

Charter Schools

What are charter schools?

Charter schools are public institutions, supported by public funds. However, they have greater freedom from state rules and regulations than traditional public schools. Charter schools are typically free to hire or fire personnel, design curriculum, and promote specific values. A charter school must negotiate a contract (charter), usually with a local school district or charter authorizer designated by the state. Each charter may vary, because each state has different education laws and each charter school is designed to be unique in focus or student clientele. However, all contracts describe school goals, how the school will be run, the amount of public money it will receive, and the degree of freedom it will be given.

For continued reading on charter school design, development, and law see the following NCSPE articles:

Occasional Paper 40: Scott, Janelle T. and Margaret E. Barber. 2001. "Charter Schools in California, Michigan, and Arizona: An Alternative Framework for Policy Analysis." http://www.ncspe.org/publications_files/468_OP40_v7.pdf

Occasional Paper 77: Henig, Jeff, et al. 2003. "The Influence of Founder Type on Charter School Structures and Operations." http://www.ncspe.org/publications_files/OP77.pdf

Occasional Paper 79: Buckley, Jack and Simona Kuscova. 2003. "The Effects of Institutional Variation on Policy Outcomes." http://www.ncspe.org/publications_files/OP79.pdf

Why are charter schools controversial?

The charter school movement believes giving individual schools greater freedom makes education more effective, because the needs of each community are addressed. Less regulation means there are many different kinds of charter schools. Charter schools may serve gifted students, low-income families, or religious communities. Educators and politicians argue about whether it is good to have large differences between schools. The potential advantages and disadvantages of charter schools are listed below.

What are the possible advantages of charter schools?

- **Increased Innovation.** Charter schools have the independence to try new forms of teaching and experiment with the best way to reach their students.
- **Increased Efficiency.** Charter schools avoid a myriad of challenging government regulations and the interference of state officials.
- **Greater Accountability.** Charter schools must attract students to succeed. If they do not attract sufficient numbers of students, they will close for budgetary reasons or their charter can be taken away.

- **Increased Competition.** Charter schools treat education as a product and must compete for families as customers. This is an ultimate form of accountability.
- **Private Resources.** Many charter schools have succeeded in attracting considerable philanthropic gifts to support richer programs.

What are the possible disadvantages of charter schools?

- **Greater Inequality.** Charter schools may not help all students. Admission requirements, transportation costs, and limited information can prevent disadvantaged students from attending a charter school.
- **Fewer Resources.** Few charter schools receive money to pay for start-up costs. Charter schools may have poor facilities and classroom resources.
- **Lack of Standards.** Freedom from regulations allows charter schools to avoid important standards, such as teacher certification.
- **Group Exclusion.** Schools that are sponsored by individual communities can reject important values and exclude particular groups.

For further consideration of the debate surrounding charter schools, see the following NCSPE articles:
Occasional Paper 4: Bettinger, Eric. 2000. "The Effects of Charter Schools on Charter Students and Public Schools." http://www.ncspe.org/publications_files/182_OP04.pdf
Occasional Paper 41: Miron, Gary and Christopher Nelson. 2001. "Student Academic Achievement in Charter Schools: What We Know and Why We Know so Little." http://www.ncspe.org/publications_files/590_OP41.pdf
Occasional Paper 72: Holmes, Mark, et al. 2003. "Does School Choice Increase School Quality?" http://www.ncspe.org/publications_files/OP72.pdf
Occasional Paper 75: Buckley, Jack and Mark Schneider. 2003. "Government Institutions and Citizen Participation: Can Charter Schools Build a Foundation for Cooperative Behavior?" http://www.ncspe.org/publications_files/OP75.pdf

How large is the Charter School Movement?

The first charter school legislation was established in Minnesota in 1991. Since then, political support to increase school choice and empower local school districts has aided the charter school movement. Charter schools have grown rapidly over the past decade. However, most individual charter schools remain small and have class sizes smaller than traditional public schools. About 55% of all students in charter schools are in grades K-8 (SRI International, 2002). The chart below illustrates the rapid growth of charter schools.

Category	1995	1998	2000	2003
Number of Schools	252	1,484	1,988	2,695
Number of Students	58,620	230,299	430,000	684,000

Sources: Center for Education Reform. [<http://www.edreform.org>]. RPP International. (1997) *A Study of Charter Schools: First-Year Report*. [<http://www.ed.gov/pubs/charter/index.html>]. RPP International. (2000) *The State of Charter Schools, 2000: National Study of Charter Schools. Fourth-Year Report*. [<http://www.ed.gov/pubs/charter/index.html>]. SRI International. (2002). *A decade of Public Charter Schools: Evaluation of the Public Charter Schools Program*. [<http://www.sri.com/policy/cep/choice/yr2.pdf>]

Available evidence on student achievement in charter schools shows a mixed pattern of results. However, no evidence has convincingly demonstrated that charter schools offer superior results to traditional public schools.

For further consideration of specific state charter school reforms see the following NCSPE articles:

Occasional Paper 39: Lubienski, Chris. “Institutionalist and Instrumentalist Perspectives on ‘Public’ Education: Strategies and Implications of the School Choice Movement in Michigan.” http://www.ncspe.org/publications_files/834_OP39.pdf

Occasional Paper 71: Schneider, Mark, Jack Buckley and Simona Kucsova. 2003. “Making the Grade: Comparing DC Charter Schools to DC Public Schools.” http://www.ncspe.org/publications_files/OP71.pdf

Where can I find out more about charter schools?

Charter School information located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=2>

Books reviewing charter schools have been published by:

Gill, Brian et al. 2001. *Rhetoric Versus Reality: What We Know and What We Need to Know about Vouchers and Charter Schools*.
<http://www.rand.org/publications/MR/MR1118/>

Miron, Gary and Christopher Nelson. 2002. *What’s Public about Charter Schools: Lessons Learned about Choice and Accountability*. Thousand Oaks, CA: Corwin Press.

Zimmer, Ron and Richard Buddin et al. 2003. *Charter School Operations and Performance: Evidence from California*.
<http://www.rand.org/publications/MR/MRI700/>.

For an interesting article on charter schools see:

Sugarman, S. 2002. “Charter school funding issues.”
<http://epaa.asu.edu/epaa/v10n34.html>

For additional information from internet resources see:

The US department of Education sponsored website on charter schools at:
<http://www.uscharterschools.org>

The Center for Education Reform– a strong advocate for charter schools– at:
<http://www.edreform.com>

Home-Schooling

What is home-schooling?

Home-schooling is often perceived as the ultimate privatization of education, because parents must secure funding, choose curriculum content, and determine how to grade and progress their child. Home-schooling occurs when a family decides to teach their child at home and a parent assumes responsibility for the formal instruction of his or her child.

For further reading on the development and character of home-schooling see the following NCSPE articles:
Occasional Paper 48: Nemer, Kariane Mari. 2002. "Understudied Education: Toward Building A Home-Schooling Research Agenda." http://www.ncspe.org/publications_files/114_OP48.pdf
Occasional Paper 62: Belfield, Clive. 2002. "The characteristics of Home-Schoolers: New Evidence from High Schools." http://www.ncspe.org/publications_files/932_OP62_v2.pdf
Occasional Paper 64: Isenberg, Eric. 2002. "Home Schooling: School Choice and Women's Time Use." http://www.ncspe.org/publications_files/406_OP64.pdf

Why is home-schooling controversial?

Home-schooling has become an attractive choice for families that hold values not promoted in public schools or existing private schools. Families may home-school to teach religious beliefs and alternative values. This agenda may make educators and politicians nervous, especially when home-schoolers avoid other tasks of public education, such as citizenship preparation. In addition, recent plans have used public money to fund home-schools. Both California and Alaska allow home-school charter schools, while charter schools that use the internet to instruct students are popular with home-school parents. The potential advantages and disadvantages of home-schooling are listed below.

What are the possible advantages of home-schooling?

- **Individual Attention.** Unlike in a large classroom setting, home-schooled children receive the full attention of their parental teacher.
- **Greater flexibility.** With limited students, a parent can design a curriculum that addresses the specific talents and needs of each child.
- **Reduced Peer Pressure.** Public education often encourages unhealthy forms of competition among students. Home-schooling allows students to focus on learning.
- **Promotes Family.** Many people believe parents have the right to promote core beliefs and values in their children. Home-schooling enables this process.

What are the possible disadvantages of home-schooling?

- **Greater Costs.** Home-schooling usually requires the family to absorb the total cost of their child's education, including classroom materials and technology unless provided through charter school provision.
- **Poor Civic Participation.** Learning in a group promotes social learning and values of citizenship. An isolated home-schooled child does not encounter the diverse perspectives needed to develop shared values.
- **Lost Social Services.** Public schools not only educate, but also provide many social services through trained workers. Home-school families lack such expertise and resources.
- **Lack of Quality Control.** If education is privatized through the family, it becomes difficult to ensure that competent instruction is provided or that a student is engaged in learning. Only a few states require home-school students to be tested.

For further consideration of the debate surrounding home-schooling see the following NCSPE articles:
Occasional Paper 45: Nemer, Kariane Mari. 2002. "Exploring the Democratic Tensions with Parents' Decisions to Home School." http://www.ncspe.org/publications_files/690_OP45.pdf
Occasional Paper 49: Belfield, Clive. 2002. "Modeling School Choice: A Comparison of Public, Private-Independent, Private-Religious, and Home-Schooled Students." http://www.ncspe.org/publications_files/20_OP_49.pdf

How large is the home-school movement?

Home-schooling is legal in all fifty states. In fact, children have been home-schooled throughout United States history, but with the rise of a public education system, home-schooling declined. However, increased criticism of public education has helped revitalize home-schooling. By 2003, about one million students were taught at home (Lines, 1998). It has proven difficult to measure exactly how strong the home-school movement is. For example, despite large numbers, the average home-school education has been estimated as lasting only two years (Lines, 2002). Below the size of home-schooling is compared to other educational reforms.

Participation	Home-schooling	Charter Schools	Public Vouchers
Number of states	50	41	3
Number of students	800,000 - 1.23 mil	684,000	24,681

Sources: Center for Education Reform: [<http://www.edreform.org>]. *Home Education across the United States*. (1997). Purcellville, VA: Home School Legal Defense Association. Pp. 2-3. Lines, Patricia M. (Spring 1998). *Homeschoolers: Estimating Numbers and Growth*. (Washington D.C.: National Institute on Student Achievement, Curriculum, and Assessment, Office of Education Research and Improvement, U.S. Department of Education. National Center for Education Statistics (NCES). (2001). *Homeschooling in the United States: 1999*. [<http://nces.ed.gov/>]

Where can I find out more about home-schooling?

Home-school information located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=5>

Books and articles reviewing home schooling include:

Bauman, KJ. 2002. "Home-schooling in the United States: Trends and characteristics." <http://epaa.asu.edu/epaa/v10n26.html>

Lines, P. 2002. "Support for home-based study." *Eric Clearinghouse on Educational Management*, University of Oregon. National Center for Education Statistics (NCES). 2001. Homeschooling in the United States: 1999. <http://nces.ed.gov/>

Stevens, ML. 2001. *Kingdom of Children. Culture and Controversy in the Home-Schooling Movement*. Princeton University Press: Princeton.

For additional information from internet resources see:

The National Center for Education Statistics at: <http://nces.ed.gov>

The Home School Legal Defense Association– a strong advocate for home school education– at: <http://www.hsllda.org>

Education Vouchers

What are education vouchers?

Educational vouchers represent a system of education finance in which parents are given a tuition certificate that can be used to attend participating public or private schools. Education vouchers can be paid by public (government) or private (corporations, foundations) funds. Many different kinds of voucher plans have been proposed. Each may address the needs of different students and emphasize different priorities. For example, the dollar amount of a voucher differs considerably among different plans. Also, a voucher can be given to low-income students, to students in failing schools, or to the entire population. However, all publicly-funded voucher programs take funds usually given directly to public schools and allocate them to parents to decide where money for their child's education will be spent.

For further discussion of education vouchers, see the following NCSPE article:

Occasional Paper 5: Levin, Henry M. 2000. "A Comprehensive Framework for Evaluating Educational Vouchers." http://www.ncspe.org/publications_files/245_OP05.pdf

Why are publicly-funded education vouchers controversial?

Publicly-funded education vouchers allow families to make private decisions regarding how public taxpayer money should be spent. Therefore, a voucher program hopes to create an educational market where schools must compete for students. Supporters claim market benefits, such as choice and innovation, will improve education. Opponents fear that vouchers will lead to greater inequality and the loss of civic preparation. Current evidence concerning the impact of vouchers is disputed. The potential advantages and disadvantages of publicly-funded vouchers are listed below.

What are the possible advantages of publicly-funded vouchers?

- **Increased Choice.** A tuition certificate, especially for low-income families, helps parents afford to choose a school suited to their child's needs.
- **Greater Competition.** As families gain the ability to choose the school their child attends, schools may have to improve to attract students.
- **Targeted Assistance.** Vouchers can be aimed at a particular struggling student population and offer assistance without changing the entire public education system.
- **More Parental Discretion.** Vouchers provide parents with significant authority over the knowledge and skills their child will learn.

What are the possible disadvantages of publicly-funded vouchers?

- **Increased Inequality.** Unregulated markets may produce widely varying quality and school focus.
- **Difficult Implementation.** Many private schools refuse to participate in voucher programs and there may be more interested students than seats available.
- **Administrative Costs May Rise.** New administrative and functional oversight, informational services, and transportation will need to be addressed to run a voucher program. This creates additional costs.
- **Loss of Public Sphere.** If education becomes a private decision of the family, there is little incentive to engage in public discourse and activity.

For further discussion of the debate surrounding education vouchers, see the following NCSPE articles:

Occasional Paper 54: Fischel, William A. 2002. "An Economic Case against Vouchers: Why Local Schools are a Local Public Good." http://www.ncspe.org/publications_files/101_op54.pdf

Occasional Paper 56: Brunner, Eric and Jon Sonstelie. 2002. "Homeowners, Property Values, and the Political Economy of the School Voucher." http://www.ncspe.org/publications_files/938_OP56.pdf

Occasional Paper 67: Kane, Pearl. 2002. "An Interview with Milton Friedman on Education" http://www.ncspe.org/publications_files/240_OP67.pdf

Occasional Paper 76: Merzyn, Wolfram and Heinrich W. Ursprung. 2003. "Voter Support for Privatizing Education: Evidence on Self-Interest and Ideology." http://www.ncspe.org/publications_files/OP76.pdf

What was the Zelman decision? Why is it important?

The case *Zelman et al. v. Simmons-Harris et al.* gained national attention when the Supreme Court declared that vouchers could be used to attend religious schools under specific circumstances. The case concerned the Cleveland Scholarship and Tutoring Program, which provided students with vouchers to attend public and private schools. Nearly all voucher recipients attended religious schools. Voucher opponents insisted the Cleveland program violated the separation of church and state. Defenders of the voucher program claimed students simply enrolled in the best schools available. For example, 46 of the 56 schools willing to accept vouchers held a religious affiliation. On June 27, 2002, in a 5-4 ruling, the court found that Cleveland's voucher program did not violate the Establishment Clause of the First Amendment and was allowed to continue operation.

The influence of the Zelman decision continues to be debated. Many voucher advocates believe legal acceptance is a crucial step forward in promoting widespread voucher programs. However, legal scholars and educators note that the ruling only applies to federal law. Many state constitutions explicitly prohibit the use of public dollars to fund religious education, which may obstruct future voucher programs.

For further reading on the recent Zelman et al. v. Simmons-Harris et al. Supreme Court ruling, see the following NCSPE articles:

Occasional Paper 50: Belfield, Clive and Henry M. Levin. 2002. “Does the Supreme Court Decision on Vouchers Really Matter for Education Reform?” http://www.ncspe.org/publications_files/911_OP50.pdf
Occasional Paper 51: Kemerer, Frank R. 2002. “The US Supreme Court’s Decision in Cleveland: Where to From Here?” http://www.ncspe.org/publications_files/538_OCCP51.pdf
Occasional Paper 61: Belfield, Clive and Henry M. Levin. 2002. “What Does the Supreme Court Ruling Mean for School Superintendents?” http://www.ncspe.org/publications_files/914_AASAFinal.pdf

How large are publicly-funded voucher programs?

Despite the significant attention given to educational vouchers, there are only a few, small voucher programs in existence. Many proposals for voucher programs have met sharp resistance from state legislators and local citizens. At present, only three states have operational voucher programs. A few other states are debating creating a voucher program. The chart below details current voucher programs in the United States.

State	Targeted Location	Target Population	Number of students (2002)	Current Status
Ohio	Cleveland	Lottery preference for low-income students	5,147*	Operational
Wisconsin	Milwaukee	Low-income students	11,670*	Operational
Florida	State-wide	Students in failing schools and eligible disabled student	9,270*	Operational
Colorado	Denver	“free and reduced lunch” students in participating districts	0	Approved, facing legal challenge
District of Columbia	Washington D.C.	Middle and low-income students (family of 4<52,000)	0	Under review of legislature

Source: American Education Reform Council. <http://schoolchoiceinfo.org>

Evaluations of the impact of vouchers on educational achievement suggest no substantial differences in student achievement.

For further reading on state voucher programs, see the following NCSPE articles:
Occasional Paper 42: Catterall, James and Richard Chapeau. 2001. “Voting on Vouchers: A Socio-Political Analysis of California Proposition 38, Fall 2000.” http://www.ncspe.org/publications_files/487_OP42.pdf

Occasional Paper 78: Lenti, Leighann. 2003. "A New Wave of Voucher Programs? The Colorado Opportunity Contract Pilot Program."
http://www.ncspe.org/publications_files/OP78.pdf

Where can I find out more about publicly-funded vouchers?

Information about publicly-funded vouchers located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=6>

Books on education vouchers include:

Howell and Peterson. 2002. *The Education Gap: Vouchers and Urban Schools*. Washington D.C.: Brookings Institution Press.

Hoxby, C.M. 2003. *The Economics of School Choice*. Chicago, IL: University of Chicago Press.

Levin, H. 2001. *Privatizing Education: Can the Marketplace Deliver Freedom of Choice, Efficiency, Equity and Social Cohesion*. Boulder, CO: Westview Press.

For additional information from internet resources see:

Education Commission of the States at:

<http://www.ecs.org>

People for the American Way– an advocate for public education– at:

<http://www.pfaw.org>

Manhattan Institute– an advocate for private education– at:

<http://www.manhattan-institute.org>

For-Profit Schools

What Are For-Profit Schools?

There are two types of for-profit schools. The first kind is a school that operates as a business and attempts to make a profit from its educational operation. The school receives a fee for each student it enrolls. The second kind is an educational management organization (EMO) that contracts with school districts and charter schools to operate public schools. The most important difference between the two types of for-profit schools is that EMOs usually manage schools receiving public funds. Most for-profit schools function as EMOs.

For further discussion of for-profit schools, see the following NCSPE articles:
Occasional Paper 14: Levin, Henry M. 2001. "Thoughts on For-Profit Schools." http://www.ncspe.org/publications_files/7_OP14.pdf
Occasional Paper 22: Fitz, John and Brian Beers. 2001. "Educational Management Organizations and the Privatization of Public Education: A Cross-National Comparison of the USA and the UK." http://www.ncspe.org/publications_files/495_OP22.pdf
Occasional Paper 47: Levin, Henry M. 2002. "The Potential of For-Profit Schools for Education Reform." http://www.ncspe.org/publications_files/179_OP47.pdf

Why are for-profit schools controversial?

For-profit schools seek to use the principles and practices of business to improve schools. Therefore, the main concern of management is realizing profits and promoting growth. Proponents of for-profit schools claim business models will benefit students, because financial success depends on providing a quality education. Schools must improve if they are to compete for students. Opponents fear for-profit schools will make students a secondary concern and eliminate beneficial programs that are too expensive or take shortcuts to enhance profitability. The potential advantages and disadvantages of for-profit schools are listed below.

What are the possible advantages of for-profit schools?

- **Greater Efficiency.** For-profit schools have incentives to be efficient and to eliminate unnecessary expenses.
- **Increased Competition.** To gain fees and attract students, for-profit schools are encouraged to offer quality educational programs and produce successful results.
- **Responsive to Clientele.** For-profit schools treat families as customers. Thus, each school must adapt to the needs and desires of its student population.
- **Encourages Innovation.** As with any business, a for-profit school benefits from offering new products. This induces for-profit schools to experiment.

What are the possible disadvantages of for-profit schools?

- **Lack of Knowledge.** A proven blueprint for operating a for-profit school does not exist. Thus, management teams may make costly errors.
- **Misguided Focus.** The fundamental purpose of a school is to educate, not make money. Essential school functions may conflict with realizing profits.
- **Eliminated Services.** For-profit schools may minimize or eliminate social services readily available in public schools, because of the large cost.
- **Large Added Costs.** The unique costs of running a for-profit school, such as promotion and marketing may serve to drain instructional resources.

For further consideration of the debate surrounding EMOs, see the following NCSPE articles:

Occasional Paper 60: Bulkley, Katrina E. 2002. "Recentralizing Decentralization? Educational Management Organizations Charter Schools' Educational Programs." http://www.ncspe.org/publications_files/144_OP60.pdf

Occasional Paper 69: Bulkley, Katrina and Jennifer Hicks. 2003. "Educational Management Organizations and the Development of Professional Community in Charter Schools." http://www.ncspe.org/publications_files/133_OP69.pdf

What is the size of the for-profit school sector?

Since there are only a very small number of for-profit schools, they have had a limited influence on education. For-profit efforts have benefited from the charter school movement. Of the estimated 417 schools managed by EMOs, 320 operate charter schools (Molnar, Wilson, & Allen, 2003). Recent years have seen the development of large, influential EMOs, such as Edison Schools, Mosaica Advantage, and Chancellor-Beacon. But these corporations have struggled to show profits. There have been few systematic evaluations of for-profit schools and available reports show mixed results for academic achievement.

Where can I find out more about for-profit schools?

Information about for-profit schools located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=4>

For additional information on for-profit schools see:

Miron, Gary and Christopher Nelson. 2002. *What's Public about Charter Schools: Lessons Learned about Choice and Accountability*. Thousand Oaks, CA: Corwin Press.

For additional information from internet resources see:

The Edison Schools website at:
<http://www.edisonschools.com>

Private Schools

What Are Private Schools?

Private or independent schools are those that are sponsored by non-government entities. Almost all private schools in the United States have non-profit status. This means that they are exempt from taxes and pursue an educational mission rather than profit. Although many people think of prestigious boarding schools when the term private school is mentioned, few private schools mirror this design. In fact, almost 50% of private school students attend Catholic day schools, usually located in urban centers, and about 80% attend religious schools (National Center for Education Statistics, 2000). To attend any private or independent school, students must pay tuition. However, non-profit schools do not seek to make profits, but rather to cover their costs. All private schools are subject to state regulation, but usually under loose conditions, which free them to promote the beliefs, values, and practices they favor.

For further reading on private religious schools, see the following NCSPE articles:
Occasional Paper 30: Figlio, David and Jens Ludwig. 2001. "Sex, Drugs, and Catholic Schools: Private Schooling and Non-Market Adolescent Behaviors." http://www.ncspe.org/publications_files/950_OP30.pdf
Occasional Paper 32: Sander, William. 2001. "The Effects of Catholic Schools on Religiosity, Education, and Competition." http://www.ncspe.org/publications_files/727_OP32.pdf

Why are private schools controversial?

Public school advocates fear private schools promote inequality and encourage families to withdraw from the responsibilities of citizenship, although few would deny the right of parents to send their child to a private school. Controversy arises when non-profit schools are allowed to benefit from public dollars. For example, publicly-funded voucher programs allow families to use tax-payer money to pay for private school tuitions. Non-profit schools are often described as models for the privatization of public schools, and therefore remain central to current debates about public schooling. The potential advantages and disadvantages of private schools are listed below.

What are the possible advantages of private schools?

- **Innovation and Flexibility.** With reduced state regulations, non-profit schools can experiment to develop programs and practices best suited for their students.
- **Increased Choice.** Private schools offer parents an alternative to their local public school and the opportunity to find a community with similar values.
- **Increased Competition.** Private schools must attract their students. They are forced to improve and succeed, because of this competition.

- **Responsive to Clientele.** Private schools view parents and students as clients. Therefore, they must respond to their needs and concerns.

What are the possible disadvantages of private schools?

- **Increased Inequality.** Private schools require tuition and use selective admissions processes, which segregate student populations.
- **Lack of Social Cohesion.** Private schools work with an isolated student population and often promote specific values, which prohibit public discourse.
- **Limited Regulation.** Reduced regulation over private schools allows for the implementation of programs that educators may find objectionable.
- **Institutional Bias.** Private schools that have existed for a long time or are supported by established organizations may reject new ideas and practices.

For further consideration of the debate surrounding private schools, see the following NCSPE articles:
Occasional Paper 3: McEwan, Patrick J. 2000. "Comparing the Effectiveness of Public and Private Schools: A Review of Evidence and Interpretations." http://www.ncspe.org/publications_files/990_OP03.pdf
Occasional Paper 15: Geller, Christopher R., David L. Sjoquist, and Mary Beth Walker. 2001. "The Effect of Private School Competition on Public School Performance." http://www.ncspe.org/publications_files/816_OP15.pdf
Occasional Paper 31: Figlio, David N. and Joe A. Stone. 2001. "Can Public Policy Prevent Private School Cream-Skimming?" http://www.ncspe.org/publications_files/200_OP31.pdf
Occasional Paper 58: Cohen-Zada, Danny. 2002. "Preserving Religious Values through Education: Economic Analysis and Evidence from the US." http://www.ncspe.org/publications_files/618_OP58.pdf

What is the size of the private school sector?

Approximately 5,953,000 students attend 27,223 non-profit schools. This comprises 11% of all students and 23% of all schools in the United States (National Center for Education Statistics, 2000). Most non-profit schools are small, located in urban centers, and possess a religious affiliation. About 80% of non-profit schools enroll less than 300 students (National Center for Education Statistics, 2000). Achievement studies of private schools show mixed results, although some show a slight advantage over public schools with comparable students. The two charts below detail average tuition costs and common religious affiliations of non-profit schools.

Average Private School Tuition: 1999-2000

	All Levels	Elementary	Secondary	K-12 Schools
All Schools	\$4,689	\$3,267	\$6,053	\$6,779

Catholic	\$3,236	\$2,451	\$4,845	\$6,780
Other Religious	\$4,063	\$3,503	\$6,536	\$4,260
Non-Sectarian	\$10,992	\$7,884	\$14,638	\$12,363

Source: Table 61, *Digest of Education Statistics 2002*, National Center for Education Statistics

Where do Private School Students go to School?		
	89-90	99-00
Catholic	54.5%	48.6%
Non-Sectarian	13.2%	15.7%
Conservative Christian	10.9%	15.0%
Baptist	5.8%	6.1%
Lutheran	4.4%	4.3%
Jewish	3.2%	3.3%
Other	4.5%	4.5%

Source: Table 1, *Private School Universe Survey: 1999-2000*, National Center for Education Statistics.

Where can I find out more about private schools?

Information about private schools located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=3>

Books reviewing private schools are few; for an excellent review of private Catholic schools, see:

Sander, William. 2001. *Catholic Schools: Private and Social Effects*. Boston, MA: Kluwer Academic Publishers.

For additional information from internet resources see:

The National Center for Education Statistics at:

<http://nces.ed.gov>

The Council for American Private Education— an advocate for private education— at:

<http://www.capenet.org>

Tuition Tax Credits

What are tuition tax credits?

Education tax credits are intended to reduce the price of private education services, while encouraging parents to use and purchase private resources. Families are allowed to subtract a predetermined amount of private educational expenses from their tax liability. Tuition tax credits represent a unique attempt to build private markets in education.

For further reading on tuition tax credits, see the following NCSPE articles:

Occasional Paper 33: Belfield, Clive R. 2001. "Tuition Tax Credits: What We Know So Far?" http://www.ncspe.org/publications_files/530_OP33.pdf

How are tax credits different than tax deductions?

Tuition tax credits help families to spend money on private education services by allowing all or a portion of this expense to be removed from the amount of tax a family must pay to the state government. The tax a family owes is first determined, then the credit reduces a family's tax burden by the amount of the credit. Unlike a tax credit, a tax deduction reduces the amount of income a family must pay taxes on by the percentage of tax rate rather than the entire dollar amount of the deduction.

Why are tuition tax credits controversial?

Tuition tax credits actively promote private education. Families are provided with a financial incentive, an education tax credit, to pursue private educational opportunities. Thus, opponents claim tuition tax credits undermine public education. Proponents insist tuition tax credits provide parents with opportunities previously reserved for wealthy families.

What are the possible advantages of tuition tax credits?

- **Increased Choice.** Tax credits provide parents with money to choose the school they most desire for their child, rather than the one they can afford.
- **Access to Good Schools.** Tuition costs, especially for poor, urban families can prohibit a child from attending a good school. Tax credits help address this issue.
- **Improved Efficiency.** By facilitating choice and competition, public schools are encouraged to improve services by increasing efficiency.
- **Empowered Parents.** Allowing parents greater control over money spent on education, prompts families to take a greater interest in their child's education

What are the possible disadvantages of tuition tax credits?

- **The Forgotten Lower-class.** To use a tax credit, a family must earn a level of income such that they have a tax liability, unless it is a refundable credit, which is received by families for any amount in excess of their tax burden.
- **Lost Public Revenues.** If a large number of families whose children already attend private schools claim tuition tax credits, the state may have a large drain on its resources.
- **Lack of Social Cohesion.** Tuition tax credits may further segregate students, especially from different social classes, leading to increased social divisions.
- **Undermines Public Schools.** Rather than address and solve the problems of public schools, tuition tax credits openly encourage families who might press for change to attend private schools.

What is the size of the tuition tax credit movement?

Despite state legislators' regular efforts to create tuition tax credit programs, few actually exist. As of fall 2003, only four states allowed tuition tax credits: Arizona, Illinois, Iowa, and Minnesota. While the Minnesota program is restricted to low-income families, tuition tax credits are available to all citizens in the other three states. Florida, Pennsylvania, and Arizona allow individuals and corporations that contribute to voucher or scholarship programs to benefit from tax credits. The chart below identifies the characteristics of current tuition tax credit programs.

Current Tuition Tax Credit Programs			
State	Origin	Eligibility	Tax Credit
Arizona	1997	All Taxpayers	Taxpayers may claim 25% of the first \$1,000 dollars spent on educational expenses. Also, taxpayers can claim up to \$500 (\$625 if filed jointly) for scholarship contributions.
Florida	2002	Corporations	Corporations may claim up to \$50 million dollars annually as a tax credit for donations to scholarship funds. The tax credit may not exceed 75% of a corporation's tax bill.
Illinois	1999	All Taxpayers	Parents may claim a 25% credit on a maximum of \$500 for educational expenses at public, private, and parochial schools.
Iowa	1987	All Taxpayers	Taxpayers may claim 25% of the first \$1,000 spent on educational expenses as a tax credit.
Minnesota	1997	Families with income less than \$37,500	Families with an income less than \$33,500 may claim 75% of first \$1,000 dollars spent on each child as tax credit. The maximum credit for a family is \$2,000. Families that earn between \$33,500 and \$37,500 receive a reduced tax credit.
Pennsylvania	2001	Corporations	Corporations that contribute to scholarship funds receive a 75% tax credit and 90% for a commitment to make the same donation the following year. Up to \$100,000 dollars can be donated annually.

Source: People for the American Way. <http://www.pfaw.org/pfaw/general/default.aspx?oid=12074>

Where can I find out more about tuition tax credits?

Information about tuition tax credits located on the NCSPE website can be found at <http://www.ncspe.org/inforead.php?mysub=8>

For additional information from internet resources see:

People for the American Way– an advocate for public education– at: <http://www.pfaw.org>