for Parents*.

**BIBLIOGRAPHY**


Paulu, N., Improving Schools and Empowering Parents: Choice in American Education.

BIBLIOGRAPHY


The Center for Education Reform, Charter Schools: The New Neighborhood Schools, Washington, D.C.


BIBLIOGRAPHY
The White House Office of the Press Secretary, Tuition Tax Credit Fact Sheet, For
Release at 10:30 a.m. CST, Thursday, Apr. 15, 1982.


Urbanski, A., "Public Schools of Choice and Educational Reform", in J. Nathan (ed.), Public Schools of Choice, Expanding Opportunities for Parents, Students, and

BIBLIOGRAPHY


APPENDIX A

SURVEY
PRIVATE AND PUBLIC FUNDING OF PRIVATE EDUCATION

SECTION I- SCHOOL INFORMATION AND STATISTICS
Please fill out the chart below, completing it as accurately as you can:

<table>
<thead>
<tr>
<th>School Year</th>
<th>Tuition (grades 1-8)</th>
<th>Total Enrollment</th>
<th>Number of Students Receiving Choice Charitable Trust Scholarships</th>
<th>Number of Students Eligible for Free and Reduced Price Lunches</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(if there is more than one, indicate by grade; i.e. grades 1-4 $1300, grades 5-8 $1600)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1991/92</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1992/93</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1993/94</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994/95</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1995/96 (projected)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. Please indicate whether you (the principal) are (circle one): MALE   FEMALE

7. When was the school founded (year): -----------------------------

8. Please indicate the number of faculty who are: MALE __ FEMALE _____

9. Please indicate the number of faculty who are clergy: ___________

10. Please indicate the number of faculty who are certified to teach in Indiana's public schools: ________

11. If your school is religiously affiliated, please indicate:
    the denomination (if Christian): _________________________
    the religion (if non-Christian): _________________________ (if secular, state "none")

12. If your school is sponsored by a church, please state:
    the name of the church ____________________________
    the number of members ____________________________

SECTION II- CHOICE CHARITABLE TRUST (ECCT)
Currently, scholarships offered by ECCT pay 50% of a student’s tuition up to $800. This percentage impacts the number of students who can afford a private school education and also has ramifications for parental involvement. If you had sole discretion to set the funding percentage wherever you wanted (and yet understanding that total dollars available would stay the same), what would you choose (circle choice):

13. FUNDING PERCENTAGE

<table>
<thead>
<tr>
<th></th>
<th>0</th>
<th>10</th>
<th>20</th>
<th>30</th>
<th>40</th>
<th>50</th>
<th>60</th>
<th>70</th>
<th>80</th>
<th>90</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>NUMBER OF STUDENTS SERVED</td>
<td>2200</td>
<td>1100</td>
<td>825</td>
<td>550</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Students served correspond to the funding percentage chosen.)
SECTION II (continued)

14. If the ECCT were not in existence as of today, what effect would this have on your school financially:
   (a) no effect
   (b) minimal effect; no change in operations/staffing
   (c) moderate effect; requiring modest changes in operations and/or staffing
   (d) significant effect; requiring major changes
   (e) catastrophic effect; perhaps necessitating closure of the school

SECTION III- PARTICIPATING IN A PUBLICLY-FUNDED VOUCHER OR CHARTER SCHOOL PROGRAM

15. During the last several years, Indiana's legislature has considered a proposal to give a limited number of low-income Marion County students a voucher for $1500 to be used toward the tuition of any Marion County public or private school. Please indicate your interest in participating in such a program if no conditions or restrictions whatever were placed on you by the state:

   (a) definitely accept funding
   (b) probably accept funding
   (c) undecided
   (d) probably reject funding
   (e) definitely reject funding

If you answered (a), (b), or (c) above, please proceed to question 17.

16. If you answered (d) or (e) above:
   Why would you choose not to participate (check the ones that apply):
   (a) we have no interest in participating in any program involving government monies.
   (b) there may be no conditions now, but they would definitely come later.
   (c) our clientele wouldn't qualify to receive the funds anyway.
   (d) other (please state): ____________________________

**IF YOU ANSWERED QUESTION 16, YOU MAY NOW PROCEED TO SECTION IV**

In questions 17-26, please respond as if the following stipulations were attached to a publicly-funded voucher program.

17. if we were restricted in some way in our ability to teach religious principles, we would:
   (a) definitely accept funding
   (b) probably accept funding
   (c) undecided
   (d) probably reject funding
   (e) definitely reject funding

18. if acceptance of any voucher monies required our school to submit to public audits of school funds, we would:
   (a) definitely accept funding
   (b) probably accept funding
   (c) undecided
   (d) probably reject funding
   (e) definitely reject funding
APPENDIX A

19. if the $1500 had to be accepted as full payment of tuition, we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

20. if our curriculum had to meet certain conformity standards in the core subjects (math, english, etc.) to ensure that all students were receiving a minimal basic education, we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

21. if our teachers had to become state-certified, we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

22. if we had to accept students regardless of their religious beliefs, we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

23. if we had to accept students with special needs (other than behavioral), we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

24. if we had to accept any student, regardless of prior behavioral problems (including suspension or expulsion), we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

25. if we had to accept students regardless of gender, we would:

<table>
<thead>
<tr>
<th>(a) definitely accept funding</th>
<th>(b) probably accept funding</th>
<th>(c) undecided funding</th>
<th>(d) probably reject funding</th>
<th>(e) definitely reject funding</th>
</tr>
</thead>
</table>

26. Are there any other stipulations that would cause you to reject public funding (please specify):

27. If a $1500 voucher were made available to low-income students, would you likely raise your tuition?

| YES | NO |

If "YES", what would your tuition most likely be? $__________
APPENDIX A

SECTION IV- CHARTER SCHOOLS

The Indiana Legislature has recently passed a charter school plan, called the Freeway School Corporation Program, which would permit public school corporations and private schools to apply for a special status. This isn't technically charter school legislation since there are no public monies "following" a student. However, suppose that, in the future, being a "Freeway" school would entail receiving funding from the state equal to the state average per pupil expenditure (say, $4000) and being freed from most state education regulations in exchange for your school making a commitment to achieve particular academic results on a year-by-year basis. As a result:

28. What would you say your interest would be in participating in the modified "Freeway Schools" program?

<table>
<thead>
<tr>
<th>(a)</th>
<th>(b)</th>
<th>(c)</th>
<th>(d)</th>
<th>(e)</th>
</tr>
</thead>
<tbody>
<tr>
<td>definitely interested</td>
<td>somewhat interested</td>
<td>undecided</td>
<td>probably not interested</td>
<td>definitely not interested</td>
</tr>
</tbody>
</table>

29. If you answered "probably not interested" or "definitely not interested", why? (mark the ones that apply):

- _ the potential for government regulations to be attached later
- _ academic goals are too difficult to attain
- _ state funding for this program could be terminated at any time
- _ we have no interest in participating in any publicly-funded program
- _ other (please specify): ____________________

SECTION V- CURRENT AND FUTURE CAPACITY

30. Have you expanded classroom capacity within the last 5 years? YES NO

If "YES", in what school year was it first available? __ 
If "YES", by how many students did your capacity increase? __

31. In the 1995-96 school year, how many total students could your school have accommodated? (please give a total number possible):

(a) using existing classrooms only? ______
(b) if existing non-classroom space were utilized as classrooms? ______

32. If there are any other options you may have available to expand current capacity without constructing more classrooms (like utilizing nearby office space, access to portable classrooms, etc.), by how much could you increase current capacity? (please indicate additional number of students you could serve): _______

***Please consider carefully and seriously the following statement: ***

In questions 30-32, you indicated how many students you could accommodate on a short-term basis. If there were a sudden influx of students, we wanted to know if you could absorb them without further construction. The construction option is certainly available, but it takes time, space, and a willingness to expand. But asking how big you could become is not the same as asking how big you want to become.

Suppose, as a result of a voucher or charter school bill, there is projected to be a substantial increase in the number of students who want to enroll in your school next year. How large would you permit the size of your school to be, in terms of number of students potentially
enrolled, assuming you could fill whatever additional space you created or built? This question also assumes that you could construct what space you currently don't have available. Please answer this question assuming each tuition scenario below. If no growth is desired, please write "current level" in the appropriate space(s):

TOTAL CAPACITY

33. if your tuition stayed the same: __________

34. if your tuition increased by $500: __________

35. if your tuition increased by $1000: __________

36. if your tuition increased to the $4000 level of funding in the hypothetical "Freeway Schools" program: __________

37. If you chose "current level" for one or more of the questions above, please state the reason(s) why you want to stay at your current size?

If you desire to grow, given the various tuition levels listed above, would any of the following items restrict your ability to expand:

38. physical space to expand

(a) definitely (b) a small (c) a moderate (d) a serious (e) an impossible

no problem problem problem problem problem

39. construction loan sources

(a) definitely (b) a small (c) a moderate (d) a serious (e) an impossible

no problem problem problem problem problem

40. availability of qualified teachers

(a) definitely (b) a small (c) a moderate (d) a serious (e) an impossible

no problem problem problem problem problem

41. other: (please specify) ____________________________

(a) definitely (b) a small (c) a moderate (d) a serious (e) an impossible

no problem problem problem problem problem

Thank you so very much for completing this survey. Please return it in the enclosed envelope as soon as is practical.
<table>
<thead>
<tr>
<th>School Name</th>
<th>School Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Saints Catholic School</td>
<td>School</td>
</tr>
<tr>
<td>Auntie Mame's Child Development Center</td>
<td>Eagledale Christian School</td>
</tr>
<tr>
<td>Baptist Academy</td>
<td>Emmaus Lutheran School</td>
</tr>
<tr>
<td>Bishop Chatard High School</td>
<td>Faithway Christian School</td>
</tr>
<tr>
<td>Brebeuf Preparatory School</td>
<td>F.O.C.C.U.S. Christian School</td>
</tr>
<tr>
<td>Building Blocks Academy</td>
<td>Gray Road Christian School</td>
</tr>
<tr>
<td>Calvary Christian School</td>
<td>Hebrew Academy of Indianapolis</td>
</tr>
<tr>
<td>Calvary Lutheran School</td>
<td>Heritage Christian School</td>
</tr>
<tr>
<td>Capital City SDA</td>
<td>Holy Angels Catholic School</td>
</tr>
<tr>
<td>Cardinal Ritter High School</td>
<td>Holy Cross Central School</td>
</tr>
<tr>
<td>Cathedral High School</td>
<td>Holy Name School</td>
</tr>
<tr>
<td>Central Catholic School</td>
<td>Holy Spirit School</td>
</tr>
<tr>
<td>Chapel Hill Christian School</td>
<td>Immaculate Heart School</td>
</tr>
<tr>
<td>Children's House</td>
<td>Indianapolis Baptist School</td>
</tr>
<tr>
<td>Christ The King School</td>
<td>Indianapolis Baptist School West</td>
</tr>
<tr>
<td>Colonial Christian School</td>
<td>Indianapolis Christian School</td>
</tr>
<tr>
<td>Crusader Christian Academy</td>
<td>Indianapolis Junior Academy</td>
</tr>
<tr>
<td>Current Ministry's Christian School</td>
<td>Indianapolis Training Institute</td>
</tr>
<tr>
<td>Divine Savior Evangelical Lutheran</td>
<td>International School of Indiana</td>
</tr>
<tr>
<td>Joy Tabernacle</td>
<td></td>
</tr>
<tr>
<td>Private School</td>
<td>Catholic School</td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Lawrence Christian School</td>
<td>Saint Lawrence School</td>
</tr>
<tr>
<td>Lawrence Park Elementary School</td>
<td>Saint Luke School</td>
</tr>
<tr>
<td>LPP &amp; Arlington School #1</td>
<td>Saint Mark School</td>
</tr>
<tr>
<td>LPP &amp; Arlington School #2</td>
<td>Saint Matthew School</td>
</tr>
<tr>
<td>Lutheran High School</td>
<td>Saint Michael School</td>
</tr>
<tr>
<td>Nativity School</td>
<td>Saint Monica School</td>
</tr>
<tr>
<td>Nazarene Christian School</td>
<td>Saint Philip Neri School</td>
</tr>
<tr>
<td>Northeast Christian Academy</td>
<td>Saint Pius X School</td>
</tr>
<tr>
<td>Orchard Country Day School</td>
<td>Saint Richard School</td>
</tr>
<tr>
<td>Our Lady of Lourdes School</td>
<td>Saint Rita School</td>
</tr>
<tr>
<td>Our Shepherd School</td>
<td>Saint Roch School</td>
</tr>
<tr>
<td>Park Tudor (P-5)</td>
<td>Saint Simon The Apostle School</td>
</tr>
<tr>
<td>Park Tudor (6-8)</td>
<td>Saint Therese Little Flower School</td>
</tr>
<tr>
<td>Park Tudor (9-12)</td>
<td>Saint Thomas Aquinas School</td>
</tr>
<tr>
<td>Roncalli High School</td>
<td>Scecina Memorial High School</td>
</tr>
<tr>
<td>Saint Andrew The Apostle School</td>
<td>School of Knowledge</td>
</tr>
<tr>
<td>Saint Barnabas School</td>
<td>Southport Presbyterian School</td>
</tr>
<tr>
<td>Saint Christopher School</td>
<td>Suburban Baptist School</td>
</tr>
<tr>
<td>Saint Gabriel School</td>
<td>Sycamore School</td>
</tr>
<tr>
<td>Saint Joan of Arc School</td>
<td>Tabernacle Christian Academy</td>
</tr>
<tr>
<td>Saint John Evangelical Lutheran School</td>
<td>Traders Point Christian Academy</td>
</tr>
<tr>
<td>Saint Jude Elementary School</td>
<td>Trinity Christian School</td>
</tr>
</tbody>
</table>
Trinity Lutheran School
True Belief Baptist Academy
Westside Christian School
Witness for Christ School
Worthmore Academy
Zion Hope Christian School
ABSTRACT

Key Word: School Choice

While many school choice studies have examined the impact vouchers would have on the demand for public or private school education, few have considered the supply-side issue: namely, how would private schools respond to increased demand for their services via either a voucher plan or a charter school plan that includes private schools. This study determined what private schools in Marion County, Indiana (Indianapolis metro area) would participate in a government-funded voucher or charter school program and what the immediate and long-term impact would be on private school capacities and desired sizes.

The following conclusions were reached:

1. The median tuition for private schools in Marion County, Indiana was $2200.

2. A vast majority of the private schools in Marion County, Indiana stated they would participate in a voucher or charter school plan as long as the schools were not restricted in their ability to teach religious principles and were not required to accept all students, regardless of prior behavioral problems.

3. Estimated demand for a $1500 voucher would be almost 3 times larger than the estimated supply private schools would be willing to accommodate, creating waiting lists of over 9500 students out of the over 14,000 students desiring a private school education.

4. Even with a $4000 charter school plan, private schools would only be willing to accommodate around 10,800 students compared to the over 21,000 who would want to enroll in a private school. The only way waiting lists are eliminated is if vouchers or charter school plans are limited to low income students only.
The dissertation submitted by Vaughn A. Sylva has been read and approved by the following committee:

Philip Carlin, Ed.D., Director

Associate Professor, School of Education

Loyola University Chicago

Dr. Janis Fine, Ph.D.

Assistant Professor, School of Education

Loyola University Chicago

Dr. Max Bailey, Ed.D.

Associate Professor, School of Education

Loyola University Chicago

The final copies have been examined by the director of the dissertation and the signature which appears below verifies the fact that any necessary changes have been incorporated and that the dissertation is now given final approval by the committee with reference to content and form.

The dissertation is, therefore, accepted in partial fulfillment of the requirements for the degree of Doctor of Education.

December 1, 1996

Date

Director's Signature