

How to Evaluate Educational Voucher Programs

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*Voucher programs generate substantial political debate, because they challenge traditional understandings of how public schools should be financed and organized. This short paper describes a **comprehensive framework** to evaluate voucher programs and establishes the practical questions that policymakers must consider as part of their policy analysis.*

Introduction

Educational vouchers are tuition certificates provided to parents that pay for all or part of the cost to send a child to public or private schools participating in voucher programs. Although private voucher plans exist, it is efforts to fund programs with public dollars that make vouchers controversial. Publicly financed educational vouchers allow families to privately determine how taxpayer money should be spent on their children's education.

The impact of voucher plans on school performance is hotly debated. Supporters claim that market benefits, such as choice and competition, will improve school effectiveness and productivity. Opponents assert that vouchers will lead to greater inequality, increased segregation and rising costs, but do little or nothing to improve student achievement.

Most of the debate over vouchers has focused on student performance on standardized tests. This focus on test scores ignores the impact of voucher programs on other important functions of education. In this short paper, we present a framework for the comprehensive analysis necessary when considering vouchers or any proposed education reform.

Educational Intent in a Democracy

Public education in a democratic society serves both public and private ends:

- In a society characterized by ethnic, religious, regional and economic diversity, education must promote common values necessary for citizenship - but respect parents' particular viewpoints.
- Schools must provide standardized skills and knowledge needed for a productive workforce - but also enable each student to pursue individual economic prosperity.
- Schools are expected to ensure equal opportunities, but encourage competition and grant individual rewards.

These conflicting goals illustrate the tensions located within any proposed education reform. In a complex democracy, a public education system must be responsive to parental preferences while remaining focused on promoting good citizenship and ensuring equity. The challenge is to balance individual preferences with universal expectations.

Criteria for Evaluating Educational Voucher Programs

The debate over educational vouchers, or any other educational reform, can be framed by applying four criteria of particular importance to the public and private interests in schooling. A fair and comprehensive assessment can then ascertain whether the proposed initiative balances public and private interests, and should be pursued or rejected.

1. **Freedom to Choose.** Families have the right to select schools for their children that reflect their values, beliefs, and backgrounds. An evaluation of freedom of choice considers how an education reform impacts parental options. Voucher advocates typically place far greater importance on this criterion than detractors.
2. **Social Cohesion.** An examination of social cohesion investigates how an education reform affects participation in social, political, and economic processes. Voucher opponents believe that to become effective citizens students must share a common educational experience and fear that discrimination and limited options will separate and isolate students, while reducing public support for public education.
3. **Productive Efficiency.** An assessment of productive efficiency determines how an education reform seeks to maximize educational results for any given amount of resources. Voucher advocates assume market competition among schools will create strong incentives, not only to meet student needs, but to improve education productivity. Detractors insist market strategies produce neither efficiencies nor excellence in schooling.
4. **Equity.** An evaluation of equity considers how an education reform provides fair access to educational opportunities and resources. Opponents claim vouchers will foster inequality and increase segregation because private schools may use selective admissions policies and decline to provide services needed by some students, and because some parents are better informed and have greater resources. Equity is also a factor if vouchers reduce the funds available to public schools. Voucher advocates stress that choices will help students confined to inferior neighborhoods escape to better learning environments, and competition will increase the supply of effective schools.

Analyzing Educational Voucher Programs

There is no single ‘voucher plan.’ There are many different plans, each emphasizing a different mix of the four priorities listed above. For example, a voucher of high value that includes transportation may increase choice and equity, but the higher cost of the program may reduce productive efficiency. When analysing a publicly funded voucher program, the following key questions in three areas must be considered:

Finance. The learning opportunities available to students are significantly affected by the monetary value of the voucher they receive. A voucher of high value may encourage more schools to participate, but it will be more expensive. Wealthier families will benefit disproportionately if schools can charge tuition beyond the value of the original voucher.

Key Questions Related to Financing Vouchers:

- How much is the voucher worth? Is the value of the voucher high, medium, or low when compared to the tuition costs of area schools? Will the voucher ensure an abundant supply of schools?
- Is the value of the voucher determined by the cost associated with educating each child? For example, do students who require bilingual education, special education, and compensatory education receive greater financial support? Are vouchers more substantial in locations where education is more expensive?
- Can schools charge parents tuition in excess of the value of the voucher? Can schools charge parents additional fees for specific services (e.g. transportation)?
- What will the program cost to administer, monitor, and evaluate?
- What impact will the program have on public school funding?

Regulation. Voucher programs include regulations regarding which schools and which students may participate. Regulations may also address curriculum, teacher qualifications, assessments, admissions policies, employment practices, and the applicability of health and safety codes and civil rights laws.

Key Questions Related to Voucher Regulation:

- Who may receive a voucher? Can schools practice selective admissions or is admission by lottery? May schools demand certain activities (e.g. volunteering) from parents and students? What due process rights do voucher students have?
- Must participating schools provide needed services to students with disabilities?
- Must participating schools follow the state academic standards? Must participating students take the same tests required of public school students? Must schools publish disaggregated test results?
- Can schools promote religion or religious practices or political views? May religious or political organizations sponsor voucher schools?
- What employment and certification standards must school personnel meet?
- Are the financial records of voucher schools available to the public?

Support Services. The effectiveness of a voucher system is dependent on publicly provided support services, such as transportation, information disseminations, and dispute adjudication. When adequate support services are not provided, choice is reduced. The subsequent lack of competition can impair efficiency and create inequity for those who cannot afford to buy these services in private markets.

Key Questions Related to Support Services:

- Is transportation to all schools required? Are additional services available for the needs of bilingual and special education students? Are remedial programs provided at no additional cost?
- Are schools required to provide accurate information on philosophies, curriculum, staff qualifications, facilities, practices, and student achievement? Is there a mechanism for disseminating accurate information to parents and students about school choices? Is assistance available to help parents gather pertinent information and make informed choices?
- Is there a system for adjudication of disputes between schools and parents?

Evaluating Voucher Implementation

The design of a voucher program is a major determinate of the extent to which the program will emphasize choice, social cohesion, productive efficiency, or equity. Of course, how the program is implemented matters as well. Voucher programs must be evaluated based not only on student test performance, but also on how the program impacts the four criteria of choice, social cohesion, productive efficiency, and equity – and how it answers the key questions on finance, regulation, and support. Questions for a comprehensive evaluation include which students are taking advantage of choice; whether schools are more or less segregated by race and class; the impact on school finance as well as the effects on achievement for different groups of students.

Asking the Right Questions on Educational Vouchers

The policy issues surrounding educational vouchers are complex. Any educational system is a trade-off among the four criteria: freedom of choice, social cohesion, productive efficiency, and equity. Ultimately, the debate over educational vouchers reflects the balance of these criteria preferred by stakeholders. The differences in the design features of voucher plans, and the multiple educational goals they serve, suggest the need for a detailed, conscious and comprehensive approach to the evaluation of educational vouchers and their consequences. The framework presented here provides a useful context for addressing the tradeoffs that result from compromising the values, preferences, and design issues of education reformers.