

VIEWS FROM PRIVATE SCHOOLS

Attitudes about School Choice
Programs in Three States

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A M E R I C A N E N T E R P R I S E I N S T I T U T E

Executive Summary

As school choice programs expand in the United States, it is crucial to consider how the design of these programs shapes the supply and demand of parents' educational offerings. To better understand the school choice landscape from the viewpoint of current and would-be participants in choice programs, we administered an extensive survey in Spring 2014 to leaders of private schools in Florida, Indiana, and Louisiana. From Florida's relatively longstanding and lightly regulated tax-credit scholarship program to Indiana and Louisiana's younger and more heavily regulated state-funded voucher programs, these programs share some qualities while differing considerably on others.

In total, 954 school leaders participated in our survey. The overall response rate was 29 percent, which is relatively high for a lengthy Internet survey. As the largest and most in-depth survey of its kind ever conducted, the information we collected allows us to more deeply understand the supply side of school choice than with previous studies.

Our survey reveals a number of important themes policymakers should consider when designing school choice programs:

1. School leaders identify the opportunity to serve more disadvantaged students as a primary reason for participation. They also view participation as a way to provide an alternative curriculum to nearby public schools.
2. School leaders tend to be less satisfied with the academic preparation of choice students and the involvement of their parents compared to the nonchoice students and parents at leaders' schools. These results were consistent across the three states but were especially pronounced in Indiana and Louisiana.
3. In all three states, high rates of respondents reported that scholarship amounts are inadequate to cover the full cost to educate a child at their school. When we asked school leaders for specific recommendations to improve their state's school choice program, requests to increase the scholarship amount were most prevalent.
4. Across these three states, school leaders' plans for future participation largely reflect current participation levels. Currently, private-school participation rates range from roughly two-thirds of the private schools in Florida, half of the private schools in Indiana, and a third of those in Louisiana. While a majority of the leaders of participating schools in Florida and Indiana said they plan to increase their enrollment of scholarship students in the coming year, less than a quarter of Louisiana respondents said they plan to increase their enrollment. Additionally, more than 40 percent of leaders of nonparticipating schools in Florida reported that they planned to participate in the following year, compared to only 20 percent in Indiana and only 8 percent in Louisiana.
5. Leaders of participating schools identified a number of concerns they have as participants in their state's choice program. The top concerns for leaders in Florida regarded the stability of the program, adequacy of future voucher amounts, and possible future regulations. In Indiana and Louisiana, the top concern was possible future regulations, followed by concerns about the amount of paperwork and reports. When asked about their concerns relating to student testing requirements, a number of school leaders expressed a strong preference for nationally normed tests.

6. While leaders of nonparticipating schools cited a number of concerns that factored into their decision not to participate, concerns about possible future regulations were the most cited across all three states, followed by concerns about the effect of participation on schools' independence, character, or identity. These top concerns were largely consistent across all three states, but less pronounced in Florida than in Indiana and Louisiana.

Together, these responses illustrate private-school providers' perspectives on and concerns about various aspects of school choice programs. While private schools are eager to serve disadvantaged students, private-school leaders participating in school choice programs are being asked to take on difficult-to-educate students for a fraction of the amount that public schools would receive for the same students. Additionally, private schools are very concerned about regulation. The prospect of future regulations that might come with participation was highly cited by leaders of participating schools as a major concern and was the top factor influencing the decision not to participate in all three states.

Many of the reasons school leaders are wary of regulations are also borne out by our survey. Many leaders of nonparticipating schools cited the potential effects on their independence, character, or identity as a factor in their decision not to participate. As one school leader told us, "Private schools differentiate themselves by offering an alternative to state-run public schools. If we are forced into a mold already deemed by ourselves and our parents as inadequate, then we are no different than what the children come from." As such, private schools are particularly wary of regulations that would require them to lose their independence or identity, such as requirements to adopt state accountability tests, state curriculum standards, or policies that affect their admissions and tuition practices. Moreover, many school leaders told us there is a nontrivial administrative burden—required paperwork and reports—that comes with participation.

Clearly, policymakers have much to consider. Determining how to adequately fund voucher programs while avoiding controversy will not be easy. It will also be difficult to find the right balance between regulation and autonomy that maximizes the potential benefits of

school choice without sacrificing accountability.

We offer the following policy recommendations:

- **Increase the voucher amount to a level that is closer to the amount received by traditional public schools.** It seems unreasonable that private schools should be expected to take on more difficult-to-educate students with dramatically less funding, or that a student should be denied the resources that the government has collected for his or her education based solely on the type of school delivering that education.
- **Streamline the amount of paperwork and reports required for participation.** A number of private schools communicated their frustration regarding the administrative burden that comes with participation. For many schools with a small staff, the programs create a significant administrative burden.
- **Hold private schools accountable in ways that do not threaten their independence and autonomy.** Private schools value their autonomy and ability to provide an alternative to public schooling. Regulations that require the adoption of state criterion-referenced tests or state curriculum standards impede their ability to offer alternative educational approaches.
- **End public-school attendance requirements.** In both Indiana and Louisiana, many income-eligible students must be enrolled in public schools the year before receiving a scholarship. School leaders expressed how the public school requirement limits their ability to serve many income-eligible students and creates tension between scholarship recipients and income-eligible students who were kept from participating because they were already enrolled in the private school.

In the pages ahead, we explore the results of our survey in greater detail. We believe that our findings will add a much-needed perspective to the school choice landscape as we consider the views of current and potential government-funded school choice providers in these three states.

Views from Private Schools: Attitudes about School Choice Programs in Three States

As school choice expands in the United States, it is crucial to inform policymakers and the public about its workings. Existing research tends to focus on student achievement outcomes derived from participant or competitive effects.¹ While those studies are informative, it is also important to consider the various designs of school choice programs and how those designs shape the supply and demand of educational offerings available to parents. Accordingly, here we focus on the supply side of school choice—the private schools that participate in choice programs, and those that do not.

Our goal is to provide a descriptive picture of how private schools perceive their role in school choice environments, what elements of choice programs they are enthusiastic about, and which aspects cause them concern. A clearer understanding of the perspectives of private-school leaders is an important consideration for policymakers seeking to improve the quantity and quality of educational options for families through private-school choice programs.

We administered our online survey to leaders of private schools in Florida, Indiana, and Louisiana in Spring 2014 with the goal of learning more about how private schools in these states view and interact with school choice programs. In total, 954 out of 3,298 private-school leaders responded, a response rate of 29 percent (see table A1). We received 709 responses from Florida (including 506 participating schools and 203 nonparticipating schools), 172 from Indiana (including 122 participating schools

and 50 nonparticipating schools), and 73 from Louisiana (including 27 participating schools and 46 nonparticipating schools).

From Florida's relatively longstanding and lightly regulated tax-credit scholarship program to Indiana and Louisiana's younger and more heavily regulated state-funded voucher programs, these states' programs share some qualities while differing considerably on others. For example, in all three states, the programs are means tested and scholarship amounts are slightly less than half of the per-pupil revenue received by the states' traditional public schools.²

In Florida and Indiana, parents can make up the difference between scholarship amounts and tuition, whereas Louisiana's participating private schools must accept the voucher as full payment. Florida and Indiana's participating private schools can hold scholarship students to the same academic admissions requirements they employ for nonscholarship students, while participating schools in Louisiana cannot employ academic admissions standards when admitting scholarship students.

In both Indiana and Louisiana, many income-eligible students are required to have first attended a public school to be eligible for a scholarship, while in Florida all income-eligible students can participate without first attending a public school. Indiana's and Louisiana's participating private schools are required to administer their state's curriculum-based tests, while Florida's schools are required to administer a norm-referenced test of their choosing.

Florida currently has the highest private-school participation rate, with around 60 percent of the state's private schools participating. In Indiana, roughly half of the state's private schools participate, while in Louisiana only a third participate.

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Against this backdrop, a number of important policy-relevant questions guided our data-collection efforts:

- What motivates schools to participate in choice programs?
- What do private-school leaders think distinguishes their schools?
- How satisfied are school leaders with the students and parents who use scholarships?
- How do scholarship amounts compare to education costs?
- What are schools' future participation plans?
- What are the major concerns of participating schools?
- What barriers keep schools from participating?
- How does confidence about the future of the programs differ for participating versus nonparticipating schools?
- What changes to the programs do school leaders recommend?

In the sections that follow, we present our detailed findings, organizing them around the framework of these questions. Our appendixes present our survey methodology, provide descriptive characteristics of our respondents' schools (see tables A2–5), and provide a brief overview of each state's program.

Our survey reveals a number of important themes that policymakers should consider when designing school choice programs. We believe that these findings can add a much-needed perspective to the school choice landscape as we consider the views of current and potential school choice providers in these three states.

What Motivates Schools to Participate in Voucher Programs?

We asked private-school leaders a series of questions to gauge what motivated their participation in their state's

school choice program (see figure 1). In the aggregate, the highest-rated response was that they wanted to serve more disadvantaged students (71 percent rated this as very important). Other highly rated responses included easing tuition costs for voucher-eligible families already enrolled in the private school (64 percent) and providing a curriculum alternative to nearby public schools (61 percent).

This was also reflected in some of the open-ended responses we received from school leaders. As one leader from Florida told us, his school participates because the opportunity to help “economically disadvantaged students gain access to a high-quality education . . . is gratifying.”³ An Indiana school leader told us that the scholarship “helps bridge the gap for families who would be on financial aid at the school.” Many schools also see participation as an opportunity to provide a religious learning environment, provide additional revenue for school operations, and increase racial and socioeconomic diversity.

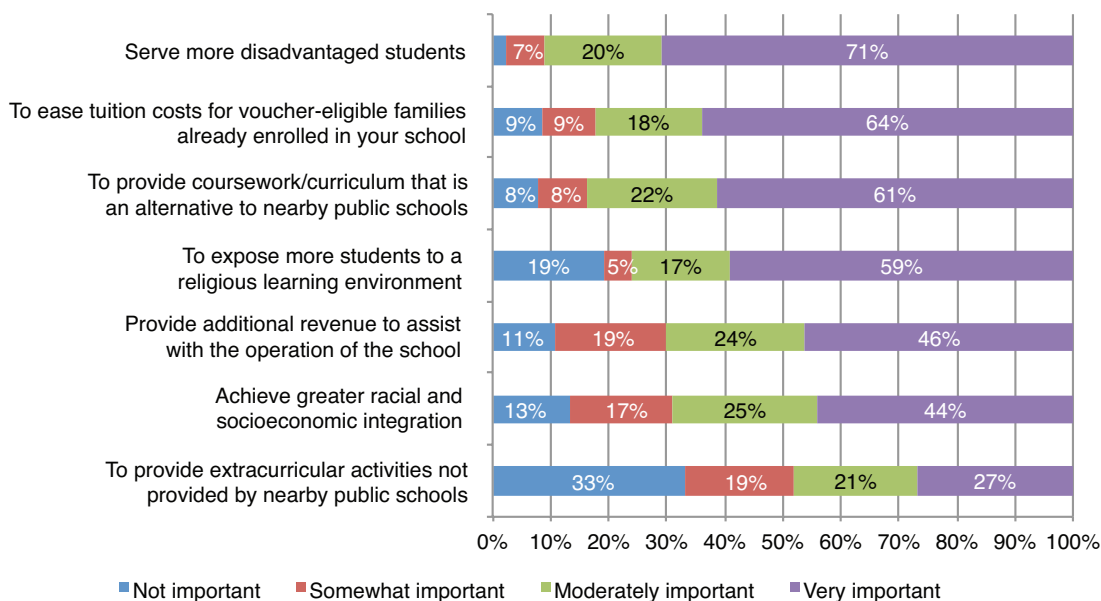
What Do Private-School Leaders Think Distinguishes Their Schools?

One of the often-cited justifications for school choice is that a diversity of educational approaches can cater to the varied needs and interests of students and parents. While traditional public schools mostly offer a standardized education, school choice has the potential to offer different educational approaches that may appeal to subsets of parents and students. To explore this topic, we asked school leaders to rate the top three characteristics they thought made their school distinct from nearby public schools. (See figure 2.)

By and large, private schools participating in these programs identify religious education as the characteristic that most distinguishes them from nearby public schools. Fifty-four percent of schools identified this as one of the top three distinctions, and 42 percent identified it as the most important distinction. Many schools also feel as though they offer a better learning environment, give more attention to students' unique needs, and offer smaller class sizes.

As one Louisiana school leader told us, her school's distinction is focusing on understanding diverse

FIGURE 1
REASONS FOR PARTICIPATION IN SCHOOL CHOICE



Source: The authors
Note: Valid N=572.

learning styles, while a Florida school leader told us that his school’s distinction was to provide “more options for students who don’t fare well in the public school system.” A stronger emphasis on academics, character building, and community were also commonly identified as important distinctions. Individual state results were consistent with overall results.

Private Schools, Students, and Parents

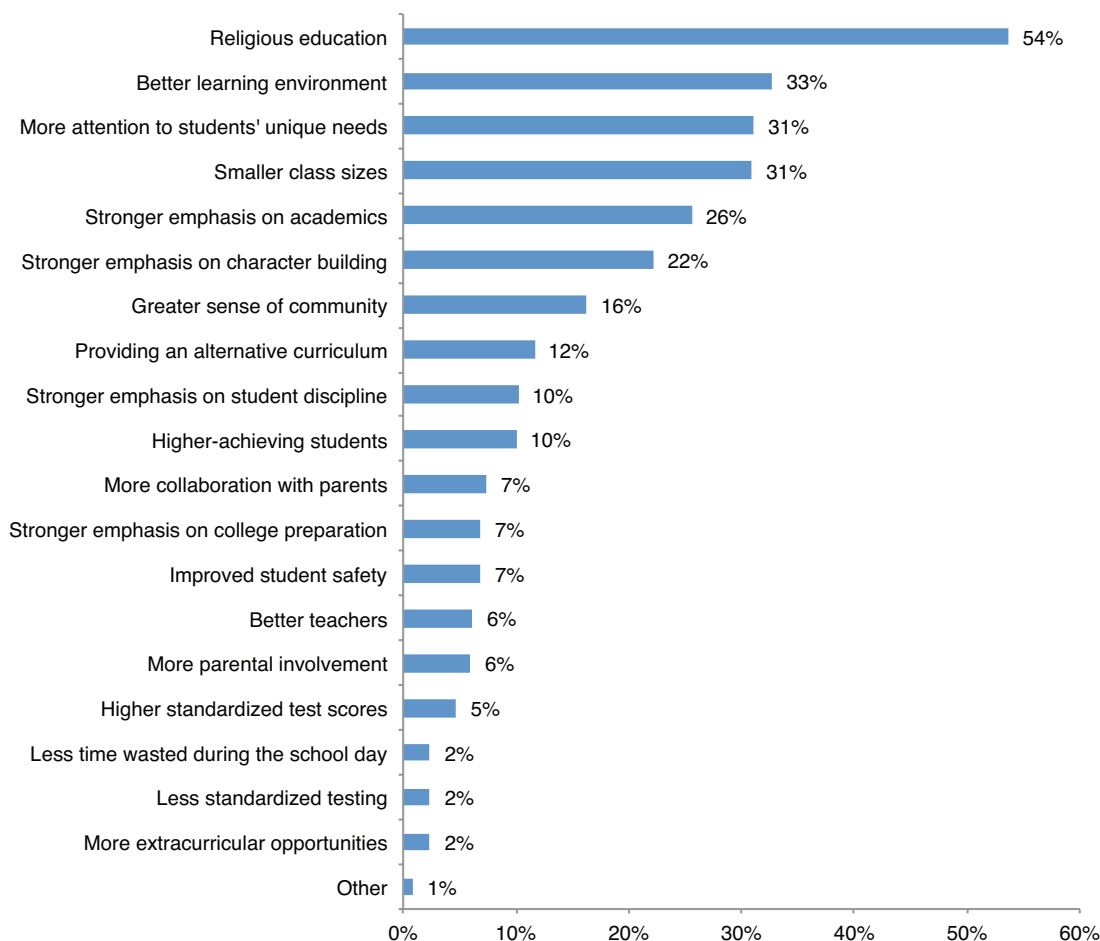
In most cases in the United States, choice programs provide funds to educate disadvantaged students. This is true for the three programs we examine here. By most accounts, disadvantaged students can be more difficult to educate and may require more resources than advantaged students. They may require more remediation and more individualized attention, which can strain private schools’ resources. To get a sense of how schools perceive this, we asked respondents to rate their

satisfaction with students and parents of scholarship families and typical families at their school.

When asked what motivated their participation in their state’s school voucher program, leaders’ highest-rated response was that they wanted to serve more disadvantaged students.

Private Schools and Students. First, we asked school leaders to rate how satisfied they were with the level of academic preparation of nonscholarship (what we call typical) students at their school, then to rate their satisfaction with the academic preparation of scholarship students. School leaders from all three states rated scholarship students lower on preparation. (See figures 3–5.)

FIGURE 2
WHAT THREE CHARACTERISTICS DOES YOUR SCHOOL HAVE THAT DISTINGUISH IT FROM NEARBY PUBLIC SCHOOLS?



Source: The authors
 Note: Valid N=559.

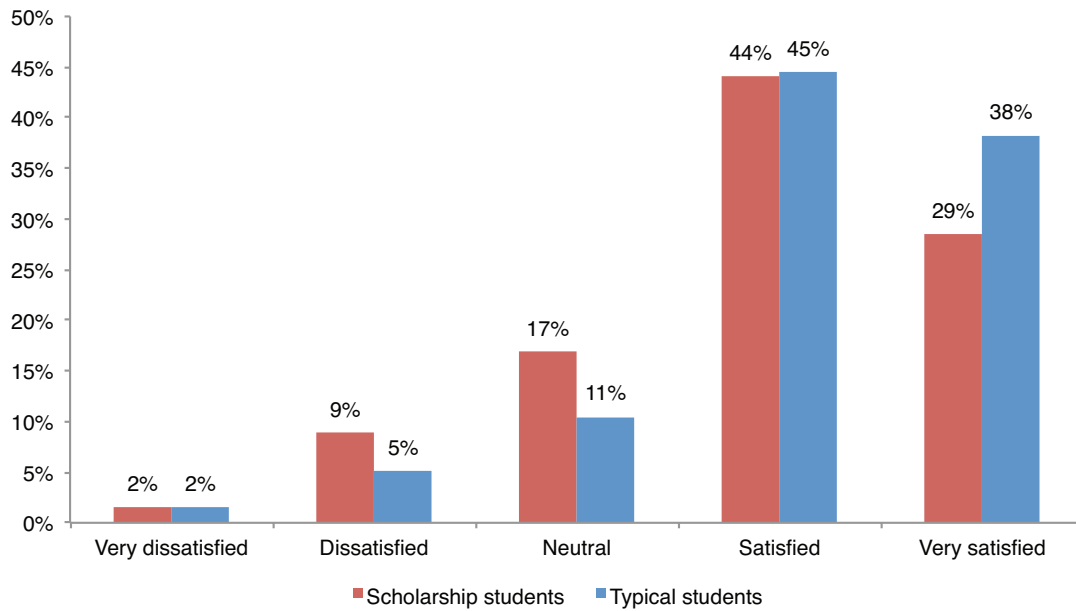
In Florida, the ratings given to scholarship students are only slightly lower compared to typical students. In Indiana and Louisiana, however, the differences are more pronounced: In Indiana, 39 percent of school leaders are very satisfied with the academic preparation of typical students who enroll in their school, yet only 16 percent are very satisfied with the academic preparation of scholarship students. At the other end of the spectrum, only 3 percent are dissatisfied with the academic preparation of typical students, while 17 percent are dissatisfied with the academic preparation of scholarship students.

The differences are also pronounced in Louisiana. Fifty-two percent are satisfied with the academic preparation of their typical students, yet only half as many are satisfied with the academic preparation of scholarship students. And, similar to Indiana, only 3 percent in Louisiana are dissatisfied with the academic preparation of typical students, while 17 percent are dissatisfied with the academic preparation of scholarship students.

Private Schools and Parents. Parental involvement is often considered a crucial component of a quality school environment that many private schools seek to cultivate.

FIGURE 3

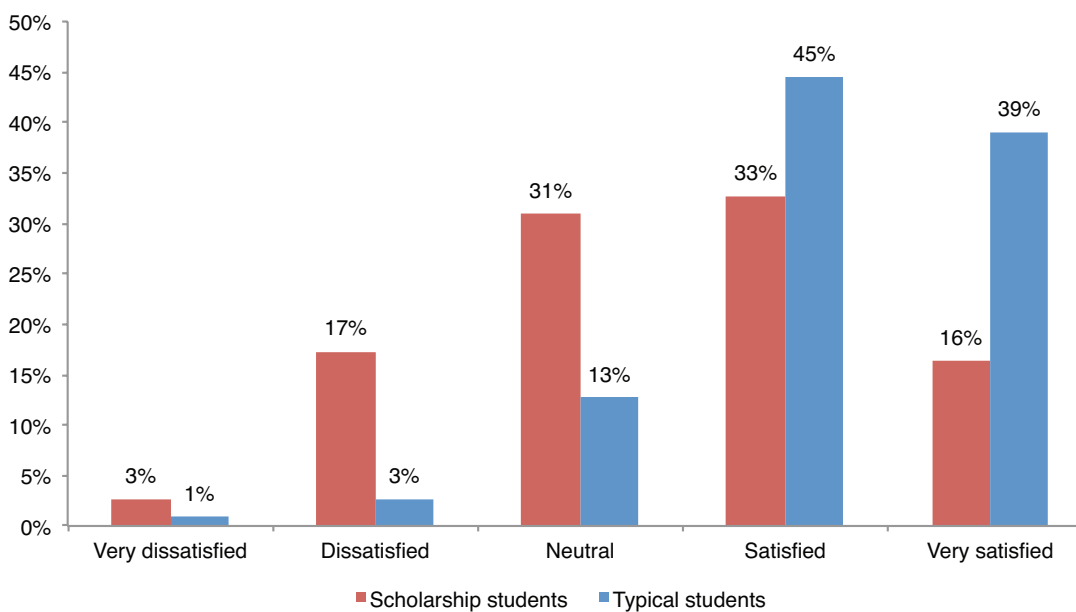
FLORIDA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH STUDENTS' ACADEMIC PREPARATION



Source: The authors
 Note: Valid N=449.

FIGURE 4

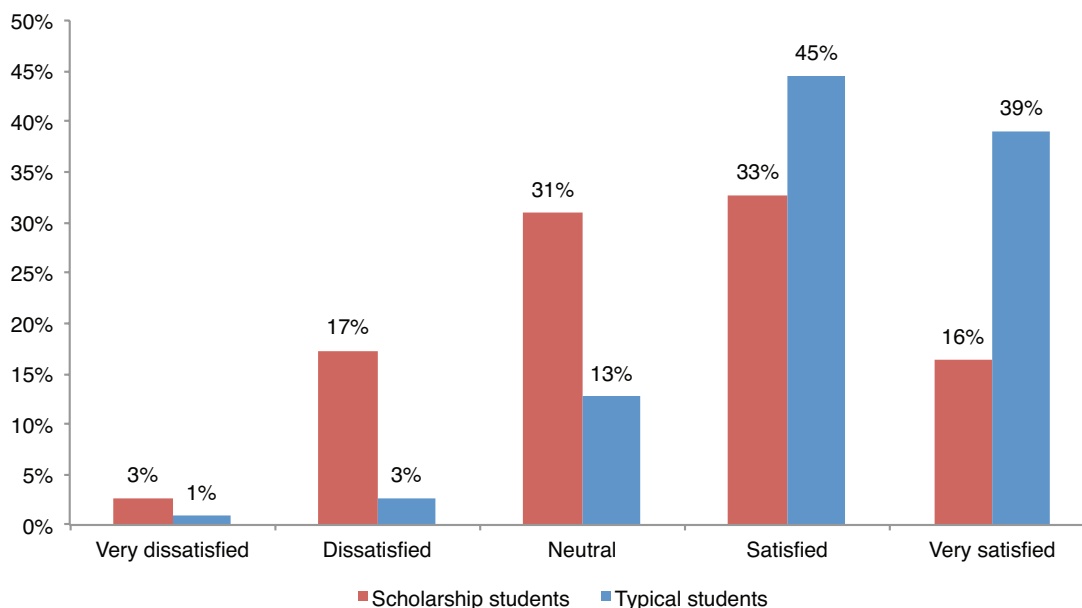
INDIANA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH STUDENTS' ACADEMIC PREPARATION



Source: The authors
 Note: Valid N=110.

FIGURE 5

LOUISIANA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH STUDENTS' ACADEMIC PREPARATION



Source: The authors

Note: Valid N=23.

Parents of disadvantaged students, however, often have less time and fewer resources to devote to their child’s education.⁴ As such, schools that view parental involvement as a necessary ingredient to maintaining their school’s culture may consider this factor an additional challenge of participation in choice programs.

To explore this possibility, we asked school leaders to rate the parental involvement of typical versus scholarship parents. The results mirror our findings about students’ academic preparation. In the case of Florida, school leaders are slightly less satisfied with the involvement of scholarship parents (see figure 6). In Indiana, however, roughly half as many school leaders are satisfied and nearly twice as many are dissatisfied with the involvement of scholarship parents compared to non-scholarship parents (see figure 7).

In Louisiana, school leaders are for the most part satisfied with the involvement of typical parents. However, only 9 percent of school leaders are very satisfied with scholarship parents’ level of involvement, and 26 percent are dissatisfied. (See figure 8.)

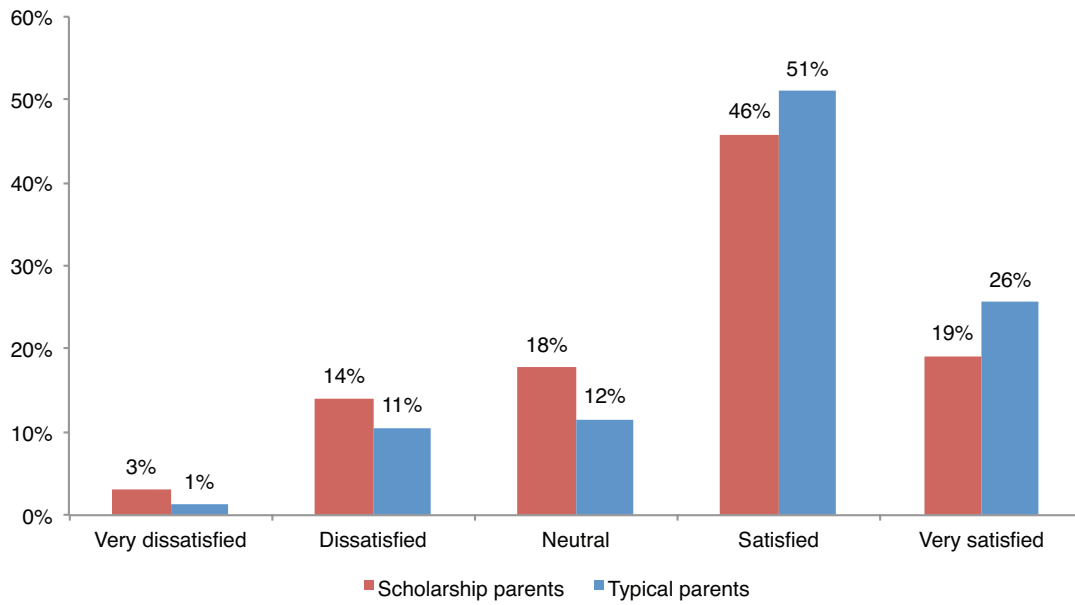
Scholarships, Tuition, and Education Costs

Putting a precise dollar amount on the costs associated with educating disadvantaged students in private schools can be difficult. As mentioned previously, students and parents in choice programs likely require more school resources. Additionally, tuition levels can underestimate the actual cost of a private-school education, because tuition is often subsidized from other sources.

In our survey, we asked leaders to report their school’s tuition amounts to get a sense of how they compared to scholarship amounts and across participating and non-participating schools. In all three states, the average tuition at participating schools was higher than each state’s average voucher amount. Additionally, in all three locations, the average tuition at nonparticipating schools was even higher than tuition at participating schools (see table A6 for more details).

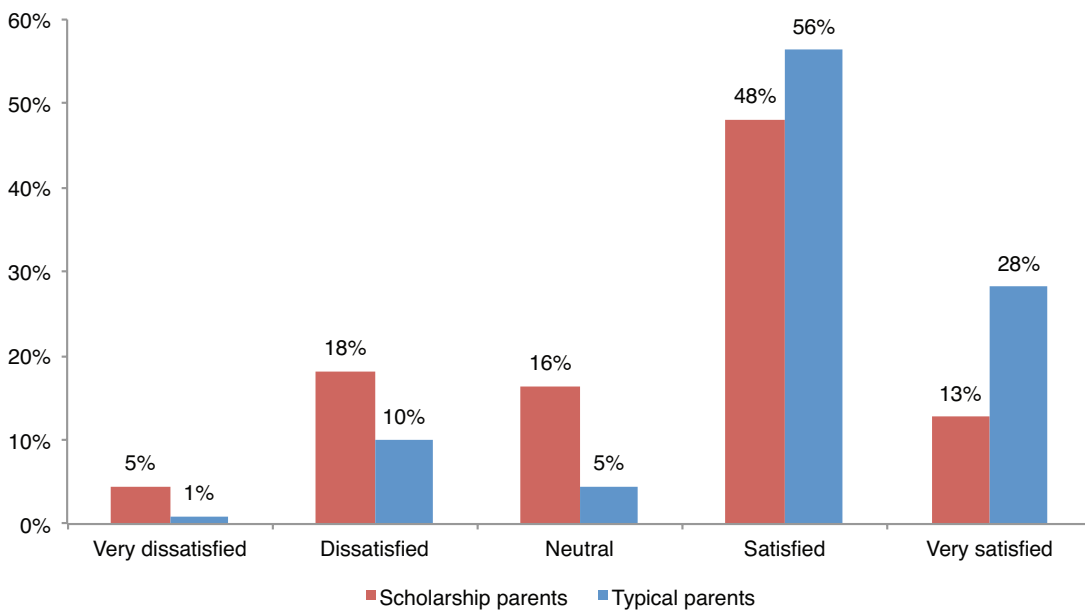
Since tuition amounts do not necessarily reflect the total cost of educating students, perhaps a more

FIGURE 6
FLORIDA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH PARENTAL INVOLVEMENT



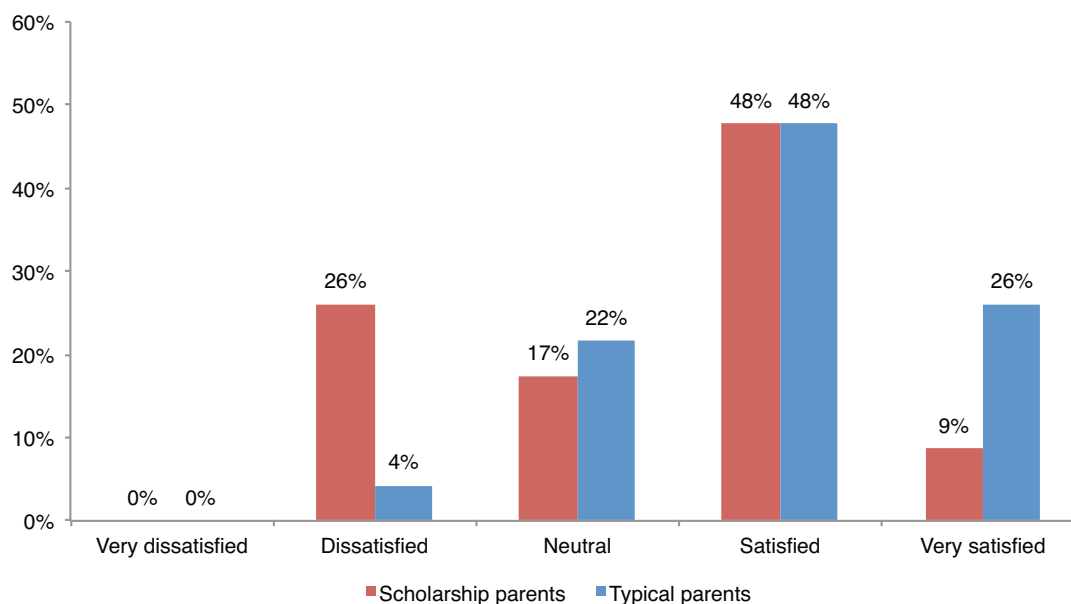
Source: The authors
 Note: Valid N=449.

FIGURE 7
INDIANA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH PARENTS' INVOLVEMENT



Source: The authors
 Note: Valid N=110.

FIGURE 8
LOUISIANA PRIVATE-SCHOOL LEADERS' SATISFACTION WITH PARENTS' INVOLVEMENT



Source: The authors
 Note: Valid N=23.

straightforward way to determine the relationship between scholarships and costs is to ask school leaders explicitly. When asked if scholarship amounts are adequate, school leaders in all three states overwhelmingly reported that they are not (see figure 9). In Florida, 72 percent reported that the amount is inadequate; in Indiana, 64 percent reported that it is inadequate; and in Louisiana, 57 percent reported that the amount is inadequate.

In all three states, the average tuition at schools participating in choice was higher than each state's average voucher amount.

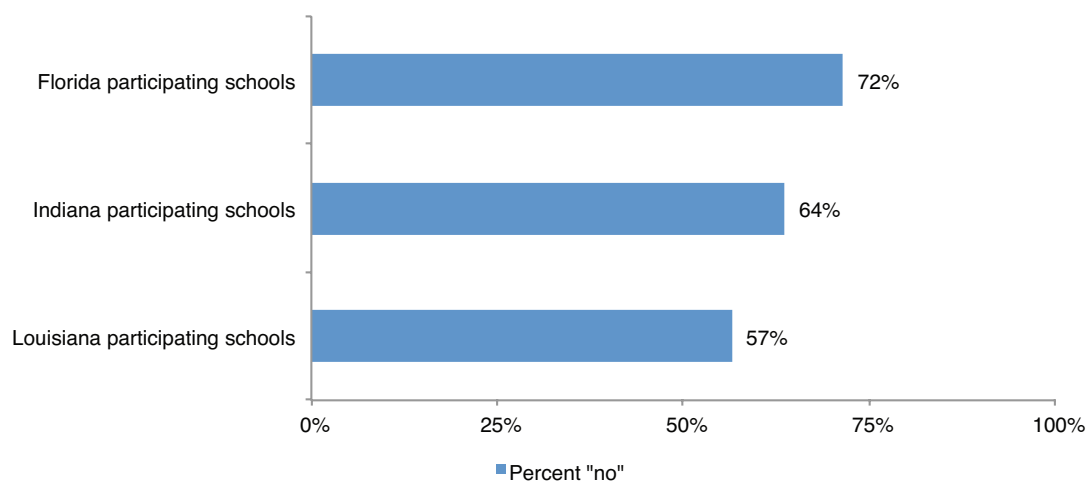
These differences may be partially driven by differences in scholarship amounts and tuition levels across the three states. In absolute dollar terms, the average Louisiana scholarship is greater than it is in Florida and

Indiana, while the average reported tuition in Louisiana is lower. These differences, however, are relatively slight.

This finding is more likely driven by an additional aspect of Louisiana's program. While Florida's and Indiana's programs allow for parents to top up when the scholarship is not enough to cover tuition, Louisiana schools must accept the voucher as full payment. As a result, schools that choose to participate in Louisiana's choice program may be particularly cognizant of the scholarship amount and its limitations. As such, the schools that choose to participate in Louisiana are a self-selected subset of schools that are able to operate at lower funding levels and therefore less likely to complain about them.

We also asked leaders of nonparticipating schools whether the scholarship amount was adequate to cover the cost to educate a child at their school. In all three states, a majority replied that they did not know. Among those that did provide an answer (N=108), 62 percent said the amount was inadequate.

FIGURE 9
IS THE SCHOLARSHIP ADEQUATE TO COVER THE FULL COST TO EDUCATE A CHILD AT YOUR SCHOOL?



Source: The authors
 Note: Valid N Florida=452, valid N Indiana=110, and valid N Louisiana=23.

Participation Trends and Capacity

A robust school choice marketplace relies on providing parents with a wide range of options. Participation rates in the three states we examined range from roughly two-thirds in Florida, roughly half in Indiana, and only about a third in Louisiana. Moreover, the number of available spots within these schools is an important consideration.

To consider various components of participation with our sample of school leaders, we first asked school leaders how the number of scholarship students they enroll has changed since they joined the program. For the most part, caps on the number of scholarships available have not been an issue in these states, so enrollment trends are mostly driven by the demands of parents and availability of open spots.

In all three states, the consistent trend is that schools enroll more students now than when they joined (see figure 10). In comparison to Florida and Indiana, however, Louisiana has the lowest number of schools that have increased their enrollment of scholarship students, and the highest number of schools that have decreased enrollment.

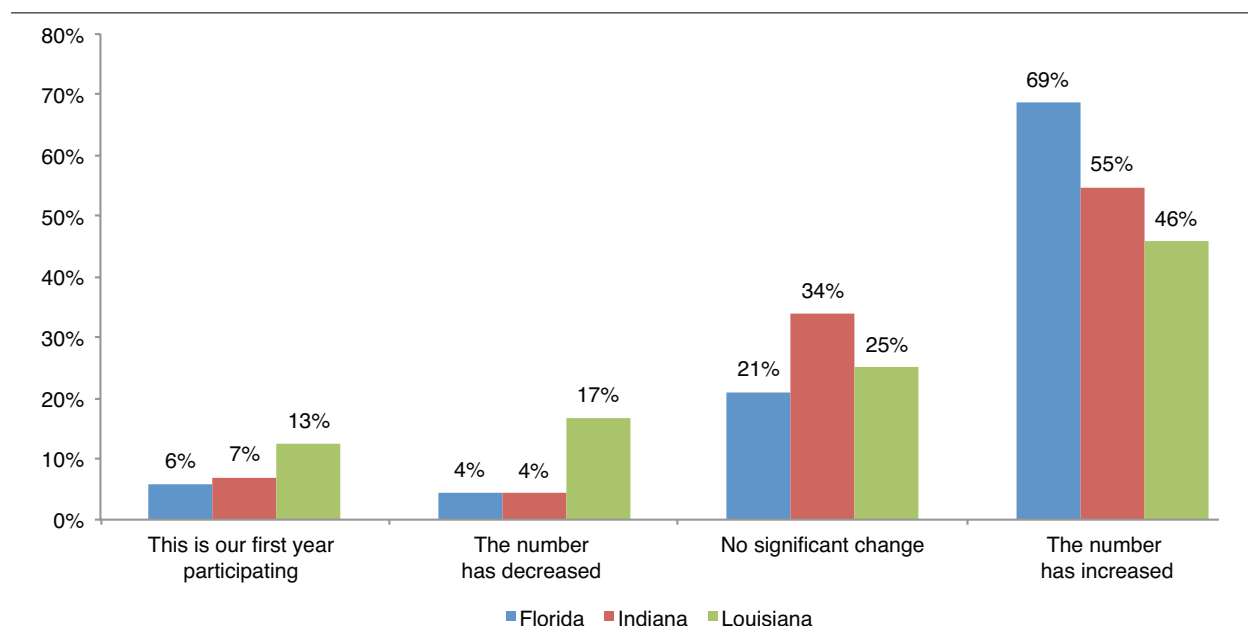
We also asked school leaders a series of questions to get a sense of whether their enrollment trends were being

affected by either supply or demand issues. For example, we asked them to report their current total enrollment, current number of voucher students they enroll, and number of spots they typically make available to voucher students (see table 1). Both Florida and Indiana school leaders reported making many more spots available than their current scholarship enrollments. Louisiana school leaders reported scholarship enrollments that were nearer to the number of spots made available.

Next, we asked school leaders if they have had to turn away students because of excess demand (see figure 11). Only 5 and 10 percent of school leaders in Florida and Indiana, respectively, reported that they had. In Louisiana, however, 38 percent of the school leaders who took our survey reported that they have had to turn students away because of excess demand.

Finally, we asked school leaders about their future plans to enroll scholarship students (see figure 12). School leaders in Florida and Indiana had similar responses to this question: nearly 60 percent in both states plan to increase the number of spots they make available to scholarship students in the coming year, while almost 40 percent plan to enroll the same amount. Very few plan to decrease the number of spots made available to scholarship students.

FIGURE 10
**SINCE JOINING THE PROGRAM, HOW HAS THE NUMBER OF SCHOLARSHIP STUDENTS
 YOUR SCHOOL ENROLLS CHANGED?**



Source: The authors
 Note: Valid N Florida=459, valid N Indiana=115, and valid N Louisiana=24.

TABLE 1
SCHOOL SIZE, SCHOLARSHIP ENROLLMENT, AND AVAILABLE SEATS

	Average School Size	Average Number of Scholarship Students	Average Number of Seats for Scholarship Students
Florida	154.2	44.4	78.7
Indiana	239.9	58.9	98.1
Louisiana	193.3	56.9	63.9

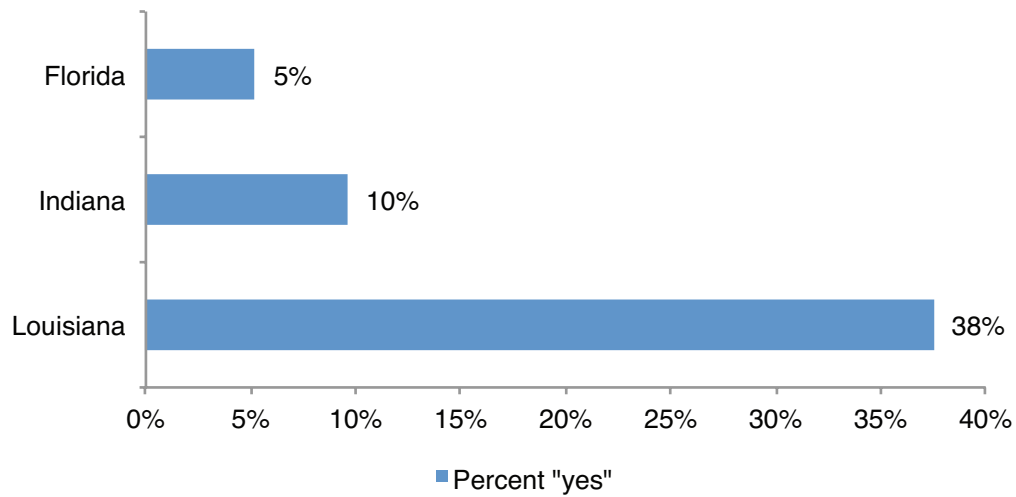
Source: The authors
 Note: Valid N Florida=458, valid N Indiana=115, and valid N Louisiana=24.

The situation looks different in Louisiana. Less than a quarter of the school leaders we surveyed plan to expand the number of spots available, nearly two-thirds plan to keep the number of scholarship students they enroll the same, and 13 percent plan to decrease the number of spots available.

It is potentially problematic that of the three states, Louisiana has the lowest share of private schools

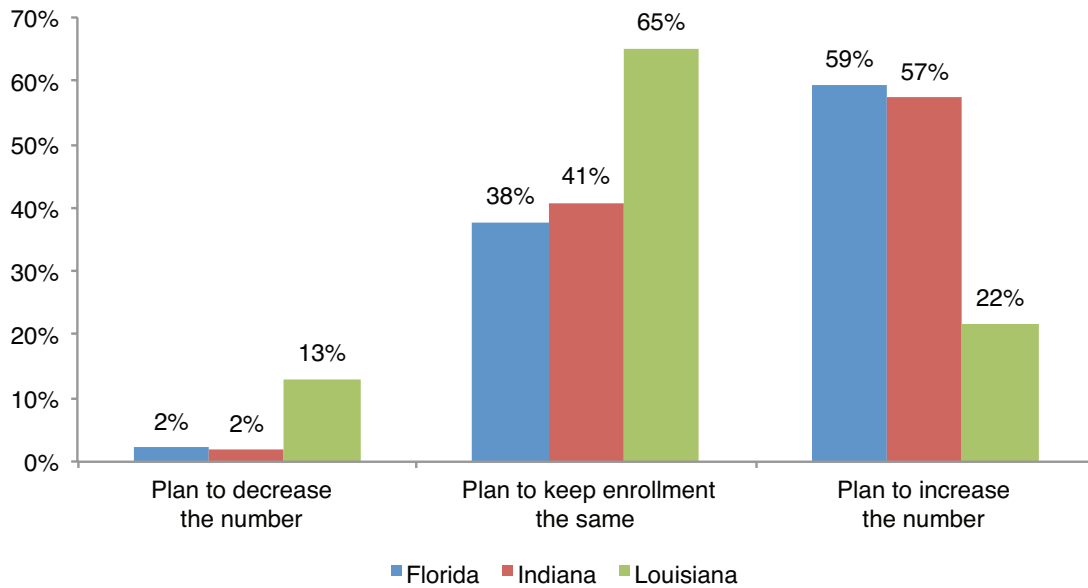
currently participating in its program, its school leaders report that there are not a large number of excess seats currently available, and its participating schools are not enthusiastic about expanding their enrollment. The pattern of responses from this series of questions suggests that some of Louisiana’s participating schools have capacity constraints that may persist.

FIGURE 11
**HAS YOUR SCHOOL HAD TO TURN AWAY SCHOLARSHIP STUDENTS
 OR USED A LOTTERY BECAUSE OF EXCESS DEMAND?**



Source: The authors
 Note: Valid N Florida=459, valid N Indiana=115, valid N Louisiana=24.

FIGURE 12
FUTURE PLANS FOR ENROLLING SCHOLARSHIP STUDENTS



Source: The authors
 Note: Valid N Florida=452, valid N Indiana=110, and valid N Louisiana=23.

Concerns of Program Participants

To gain a clearer sense of the considerations driving participation decisions, we presented school leaders with a lengthy list of potential concerns they might have regarding participation.

Florida. The top concerns of participating schools in Florida are related to the longevity of the program and adequacy of future scholarship amounts (see figure 13). Roughly half of the school leaders we surveyed cited these as major concerns, while roughly a third felt these were at least minor concerns. This likely stems from the fact that Florida has an older program, and participating schools count on the revenue. As one school leader told us, participating schools feel a great deal of dependency on these programs.

Though ranked slightly lower than concerns over the longevity of the program and future scholarship amounts, regulation concerns were also highly ranked. Forty-four percent of respondents said a major concern was “future regulations that might come with participation.” A number of specific regulations rated highly, including potential policy changes requiring private schools to teach the state’s curriculum standards (a major concern for 35 percent) and potential requirements to administer the state accountability test (a major concern for 25 percent).

Notably, the leaders of schools participating in Florida’s scholarship program do not seem generally concerned with testing requirements: only 14 percent thought this was a major concern. Nor are they particularly concerned that the state requires that test-score results be made public. They are, however, particularly wary about the prospect of being required to administer Florida’s Comprehensive Assessment Test (FCAT) instead of the norm-referenced test of their choosing.

School leaders expressed nuanced attitudes against FCAT testing when asked to elaborate on their concerns. Many of them noted that the test implicitly incentivizes adopting the state’s curriculum. As one leader said:

We are extremely concerned about efforts to make FCAT testing a requirement for schools participating in the SUFS program. We have always used

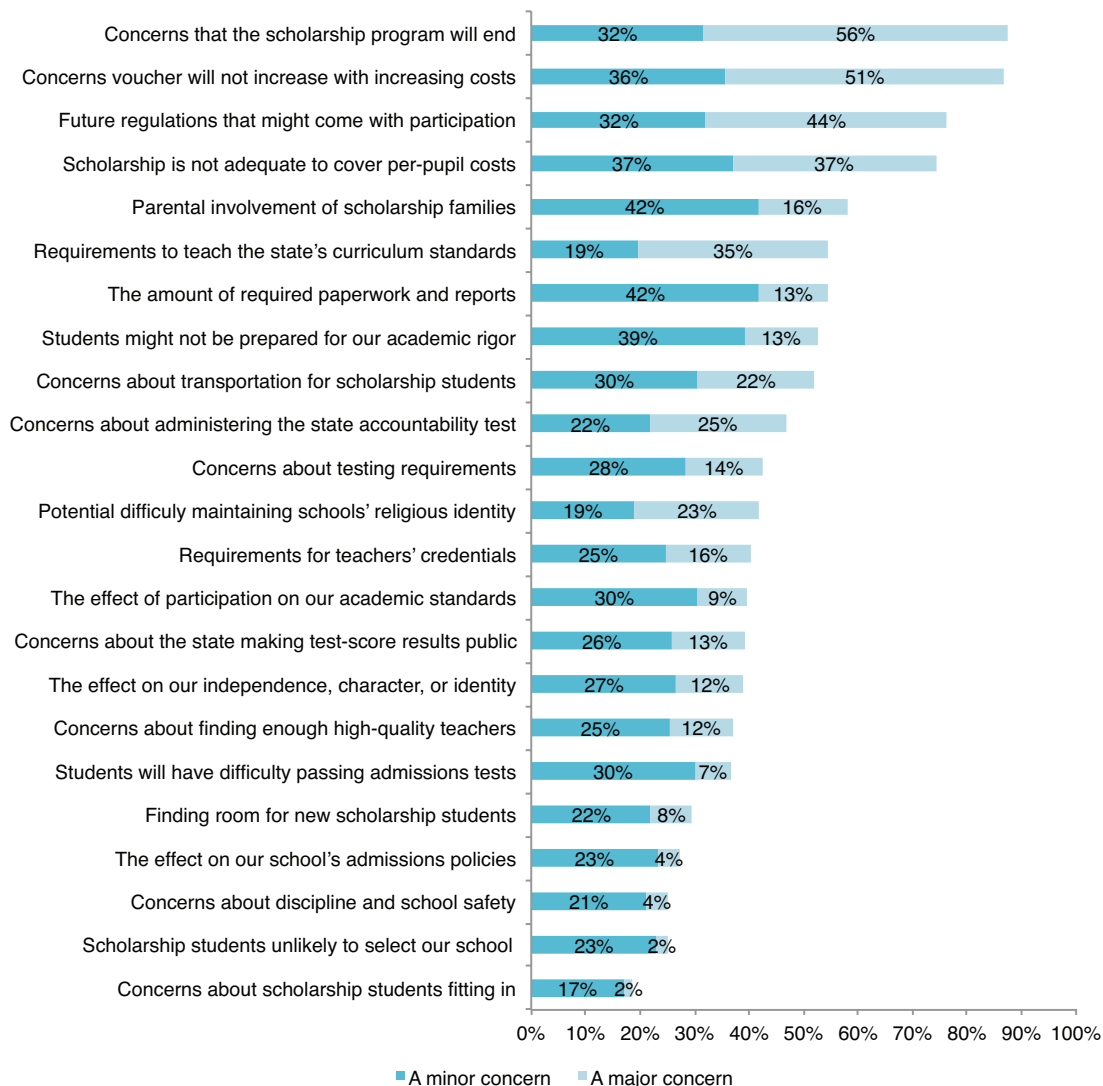
the Stanford Achievement Test, one of the premier, nationally recognized assessments, and always willingly and eagerly submitted these test scores for our students in the program because we believe strongly in accountability. We should and must be held accountable. However, if we were forced to stop giving the standardized Stanford Achievement Test and made to give the FCAT instead, we would no longer be independent schools. To remain in the program if that were to happen, we would have to change our curriculum and we would become only another public school.

Another school leader told us that he had “worked in public school, and the amount of prep time spent on FCAT practice was sometimes a waste of critical class time,” while yet another stated that his school’s “curriculum already exceeds state standards.” Two school leaders even said they would drop the program if required to take the FCAT or its successor. Clearly, requiring participating schools to administer the FCAT and adopt state curriculum standards would have a negative impact on the attractiveness of the program to participating schools.

Indiana. Since the Indiana Choice Scholarship Program is relatively new, participants are most concerned with what the future might hold. Their highest concern is “future regulations that might come with participation”; 54 percent cited this as a major concern and an additional 42 percent cited it as a minor concern (see figure 14).

Concern over the amount of required paperwork and reports was also highly cited, with 50 percent of respondents citing this as a major concern and an additional 45 percent citing it as a minor concern. One school leader told us that “The amount of time and paperwork for processing [has taken] up most of my time in the last two months.” This concern was followed closely by concerns that the scholarship program will end (a major concern for 44 percent). School leaders also had concerns that scholarship students might not be prepared for the academic rigor of their school (a major concern for 35 percent) and about the potential effect of participation on their academic standards (a major concern for 21 percent).

FIGURE 13
CONCERNS OF SCHOOL LEADERS PARTICIPATING IN THE FLORIDA TAX-CREDIT SCHOLARSHIP PROGRAM



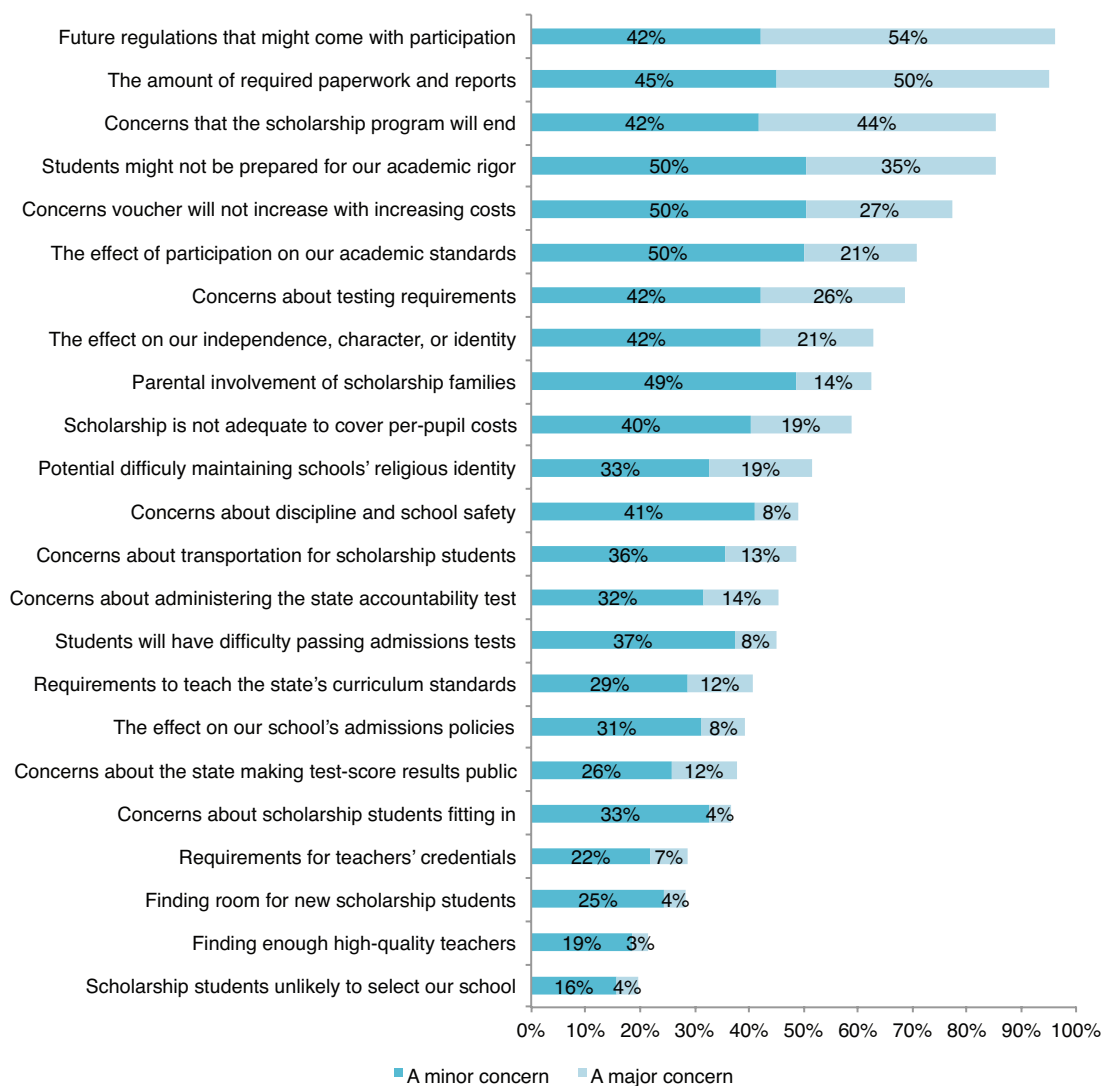
Source: The authors
 Note: Valid N=423.

School leaders also expressed high levels of concern about the voucher amount keeping pace with the costs to educate students in future years—27 percent said this was a major concern, while another 50 percent said it was a minor concern. Nineteen percent expressed concern about the current voucher amount not being adequate to cover the costs of educating students at their school.

Only 14 percent expressed concern with the requirement that they administer the state's accountability test, the Indiana Statewide Testing for Educational Progress Plus (ISTEP+). This is likely because this requirement has been in place for Indiana's private schools for years as a condition to gain state accreditation. For schools not previously accredited by the state, however, the adoption of ISTEP+ is a new requirement that comes

FIGURE 14

CONCERNS OF SCHOOL LEADERS PARTICIPATING IN THE INDIANA CHOICE SCHOLARSHIP PROGRAM



Source: The authors
 Note: Valid N=101.

with participation. One school leader claimed, “The burdensome requirements of testing by the state far exceed the number of days . . . when we used IOWA testing yearly, and produces far less useful results.” Few school leaders expressed concern about the state making test-score results public.

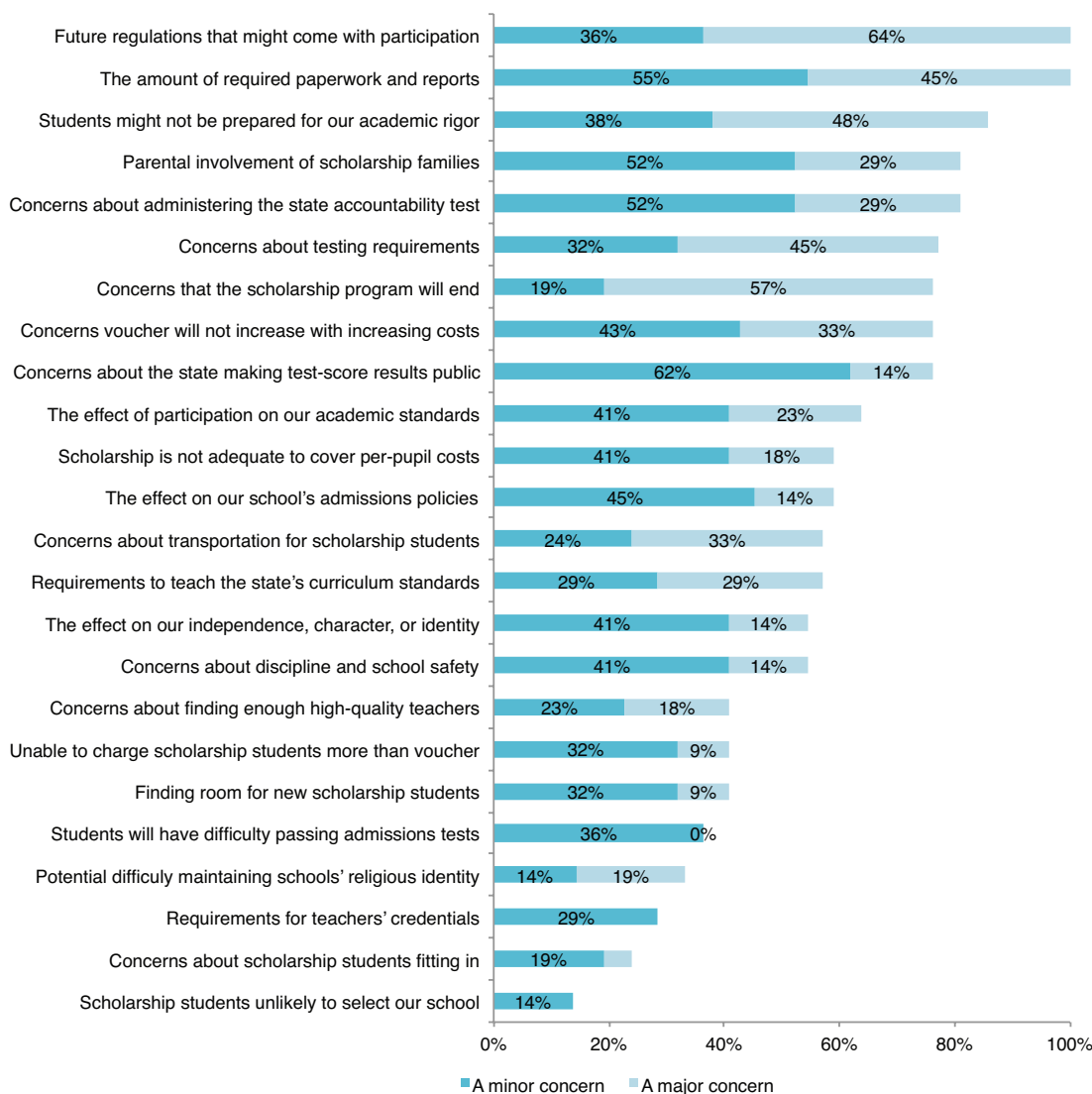
School leaders were relatively unconcerned with the program’s effect on their admissions policies or with students having difficulty passing admissions tests. Nor does capacity seem to be an issue in Indiana. Very

few have concerns about finding enough high-quality teachers or finding room for scholarship students.

Louisiana. Similar to participants from Indiana, the top concern for Louisiana school leaders is “future regulations that might come with participation” (see figure 15). Sixty-four percent of school leaders cited this as a major concern, while the remaining 36 percent cited it as a minor concern. The amount of paperwork and reports also seems to be a serious concern for Louisiana

FIGURE 15

CONCERNS OF SCHOOL LEADERS PARTICIPATING IN THE LOUISIANA SCHOLARSHIP PROGRAM



Source: The authors
 Note: Valid N=22.

school leaders, as every respondent cited this as either a minor or major issue. Fifty-seven percent cited the possibility of the scholarship program ending as a major concern, which may be due in part to the numerous legal challenges that have been waged against the program.

Nearly half of all school leaders were concerned that students might not be prepared for the academic rigor of their school, while an additional 38 percent felt this was at least a minor concern. This likely reflects the

fact that Louisiana's participating schools are required to accept all applicants regardless of their level of academic preparation.

Regarding testing, 81 percent cited administering the state's accountability test as a major or minor concern, while 77 percent see the program's testing requirements as a major or minor concern. It makes sense that this concern would rate highly in Louisiana, as participating private schools are being required to administer the state test

for the first time. When we asked school leaders in all three states if they had increased testing as a result of participation, Louisiana's leaders were the most likely to report that they had (see figure A1). Only 14 percent cited the state making test scores public as a major concern.

Additionally, roughly a third of Louisiana's school leaders are concerned about future scholarship amounts, transportation issues faced by the families they serve, the parental involvement of scholarship families, and requirements to teach the state's curriculum standards. On the other hand, school leaders do not seem particularly concerned with the current size of the voucher amount or the fact that Louisiana's program requires that they accept the voucher as full payment. This may be because these schools are a self-selected group of program participants that have already determined that the tuition amounts are adequate.

Deciding Factors for Nonparticipants

Private-school participation rates range from roughly two-thirds of Florida's private schools to half of Indiana's to a third of Louisiana's. To gain a clearer sense of the considerations driving the decisions of nonparticipants, we presented them with a lengthy list of factors that may have influenced their decision.

Florida. Recall that the top concerns of leaders of Florida's participating schools relate to the longevity of the program, current and future voucher amounts, and potential future regulations. When we asked nonparticipating Florida school leaders which factors played a role in their decision not to participate, issues related to regulations and school autonomy were more heavily cited. Topping the list was "concerns about future regulations that might come with participation," with 26 percent citing this as a major concern and an additional 17 percent citing it as a minor concern (see figure 16).

Roughly a third of these school leaders also had major or minor concerns about the effect of participation on their school's independence, character, or identity. Moreover, though neither are currently required, having to teach the state's curriculum standards and administer the state's accountability test were rated high on the list of factors causing concern.

School leaders also expressed high levels of concern about the amount of paperwork and reports required. Additionally, more than a quarter of leaders of Florida's nonparticipating schools indicated they were not aware that the scholarship program existed. Although it was among the highest concerns cited by Florida's participating schools, the dollar amount of the scholarship was identified as a factor by relatively few nonparticipating school leaders: only 15 percent cited it as a major factor and 11 percent cited it as a minor factor.

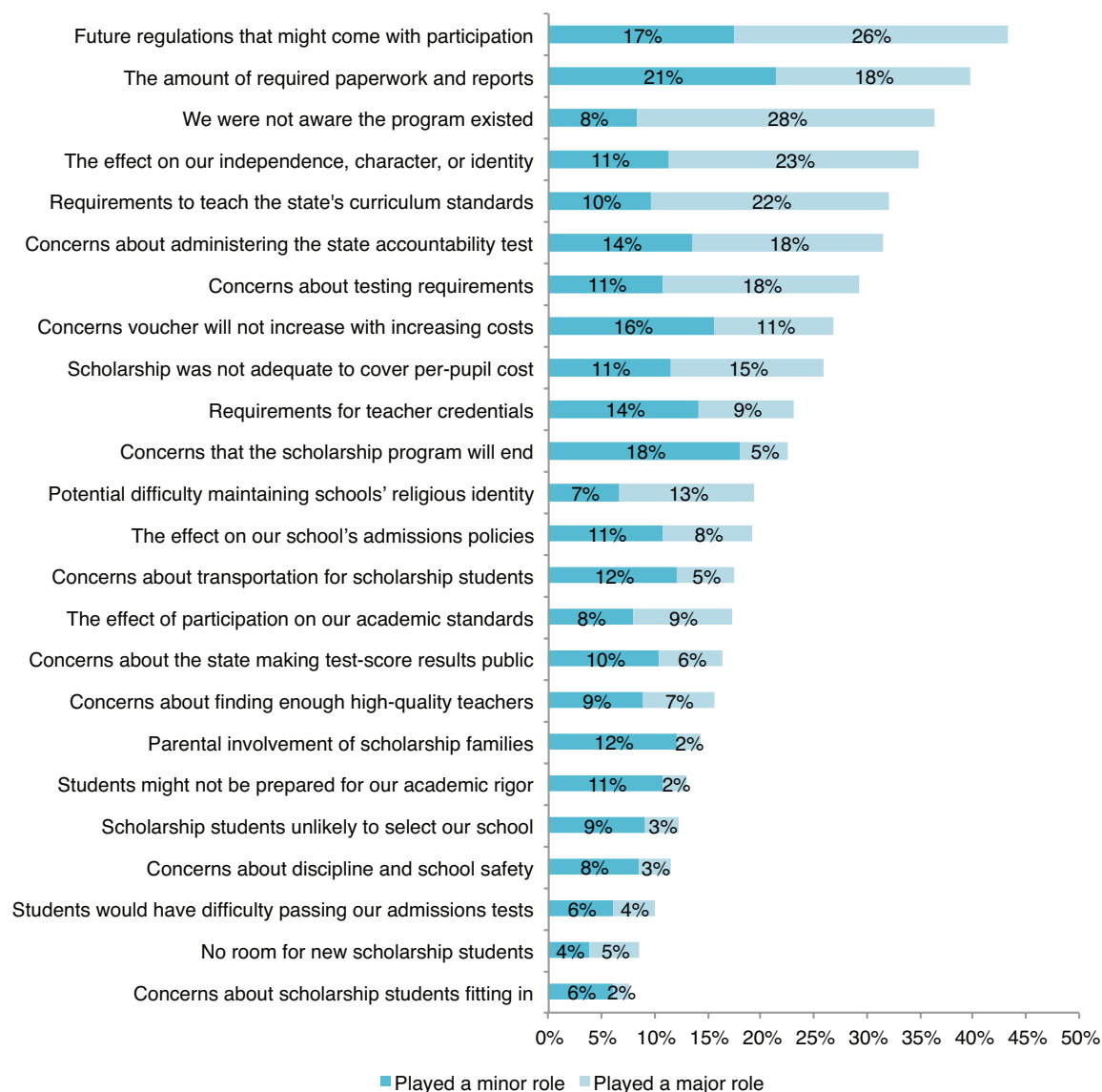
Very few respondents felt that scholarship students would be unlikely to select their school or that they lacked room for such students. This suggests that schools are choosing not to participate based on concerns related to regulation and autonomy, not because they think there would be low demand from area students or little space to accommodate them.

Indiana. When we asked leaders of nonparticipating Indiana schools what factors influenced their decision, the clear top choice was "concerns about future regulations that might come with participation" (see figure 17). Recall that this was also the top concern among leaders of Indiana's participating schools. Nonparticipating schools, however, rated it far higher. Sixty-two percent cited it as a major factor in their decision, while an additional 19 percent cited it as a minor factor.

Half of the nonparticipating respondents also cited concerns about the effect of participation on the independence, character, or identity of their school, while an additional 18 percent cited this as a minor concern. Many also cited concerns about testing obligations and requirements to teach the state's curriculum standards. In open-ended responses, a number of schools noted that they did not feel comfortable administering the ISTEP+, as it does not reflect their own curriculum goals or curricular philosophy. School leaders were also heavily influenced by concerns about maintaining their school's religious identity. Clearly, many of the Indiana scholarship program's characteristics are seen by nonparticipating schools as a threat to their independence.

Respondents also rated highly concerns over required paperwork and reports, which was cited by roughly a third of school leaders as a major factor for nonparticipation. About a quarter of schools said a major factor was the effect of participation on their

FIGURE 16
**FACTORS IN SCHOOL LEADERS' DECISION NOT TO PARTICIPATE IN
 THE FLORIDA TAX CREDIT SCHOLARSHIP PROGRAM**



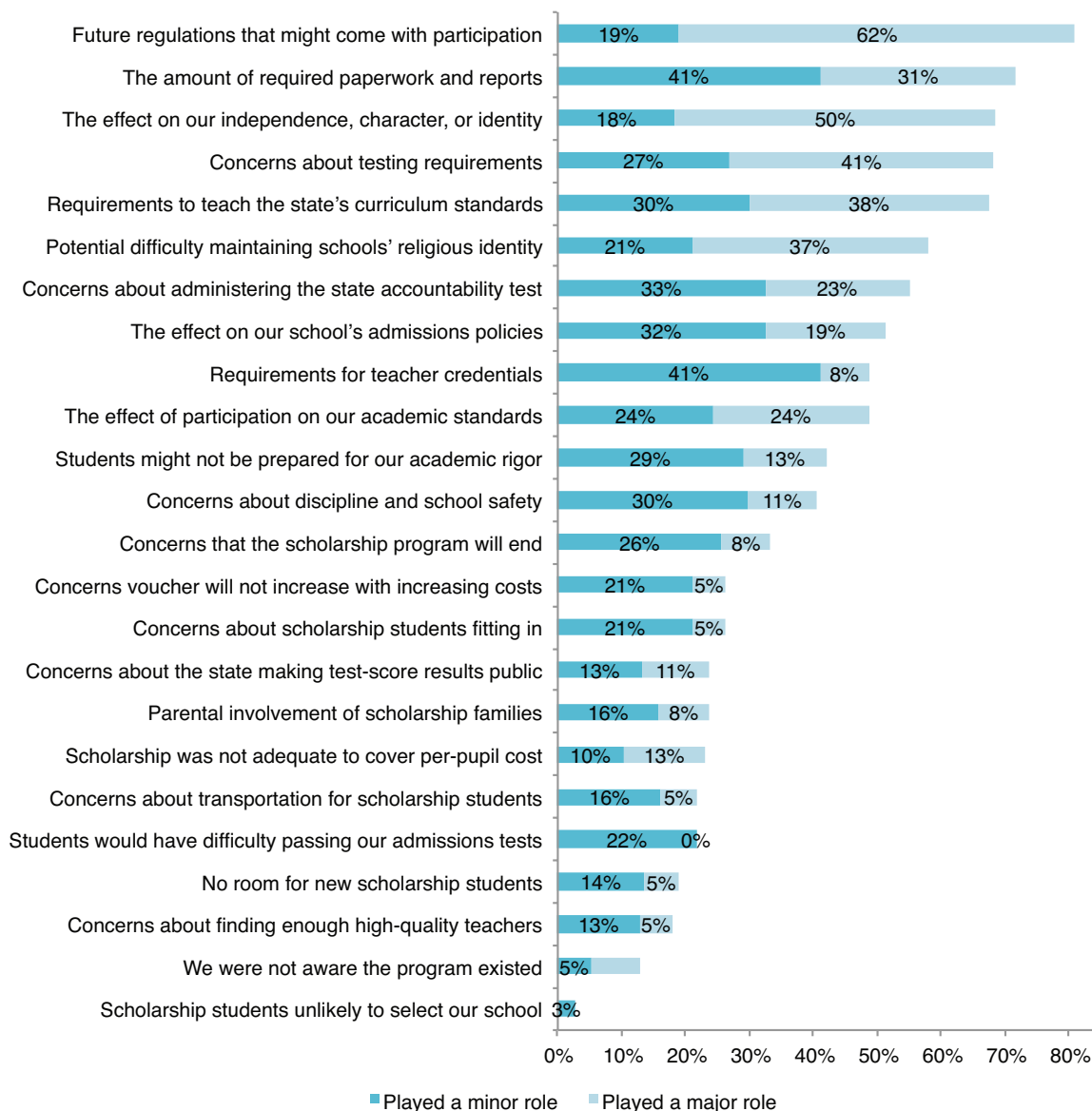
Source: The authors
 Note: Valid N=148.

academic standards, and slightly fewer were concerned about the effect of participation on their school's admissions policies.

Only 13 percent cited the scholarship amount as a major factor, and very few were concerned about the voucher amount not increasing proportionally with rising education costs. Only 3 percent said that a major

factor deterring them from participation was that students would be unlikely to select their school, and most school leaders were aware that the program exists. In summary, for Indiana school leaders, the decision not to participate seems largely driven by the program requirements that encroach on school autonomy, and the perceived threat of future regulations.

FIGURE 17
**FACTORS IN SCHOOL LEADERS' DECISION NOT TO PARTICIPATE IN
 THE INDIANA CHOICE SCHOLARSHIP PROGRAM**



Source: The authors
 Note: Valid N=43.

Louisiana. As is the case with leaders of nonparticipating Florida and Indiana schools, leaders of nonparticipating Louisiana schools are most concerned with “future regulations that might come with participation” (see figure 18). Sixty-four percent of Louisiana nonparticipants cited it as a major factor in their decision to not participate. Additionally, nearly half cited the effect

on their independence, character, or identity as a major factor of concern. Also related to their autonomy, 43 percent cited concerns over maintaining their religious identity as a major factor.

Requirements to teach the state’s curriculum standards were a major factor affecting 43 percent of respondents’ decision not to participate. Forty-two percent

FIGURE 18

FACTORS IN SCHOOL LEADERS' DECISION NOT TO PARTICIPATE IN THE LOUISIANA SCHOLARSHIP PROGRAM



Source: The authors
 Note: Valid N=39.

cited concerns about testing requirements as a major factor, while concern specifically about administering the state accountability test was a major factor for 34 percent of nonparticipants. The high rating of this item makes sense given that private schools in Louisiana were previously not required to administer tests.

Forty percent of school leaders said a major factor was that students might not be prepared for their school's academic rigor, while 45 percent said a major factor was the program's effect on their school's admissions policies. A large proportion also cited the potential effect of participation on their academic standards. The especially high level of concern in these areas was not present for school leaders from Florida and Indiana and is likely because of aspects of the Louisiana choice program.

In Louisiana's program, schools are not allowed to restrict access via school-wide admissions standards. One school leader told us "The fact that students didn't have to meet our enrollment requirements and we just had to accept whoever was sent to us" played a decisive role in his school's decision not to participate.

Thirty-eight percent said the amount of required paperwork and reports was a major factor in their decision not to participate, and twenty-six percent cited concerns that the scholarship program might end. Nearly a quarter said a major factor was lack of space for scholarship students.

In terms of the voucher amount, a major factor of concern for 23 percent of these school leaders was that the amount would not keep pace with the costs to educate students. Eighteen percent said a major factor was not being able to charge scholarship students more than the voucher, an aspect unique to Louisiana among the three state programs in our sample, and 13 percent said a major factor was that the scholarship was not adequate to cover costs.

Future Plans of Nonparticipants

We asked all respondents from nonparticipating schools if they expected their school to participate in the scholarship program in the upcoming year. In the case of Florida, 41 percent of leaders of nonparticipating schools said they planned to participate in the following year (see figure

19). At the other end of the spectrum, only 20 percent of Indiana's leaders of nonparticipating schools and 8 percent of Louisiana's leaders of nonparticipating schools say that they planned to participate in the coming year.

School Leaders' Perceptions of the Future

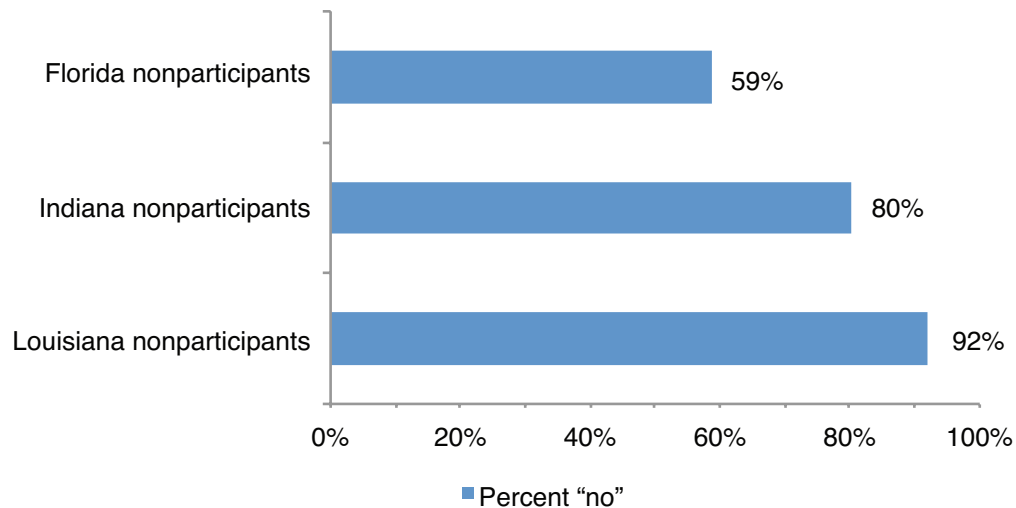
Related to future participation, we asked school leaders two questions to gauge how participating and nonparticipating schools might have different perceptions regarding the stability and funding levels of the programs in their states. First, we asked leaders to tell us how confident they were that the scholarship program in their state would exist in five years (see figure 20).

The differences across states and between participants and nonparticipants are notable. Leaders of participating Florida schools have the highest confidence that their state's program will continue to exist, with 40 percent of them saying they are very confident the program will exist in five years. Leaders of Louisiana's nonparticipating schools have the least confidence, with 55 percent saying they are not confident their state's program will exist in five years. Less than a third of participants in both Indiana and Louisiana think the program will exist in five years. In each state, leaders of nonparticipating schools are much less confident compared to their counterparts.

Next, we asked school leaders about their perceptions of the scholarship amount in the coming year. In all three cases, scholarships are expected to increase for the 2014–15 school year (in the case of Indiana, an increase in kindergarten through eighth-grade scholarships has been announced, and Louisiana's per-pupil funding has been raised, which will effectively raise the scholarship amount). According to our survey results, leaders of participating schools in Florida and Indiana are mostly aware of coming increases (see figure 21). Louisiana participants, however, are not. This likely reflects the fact that the amounts are tied to public-school funding and thus somewhat less transparent, and a general lack of confidence in the program.

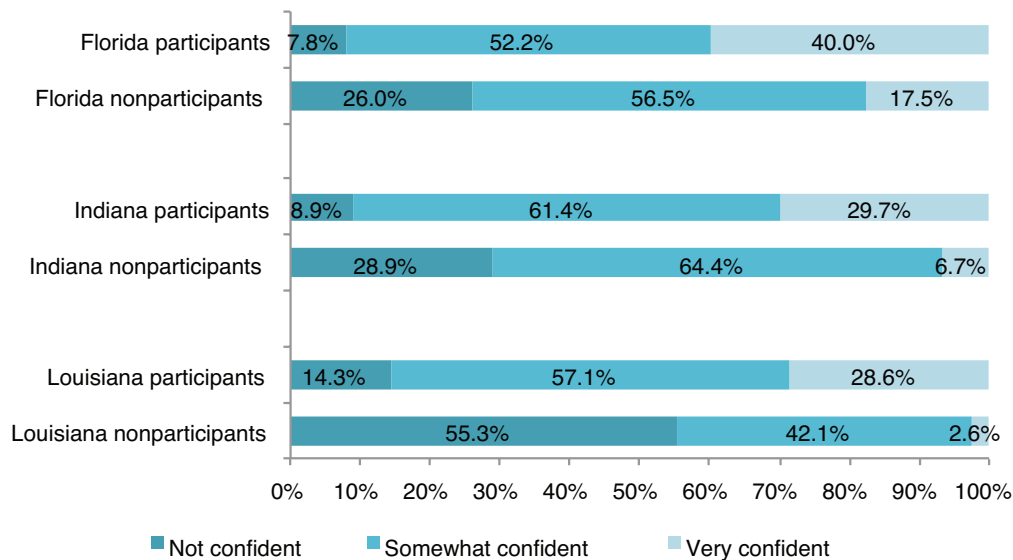
Nonparticipating schools in all three states are far less informed about voucher amounts. Almost half of nonparticipating Florida schools expect the amount to stay

FIGURE 19
DOES YOUR SCHOOL PLAN TO PARTICIPATE IN THE FOLLOWING YEAR?



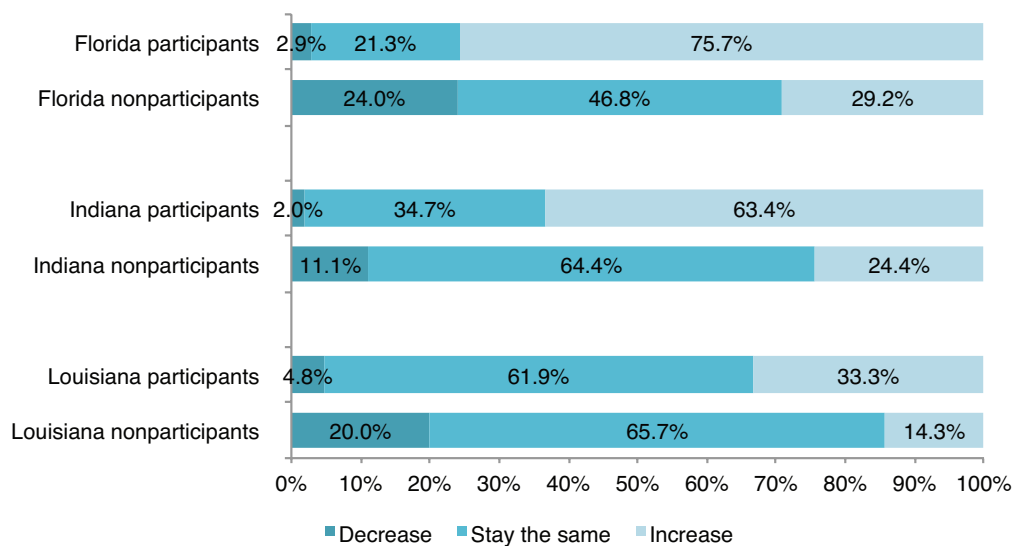
Source: The authors
 Note: Valid N Florida=158, valid N Indiana=49, and valid N Louisiana=45.

FIGURE 20
HOW CONFIDENT ARE YOU THAT YOUR STATE'S PROGRAM WILL EXIST IN FIVE YEARS?



Source: The authors
 Note: Valid N Florida participants=408, valid N Indiana participants=101, valid N Louisiana participants=21, valid N Florida nonparticipants=154, valid N Indiana nonparticipants=45, and valid N Louisiana nonparticipants=38.

FIGURE 21
DO YOU THINK YOUR STATE’S SCHOLARSHIP AMOUNT WILL DECREASE, STAY THE SAME, OR INCREASE IN THE FOLLOWING YEAR?



Source: The authors
 Note: Valid N Florida participants=408, valid N Indiana participants=101, valid N Louisiana participants=21, valid N Florida nonparticipants=154, valid N Indiana nonparticipants=45, and valid N Louisiana nonparticipants=35.

the same, while roughly two-thirds of Indiana and Louisiana nonparticipants feel this way. This likely reflects the lower interest nonparticipating schools have in program details but may also be tied to the generally pessimistic views that nonparticipating schools have toward the programs.

School Leaders’ Recommendations

At the end of our survey, we asked school leaders if there were any specific changes to their state scholarship programs that would increase their level of satisfaction or participation. This open-response section was an especially informative component of the survey: we received 273 open responses to our Florida survey, 77 to our Indiana survey, and 39 to our Louisiana survey. In this section, we summarize the key takeaways from the open responses for each state.

Florida Recommendations. By a wide margin, the biggest change Florida school leaders recommended was increasing the state’s scholarship amount, and the second-most-common change Florida leaders recommended was to increase student eligibility for scholarships. Other areas of concern included program administration, the requirement that students in sixth grade and up be enrolled in a public school when applying for the scholarship, standardized testing, private-school autonomy, and McKay scholarships. However, not all school leaders offered criticism. A number of respondents indicated that they appreciate and are satisfied with the Florida scholarship program.

Increase the Scholarship Amount. Some of the comments related to increasing Florida’s scholarship amount were simple and succinct, while several elaborated on the need for funds to offset transportation costs, funds to offset the costs of testing requirements, and a need for

higher scholarship amounts for high-school students or areas of the state with higher living costs.

One school leader pointed out that often “students who receive the scholarships are severely deficient academically, their needs are more demanding, and their scholarships cannot cover the additional attention that they require.” Some school leaders also noted that many eligible parents are not able to cover the remaining tuition costs. Many respondents felt that the scholarship funding “should be comparable to the allocation of public-school students.”

Nonparticipating schools in all three states are far less informed about voucher amounts.

Expand Student Eligibility. For the most part, comments about expanding student eligibility suggested raising the income guidelines so that more families would be eligible. School leaders spoke of making “a percentage of the scholarship for those just above the poverty line” or “providing a tiered system” so that more lower- and middle-class families could qualify.

Improve Program Administration. Numerous school leaders commented on aspects of the scholarship program’s administration that they would like to see improved. These fell into four main areas. Several respondents said that better communication from program operators would be beneficial. Others mentioned that it would be helpful if scholarship payments to schools occurred sooner and more regularly, and others suggested moving the deadline for parents to apply into the summer months. Finally, many school leaders would like to see the amount of paperwork streamlined.

Eliminate the Public-School Requirement. School leaders expressed frustration at the program’s requirement that students in sixth grade and up had to be attending a public school if they wanted to enter the scholarship program. This issue was addressed in June 2014, however, when Governor Rick Scott signed a law removing the public-school requirement.

Let Schools Choose Their Standardized Test. School leaders specifically voiced objections to potential requirements to administer the FCAT. School leaders were not opposed to testing generally; rather, they expressed their preference for nationally normed tests, both because of their ability to provide meaningful information and because they do not implicitly prescribe a curriculum.

Preserve School Autonomy. There were a number of general comments about school leaders’ desire to maintain school autonomy. They voiced displeasure about the potential for future regulations, and some said that future regulations could cause them to leave the program. A number of school leaders specifically referenced the Common Core State Standards and the possibility that Florida would require participating schools to adopt them. Respondents generally expressed the sentiment that such regulation limited their ability to provide a valid alternative to public schools.

Allow the Use of McKay Scholarships with FTC Scholarships. Here, as in other open-response sections in our survey, school leaders expressed that it would be helpful if students with special needs could use a McKay Scholarship in conjunction with the tax-credit scholarship.

Indiana Recommendations. There are four dominant takeaways we derived from Indiana school leaders’ open responses. The most prevalent had to do with the administration of the program, which elicited more than twice as many comments than any other topic. Indiana school leaders also strongly encouraged expanding scholarship eligibility, and comments regarding increasing the scholarship amount were nearly as common. Finally, Indiana’s respondents expressed their desire to be able to choose their school’s standardized test.

Improve Program Administration. Many of the responses pertained to program administration, and most of the comments were concerned with the level of reporting and paperwork that the ISTEP+ requires. Comments such as “streamline forms and eliminate repetition” were common. One school leader pointed out that the amount of administrative work is difficult for smaller private schools that “have just one principal, not a

team of administrators” and noted that “the amount of paperwork and reports that are required to participate in the program seems to be growing each year.”

Other respondents saw the administrative burden as prohibiting participation: “I appreciate the need for accountability; however, the tangible costs, intangible costs, and opportunity costs of accreditation and administration of the voucher program with its current requirements are currently prohibitive for our small school.” Many school leaders expressed that they would prefer that scholarship payments come sooner in the year.

Eliminate the Public-School Requirement and Expand Student Eligibility. A number of school leaders said they would like to see the public-school requirement lifted. Such a move would enable all kindergarten students and current private-school students who are income eligible to enter the program immediately instead of some of them having to spend a year in public school first. Additionally, a number of school leaders would like the allowable income levels to be increased.

Increase the Scholarship Amount. Indiana school leaders mentioned that higher scholarship amounts would allow them to increase the resources they provide to students. Other school leaders noted that an increase in the amount was especially important for high-school scholarships, and still others elaborated on the need for transportation vouchers.

Let Schools Choose Their Standardized Test. As was the case in Florida, Indiana school leaders expressed more concern about the state test specifically than they did about testing generally. One school leader expressed a desire to “use other standardized testing . . . such as Stanford or IOWA, which yields more usable data per student.” Other school leaders also indicated a preference for nationally normed tests.

Louisiana Recommendations. As was the case with Indiana, the highest number of comments from Louisiana school leaders concerned program administration. Following closely behind were comments related to the fact that schools participating in the program are not allowed to use admissions standards. Otherwise,

comments tended to focus on standardized testing, the scholarship amount, student eligibility, and private-school autonomy.

Improve Program Administration. A number of comments indicated that the scholarship program needs improved communication with participants, and more consistency and reliability. Additionally, school leaders would prefer less paperwork.

Allow Admission Standards. On the topic of admissions standards, one school leader expressed concern that “some students who enter our school do not have the basic skills necessary to succeed. Some students have not passed the [Louisiana Educational Assessment Program test], yet they are given exemptions and are passed to us. We are then held accountable when it comes to testing and achievement.” Other school leaders expressed similar concerns regarding their inability to use admissions standards.

Let Schools Choose Their Standardized Test. A number of schools also expressed concern over testing requirements. Again, the same nuance we observed in previous comments was present. School leaders are more concerned about administering the state test than they are with testing generally, with one respondent reporting: “I understand the need to test students; however, why should we be required to use an instrument that is ‘curriculum’ based and not ‘achievement’ based. . . . We cannot ‘teach’ to a test that does not meet the needs of our mission.”

Increase the Scholarship Amount. As was the case in Florida and Louisiana, school leaders would like to see the state scholarship amount raised. Some expressed displeasure that “the population that needs this opportunity the most” receives less than what students receive in public schools.

Expand Student Eligibility. Like Indiana, and Florida until recently, Louisiana has a requirement that students be enrolled in public schools before receiving a voucher. Some school leaders noted that this raises questions of fairness when some families are “struggling to send their child to the private school while other

families receive a free ride.” One leader of a nonparticipating school told us, “We have parents who sacrifice to pay tuition for their child. Why should someone else, who hasn’t chosen us before, have a child attend virtually free?”

Preserve School Autonomy. Quite a few school leaders made general comments about the importance of maintaining their school’s autonomy, and some expressed that the loss of autonomy was simply too much to sacrifice for participation. One school leader said simply, “I will not accept state tax money to then have the state tell me how to run our school. If I thought the state ran a school well, we would not have started this one.”

Conclusion

Our survey of nearly 1,000 school leaders sheds considerable light on the school choice landscape from the perspective of private schools. Private-school leaders are eager to educate more disadvantaged students and to offer alternative educational approaches. At the same time, they find that students in choice programs are not as academically prepared as their school’s typical students.

Most school leaders told us that scholarship amounts are not adequate to cover the costs of educating the disadvantaged students targeted by choice programs. As a result, private schools are being asked to do more for less than what public schools would receive. It seems bitterly ironic that policymakers have designed a system meant to elevate the prospects of the most disadvantaged students while shortchanging them. It seems only fair that these disadvantaged students and the private schools that serve them receive an amount equivalent or at least much closer to what state and local governments would spend on public schools.

Across all three states, concerns about future regulations are highly cited. In fact, this was the highest-ranked concern of participating schools in Indiana and Louisiana and of nonparticipating schools in all three states. Related concerns—such as school autonomy and independence, requirements to administer state tests, and state curricular requirements—were also highly rated as problematic from these schools’ perspective.

Based on these data, we reach different conclusions than a recent Thomas B. Fordham Institute report that

also surveyed school choice leaders, *School Choice Regulations: Red Tape or Red Herring?*⁵ The report concluded that state regulation was not a serious concern from the perspective of private schools and that it did little to hamper participation. There could be a number of reasons for the differences in findings from the two studies.

Future regulations was the highest-ranked concern of participating schools in Indiana and Louisiana and of nonparticipating schools in all three states.

First, we used a different sample population and a larger sample size. While *Red Herring* looked at school choice in five metropolitan areas, we surveyed school leaders in three states. We think this difference in sampling frame is crucial, as private schools in major urban areas may be more desperate for resources and therefore more tolerant of the strings attached to those funds than nonurban private schools. In total, the Fordham Institute received survey feedback from 241 participating and 62 nonparticipating schools, while we received feedback from 655 participating and 299 nonparticipating schools. That said, the Fordham Institute’s response rate was higher than ours, so Fordham’s findings may be more representative of the underlying population from which its sample was drawn.

While we identified that regulations and threats to school autonomy are among the most important concerns of participating schools and also the most important concerns of nonparticipating schools, we do not mean to say that all regulation is undesirable. According to our data, however, it would be misguided to think that regulation does not meaningfully affect the number and types of private schools that choose to participate in school choice programs. These tradeoffs should not simply be ignored or dismissed when considering the best design for school choice programs.

In particular, private-school leaders are concerned with regulations that would prevent them from offering

a legitimate alternative to traditional public schools. As such, requirements to adopt a state curriculum or administer state tests are particularly threatening to school autonomy. The private-school leaders we spoke with were quick to distinguish between accountability testing using nationally normed tests and the requirement to administer state tests. They prefer the former and view the adoption of their state test as pressure to follow their state's curriculum.

Similarly, measures to induce equity introduce additional tradeoffs. Particularly noteworthy are certain aspects of Louisiana's program that school leaders highlighted as concerning. Louisiana requires that participating private schools accept the voucher as full payment, and participating schools cannot apply their normal admissions standards to scholarship students. Although these policies are well intentioned, they may systematically prevent elite private schools from participating, as elite schools likely have high admissions standards and higher tuition rates.

Louisiana currently has the lowest school participation rate and the gloomiest prospects for expansion

among the school choice programs in our study. It is especially troubling that these requirements may be causing the more academically rigorous schools not to participate. Higher scholarship amounts or allowing parents to top up may be effective strategies to entice more school participation.

School choice continues to expand in the United States. It is imperative that policymakers develop the best mechanisms possible to facilitate successful programs. Successful programs require a healthy number of available options offered by the best schools. Policies meant to burden private schools, starve them, or regulate them into the public school mold are inconsistent with school choice theory and could ultimately hurt the students these policies are designed to help. As policymakers continue to investigate optimal school choice designs, it is paramount that the interests of participating students and their families are given the greatest consideration. As such, providing students and families with a diverse set of quality options should be the central goal of any policy design.

Appendix A: Survey-Collection Details and Characteristics of Respondents

In Florida and Indiana, contact lists of the each state’s private schools were obtained from the state education departments. These private schools are required to register with the state to obtain status within the state system. Indiana has no such policy, so an original contact list was required. To generate the list for Indiana, we began with a list of private schools, generously provided by the Indiana Non-Public Education Association. This was checked against the Indiana Department of Education’s list of nonpublic schools, the department’s list of schools participating in the Indiana Choice Scholarship Program, and Lutheran-affiliated schools listed on the Lutheran Church–Missouri Synod’s website (lcms.org).

Once we completed the compilation, 773 Indiana private schools had been identified. Missing emails on the list were populated through web searches and phone calls to schools. Moreover, 139 schools identified as Amish or Mennonite were removed from the list because they did not have obtainable email addresses. An additional 124 schools serving only preschool-age children or early-childcare needs were removed, as they would not be eligible for the voucher program. Finally, we were unable to obtain contact information for an additional 89 schools, owing in some part to the fact

that our original list contained numerous schools that had likely closed. At the end of this process, we had valid contacts for 528 school leaders in Indiana.

In all states, the number of schools was greater than the number of contacts, as some school leaders are responsible for multiple private schools in their states. Thus, the number of school leaders is less than the number of participating and nonparticipating schools in each state.

Data collection was conducted using SurveyMonkey. Private schools in all three states received an email link to the survey in early May 2014. Following the initial email, private-school directors received a second request five days later. A third reminder was sent eight days later to private schools that had yet to respond, a fourth reminder was sent eight days after the third reminder, and a fifth reminder was sent the following week. The final request for participation was sent six days after the fifth reminder, and the survey closed the following week.

Response rates for the online survey are presented in table A1. Response rates range from 36 percent for Indiana to 20 percent for Louisiana. Tables A2–A7 and figure A1 provide additional descriptive information about our sample of schools.

TABLE A1
SURVEY RESPONSE RATES

	Requests Sent	Ineligible Respondents	Eligible Respondents	Response Rate
Florida	2,396	18	709	30.3%
Indiana	528	18	172	36.0%
Louisiana	365	1	73	20.3%
Overall	3,289	37	954	29.0%

Source: The authors

Notes: Respondents were deemed ineligible and directed to stop the survey if they indicated that they did not serve students in grades K–12. Some specific survey items may have lower response rates because of missing responses or incomplete surveys.

TABLE A2
FACILITIES AND PROGRAMS OF RESPONDENTS' SCHOOLS

Answer Options	Florida	Indiana	Louisiana
Advanced placement/International Baccalaureate program	18.7%	15.8%	30.5%
After-school program	75.3%	68.5%	79.7%
Arts program	61.4%	73.3%	79.7%
Before-school program	56.0%	50.7%	45.8%
Foreign-language program	56.8%	60.3%	67.8%
Gifted/talented program	31.7%	20.5%	28.8%
Music program	63.0%	84.2%	76.3%
Special instructional programs for students with learning problems	48.6%	50.7%	52.5%
Cafeteria	43.6%	66.4%	71.2%
Guidance counselors	39.9%	31.5%	52.5%
Gym	35.9%	84.9%	67.8%
Individual tutors	54.8%	48.6%	40.7%
Library	59.1%	83.6%	84.7%
Lunches prepared at the school	39.5%	65.8%	69.5%
Nurse	11.7%	19.2%	10.2%
None of these	2.1%	2.1%	1.7%

Source: The authors

TABLE A3
GRADES SERVED BY RESPONDENTS' SCHOOLS

Grades Served	Florida Respondents	Indiana Respondents	Louisiana Respondents
K	84.4%	86.0%	80.8%
1	77.8%	84.3%	76.7%
2	76.0%	83.7%	76.7%
3	74.4%	84.3%	76.7%
4	71.2%	84.3%	76.7%
5	71.3%	83.7%	75.3%
6	70.4%	82.6%	78.1%
7	67.7%	77.3%	72.6%
8	66.9%	76.7%	68.5%
9	45.2%	31.4%	52.1%
10	44.5%	30.8%	52.1%
11	43.5%	31.4%	52.1%
12	43.7%	30.8%	54.8%

Source: The authors

Note: Figures based on program-eligible respondents.

TABLE A4
RELIGIOUS AFFILIATION OF RESPONDENTS' SCHOOLS

	Florida	Indiana	Louisiana
Religiously affiliated	64.8%	90.4%	79.7%
Not religiously affiliated	35.2%	9.6%	20.3%

Source: The authors

TABLE A5
RELIGIOUS AFFILIATION OF RESPONDENTS' SCHOOLS

	Florida	Indiana	Louisiana
African Methodist Episcopal	0.5%	0.0%	0.0%
Amish	0.0%	0.0%	0.0%
Assembly of God	2.7%	0.0%	4.3%
Baptist	12.6%	11.4%	12.8%
Brethren	0.5%	0.0%	0.0%
Calvinist	0.3%	2.3%	0.0%
Catholic	19.0%	43.9%	48.9%
Christian (no specific denomination)	28.8%	16.7%	10.6%
Church of Christ	0.8%	1.5%	2.1%
Church of God	1.9%	0.0%	0.0%
Church of God in Christ	0.3%	0.0%	0.0%
Church of the Nazarene	0.3%	0.0%	0.0%
Disciples of Christ	0.3%	0.0%	0.0%
Episcopal	1.6%	0.8%	10.6%
Friends	0.3%	0.8%	0.0%
Greek Orthodox	0.0%	0.0%	0.0%
Islamic	1.6%	2.3%	0.0%
Jewish	2.2%	0.8%	0.0%
Latter Day Saints	0.0%	0.0%	0.0%
Lutheran Church—Missouri Synod	4.1%	7.6%	4.3%
Evangelical Lutheran Church in America	0.3%	0.8%	0.0%
Wisconsin Evangelical Lutheran Synod	0.5%	0.0%	0.0%
Other Lutheran	1.1%	0.0%	0.0%
Mennonite	0.0%	0.0%	0.0%
Methodist	1.6%	0.8%	0.0%
Pentecostal	4.1%	1.5%	0.0%
Presbyterian	2.5%	0.0%	0.0%
Seventh-Day Adventist	5.5%	5.3%	0.0%
Other	6.3%	3.8%	6.4%

Source: The authors

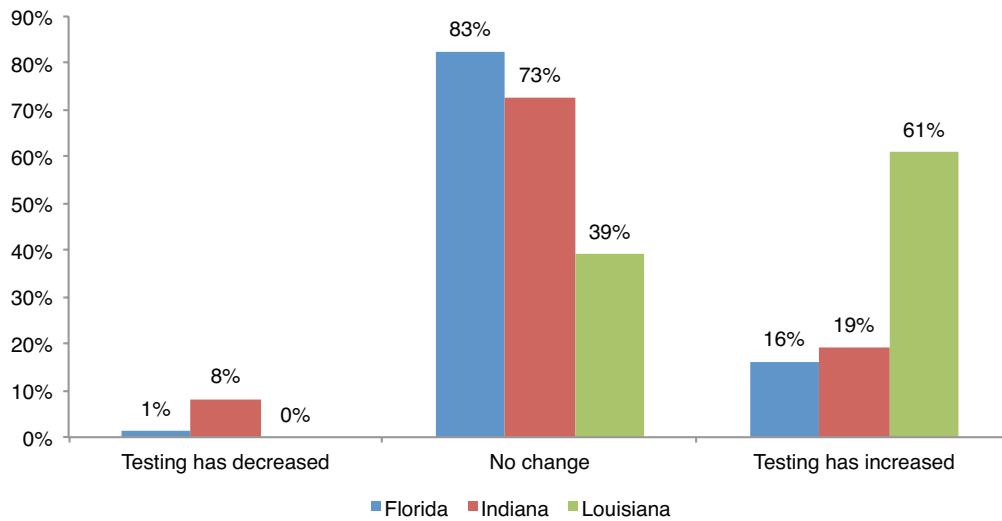
TABLE A6
AVERAGE STUDENT-LEVEL TUITION

	2013–14 Voucher Amount	Scholarship Students	Participating Schools	Nonparticipating Schools
Florida	\$4,800	\$5,828	\$6,682	\$9,954
Indiana	\$4,700	\$5,122	\$5,068	\$7,223
Louisiana	\$5,311	\$5,194	\$5,618	\$6,561

Source: The authors

Notes: \$4,500 is the voucher amount for high school in Indiana. The reported Louisiana voucher amount is an average, as the amount is 90 percent of the total state and local per-pupil funding in the student’s home district. Tuition amounts are student weighted based on reported scholarship enrollment and total student enrollment.

FIGURE A1
**HOW HAS PARTICIPATION IN THE SCHOLARSHIP PROGRAM CHANGED
 YOUR SCHOOL’S APPROACH TO STANDARDIZED TESTING?**



Source: The authors

Note: Valid N Florida=452, valid N Indiana=110, and valid N Louisiana=23.

Appendix B: Details of the State Scholarship Programs

Florida's Tax Credit Scholarship Program

The Florida's Tax Credit (FTC) scholarship program began in 1998 with the Children's Scholarship Fund of Tampa Bay. The program provided scholarships from a private fund to low-income children in kindergarten through eighth-grade to attend a private school of their choice. In the first year of the program, there were 12,500 applications for only 750 available scholarships.⁶

In 2001, the Florida legislature enacted and launched the FTC—more popularly known as Step Up For Students (SUFS)—and set the initial scholarship amount at \$3,500. Scholarship funds to pay tuition to an approved private school in grades K–12 are raised through a dollar-for-dollar state tax credit offered to corporations that contribute money to the fund. Students can also receive a smaller grant worth \$500 to pay for transportation to a public school located outside of the student's home district.

Because of growing demand, the program has expanded over the past several years. The 2013–14 school year saw 59,674 students participate by attending 1,414 schools—slightly more than 60 percent of the private schools serving K–12 students in the state.⁷ Florida law indexes the scholarship amount to 80 percent of the state's basic per-pupil funding formula. Since almost half of public-school per-pupil funding comes from sources outside the state formula, this indexing of the scholarship amount still results in it covering less than half of the amount that public schools receive for educating a child.

The average scholarship given to students in 2013–14 was \$4,663, with a maximum value of \$4,800. The maximum value represents 47 percent of the average per-pupil revenue of \$10,154 for students who attend

traditional public schools in Florida.⁸ This value is set to increase to \$5,272 for the 2014–15 school year.

Student Participation, Eligibility, and Requirements.

There are multiple ways for families to qualify for the scholarship. Children entering grades K–12 must meet one of the following requirements: come from a family of four with an income of less than \$44,000 per year; qualify for free- or reduced-price lunch; receive Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, or Food Distribution Program on Indian Reservations assistance; live in foster or out-of-home care; or be homeless.⁹ Participating families whose income increases beyond the threshold can remain in the program as long as they do not earn above 230 percent of the poverty level.¹⁰

Until recently, students using a tax-credit scholarship to attend a private school had to be entering kindergarten through fifth grade or be enrolled in a public school the previous year. However, legislation passed in 2014 removed the requirement for students in grades 6–12 to attend a public school before using a scholarship.¹¹

The amount for the scholarship only covers about two-thirds of the average tuition and fees of the participating private schools.¹² Unless a school reduces its tuition, scholarship families are required to cover the remaining balance.

School Participation, Eligibility, and Requirements.

Participating schools must administer nationally recognized norm-referenced tests to scholarship students in grades 3–10.¹³ Schools must publicly disclose test scores and financial information. Additionally, Florida legislation requires that all private schools employ teachers with baccalaureate degrees or higher, with at least three years of teaching experience in public or

private schools, or with skills, knowledge, or expertise that qualifies them to teach.¹⁴ Students are subject to the admission standards of the private school they have chosen.¹⁵

Florida's regulatory burden for private schools is low compared to many school voucher programs in other states. In the recent survey by the Fordham Institute, 13 school choice programs were rated on 10 domains: school eligibility requirements, application requirements, curricular requirements, teacher licensure and credentialing, financial disclosure and reporting, student admissions guidelines, tuition and fees restrictions, paperwork and reporting, oversight and endorsement, and testing and accountability.¹⁶ According to this study, Florida has a low level of regulatory burden, especially with regard to paperwork. An official state evaluation found that students near the cut-off point for eligibility perform significantly better in reading if they qualify for a scholarship.¹⁷

Indiana Choice Scholarship Program

The Indiana Choice Scholarship Program gives low- and middle-income families the option to attend private schools through the use of vouchers. Voucher legislation in Indiana first passed in 2011 and expanded under new legislation in 2013. Following the passage of legislation to expand the program for the 2013–14 school year, 19,809 students participated. These students were able to enroll in one of 313 participating private schools in the state—roughly half of the Indiana private schools serving K–12 students.

The voucher is worth up to 90 percent of the state's per-pupil funding amount for the sending district if the student qualifies for the federal free- and reduced-price lunch (FRL) program. Students living in households earning 150 percent of the FRL qualification level receive a voucher worth a maximum of 50 percent of the state per-pupil funding of the sending district. The maximum voucher amount in the 2013–14 school year was \$4,700 for kindergarten through eighth grade (expected to rise in 2014–15 to \$4,800) and \$4,500 for students in grades 9–12.¹⁸

The maximum value of the voucher for kindergarten through eighth-grade students represents about

43 percent of the total per-pupil revenue of \$11,055 received by traditional public schools in Indiana.¹⁹ The average value of the voucher for the 2012–13 school year was \$3,962.²⁰ Families are responsible for any tuition and fees not covered by the scholarship.²¹

Student Participation, Eligibility, and Requirements. Students between 5 and 22 years old who attended a traditional public or public charter school for the two semesters before enrolling in a voucher school and whose families earn no more than 150 percent of the FRL level can receive a voucher. Students do not need to have previously attended a public school for a year if they meet the following conditions: have an Individualized Education Plan for disabilities and come from families not earning above 200 percent of FRL level; attended or would be attending a public school receiving an E, and their family does not earn above 150 percent of FRL; or have a sibling who received at least a \$800 tax credit scholarship in the previous school year. Students who received a voucher in the previous year under the Indiana Choice Scholarship Program and are from families earning no more than 200 percent FRL also qualify.²²

School Participation, Eligibility, and Requirements. All schools participating must be accredited by one of the eight accrediting bodies recognized by the Indiana State Board of Education. Private schools must administer the state achievement test—the ISTEP+—to all students in grades 3–10 to be eligible to participate in the voucher program. However, almost all private schools in Indiana already administered the state assessment before the voucher program's existence, because the state required them to do so to participate in sports and other extracurricular activities. Scores on this assessment are made public every year and are considered a part of a school's grade.²³ Schools accepting voucher students may use admissions standards, but the standards cannot be higher than what is expected of non-voucher students.

The level of state regulation of Indiana's scholarship program is relatively high. The Fordham Institute ranked it as the second-most-burdened program, just behind the Milwaukee Parental Choice Program. They state that "Indiana's curriculum and instruction

requirements, which include implementation of the statewide elementary-level reading curriculum, are the most extensive of the thirteen programs.”²⁴

The Louisiana Scholarship Program

The Louisiana Scholarship Program launched in New Orleans in 2008 and expanded statewide in 2012. It was originally called the Student Scholarships for Education Excellence Program. Much like Florida’s tax-credit program and Indiana’s voucher program, Louisiana’s program is meant to “empower low-income families.”²⁵ The statewide program had about 12,000 applicants in its second year. Of these applicants, 6,700 were accepted and enrolled in an approved private school for the 2013–14 school year. There were 125 nonpublic schools participating in the program in 2013–14, roughly one-third of the eligible private schools in the state.

For the 2013–14 school year, the average amount awarded to students was \$5,311.²⁶ The voucher amount is equal to 100 percent of the total state and local per-pupil funding in the student’s home district or to the tuition charged by the private school, whichever is less. The average voucher amount was equal to 43 percent of the average per-pupil revenue of \$12,220 received by traditional public schools in Louisiana.²⁷

Student Participation, Eligibility, and Requirements. Students in Louisiana are eligible for the scholarship if their household income is below 250 percent of the federal poverty level. Along with the financial requirement, students must have attended a public school given a C, D, or F in the previous year, an unscored school, or a turnaround school; enrolled in a public school in the Recovery School District; or be entering kindergarten at a C, D, or F school.²⁸ Louisiana’s Department of Education conducts a random lottery to award seats if a particular school is oversubscribed. In the lotteries, students attending D and F schools are given priority over students from C schools.

School Participation, Eligibility, and Requirements. Schools participating in the Louisiana Scholarship

Program must meet certain requirements to accept scholarship students. They must accept the voucher as full payment even if their tuition for nonvoucher students is higher, but may not charge higher tuition than what nonvoucher students are charged if tuition is lower than the maximum scholarship amount.

All schools accepting voucher students must administer the Louisiana School and District Accountability System assessments and (if enrolling 10 or more scholarship students) publicly report scores for voucher-receiving students. Students’ scores on these assessments can affect a school’s eligibility to continue participating in the program. Participating schools cannot employ admissions standards for scholarship students. Louisiana’s regulatory burden is relatively high. Fordham rates it the 5th-most regulated among the 13 programs included in its study.

Notes

1. See, for example, Patrick Wolf et al., “School Vouchers and Student Outcomes: Experimental Evidence from Washington, DC,” *Journal of Policy Analysis and Management* 32, no. 2 (2013): 246–70; Joshua M. Cowen et al., “School Vouchers and Student Attainment: Evidence from a State-Mandated Study of Milwaukee’s Parental Choice Program,” *Policy Studies Journal* 41, no. 1 (2013): 147–68; and Greg Forster, *A Win-Win Solution: The Empirical Evidence on School Choice* (Friedman Foundation for Educational Choice, April 17, 2013), www.edchoice.org/CMSModules/EdChoice/FileLibrary/994/A-Win-Win-Solution--The-Empirical-Evidence-on-School-Choice.pdf.

2. Meagan Batdorff et al., *Charter School Funding: Inequity Expands* (University of Arkansas, Department of Education Reform, April 16, 2014), www.uaedreform.org/charter-funding-inequity-expands/.

3. Unless otherwise specified, all quotes throughout this paper derive from our survey.

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5. David Stuit and Sy Doan, *School Choice Regulations: Red Tape or Red Herring?* (Thomas B. Fordham Institute, January 23, 2013), <http://edexcellence.net/publications/red-tape-or-red-herring.html>.

6. Step Up For Students, “History,” www.stepupforstudents.org/about-us/history.
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14. Florida Senate, “Chapter 1002: Student and Parental Rights and Educational Choices,” 2014, www.flsenate.gov/Laws/Statutes/2011/Chapter1002/All.
15. Florida Department of Education, “Florida Tax Credit Scholarship FAQs,” www.floridaschoolchoice.org/Information/CTC/faqs.asp.
16. Stuit and Doan, *School Choice Regulations: Red Tape or Red Herring?*
17. Figlio, *Evaluation of the Florida Tax Credit Scholarship Program*.
18. *The ABCs of Schools Choice: The Comprehensive Guide to Every School Choice Program in America* (Friedman Foundation for Educational Choice, 2014), www.edchoice.org/School-Choice/The-ABCs-of-School-Choice/ABCs-Green.
19. Batdorff et al., *Charter School Funding: Inequity Expands*.
20. *The ABCs of School Choice*, 37.
21. Indiana Department of Education, “Choice Scholarship Program Frequently Asked Questions for Parents and Students: 2014–2015 School Year,” February 25, 2014, www.doe.in.gov/sites/default/files/choice/choice-parent-faq-2014-2015v1.pdf.
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28. *The ABCs of School Choice*.