



## Study: Serving the Poor, Neighborhood Motivates Voucher Schools

Joey Pullmann January 29, 2013

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A major motivation for private schools to enter voucher programs is to “help needy children in the community” and expand their reach, according to a new survey of 241 schools in Indiana, Ohio, and Wisconsin.

Eighty-seven percent of schools surveyed for a Thomas B. Fordham Institute study chose “expand mission to a larger community” as a reason for accepting vouchers, the most-chosen option. The largest percentage—25 percent—chose their single most important reason as “help needy children in the community.” Other top options included boosting school finances and assisting families who can’t afford private school.

“In talking to Catholic school leaders, their mission to serve their community and serve the poor, which is embedded in church doctrine, is a main reason they participate,” said study coauthor David Stuit, a managing partner at Basis Policy Research. “It extends beyond Catholic schools, and our results showed that... It’s a combination of multiple factors like any such decision would be.”

The study also indicates that as a voucher program ages, it accumulates regulations that burden schools. Milwaukee’s voucher program, the nation’s oldest, was the most clogged, but Indiana’s 2011 statewide vouchers came in second.

“Participants, in general, voiced considerable frustration at the constant changing of regulations, particularly in Milwaukee,” Stuit said. “One wrote something like ‘I’m sick of having kids treated as political ping pong balls.’ A lot of these schools have no choice now, because the majority of their kids receive these vouchers. They really can’t back out and stay viable.”

### Quashing Freedom, Diversity?

The study also revived a controversy over whether vouchers destroy private school independence and diversity through government regulation. The study’s introduction, by Fordham President Chester Finn Jr. and Vice President Amber Winkler, touted the results as demonstrating that private schools are not as concerned with testing, reporting, and curriculum mandates diluting their instruction as they are with the lack of voucher-eligible families.

“Because [voucher] schools will have significant financial advantages, nonparticipating schools will receive increasing financial pressure to participate,” countered Andrew Coulson, director of the Cato Institute’s Center for Educational Freedom. “We know that heavily regulated programs significantly underperform more market-like programs. So our concern is not that [schools] won’t participate, but that they will.”

Seven in 10 schools surveyed said their regular tuition and fees exceed voucher payments by at least \$1,000, meaning schools cover these costs for voucher students.

#### Controlling Teachers, Curriculum

Main ways to decrease school diversity are through controlling teachers and curriculum, which regulations drive by requiring certain teacher preparation or licensing and specific classes or tests, Coulson said.

“To be state certified, you have to go through a college of education program that can take four years, which some have described as a highly effective negative intelligence test,” he said.

Testing requirements are often burdensome on private schools because it adds to tests many already administer that fit their mission and style, Stuit said. And some schools are philosophically opposed to testing at all.

“Regulations matter, but they’re not the single most important reason why schools choose not to participate,” he said.

The study found Catholic schools are more willing to endure regulatory burdens than evangelical or independent schools, and that non-religious schools were more likely to forego vouchers because their tuition tends to be far higher than religious schools’.

#### Tax Credits Less Regulatory

The study noted tax-credit scholarships—a form of vouchers funded by tax credits for donations to scholarship-granting nonprofits—“are significantly less subject to additional regulations than voucher programs.”

Private school participation in voucher programs declines moderately as regulations increase. These are two reasons Cato has consistently advocated tax-credit scholarships over state-funded vouchers.

“Look at private schools paid by parents and compare them to subsidized private schools in the same countries,” Coulson said. “The most market-like, least-regulated private schools do the best job serving families. There isn’t a single efficiency finding favoring heavily regulated, government subsidized schools over market-like private schools.”