

School Choice in Washington, D.C.:
Oversight Policies and Practices for Charter Schools and Vouchers

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Abstract

The Washington, D.C. public schools are often ranked last on national surveys of academic achievement and graduation rates. In order to expand educational opportunities for students in D.C., policymakers on the local and federal level have implemented two school choice programs in the district: charter schools and vouchers. This paper evaluates the oversight practices of these two programs by comparing information from the regulatory organizations themselves and reports from the Government Accountability Office. I will argue that the lack of uniform standards and the failure to enforce stated regulations in the voucher program have created a financially and ethically irresponsible program that must be reformed. Furthermore, the differences in the regulation and oversight of participating voucher schools as compared to charter schools and traditional public schools represent an unsubstantiated faith in the superior quality of private education that must be reevaluated.

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School Choice in Washington, D.C.

Public education is one of the most influential institutions in United States society. It has been at the forefront of battles for racial and socio-economic equality and the location of numerous controversies over individual rights of freedom of speech, religion and privacy. Our schools do not operate independently of other institutions, and they do not have the power to solve all social problems. They are, however, important organizing bodies that impact the lives of many individuals. The education system has the power to perpetuate inequalities that have existed in the United States for many years, or it can help interrupt the continuing cycle of injustices. The decisions we, as a society, make about educational transformation are responsible for which of those directions the education system will take. The types of educational policies, the motivations behind them and the effectiveness with which they are implemented determine the impact that the education system has on broader society.

The poor performance of many urban schools is a commonly discussed political and social issue today. Most policymakers would agree that we must do something to offer a better education to students stuck in schools marked by low test scores and high drop-out rates. The question of how to address these issues, however, is much more complicated. There are numerous opinions as to what the best methods for educational reform are. Two of the most popular and controversial recommendations are charter schools and vouchers. Proponents of these school choice methods argue that the public schools are so bad that we must look outside of the current system for solutions. Much has been written about the effectiveness of charters and vouchers both on a theoretical level and through empirical studies of these programs. In this paper I will compare and evaluate the ways in which two school choice programs in Washington,

D.C.—charter schools and vouchers—are regulated in order to better understand the factors that make these unique types of school choice effective or ineffective.

Why School Choice?

I have chosen to focus this paper on school choice for several reasons. First, as a student of American Studies focusing on U.S. Education, I wanted to study school choice because it is one of the most important topics in education policy today. Second, school vouchers and charter schools are not issues that fall along clear-cut political lines. These policies are supported and opposed for a variety of reasons and by people from different backgrounds. Voucher programs, for example, are often championed by a combination of Conservative policymakers and local Black leaders—an unusual coalition. I was particularly intrigued by the complexity of these issues and hoped to move beyond the simplified political rhetoric that usually surrounds them.

I also have unique personal experiences with school choice that contributed to my interest in this topic. From Kindergarten through eighth grade I attended a private Waldorf school. In high school, I then switched to an alternative public school. Both of these experiences offered me unique learning opportunities that I would not have had in a traditional public school. Both of these schools were small and emphasized hands-on, individualized learning. My experiences in these schools have had an immense impact on my development, academic success and understanding of the world. My status as a white, middle class child with two college-educated parents made it possible for me to attend these schools. Although I have not attended a charter school or used a voucher, I cannot deny the benefits that I have received from school choice.

My political views, however, do not always seem to align with these experiences. In general I am a strong supporter of public education, and I am sometimes critical of families that

choose to send their children to private schools as I believe that this weakens the public school system. Before beginning my research I was wary of proponents of vouchers and charters who talk about individual choice when it comes to schooling. The internal conflict I felt in knowing that I have benefited from school choice and that I am also critical of programs that aim to expand that choice to others led me to this topic. I wanted to gain a better understanding of the complex issues related to school choice in order to challenge my assumptions and have a more complete grasp on one of the most important questions related to educational reform.

Why D.C.?

I decided to focus my research on Washington, D.C. because it offers a unique opportunity to look at vouchers and charters within one school system. The Washington, D.C. school system has ranked very low on national test score surveys and graduation rates for many years and charter schools and vouchers have been introduced as programs to help reform that system. The D.C. charter school system is one of the largest in the United States with close to one third of all public school students attending charter schools in 2008 (Fallis & Witt, 2008). The voucher program in D.C. is the most recent publicly-funded voucher program and is also the first federally-funded program, making it especially interesting. Comparing two school choice programs in the same city system is also useful because it removes several variables that exist when comparing programs in different places.

Scope of Paper

I will begin by defining key terms that will be used throughout the paper. Because of the politically volatile nature of this topic, many of these terms have multiple meanings, and it is

important to be clear about how and why I will be using each term. In Chapter Two I give an in-depth overview of the history of school choice with an emphasis on charters and vouchers. This chapter will give a detailed background on the development of charter schools and vouchers and will also include some of the major ideological arguments for and against these policies. I will also present a summary of the most important empirical studies on school choice. The last portion of this chapter focuses on the development of charters and vouchers in Washington, D.C. This chapter will give the reader a fuller understanding of school choice, so that the D.C. programs can be understood within a broader context.

Finally, in Chapters Three and Four I will compare and then evaluate the oversight policies and practices of the D.C. charter schools and school voucher program. My comparison relies on a combination of information from the oversight agencies themselves—the Public Charter School Board (PCSB) and the Washington Scholarship Fund (WSF)—and reports published by the Government Accountability Office (GAO). I will compare the stated regulations of each program and the enforcement of those policies. I will then give recommendations for how these programs could learn from each other and draw conclusions about the broader theoretical impact of that comparison. I will argue that the oversight practices of both charters and vouchers in Washington, D.C. are in need of reform and that the voucher program could benefit greatly from some of the earlier lessons learned in charter regulation in D.C. More specifically, the D.C. Opportunity Scholarship Program (D.C. OSP) is in need of more clearly stated standards, better infrastructure for enforcing those regulations, and greater transparency so that families can make informed decisions in exercising choice.

Chapter One ~ Defining Terms

Given the controversial status of the topics I will be addressing, it is important to define some of the common terms I will be using. Because of the growth in popularity of school vouchers and charter schools in the last two decades and the continued political debate about their effectiveness and importance, these terms have loaded meanings and varying connotations. While it is impossible to use completely neutral terms, this section will clarify my motivations and bring transparency to my biases in order to avoid confusion.

School Choice

School choice is a broad term that encompasses many educational policies and reforms. School choice serves as an alternative to the traditional way of assigning students to schools in which attendance is determined by housing zones. The school choice debate is more prevalent in urban, suburban and other densely-populated areas since less-populated rural areas are less likely to have multiple schools within a small geographic area. Vouchers, charters, open choice programs, private schools, alternative and magnet schools all fall under the category of choice¹. Generally, the term is used by proponents of one or more of the variations listed above. It is uncommon for an individual or group to oppose school choice as a concept, but there are many politicians, educators and community groups who do not support all of the wide variety of programs that can be considered as examples of school choice (Hochschild & Scovronick, 2003).

Within the umbrella topic of school choice there are several subsets that include public school choice and private school choice. Public school choice is the idea that families should have options within the public school system. There are two types of public school choice. The

¹ Table 1 offers an overview of the types of school choice.

first includes alternative schools, magnet schools and open choice programs that allow parents to choose among schools within a district. These are all publicly-funded and under the control of the local district. The other type of public school choice is charter schools, which are publicly-funded but not under the direct control of the district. Private school choice refers to secular and non-secular, privately or independently-run schools that are outside of the public system in funding and oversight. Vouchers do not fit easily into either of these categories because they include private schools but public funding. These distinctions, however, are not entirely clear: both vouchers and charters are considered “hybrids” thereby blurring the line between public and private school choice (Gill, 2001).

School Vouchers

Voucher is likely the most controversial and loaded term related to school choice. Voucher refers to the use of funding from an outside source that allows parents to send their child to a private school. Vouchers can be offered by private organizations or donors as well as through government programs. In this paper I will use the term voucher to describe only those programs which are publicly-funded.

Proponents of vouchers and organizations that provide them often use the term *scholarship* instead, in order to avoid the more controversial term. While scholarship is an accurate descriptor, it is a broader term than voucher and is less commonly used in this context. Although voucher is more often used by opponents of such programs, it is not exclusively negative. American economist Milton Friedman, who first used the term, was a strong proponent of vouchers, and John Chubb and Terry Moe, more recently published pro-voucher scholars, use

the term as well (Moe, 2001). Despite its lack of complete neutrality, *voucher* is the most useful term available at this time.

Charter Schools

The term *charter* is relatively non-controversial and is used by proponents and opponents alike. A charter school is a publicly-funded but independently-run school. Charter laws vary greatly from state to state in terms of the regulation that is required by the public district. Controversy over charters largely comes from the debate as to whether they are a threat to the traditional “common school” image of public education or an innovative way to reform it (Gill, 2001).

Alternative and Magnet Schools

Magnet schools are public schools with a specific mission or focus. Magnet schools try to attract students by offering a more specialized curriculum than other public schools and are often focused on technology and science or the arts. *Alternative schools* are similar to magnets but are more likely to have a specific pedagogical theme rather than a specialized academic focus. Magnets and alternative schools are usually open to all students within a district and often have lotteries or other admissions policies for selection (National Working Commission on Choice in K-12 Education, 2003). Both of these types of schools fall within the category of school choice because they are focused on giving parents more options and aim to meet the diverse needs of the student population. They are, however, significantly less controversial than charters or vouchers because they do not fundamentally challenge the traditional structure of the public school system in the United States.

Traditional/Conventional Public Schools

Because charter schools represent a controversial departure from the idea of the common school, I will use the term *traditional or conventional public schools* when referring to schools that are publicly-financed and publicly-run by local districts. In this context the term includes regular “neighborhood” public schools, alternative and magnet schools but does not include charter schools or private schools that participate in voucher programs.

Table 1	Purposes and Goals	History	Managed By	Funding	Religious Affiliation
Magnet/ Alternative	<ul style="list-style-type: none"> ▪ Meet diverse needs of community through specialized curriculum and/or teaching methods ▪ increase racial/Socio-economic integration 	<ul style="list-style-type: none"> ▪ Started in 1960's and 1970's 	<ul style="list-style-type: none"> ▪ District 	<ul style="list-style-type: none"> ▪ Public 	<ul style="list-style-type: none"> ▪ no
Open Choice	<ul style="list-style-type: none"> ▪ offer more public choices ▪ increase integration 	<ul style="list-style-type: none"> ▪ 1950's and 1960's used to maintain racially segregated ed system 	<ul style="list-style-type: none"> ▪ District 	<ul style="list-style-type: none"> ▪ Public 	<ul style="list-style-type: none"> ▪ no
Vouchers	<ul style="list-style-type: none"> ▪ increase competition ▪ opportunity and choice for low-income children 	<ul style="list-style-type: none"> ▪ First publicly-funded program started in Milwaukee in 1990 	<ul style="list-style-type: none"> ▪ Private organizations ▪ Some programs allow for-profit, some do not 	<ul style="list-style-type: none"> ▪ Public → parents → private school ▪ Some programs allow parents to pay additional \$ toward tuition 	<ul style="list-style-type: none"> ▪ yes (2002 Supreme Court ruling allows parochial schools to participate)
Charters	<ul style="list-style-type: none"> ▪ increase competition ▪ encourage innovation 	<ul style="list-style-type: none"> ▪ First charter law passed in Minnesota in 1991 	<ul style="list-style-type: none"> ▪ Private organizations and groups ▪ varying eligibility requirements 	<ul style="list-style-type: none"> ▪ Public → schools (per-pupil funding) ▪ Some states offer additional startup, facilities and transportation funding 	<ul style="list-style-type: none"> ▪ Cannot be overtly religious but sometimes include cultural aspects of religion

Glossary

NCLB – No Child Left Behind Act

This federal act was passed in 2001. It set specific standards for academic achievement, curriculum requirements and teacher qualifications.

IDEA – Individuals with Disabilities Education Act

This federal act was passed in 1975 and most recently amended in 2004. It requires school districts to make appropriate arrangements to offer educational services to students with disabilities.

DCPS – District of Columbia Public Schools

The public school system in Washington, D.C.

D.C. OSP – District of Columbia Opportunity Scholarship Program

This publicly-funded voucher program was created by the federal School Choice Incentive Act of 2004.

WSF – Washington Scholarship Fund

The Washington Scholarship Fund is a non-profit organization that runs the D.C. Opportunity Scholarship Program.

GAO- Government Accountability Office

The GAO is a ‘watchdog’ portion of the U.S. Congress, which investigates many publicly-funded programs including the D.C. OSP and charter schools.

PCSB – Public Charter School Board

This is the authorizing and monitoring agency of D.C. charter schools.

BOE – Board of Education

In this paper I will be using BOE to identify the D.C. Board of Education, one of the original authorizing agencies for charter schools.

Chapter Two ~ History of School Choice

Origins of School Choice

“School Choice” is not a new issue. Families have exercised choice for many decades by deciding where to live and how to educate their children. There is a broad range of options available to people who are choosing the type of education their children will receive including traditional public schools, magnet schools, charter schools, private schools, parochial schools, and homeschooling. From a policy perspective, state and district governments also have a wide variety of options for the type of school choice they will support and make available to their constituents (National Working Commission on Choice in K-12 Education, 2003).

The importance of school choice in the United States is closely tied to the societal emphasis placed on individuality and personal freedom. Folklore in the United States often emphasizes the American Dream—a faith in the ability of any individual to succeed through hard work and dedication. Our Constitution demonstrates a strong belief in the importance of individual rights of speech and religion and protects individuals from the tyranny of the majority through standards of privacy and a right to due process that do not exist to the same extent in many other nations.

This American value for individual freedom plays an important role in our education system and is crucial to understanding the arguments related to school choice. One of the most important turning points in education policy in the United States came from the U.S. Supreme Court ruling in the 1925 case Pierce v. Society of Sisters. The

case was brought by two groups in the state of Oregon challenging the constitutionality of the 1922 Compulsory Education Act. This new law required that parents and guardians of children between the ages of eight and sixteen send their children to a public school. Oregon residents had voted in favor of the law in hopes of increasing school attendance and eighth grade completion rates. The Society of Sisters and the Hill Military Academy challenged the Act. The Society of Sisters was a religious organization that offered care to orphans and ran several parochial schools. The Hill Military Academy was a for-profit, private school that emphasized military training and college preparatory education to males between the ages of five and twenty-one. Both groups claimed that Oregon's Compulsory Education Act infringed upon the rights of parents and children to choose their school as well as the right of teachers and other employees of the schools to work where they choose—whether that is in a public or private school. The Supreme Court ruled in favor of the private schools stating that the Act “unreasonably interferes with the liberty of parents and guardians to direct the upbringing and education of children under their control” (Pierce v. Society of Sisters, 1925).

This landmark case was important for several reasons. Soon after the American Revolution, some of the earliest education reformers such as Benjamin Rush² had viewed public education as a necessary tool to assimilate newly arrived immigrants into “U.S. culture” and to create a strong sense of patriotism in children (Rush, 1947). Despite the many changes to societal views on education since the eighteenth century, the question of

² Benjamin Rush (1745-1813) was the State of Pennsylvania's appointed representative to the Continental Congress and a signatory of the Declaration of Independence. He was an influential political and cultural leader and taught medicine at, what would later be, the University of Pennsylvania (Rush, 1947).

what role schools should take in creating an “American” identity has remained controversial and relevant. More than a century after Rush spoke about schools as a necessary tool to create “machines” that would remain loyal to the United States government, some of the same issues were present in the Pierce case. Because private schools were outside the control of the state, many legislators at the time of Pierce viewed private schools as a threat to the goal of assimilating children into U.S. society. In *Rhetoric versus Reality* (2001), Brian P. Gill, a researcher at the RAND Corporation, characterized the Oregon law and others like it as “an attempt to abolish private schools” (Gill, 2001). The Court’s decision in Pierce safeguarded the continued existence of private schools. Additionally, the ruling affirmed and may have even strengthened individual rights in relation to education. The decision in Pierce has served as an important legal and social basis for policy decisions that have greatly expanded school choice.

The first school choice policies came into existence in several Southern states in the latter part of the 1950’s as a response to Brown v. Board of Education (1954)³. Local school boards and district officials created transfer programs in order to give parents of white children the opportunity to move their children to majority white schools while creating the illusion that the school district was complying with the Supreme Court’s decision—a policy that would not have been possible without the societal value for individual choice in the United States (Hochschild & Scovronick, 2003). These early

³ Brown v. Board of Education of Topeka, Kansas (1954) was a landmark civil rights case in which the United States Supreme Court ruled that racial segregation in public schools was a violation of the 14th Amendment.

goals of school choice are particularly interesting because more recently one of the commonly stated goals of choice and voucher programs has been to promote racial and socio-economic integration.

Public school choice gained popularity with the creation of “magnet schools” in the 1960’s. Many districts opened new schools with specific pedagogical goals, often in the hope of increasing integration. By offering a specialized curriculum and drawing from a whole district instead of a small homogenous neighborhood, magnet school founders hoped to attract students from various racial and socio-economic backgrounds⁴ (Hochschild & Scovronick, 2003). Today, magnet schools continue to be a part of many districts’ attempts to create unique learning environments for students. Magnets are funded and operated by the local district and are subject to the same state regulations. They are, however, able to offer a more specific, focused curriculum often with an emphasis on science and technology or the arts (National Working Commission on Choice in K-12 Education, 2003).

Some districts have “open public choice” policies. Instead of assigning students to a school based on the location of their home, or allowing families to choose a magnet or other alternative school, districts may require all families within a district to choose. In Seattle, Washington, for example, families list their top choices for the student and then placements are made based on those preferences. In the case of a school being oversubscribed, the district uses a series of tiebreakers to determine placements such as

⁴ Today, some magnet schools have admissions tests or applications. While still considered ‘public’, selective admissions policies lead some to consider magnets closer to private schools than to traditional public schools.

giving preference to applicants with siblings already attending that school or giving priority to those who live closer to the school⁵ (National Working Commission on Choice in K-12 Education, 2003).

Vouchers and charters are more recent examples of school choice. They differ from magnet schools, alternative schools, and open choice programs, and they are also distinct from each other in some important ways. Magnets, alternative schools and open choice programs are all inarguably public school choice programs. Charter schools and vouchers, on the other hand, combine aspects of public and private education. Both charter schools and vouchers are publicly-funded but in somewhat different ways. Generally, charter schools are given per pupil funding directly from the district or state government and in some cases also receive start-up funding and access to facilities from state or local government. Although they are independently-run, charter schools do not charge tuition to students. Publicly-funded voucher programs, on the other hand, do not give money directly to schools. Instead, tuition payments, in varying amounts, are given to parents who must then use the money to send their child to a participating private school. These schools receive no additional public funding through the voucher program (Gill, 2001).

Vouchers are less common, more controversial and often seen by opponents as a threat to the very idea of public education. The differences in funding described above are partially responsible for the differing levels of opposition to charters and vouchers,

⁵ Up until 2007, Seattle used the racial makeup of the school as a tiebreaker. The use of race in determining school placements in districts that have never been identified as having *de jure* segregation was ruled unconstitutional by the United States Supreme Court in Parents Involved in Community Schools v. Seattle (Parents Involved in Community Schools v. Seattle School District, 2007).

but they do not explain this rift entirely. There is another important distinction that has made charter schools more popular and vouchers more controversial: religion. Because charter schools are public they cannot be explicitly religious, while many voucher programs allow parochial schools to participate (Gill, 2001).

This distinction between charters and vouchers, however, is not entirely clear. As charter schools have become more popular in the last fifteen years, religious groups have begun to apply for charters and establish publicly-funded schools. For legal reasons, these charters cannot have religious symbols in the schools or require that students participate in prayer or other religious worship. As public schools they cannot reject students or teachers because of their religious affiliations. They are, however, able to have courses on religion and can offer religious services and opportunities for worship outside of school hours. The constitutionality of “culturally religious” charter schools has not yet been challenged in court, but as they grow in popularity, such a lawsuit is likely to occur (Bailey & Cooper, 2008).

Vouchers

Background and Ideological Arguments. Both charter schools and vouchers are school reform policies that emerged because of a strong dissatisfaction with the traditional public school system and a belief that one must look outside that system to improve educational quality. These two types of school choice, however, came about independently of one another and were not developed out of the same set of fundamental principles.

Some of the earliest arguments in favor of vouchers began in the middle of the 19th century with British philosopher John Stuart Mill. Like the American education reformer Horace Mann, Mill was a strong proponent of compulsory education but he argued against Mann's "Common Schools" because he thought they forced conformity rather than allowing for individual development. Although he never specifically used the term "voucher," Mill believed that education should be subsidized by the government but provided by private groups (Gill, 2001).

One hundred years later, an American economist, Milton Friedman, made a similar argument for vouchers (Gill, 2001). Friedman argued that because education provides important benefits to society in general—what he referred to as the "neighborhood effect" because it impacts the whole community and not just the individual—there is a government interest in mandating that all people receive education up to a certain age. Like Mill, Friedman believed that schools should be run by private actors but that the government, through taxes, should give parents a set amount of funds that they can use to educate their child in 'approved' educational institutions (Friedman, 1962).

While Friedman and Mill agreed on these basic points, they had somewhat different arguments as to why a voucher-like system is the best way to fund education. Underlying Friedman's arguments was a fundamental belief in free market economic principles. He believed that giving families more choice would generate competition between schools that would lead to the creation of more effective schools that meet the needs of students and the community (Moe, 1995). In Friedman's model, the government

would set minimum standards, similar to safety and sanitation codes in restaurants, but schools themselves, whether run by for-profit or non-profit groups, would compete to meet the needs and preferences of families in the community (Friedman, 1962).

In addition to his fundamental belief in the ability of markets to improve education, Friedman addressed several other issues related to the possible costs and benefits of publicly-funded vouchers. He argued that vouchers would make it easier to raise taxes to fund education. Because private schools are not publicly funded, Friedman believed that parents with children in private schools are opposed to paying more taxes if their children will not benefit directly. If every family were given a certain amount of money to send their child to school, however, Friedman stated that all parents would be more willing to increase spending on education (Friedman, 1962).

Milton Friedman also addressed the question of equality in education. While this was not the focus of his argument, he did acknowledge that opponents of vouchers may argue that a voucher-based education system would lead to social stratification. Friedman wrote that there is no guarantee of equal educational opportunity in the current system due to the small percentage of families that can afford private school tuition and the concentration of “good public schools” in suburban areas. He argued that vouchers would help eliminate the disparities between rich and poor in terms of access to quality education. Friedman proposed that the government would set the minimum voucher amount, which would be equal for each child, but families could also spend additional money on their children’s education (Friedman, 1962). Friedman did not explain how stratification would be avoided if parents are permitted to use their own money to fund

their children's education in addition to the government stipend—an aspect of choice for which he does not propose regulation.

While many of Friedman's original arguments in favor of vouchers remain important today, it is necessary to distinguish his proposal from those of more current theorists who do not argue for a complete overhaul of the educational system. Many proponents of school choice today use Friedman's ideas about competition, but for the most part, they argue for vouchers on a smaller scale and in a particular context—usually to deal with poor performance in urban districts.

In recent years, as vouchers have become a more controversial political issue, proponents have emphasized equal opportunity as the primary goal of voucher programs—public and private. Terry Moe, a senior fellow at the Hoover Institution and Professor of Political Science at Stanford University and one of the leading proponents of vouchers, relied heavily on this argument in his books, *Private Vouchers* (1995) and *Schools, Vouchers, and the American Public* (2001). He criticized the “stagnant bureaucracy” of public education and argued that Conservatives have taken over the role of fighting for the poor and disadvantaged—a position once held by Democrats. Vouchers, he wrote, create social equity by offering poor students in our nation's worst schools the opportunity for a better quality education (Moe, 2001).

On the other side of these ideological arguments are those who believe that business principles cannot be applied to education and view vouchers as a threat to the very idea of public education. In *School Choice and the Future of American Democracy*, Scott Franklin Abernathy, an Associate Professor of Political Science at the University of

Michigan, challenged the idea that market principles should be applied to schools. He acknowledged that the democratic nature of public education may be responsible for some inefficiencies in schools, but he argued that public education's benefits outweigh those negative trade-offs. Additionally, he stated that vouchers rarely create competition that improves public schools (Abernathy, 2005).

In particular, he pointed to “skimming”—a term used to describe the impact of more politically active, often well-educated parents using vouchers for their children, while the children of less-engaged, often less-educated parents remain in poor-performing schools. The risk seen with “skimming” is that if the more active, educated parents in a community are able to use vouchers, it reduces the pressure that those parents would have placed on public schools to improve. Vouchers, therefore, would have an effect opposite what those who argue for the competitive value of vouchers and school choice in general theorized (Abernathy, 2005).

Voucher Programs. After the reform efforts of the 1960's and 1970's, which included programs like magnet schools and open choice, a renewed faith in the power of the free market led to increased conservative support for choice in the 1980's, and in the 1990's voucher programs—publicly and privately funded—grew rapidly (Hochschild & Scovronick, 2003). From 1990 to 2000 the number of students attending private schools through vouchers increased from five thousand to sixty thousand. The majority of these students were participating in privately-funded programs in Indianapolis, San Antonio, New York City, Washington D.C., Dayton and Charlotte, as well as through nationally-

run organizations such as the *Children's Scholarship Fund*. In addition to these private programs, there are also state-sponsored, publicly-funded programs in Milwaukee, Cleveland, Florida and Arizona (Howell, William G. & Paul E. Peterson, 2002).

The first of these state-sponsored voucher programs was started in Milwaukee, Wisconsin in 1990. It was supported primarily by Wisconsin's Republican governor, Tommy Thompson, and African American government officials and community leaders (Hochschild & Scovronick, 2003). The program was open to students from families who qualified for the federal food stamp program. Initially it offered a maximum of \$2,500, which was used to pay students' full tuition to secular private schools. Families were not allowed to pay above that amount and participating schools were required to accept that amount as full payment. Over the next ten years the program included some parochial schools and the monetary voucher amount was raised (Howell, William G. & Paul E. Peterson, 2002).

A similar program began in 1996 in Cleveland, Ohio. As in Milwaukee, the program was aimed at low-income families and was supported by a bi-partisan group. The Cleveland program offered vouchers of up to \$2,250 to children entering kindergarten through third grade (Howell, William G. & Paul E. Peterson, 2002). A controversial aspect of the program was its inclusion of religious private schools. A lawsuit, filed in 1996, which reached the U.S. Supreme Court in 2002, challenged this voucher program. In Zelman v. Simmons-Harris the Court ruled, in a five to four decision, that the use of public funds in this case was not a violation of the Establishment Clause of the U.S. Constitution because the program had a secular purpose and the funds

were being used to benefit families and not the schools themselves. In the majority opinion given by Chief Justice Rehnquist, the Court emphasized the importance of the indirectness with which funding reached the parochial schools. Because the funding was given to parents who were then able to use that money at private schools, rather than being given directly to the religious institutions, the Court felt that it was not an excessive entanglement of Church and State (Zelman v. Simmons-Harris, 2002).

In 1999 Florida began a state-wide voucher program. Jeb Bush had made the voucher program one of his primary platforms in running for governor in 1998, and the authorizing legislation was passed after receiving support from some influential black legislators. Unlike in Milwaukee and Cleveland, voucher eligibility was not based on income level. Instead, any student attending a public school with school-wide average test scores on state exams below a certain number was eligible to apply for the program. Voucher amounts were capped at \$3,389 (Howell, William G. & Paul E. Peterson, 2002). In 2006, the Florida Supreme Court ruled that the voucher program was unconstitutional because of a state law prohibiting the use of taxpayer money going to private schools (Dillon, 2006).

The state of Arizona began a small publicly-funded voucher program in 2006, but on March 25th, 2009, the Arizona Supreme Court ruled that this was a violation of the State Constitution which forbids the use of public money to be used in secular or religious private schools. Arizona also gives tax-credits to individuals that donate funds to private voucher organizations. This tax system will not be affected by the Court's ruling (Fischer, 2009).

Despite the emergence of these state-sponsored private voucher programs, most states have been hesitant to create similar programs because of the threat they pose to traditional public education. California and Michigan both had voucher proposals on the ballot in 2000, and both were rejected by voters. After the failure of these two attempts, many people viewed school vouchers as a policy of the past (Hochschild & Scovronick, 2003).

In Michigan, pro-voucher advocates spent twice as much on their campaign as the anti-voucher groups, and yet voters in every county rejected the voucher proposal. One of the likely causes of the referendum's failure was that it did not specifically target low-income students. Although proponents claimed that vouchers would be targeted at schools with low graduation rates, the policy itself would have allowed any school board in the state to approve vouchers in their district as well. This aspect of the proposal led to fears about the unknown possible cost of the program. The lack of specificity in the law regarding who would be eligible for vouchers also led leaders of local Baptist churches and the NAACP to come out against the proposal, which led many formerly pro-voucher voters in Detroit to vote against vouchers (Keenon, 2000).

The California initiative failed because of reasons similar to those in Michigan. As in Michigan, the pro-voucher campaign had substantially more funding than the anti-voucher campaign but it was still unsuccessful. California's proposal also failed because it was too broad. Unlike in Milwaukee and Cleveland, the proposed reform did not target low-income families. Instead, any student, regardless of family income, was eligible to apply for a \$4,000 voucher. The proposition was defeated two to one and was rejected by

a majority of black and Latino voters—a demographic that typically supports vouchers (Keenon, 2000).

Charters

History of Charter Schools. The term “charter” as applied to education was first used in the 1970’s by a retired educator Ray Budde, who had taught at the University of Massachusetts School of Education. Budde was disappointed by the current state of educational quality in the United States and proposed an idea called ‘chartering’ to several people working in education in New England. Budde argued that by allowing groups of teachers to work together to create new programs or departments within a school, there would be more opportunities for innovative teaching that would better meet the needs of children within the program and would produce new ideas that could be adopted by other teachers and in other schools. A *charter* would be a contract between that group and the district with a set of goals and guidelines for the new program or school (Budde, 1989). Budde’s initial proposal did not suggest applying the charter idea to whole schools, but he would later write that he was not opposed to this more extreme application (Budde, 1996).

At the time, Budde’s proposal received little, if any, support from his peers and colleagues at the University of Massachusetts and other members of the New England education community (Budde, 1996). In 1983 President Reagan’s Commission on Excellence in Education published *A Nation at Risk*—a report on the quality of schools in the United States. This publication would greatly increase interest in and support for

charter schools. The report's strong message heightened concerns about the ability of the United States to compete globally. The report included statements such as:

If an unfriendly foreign power had attempted to impose on America the mediocre educational performance that exists today, we might well have viewed it as an act of war. As it stands, we have allowed this to happen to ourselves (*A Nation at Risk*, 1983).

Out of this environment of fear, policymakers proposed several new types of reform including longer school days and a longer school year (Kahlenberg, 2007).

When *A Nation at Risk* was published, Albert Shanker was head of the influential teachers union, the American Federation of Teachers (AFT). Shanker was a former school teacher from New York City who was a civil rights activist and union organizer. During his time as AFT president, he regularly purchased advertising space to publish a column in the Op-Ed section of the *New York Times* titled "Where We Stand" in which he addressed various issues relevant to the union. He was very critical of what he viewed as a lack of progress in education in the United States during the twentieth century. Although graduation rates had increased substantially, Shanker felt that the overall quality of education had remained the same. Shanker attributed these problems to the stagnant bureaucratic and hierarchical structure of the school system (Shanker, 1988).

In the mid-1980's, Shanker had visited the Holweide Comprehensive School in Cologne, Germany. This school served an ethnically diverse group of students in grades five through eleven. The majority of the students came from low-income families and had

been “written off” by the traditional university-track of the German school system. Within the school, teams of teachers stayed with the same group of students for all six years. The teachers in each team worked together to decide the schedule of the school day, to set the teaching assignments, and to create flexible educational plans for their students. Shanker was intrigued by the combination of freedom and accountability that this school offered its staff. He felt that it allowed teachers to be innovative and creative while simultaneously holding them accountable for the education of their students because they worked with the same students over the course of many years (Shanker, 1988).

In 1988 Shanker published “Restructuring Our Schools,” an educational reform proposal which relied upon what he observed in the Holweide School. Instead of arguing for longer school days or school year—responses to *A Nation at Risk* that most teachers opposed—Shanker argued for the use of charters in the United States (Kahlenberg, 2007). He expanded upon Budde’s idea of charters, proposing that districts encourage groups of six to twelve teachers to submit proposals to a panel. The proposal would include detailed plans for the organization of the school, curriculum, involvement of parents and the community, and plans for evaluation. The newly created panel would review the proposals and then grant charters, allowing groups to implement their plans. Shanker writes that the schools should focus on making students into “knowledge workers,” emphasizing cooperative, interactive learning rather than using a traditional lecture format in which students only listen. The charter would be effective for five to ten years. Additionally, the new charter school would receive the same per-pupil funding as the

regular local public schools and would also receive resources to pay for facilities and materials (Shanker, 1988).

Shanker argued that charter schools should be entirely voluntary for both teachers and families. He also stressed the importance of publicizing individual schools' successes and failures so that other schools—charters and traditional public schools—could learn from the new efforts (Shanker, 1988).

When Shanker proposed his idea in 1988, the federal government opposed charters. Chester Finn, Assistant Secretary of Education under Reagan, argued that charters were too experimental and gave the impression that “we do not know what works in education.”⁶ Teachers unions, including the AFT, supported Shanker’s plan as did many parents (Kahlenberg, 2007).

“Restructuring Our Schools” (1988) coincided with an increased demand for school choice. In 1980 only 12% of parents reported that they supported increased public school choice. By 1990, that number had increased to 62%. This rapid change in public opinion was due to a combination of fear created by the *Nation at Risk* report and a belief that competition within U.S. schools would solve these problems, coupled with a moral call by some education reformers who argued that “neighborhood schools” were inherently unfair to the poor (Kahlenberg, 2001). Despite initial opposition from the federal government, state and local legislatures took interest in charters and began passing charter laws.

⁶ Finn would later support charters and Shanker would become very critical of them. As charter schools spread, Shanker did not believe that they were moving in the right direction. He was concerned by the inclusion of for-profit groups in charters in some states and felt that charters weakened teachers unions instead of strengthening the position of teachers (Kahlenberg, 2007).

Early supporters of charters like Shanker and Budde, did not rely on economic principles to the same extent as individuals like Milton Friedman. Instead, they often emphasized that charters would bring innovation and creativity to education and allow teachers more freedom (Budde, 1989; Shanker, 1988). To a certain extent, this idea of the charter school as a laboratory continues to be used by proponents of charter expansion. In the Center for Reinventing Public Education's "2008 Report on Charter Schools in the United States," Julian R. Betts and Y. Emily Tang argued that one must expect a variety of successes and failures from charter schools given that charters are intended to encourage some risk-taking and innovation (Lake, 2008).

Opponents of charter schools often argue that the idea of experimentation is too risky and a threat to public education. Seymour B. Sarason, Professor Emeritus of Psychology at Yale University, pointed out that several teachers unions were initially opposed to charter schools. They viewed the charter movement as a statement about the public school system's inability to change and argued that it would take money away from public schools (Sarason, 2002).

Additionally some opponents see charters as a step toward privatization and criticize the lack of accountability measures in place. This argument is particularly strong from those who oppose less-restrictive charter laws, like those in Arizona, which allow for-profit groups to start charters (Bracey, 2002).

Charter Laws. In 1991, the Minnesota legislature became the first to authorize the creation of charter schools. Since then charters have spread rapidly all across the

United States. They are the fastest growing type of K-12 schools, and, in 2008, forty states and the District of Columbia had passed laws authorizing the creation of charter schools. In May of 2008 there were approximately 4,600 charter schools serving over 1.3 million students. Charters account for 3% of all public schools in the United States (The National Alliance for Public Charter Schools, 2009). Arizona, California, Colorado, Michigan, Ohio and Texas are among the states with the largest number of charter schools (Education Commission of the States, 2009).

Charter laws vary greatly between states, from very restrictive to non-restrictive in terms of regulation and funding. Variations between states can usually be explained by differences in local education conditions and the political climate of the state. States regulate the number of charters that can be granted, who is eligible to apply for a charter, and the level of state or local oversight. Kansas, which started its charters in 1994, has one of the most restrictive charter laws. All teachers must be state certified and the student body of each charter must reflect the racial and socio-economic makeup of the district. The authorizing board can only approve fifteen new charters each year, and they have a relatively short initial charter term of three years. The State of Kansas does not allow private schools to convert to charter status and does not offer any start-up funding for charter schools. Arizona, on the other hand, has the least restrictive policy and the largest number of charters relative to population. Charter schools are free from almost all state regulations over schools and are approved for fifteen years. Anyone is eligible to start a school including private schools and for-profit groups (Gill, 2001).

States also vary in their motivations for and goals in authorizing charters. In *Charter Schools and Accountability in Public Education* (2002), Paul Hill and Robin Lake, researchers for the Center for Reinventing Public Education, identified four main rationales motivating charter legislation. The first is the Experimentation and Innovation Theory, which is quite similar to the earlier arguments made by Budde and Shanker. Georgia's charter law, for example, argues that educational quality will improve by giving schools more freedom to adjust curriculum and structure. In recent years this has become more complicated because of an increased federal role in regulating schools. By tying federal funding to a set of requirements, the No Child Left Behind Act of 2001 (NCLB), essentially forces states to set and meet specific standards for student achievement as measured by standardized test scores (D.C. Public Charter School Board, 2008). This federal policy has complicated the system of accountability previously used in charter schools. Because charters are publicly-funded, they are subject to the regulations of NCLB and have less freedom from regulation than was originally envisioned.

Charter laws in California and Colorado emphasize the need for Standards-Based Reform. This second rationale, described by Hill and Lake, is based on the idea that the use of charters, along with reforms in traditional public schools, would help improve student performance through increased accountability. The third theory identified, seen in Massachusetts and Michigan, emphasizes the need for innovation. In these states, the authorization and funding for charters is entirely separate from the local school board in order to allow more autonomy for newly formed charters (Hill & Lake, 2002).

The final rationale described by Hill and Lake is the idea that opening up the education sector to market forces will lead to competition between schools and improve the overall quality of education. This idea is best represented by the Arizona charter system (Hill & Lake, 2002). This is closely tied to arguments by many proponents of vouchers who argue that economic business principles can be applied successfully to education. These four charter justifications are not entirely separate, and most states have multiple reasons for creating charters that derive from combinations of these theories.

Empirical Evidence

Although ideological arguments seem to dominate the school choice debate, there have also been attempts to evaluate vouchers and charters through empirical studies. Overall, there are few definitive answers to the questions about the effectiveness of vouchers and charters. While some research has been done, there are no substantial long-term studies that provide significant results. There are, however, some smaller-scale results that provide information for the school choice debates.

Charter Schools. One of the primary reasons for the lack of meaningful results for charter programs is the wide variety that exists within the category of “charter schools.” Because laws vary greatly between states, national studies do not necessarily provide an accurate analysis of the strengths and weaknesses of charters. These variations among charter laws present an opportunity for important research to occur examining which factors correlate with improved academic success and which do not. For the most

part, this necessary research has not been done to the extent that it could be. There are, however, several studies that have been conducted on the state level that give some indication of the effectiveness or ineffectiveness of charter schools in terms of academic achievement.

There are many ways to measure academic achievement. Some analysts look at long-term academic criteria such as graduation and college acceptance rates. Others look at more holistic measures that take into account civic participation and job satisfaction. In recent years, there has been an increased emphasis on standardized test scores as measures of academic achievement⁷. This type of measure has become especially common since the passage of NCLB and is used in the majority of studies looking at charters and vouchers.

In the late 1990's, Eric Bettinger, then a graduate student at MIT, conducted one of the first state-wide studies of charter schools. He focused on Michigan, which has one of the least restrictive charter laws and fastest growing number of charters. By comparing shifts in test scores of charter school students to changes in test scores of students attending traditional public schools in the same district, Bettinger analyzed academic progress for 4th and 7th graders—the ages when all students are tested in Michigan. For 4th grade he found that students' math and reading scores in charter schools were not improving as rapidly as those in conventional public schools. For 7th grade, Bettinger found no statistical difference in improvement. Of course, this one study cannot be used

⁷ The accuracy and equity of standardized testing as a measure of student achievement is a widely debated topic, the details of which there is not space for in this paper. Thus, for the purposes of this paper I will use results of such tests as an accepted measure of academic achievement without delving into that important and complicated issue. For information on the shortcomings of standardized testing see authors David Berliner, Sharon Nichols and Jonathan Kozol.

to say definitively whether or not charter schools in Michigan are effective or ineffective. Because most of the charter schools in Michigan were relatively new at the time, Bettinger's study does support the claim that charter schools are unlikely to have drastic or immediate benefits for academic achievement (Gill, 2001).

In 2000, two researchers at Texas A&M University, Timothy Gronberg and Dennis Jansen, published a more detailed study of charters in Texas with a particular focus on charters serving at-risk students. The study looked at test scores in charters serving at-risk students, charters that do not focus on at-risk students and conventional public schools from 1997 to 2000—the first three years that charters had existed in the state. Their study showed mixed results in terms of academic achievement. Charters serving at-risk students were slightly more effective than traditional public schools, whereas other charter schools scored slightly lower than the traditional public schools. More important than these results, however, were Gronberg and Jansen's findings in regards to the newness of the charter schools. They found that charter schools in their second and third years significantly outperformed first year charter schools. Similarly, a study in Arizona found that pre-existing private schools that converted to charter schools were more effective than other charters at raising student achievement (Gill, 2001). These results further demonstrate that experience is a crucial element in creating successful charter schools. These findings also give weight to the argument that private schools should be permitted to convert to charter status because they bring prior experience in school management and operations.

A 2009 report, created at the request of the Massachusetts Department of Education, offers further insight into the effectiveness of charter schools in improving academic achievement. This study, conducted by a group including several researchers from the Harvard Graduate School of Education, the University of Michigan, Duke University and MIT, and funded by The Boston Foundation, compared test scores of students attending traditional public schools, charter schools and pilot schools⁸ in the Boston area (Abdulkadiroglu *et al*, 2009).

The goal of the project was to evaluate the impact of pilot and charter schools since they were first started in Massachusetts fifteen years earlier. The researchers used two types of data to compare the programs. They first compared individual students from charters or pilots with “like” students from traditional public schools. The researchers matched students by taking into account students’ prior academic achievement levels and racial and socio-economic backgrounds. Some opponents of charter schools argue that studies that show improved academic outcomes for charter school students do not account for the fact that these students, or their families, have consciously chosen to attend a charter and there would therefore be an element of “self-selection” influencing the results. In order to eliminate the possible impact of self-selection, the researchers compared a sample group of students who had applied and been accepted, by lottery, to a pilot or charter school with students who had applied and not been accepted (Abdulkadiroglu *et al*, 2009).

⁸ Pilot schools are similar to charter schools in that they are allowed more autonomy than traditional public schools but, unlike charters, they are still within district control (Abdulkadiroglu *et al*, 2009).

The report shows that middle school and high school students attending charter schools in the Boston area are outperforming students in traditional public schools. Both sets of data demonstrated a substantial improvement for charter school students. The most remarkable results were for middle school students in math. The study estimated that for each year spent in a charter school, middle school students outscore their counterparts in traditional public schools by .18 to .54 of a standard deviation in math. In language arts testing, they outscored traditional public school students by .09 to .17 of a standard deviation. For high school students, the results were slightly less notable but still positive. For both language arts and math the study showed the difference to be .16 to .19 of a standard deviation (Abdulkadiroglu *et al*, 2009).

While these results are only for a small region, they do demonstrate that charter schools can have a positive impact on academic achievement. The research methods used do not account for all possible outside factors, but they do take many important characteristics of students into account. The educational community could benefit from a further application of these results that would evaluate the characteristics of individual schools to understand better the factors that have enabled them to improve student achievement. While this type of study would require detailed and comprehensive evaluations of individual schools, it could provide extremely relevant information for other schools—traditional schools and charters—that would allow for the expansion of high quality education to all students.

Voucher Programs. The majority of research on the effectiveness of school vouchers also looks at academic achievement in terms of test scores of students. The earliest and most extensive studies done on academic achievement focus on Milwaukee—the location of the first publicly-funded school voucher program in the United States. There are three major researchers who have published information about the Milwaukee vouchers: John F. Witte, the Director of the Robert M. La Follette Institute of Public Affairs and a Professor of Political Science at the University of Wisconsin, Madison; Cecilia Rouse, Professor of Economics and Public Affairs at Princeton University; and Paul Peterson, Director of the Program on Education Policy and Governance and Professor of Government at Harvard University.

In 1990, when the Milwaukee Parental Choice Program was created, the Wisconsin legislature appointed John Witte to be the Principal Investigator of a five-year study of the voucher program. Witte’s research team compared test scores of voucher students with a group of students in traditional Milwaukee public schools. He found “no consistent difference” between the two groups in math or reading scores (Witte, 2000).

Paul Peterson’s research used slightly different criteria in choosing sample groups and had different results. Instead of comparing voucher students with a random sampling of public school students, Peterson’s group compared voucher students and students who had applied for vouchers but did not participate in the program because of space limitations in participating private schools. His study found that after four years, the test scores of voucher students improved more than the non-voucher sample group (Peterson, Greene, & Du, 1998).

Cecilia Rouse's study also compared voucher students with a group of students who had applied for but had not received vouchers. She compared a series of results from experimental and common statistical measures and found that over several years voucher students scored better in math but not in reading (Rouse, 1998). The variations in results between these three studies demonstrate the difficulty that comes with evaluating school choice programs.

In March 2009, a new study was published on academic achievement in Milwaukee. The researchers, which include John Witte, carefully matched students from Milwaukee Public Schools with students from similar backgrounds using vouchers to attend private schools. This is an ongoing study, but, the results as of 2009 indicated no statistically significant difference between the public school students and the voucher students. Given the lack of notable improvement in academic achievement since the program started in 1990, these results could lead to stronger opposition to vouchers in Milwaukee or a demand for stricter regulation of participating private schools (Borsuk, 2009).

D.C. Public Schools

The District of Columbia Public School system (DCPS) includes 235 public schools including charter schools and serves over 72,000 students. The student population is 83.6% Black, 9.75% Hispanic, 4.86% White, 1.73% Asian or Pacific Islander and .05% Native American or Alaskan Native (Garrison, Allen, & Turner, 2008). A large number of students in the DCPS population come from low-income

families, and 70% of students in traditional public schools are eligible for the free and reduced lunch program (Read, 2008).

Over the past forty years, policymakers and academics have viewed the DCPS as one of the worst school systems in the country. Despite spending \$12,801 per pupil in 2004—a figure well above the national average of \$8,287—D.C. schools frequently rank very low in measures of academic achievement, graduation rates and college matriculation rates (Buscher, 2006). According to a 2007 study based on results of the National Assessment of Educational Progress, DCPS ranked second-to-last among urban districts in reading and last in math, and less than half of students entering the ninth grade graduate within five years (Risen, 2008). The district was clearly in need of reform, but what type of changes would be most effective was and continues to be a question of serious debate.

D.C. Charters

The District of Columbia began its charter school program in 1996 with an amendment to the district's School Reform Act of 1995. Local legislators created the charter system for several of the reasons described by Hill and Lake. Given the poor performance of D.C. schools by national testing standards and with weak graduation and college matriculation rates, educational policymakers presented charter schools as an opportunity for increased accountability to the D.C. community that would improve academic achievement (Hill & Lake, 2002). In 2008, there were sixty charter schools in the D.C. school district serving one third of DCPS students (Fallis & Witt, 2008). For the

first ten years, there were two groups responsible for authorizing charter schools: the Washington D.C. Board of Education (BOE) and the D.C. PCSB. In 2006, however, the BOE voted to pass that responsibility entirely on to the PCSB. The board is made up of seven individuals appointed by the mayor of D.C. from a list of possible candidates chosen by the United States Congress (Fallis & Witt, 2008).

The charter law in Washington D.C. falls somewhere between Kansas and Arizona on the spectrum of restrictions and regulations. The PCSB is able to approve up to twenty new charters each year. Any non-profit group can apply for charter status, including private schools, and each approved charter must have a board of trustees that includes at least two parents with children attending that charter school (D.C. Public Charter School Board, 2008). Charters can be authorized for up to fifteen years with an annual review of progress, as well as a cumulative review every five years. The initial fifteen year authorization period was decided upon in order to allow new charters to secure long-term loans (Fallis & Witt, 2008).

Charter schools in Washington D.C. are free from some of the regulations of traditional public schools but are not entirely autonomous. They have control of hiring teachers as long as the teachers meet the requirements set out by NCLB. Charter schools can also set their own school calendars, even extending the school day or school year. For example, at the KIPP (Knowledge is Power Program) charter school, students spend close to 50% more time in class than students at conventional D.C. public schools (Keating & Labbe-Debose, 2008).

Funding of charter schools in Washington D.C. is more generous than in many states. In addition to the authorizing board, there is a Credit Enhancement Board which assists schools with funding. Since the passage of the Uniform Per-Student Funding Formula for Public School and Public Charter Schools Act of 1998, D.C. charter schools have received per-pupil funding equal to that of conventional public schools in D.C. (U.S. Department of Education, 2007). Annually, each school receives a minimum of \$11,879 per student enrolled at the school (Keating & Labbe-Debose, 2008). They also receive an additional per-pupil facilities allotment. This generous facilities funding has led to some controversy. Larger schools and charters that have converted from private schools have benefited greatly from this funding. Schools with over three hundred students generally do not need all of the funding they are allotted for facilities. Similarly, schools that have converted to charter status often already have adequate facilities and thus end up with surpluses. One extreme example of this is the Friendship Public Charter Schools. This network of charters consists of five schools enrolling close to four thousand students. In 2008 they had a 3.4 million dollar surplus which was used to place computerized interactive whiteboards in all classrooms from pre-school through high school. (Keating & Labbe-Debose, 2008).

D.C. Vouchers

On June 20, 2001 the *New York Times* published an article by Richard Rothstein declaring school vouchers “dead” (Rothstein, 2001). Given the failed attempts at instituting voucher programs in California and Michigan in 2000, Rothstein’s statement

seemed to be an accurate description of the future—or lack thereof—for vouchers. However, less than three years later, the United States Congress passed the School Choice Incentive Act authorizing the creation of a voucher program in Washington, D.C.—the first federally funded school voucher program in U.S. history. The process by which this shift occurred provides important insight into the relevant ideological arguments about vouchers. Understanding the development of the D.C. voucher program is necessary to have a complete comprehension of the nuances of the D.C. OSP.

Spenser Hsu, a writer for the *Washington Post*, outlined the political process that led to the creation of the D.C. OSP, which began in 2004. He pointed out that the legislation funding the program had not been passed for several years and had faced substantial opposition. In explaining the eventual creation of the voucher programs, he described several major factors that proponents of school vouchers look for in a district and how certain outside developments can create an atmosphere in which the voucher plan will be passed.

There is a need for support from the legislative and executive branches. President Bush had long been supportive of vouchers as an important aspect of school choice. On the legislative level, Washington D.C. is distinct in that it has no Congressional representation. Hsu stated that “the legislators who approved the program are unaccountable to the voters whose lives it will affect” (Hsu, 2004). Because Washington, D.C. residents do not have a voting representative in Congress, their interests were not necessarily represented. Instead, Senators and Representatives from other states were responsible for the creation of the D.C. voucher program. In fact, the non-voting

representative of D.C., Eleanor Holmes Norton, opposed the voucher proposal (Hsu, 2004).

Hsu also looked at the role of “local political champions” with a particular focus on the mayor at the time, Anthony Williams. Early on in his term, Williams had come out strongly against vouchers, pledging to focus on helping all students by improving the public schools as a whole. With an election approaching, Mayor Williams decided to support the proposed voucher program in 2002, giving legitimacy to those fighting for the program on the federal level. Additionally, African American leaders in the community supported the vouchers, including many parents of school children and organizations like “D.C. Parents for School Choice” (Hsu, 2004).

Nationally, there was influential support from businesses including Amway, Golden Rule Insurance, and Circuit City. The President of the Amway Corporation, Richard DeVos, had been the leading donor and a vocal supporter of the voucher proposal in Michigan. His family has long supported the Republican Party and donated money to support private schools and voucher initiatives in several states (Keenon, 2000). DeVos and leaders of the previously mentioned companies used connections they have in Washington to put pressure on policymakers to support the D.C. voucher program (Hsu, 2004).

Teachers unions typically play a major role in opposing school vouchers, and while many teachers spoke out against the plan, the union itself was not as strong or unified as usual due to internal problems. Thus the teachers had less of an impact on the debate surrounding the voucher program than might have been expected (Hsu, 2004).

In September 2003 the bill was approved by the House of Representatives, passing by just one vote. The National Education Association criticized the decision saying that supporters of the bill called for the vote at a time when several people who were opposed to the program were absent from Congress. Additionally, the NEA called for the Senate to oppose the bill and instead “give children what they really need,” which they argued was smaller class sizes and quality teaching. After months of filibusters and little movement either way on the voucher bill, Republican Senators Frist of Tennessee and Stevens of Alaska moved the voucher bill into a broader federal spending bill and the Senate approved it. In January 2004, President Bush signed the bill into law (Hsu, 2004). In 2008, there were approximately 1,700 students using vouchers to attend fifty-eight participating private schools in D.C. (Murray, 2009).

Research on School Choice in D.C.

Vouchers. The School Choice Incentive Act authorized the creation of the D.C. OSP, the voucher program in D.C., and included within it, a requirement for an in-depth, ongoing, evaluation of the program. In June 2007, the Institute for Education Sciences published a report on the results of the OSP after one year. The study compared two sample groups of students: a group of students who had received and used vouchers and a group who had applied and been eligible but had not received vouchers because there was not sufficient space in schools (Wolf *et al.*, 2007).

Based on a comparison of standardized test scores of these two groups, the researchers found no statistically significant difference between the students in reading or

math scores. Additionally, the study focused on students who had been in public schools designated as “in need of improvement” by NCLB standards. Again, they found that the voucher program had no significant impact on test scores for this subgroup. They did find a possible positive impact on test scores for students who had not come from “schools in need of improvement” and for students who had relatively higher baseline scores before receiving vouchers. The report, however, warned that further research may prove these results to be inaccurate (Wolf *et al.*, 2007).

The first-year study also compared programs offered in the schools attended by the two groups. They found that both groups had similar access to libraries, gymnasiums, advanced classes, art classes and after-school programs. Students using vouchers were more likely to attend a school with a music program or a computer lab but less likely to have access to a cafeteria, counselors, school nurse, or programs for English language learners or students with learning disabilities (Wolf *et al.*, 2007).

The report also studied parent and student satisfaction with their schools. In terms of school safety, parents of children using vouchers to attend private schools believed that their children’s school was much safer than those parents with children in public schools. These responses did not correspond with those of the students. Students who were interviewed reported similar amounts of ‘dangerous acts’ in both types of schools. Student satisfaction with school was also similar for both groups studied. Parental satisfaction increased significantly when students attended private school using a voucher. Parents of children who received vouchers gave their children’s school an ‘A or B’ grade 19% more than parents with children who did not receive vouchers (Wolf *et al.*,

2007). The improved parental satisfaction reported is not surprising given that the parents who were surveyed have all chosen to place their children in a particular school. Those parents who were not interested in the voucher program and those who were not satisfied with a private school and left the voucher program are not included in these statistics.

Charters. Research on charter schools in D.C. is not as extensive since it was not mandated. Still, there is relevant information available regarding student achievement in D.C. charters. Using district data on test scores, the *Washington Post* published an article in December 2008 reporting that overall, charter school students in the city were outperforming students in traditional public schools. This was especially true in charter schools serving economically disadvantaged children. Middle school students who come from low-income households scored nineteen points higher on reading assessments and twenty points higher in math than students meeting the same income criteria in other public schools. The *Washington Post* also compared district records and found that charter schools have better attendance and graduation rates (Keating & Labbe-Debose, 2008).

There is certainly more room for research on the impacts of D.C. charters and vouchers on academic achievement as well as other areas. The voucher program could benefit from a more in-depth study of students who were in private schools and then decided to return to the public school system. Additionally it would be helpful to have long-term studies of how voucher students and charter school students' progress after graduating. This research, however, would require resources that were not available to

me. Furthermore, given the abundance of research already focusing on academic achievement within these school choice programs, I will not look to evaluate them on that level. Research on charters and vouchers in D.C. and elsewhere, largely studies these types of school choice separately. In this paper I will bring the two programs together to gain further insight into both of these types of school choice. I will focus on the oversight and regulation of charter schools and the D.C. OSP to better understand what factors contribute to the effectiveness or ineffectiveness of charter schools and vouchers in Washington D.C.

Chapter Three ~ Oversight and Regulation

Although charter schools and vouchers have both been used in Washington, D.C. to expand school choice and improve a struggling school system, the oversight and regulation of these programs differ significantly. Washington D.C. offers a unique opportunity to understand school choice, because the school choice programs impact an entire city school system. In a larger system, in which vouchers are only available in certain cities and charters only exist in a few communities, school choice programs often serve different populations, living in a variety of places, and with a wide range of incomes. In D.C., however, it is nearly a “controlled experiment.” It is valuable to examine the variations between charters and vouchers in D.C. in order to understand how these specific programs can be improved and to learn more about how school choice programs throughout the United States can be more effective.

Both charter schools and voucher programs depart from the traditional set of standards and requirements that exist in conventional public school systems. But neither charters nor vouchers are entirely free from oversight and regulations set by the district, state, or federal government. In this section, I will compare the stated standards and oversight policies specific to the Washington, D.C. charter schools and those set for the D.C. OSP, how closely participating schools are monitored, and how strictly the stated standards are enforced.

Charter School Standards

When the idea of charters was gaining popularity in the late 1980's, the structure of school regulation was different than it is today. Schools were under the control of local and state governments and there were few federal regulations. While public education policy remains primarily a local concern, there has been a substantial increase in federal regulation in recent years. Charter schools in Washington D.C., as in other states, must abide by the regulations set out in NCLB and the Individuals with Disabilities Education Act (IDEA), which was created to protect the educational rights of students with disabilities. NCLB requires that all public school teachers, including those working in charter schools, be "highly qualified," which is defined as having a bachelor's degree in the field in which he or she is teaching and meeting state certification standards by passing a test or otherwise demonstrating specific subject knowledge (D.C. Public Charter School Board, 2008).

In addition to these federal laws, charter schools are also subject to local regulations. The School Reform Act of 1995 established two organizations as charter school authorizers: the BOE and the PCSB. Since 2006, the PCSB has been the sole authorizing entity in charge of charter schools. The reasons for this change will be discussed later in this section. While granting authorization power to these groups, the D.C. legislature also set out a series of requirements for approving and monitoring charters. The Act required that charter applicants provide information about the proposed school's academic focus, plans for community engagement, a two year operating budget,

and bylaws. It also required that the authorizer(s) hold public hearings before any charter is approved (Government Accountability Office, 2005a).

The PCSB currently has a relatively detailed process by which charter applications are reviewed. When applications are received, they are screened to make sure that all parts of the applications have been submitted. In cases where the charter applicant has identified a principal for the proposed school, a panel of retired school principals interviews that individual to evaluate his or her experience and leadership capabilities. After these interviews take place, panels of four to six people with expertise in various areas, including curriculum, financial management, community engagement and accountability, conduct qualitative reviews of the application and then submit a recommendation to the Board. The panels' recommendations are based on reviews of the Educational Plan, Business Plan, Plan of Operation, and Charter School Accountability Plan submitted in the charter application (D.C. Public Charter School Board, 2008).

Next, two members of the panel and a staff member from the PCSB conduct interviews with representatives of the applicant group. Board members are able to sit-in and observe these interviews, which are intended to enhance the Board's understanding of the applicant's goals and its ability to evaluate the group's fitness to implement its proposed plan. After these interviews, the Board holds public hearings as mandated by the School Reform Act. The hearings are followed by staff reviews of applications and finally by the PCSB decisions. The Board can approve an application, approve it with conditions, or deny it (D.C. Public Charter School Board, 2008).

In addition to its guidelines for the approval of charter schools, the School Reform Act also describes the role of the authorizers in monitoring approved charters. After approving a charter, the PCSB—and previously the BOE—is required to regularly examine the school’s progress toward stated academic achievement goals and its compliance with district laws and charter bylaws. The Act requires an annual review of charter schools and a comprehensive review of each school every five years. The law states that a charter may be revoked after five years if the school is not meeting academic goals or if it has violated the stated provisions of its charter. Charters can be revoked at any time for financial mismanagement or failure to comply with district laws. The School Reform Act even goes so far as to require that the BOE or PCSB revoke any charter of a school that shows “a pattern of financial mismanagement; does not use accepted accounting principles; or is no longer economically viable” (Government Accountability Office, 2005a).

In addition to the regulations created by the School Reform Act, the PCSB sets requirements for prospective and existing charter schools. The board requires that charter applicants submit proposals describing their recruitment plans, their staffing plan, their expected use of volunteers, and their plans for seeking services through the DCPS such as transportation and materials. Additionally, the authorizers chose to increase the level of monitoring. Once it approves a charter, the PCSB conducts a pre-opening review of the school to check compliance with legal standards. The PCSB hires legal consultants to conduct site visits to verify each school’s compliance with health and safety codes. In addition to the monitoring of finances and legal compliance done in the annual review, it

also assesses academic performance to help ensure that charters will meet their long-term achievement goals. This assessment includes looking at standardized test scores as well as more qualitative evaluations of each individual school's progress toward offering unique services to its students. If, for example, a charter schools has chosen to focus its efforts on serving at-risk students, the reviewers would help evaluate how well it is meeting that goal (Government Accountability Office, 2005a).

The PCSB is not the only group involved in the oversight of charter schools in Washington, D.C. The State Education Office, which in the case of D.C. is located within the Mayor's Office, is responsible for verifying the number of students attending all public schools including charters. Also, the DCPS is in charge of distributing federal and state funding to schools based on student populations. The PCSB contracts out to experts to conduct many aspects of the review process. Non-PCSB organizations are contracted to visit schools and run annual reviews and to ensure the schools' compliance with IDEA (Government Accountability Office, 2005b).

Enforcement of Stated Charter Regulations

In 2005, the Government Accountability Office (GAO) published a study of the oversight practices of the two authorizers at that time. The report provides important information about what structures and practices have been most effective in monitoring charter schools in Washington, D.C.

Between 1996 and 2005, both the PCSB and the BOE were charter school authorizers. They were subject to the same requirements under the School Reform Act

and generally managed charter applications similarly. The BOE and PCSB both established similar processes for evaluating charter applications. Both boards used a two-step application process so that they could alert applicants to potential problems earlier in the process, and each of them set up a point system to approve or reject charter applicants (Government Accountability Office, 2005a).

The BOE and PCSB differed significantly in how effectively they conducted their reviews and monitored charter schools once the schools had been approved. First, the PCSB instituted additional financial checks for new schools. The PCSB used an outside group to review internal controls and accounting procedures for all charter schools in their first year, and it also assessed the financial stability of new schools by comparing the schools' annual spending with their projected revenues. The PCSB also created expanded annual reviews to monitor compliance with NCLB, while the BOE relied only reports collected by the DCPS (Government Accountability Office, 2005a).

The most significant difference between the oversight procedures used by the BOE and PCSB was in the extent to which they chose to target or not to target struggling schools. The BOE conducted the same level of reviews for all charter schools it had approved, while the PCSB focused more of its resources on new charters and charter schools it identified as having potential problems. The PCSB created a 'Priority Review List' in which it identified schools considered to be "high risk" because of financial instability or failure to meet academic goals. The BOE's decision to monitor all charters equally proved to be less effective than the process chosen by the PCSB. The GAO Report found that the BOE had allowed four out of seven schools whose charters were

eventually revoked to stay open for four years even though serious ongoing problems existed (Government Accountability Office, 2005b).

The variations in targeted versus non-targeted oversight between the PCSB and BOE are not solely responsible for the shortcomings of the BOE process. The structure of each authorizer was important as well. The PCSB was created specifically for the purpose of authorizing and monitoring charter schools in Washington, D.C. The BOE, on the other hand, became a charter authorizer while maintaining its responsibilities to monitor the 167 other public schools in the district. Several BOE members who were interviewed by GAO researchers stated that charter school oversight was not a priority of the Board, which could explain the lapses in oversight of struggling charter schools (Government Accountability Office, 2005b). In 2006, acknowledging these problems, the BOE voted to give the PCSB all authority in authorization and oversight of charters (D.C. Public Charter School Board, 2008).

Stated Regulations for Vouchers

The D.C. Opportunity Scholarship Program is regulated somewhat differently than charter schools. Because schools that participate in voucher programs are private schools, they are not subject to the same rules and regulations as public schools. As participants in a publicly-funded program, however, participating voucher schools are required to meet certain criteria set out in the D.C. School Choice Incentive Act—the legislation authorizing the D.C. voucher program.

The Act required the Secretary of Education and DCPS officials to come to an agreement regarding many aspects of the voucher program including “teacher quality criteria; methodology for evaluating and selecting schools; and requirements for the development of appropriate oversight and accountability measures including financial stability of participating schools” (Government Accountability Office, 2007).

The Act also required that this information be made available to families so that they would be able to make informed decisions about which private school to choose once accepted into the program. Information on teacher qualifications and academic achievement must be made available to families so that they can make informed choices about where to send their children (Government Accountability Office, 2007).

The Memorandum of Understanding between DCPS officials and the Secretary of Education outlined the requirements for participating private schools. It stated that private schools must be “operating lawfully within D.C.,” meaning that they must meet certain health and safety codes (Government Accountability Office, 2007). Additionally, participating schools must be accredited or in the process of applying for accreditation by one of seven organizations approved by the District. If a school is not accredited but would like to participate, it can submit a request to the Board of Education demonstrating “evidence of educational soundness.” This request must include information on required course credits, and compliance with health and safety codes (Government Accountability Office, 2007).

Because there are multiple options for how private schools can be considered eligible to participate in the D.C. OSP, it is very difficult to define what the exact

standards are for areas such as teacher qualifications and graduation requirements. Each accreditation organization has its own standards for what leads to a high quality education. For example, the Middle States Association, which has accredited the Edmund Burke School in D.C., is unlikely to have the same pedagogical goals as the 7th Day Adventist Church, which accredits the Dupont Park Adventist School (Dupont Park Adventist School, 2009; Edmund Burke School, 2009).

The Secretary of Education and the District did not create specific guidelines for accountability and oversight and instead left that up to the Washington Scholarship Fund (WSF)—the organization selected to operate the voucher program. The WSF is responsible for implementing a system to identify and recruit private schools in Washington, D.C. to participate in the program as well as informing families about the program and recruiting students to participate in it. The WSF also created a lottery system to determine which students would receive vouchers. Additionally, the WSF is expected to monitor the voucher program and receiving schools to ensure that they are meeting the regulations set out in the School Choice Incentive Act (Government Accountability Office, 2007).

Enforcement of Stated Regulations

In 2008 the GAO published a detailed report on the oversight policies of the D.C. OSP. The report found several striking problems with the WSF's monitoring of the program. Despite having some written standards for private schools that wish to participate in the voucher program, in many cases the WSF failed to enforce these

requirements. Although all private schools must be accredited or apply for an exemption in order to participate in the OSP, the GAO found that many schools were not accredited by an approved organization, and there was no documentation that they had demonstrated “evidence of educational soundness” as required by the Secretary of Education and DCPS officials. Many of these non-accredited schools had high rates of teachers without Bachelor’s degrees. Six out of fifty-two schools reported that 10%-20% of their teachers did not have a B.A., and three of the schools stated that at least 50% of their teachers did not have a B.A. (Government Accountability Office, 2007).

These numbers represent a significant difference between regulations for charter schools and traditional public schools, as compared to participating voucher schools, and demonstrate a serious lapse in oversight. They also reveal the need for a basic level of uniform standards for participating private schools and bring into question the educational quality being offered to students using vouchers.

The School Choice Incentive Act required that the WSF publish information about participating private schools so that parents and students could make informed decisions. The WSF does require schools to give parents of students already attending the school information on academic achievement and school safety. It also publishes a directory of schools to help families choose schools; however, this directory was missing some important information and provided inaccurate information in some cases. The directory did not contain facts about academic achievement of the students in the schools, which was likely important to many families. The directory also contained incorrect reporting about the facilities available at certain schools, reporting that several schools

had gymnasiums and libraries when they did not. There was also inaccurate information given about teacher qualifications and tuition rates. A comparison between the 2004-2005 directory and the 2007-2008 directory falsely showed the percentage of teachers with bachelor's degrees falling from 100% to under 50% in five schools. Additionally, three private schools that do not charge annual tuition but instead require a twenty-five dollar monthly payment from families were reported as charging between ten thousand and fifteen thousand dollars annually (Government Accountability Office, 2007). These types of errors in reporting are detrimental to the goal of expanding choice for low-income families. If accurate and complete information is not made available to parents and students, we cannot truly call it choice.

The GAO also found inconsistencies in the oversight of the financial stability of private schools participating in the voucher program. For example, the WSF required all schools to submit certain documents annually to demonstrate financial stability. For all of the twenty-five schools that were chosen for the study, however, the GAO found that some portion of the required documentation was missing. This lack of monitoring could lead to misuse of funds as well as problems if schools are forced to close and students must be placed in new schools (Government Accountability Office, 2007).

One of the major problems identified by the GAO evaluation is that the WSF relies on schools to self-report in many cases and does not follow up to ensure that requirements are being met. Schools are expected to self-certify for various standards including legal compliance regarding the use of facilities and more specific educational standards like curriculum requirements and teacher qualifications. Out of eighteen

schools chosen randomly by GAO researchers, three did not have the required certificates of occupancy for the building they were using, and six of the schools did not have permits specifically allowing the facilities to be used as a private school; both of these permits are required for schools to legally operate within Washington, D.C. (Government Accountability Office, 2005b). The WSF's reliance on self-certification makes the use of school visits to verify compliance with these standards vital to effective oversight. The WSF reported to the GAO that for the 2005-2006 school year it had conducted site visits at forty-two out of fifty-eight schools. The WSF, however, only had one written report documenting a school visit in that time period (Government Accountability Office, 2007).

Parochial to Public: Conversion to Charter Schools

At the end of the 2007-2008 school year, seven parochial schools run by the Archdiocese of Washington, D.C. were forced to close for financial reasons. In June of 2008, the PCSB unanimously voted to approve these schools as charters. The conversion of these Catholic schools, which had formerly participated in the D.C. OSP, into public charter schools serves as an interesting case study of the differences between regulations for charter schools and receiving voucher schools.

In order to be approved as charter schools, the seven Catholic schools had to make several changes. They had to redesign their curriculum to make it secular in all respects by removing daily mass and religion courses. The schools are now known as the Center City Charter Schools, dropping previous names like Holy Comforter and Sacred

Heart. School days are no longer started with a prayer and all religious symbols have been removed from the schools (Fisher, 2008).

These were not the only changes that came with the schools' conversion to charters. Because the PCSB does not allow religious institutions to run charter schools, the role of the Archdiocese is now only that of a landlord that owns the school buildings. The schools themselves are now operated by the Center City Public Charter Schools, a non-profit organization created by the Archdiocese in 1995 to help with fundraising and financing of urban Catholic schools (Turque, 2008). The school's Board of Directors includes local business people and philanthropists. Many of the full-time teachers have remained in their schools because they met the NCLB standards for teacher certification, but several of the schools had to replace teachers that did not meet these standards (Robelen, 2008).

Initially, some parents and teachers opposed the proposed switch from being private Catholic schools to being public charters. For those who felt particularly connected to the religious focus of the schools, the transition to being a public school meant losing an important part of the school. One parent who sends her son to a Catholic school that was not converted stated, "If we wanted our kids to go to public school, we would have sent them there. When you change to a charter school, you are not allowed to do the things that make a Catholic school Catholic and that preserve our mission" (Hernandez, 2009). On the other hand, many families were relieved to no longer pay the \$4,500 tuition. When faced with the option of having the schools close completely, 92% of parents voted in favor of the conversion. The former Monsignor of the Holy Comforter

school, Charles Pope, stated, “Even if we can't celebrate Jesus Christ, the virtues of goodness, truth and beauty are found outside the confines of the Catholic faith or even Christianity” (Fisher, 2008).

Financially, the conversion to charter schools has significantly impacted the newly-opened charter schools. Average teacher salaries have increased by 22% as a result of the public funding (Hernandez, 2009). As Catholic schools, per-pupil funding was about \$7,500, which included the tuition paid by families and funding from the Archdiocese. Now, the Center City Charter Schools receive over \$11,500 per-pupil from the district and charge no tuition (Robelen, 2008).

Chapter Four ~ Conclusions and Recommendations

Policy Recommendations

Although charters and vouchers are unique types of education reform, they do share characteristics that make it possible and useful to compare them. Both the School Reform Act of 1995 and the School Choice Incentive Act of 2004 include requirements for the oversight and monitoring of charter schools and the D.C. OSP, respectively. An in-depth evaluation of the stated regulations and the actual implementation of those accountability measures demonstrates important lessons about what works and what does not work in oversight of school choice programs. By looking at the problems faced by the BOE when it was a charter authorizer and the current issues identified by the GAO in its report on the oversight practices of the D.C. OSP, it is possible to identify certain factors that impact the effectiveness of the regulation of school choice programs.

First, by analyzing the legislation itself, it is clear that the School Reform Act, which authorized charter schools in D.C., is much more specific than the legislation that created the voucher program. While the School Reform Act states specific monitoring regulations, even to the point of requiring that prospective schools submit a two year proposed budget and curriculum plans, the School Choice Incentive Act, which created the voucher program in D.C., is much vaguer. Many, if not most, of the oversight policies are left open to interpretation by the Secretary of Education and DCPS officials. The Act does set some standards for how funds should be used, such as limiting tuition vouchers to \$7,500, but does not even define what can be included in “tuition” (Government

Accountability Office, 2007). The lack of specificity in this legislation is likely caused by the controversial and politically volatile nature of vouchers. Given the narrow margin by which the bill passed, it may have been difficult for proponents to add more detail to the Act since that may have led to more debate and controversy. By keeping the law vague, supporters were able to create a slight majority in favor of the bill. While this lack of detail in the legislation is not entirely responsible for the incomplete oversight policies that exist in the voucher program, it likely contributed to some of the problems with regulatory standards in the D.C. OSP.

Since all authorizing and monitoring responsibilities have been given to the PCSB, it appears as though the oversight problems identified by the GAO report on charters have been addressed. However, one area of concern remains in terms of funding practices. The Uniform Per-Pupil Spending Act mentioned earlier is intended to ensure that charter schools do not receive less funding than conventional public schools in D.C. But the additional facilities funding that has created a surplus in some schools—particularly those that converted from private schools or receive outside funding—could be distributed more efficiently. In order to avoid situations in which one school can afford laptop computers for all its students while another school struggles to find a building large enough for all its students, I recommend reforming the charter school funding system. This could be done by placing some sort of cap on charter school funding or restructuring the facilities allotments to meet the specific needs of individual schools rather than a uniform per pupil amount being given to each school. Alternatively, the per pupil funding could be reduced for all schools and a grant program could be

implemented to allot additional funding on a case-by-case basis. This change would allow for a more efficient use of public funds while still encouraging outside donors to contribute to charter schools in funding or facilities.

The major difference between the regulation of charter schools and vouchers in D.C. is the consistency with which the standards are enforced. It is clear from the GAO report on vouchers that the WSF has not been successful in setting up a system to enforce effectively the regulations that have been set. In order to ensure minimum educational standards for voucher schools, it is necessary that the WSF enforce the stated regulations for receiving schools. Without consistent site visits and verification of the information provided by the schools in their self-reports, the D.C. OSP cannot be trusted to provide students with a high quality education. To continue the program without serious changes to the way in which schools are monitored would be both financially and ethically irresponsible.

That is not to say, however, that the D.C. OSP cannot be reformed. Many of the problems with oversight exist because of the rushed pace with which the program was implemented and a lack of support given to the WSF by Congress in terms of funding for administrative needs. The School Incentive Act limited the WSF's annual administrative spending to 3%—an amount that has clearly not been adequate given the size of the program. In 2004, prior to running the OSP, the WSF's operating funds totaled \$150,000. By 2006, that amount had increased to \$12.9 million (Government Accountability Office, 2007). The sudden increase in funding and responsibilities given to the WSF was not matched with sufficient time to implement oversight measures that would give the

program credibility and provide high quality schooling to participating students. Since the voucher program began, the WSF has not adequately corrected these early problems leaving many serious oversight issues in the program.

The experience with the WSF is consistent with the findings of the GAO report on charters which discussed the differences in monitoring between the PCSB and the BOE. In that case, the BOE was less consistent and effective than the PCSB because its other responsibilities took priority over the authorization and monitoring of charters. The PCSB, on the other hand, was much more effective because it was created specifically for the purpose of regulating charter schools and managed its resources more effectively by setting, clear, carefully considered standards and hiring outside consultants to monitor charter schools. The WSF could benefit greatly from a restructuring of its internal policies and documentation methods as well as by using outside support or working more closely with the DCPS.

The oversight practices of the D.C. OSP are in need of significant reform. Some of the variations between the effectiveness of charter and voucher regulation in D.C. can be attributed to the amount of time during which the programs have existed. The voucher program was created much more recently than charter schools. The PCSB, therefore, has had more time to develop its approval process and improve its system of oversight. The lessons learned by looking at the differences between the BOE and PCSB as charter authorizers—as well as by other charter and voucher programs elsewhere—can be beneficial for the WSF in restructuring and strengthening its oversight.

On March 10, 2009, the United States Senate passed a \$410 billion spending bill. Within that bill is a section requiring that in order for the D.C. OSP to continue, it must be reauthorized after the 2009-2010 school year (Murray, 2009). If the OSP does come up for reauthorization, policymakers must take into account the problems with the oversight policies and practices and ensure that steps are taken to address these issues. Based on my study of charters and vouchers in D.C., I recommend the following for the D.C. OSP and other school choice programs:

Transparency. First and foremost participating schools must commit to transparency and oversight organizations must ensure that accurate information is easily available to the public. At a minimum, families must have access to the following information about participating private schools: academic achievement of students including test scores, graduation rates and information about high school or college matriculation; teacher qualifications including degrees, certification, and licensure in specific subjects; mission of the school; facilities; ethnic, racial and socio-economic demographics of the students and faculty; tuition costs. It is unlikely we can reach a consensus on a national or even state level about what constitutes a “good education” but by making the previously mentioned information available to families, we can at least allow parents and children to make informed decisions based on their own values and needs. This transparency is fundamental to expanding choice in any form.

Clearly articulated accountability standards. Programs must have specific standards for schools clearly set before the implementation of the program. Ideally, these regulations should be set out in the authorizing bill itself. The regulations should be based on best practices research and should include standards for curriculum, graduation requirements, and teacher qualifications. Without specificity and clarity, it is extremely difficult to create a system of adequate accountability.

Infrastructure. Operating organizations must demonstrate that they have the internal capacity and infrastructure to implement and oversee a program as a prerequisite for receiving funds. This includes having adequate staffing as well as a processes, procedures and tools for ensuring that the program can be implemented effectively and monitored. Legislation authorizing voucher programs must allow for a reasonable amount of funding to be used for initial and ongoing administrative costs.

Broader Conclusions

There are several legal constraints that explain some of the variations seen between the monitoring of charter schools and voucher programs. Because charters are public schools, they are automatically subject to more regulations while authorizing and monitoring bodies have less power over private schools. Additionally, the Establishment Clause of the First Amendment does not allow for parochial schools to become charter schools without removing their overtly religious mission. However, the U.S. Supreme

Court's decision in Zelman v. Simmons-Harris does permit religious schools to participate in publicly-funded voucher programs (Zelman v. Simmons-Harris, 2002).

These legal constraints do not, however, explain all the variations in monitoring, and it is necessary to assess the rationales behind these differences in policies. Charter schools are intended to promote innovation and creativity in public education and increase accountability by allowing families more choice. Vouchers, on the other hand, are meant to give students in failing schools a chance for a higher quality education while creating competition that will force public schools to improve. The oversight of these two programs in Washington, D.C. does not correspond with these goals.

Because they are private, participating voucher schools have more freedom than charters, despite the fact that charters are expected to experiment with new teaching methods and school structure. The constraints created by federal regulations such as NCLB limit the amount of freedom that charter schools have in determining curriculum and hiring and firing teachers. Private schools, however, are not subject to these national standards and are given more freedom. If we truly expect charter schools to implement innovative practices and teaching methods, we must create policies that allow them to do so. The combination of a federally mandated set of standards, as seen in NCLB, and a charter school movement that argues for fewer regulations and more creativity, demonstrates the inconsistent and almost paradoxical nature of education policy in the United States today.

School vouchers are premised on the assumption that private schools offer a better education to some students than public schools, yet policymakers who support vouchers

rarely explain why they believe this to be true. Is it the small size of private schools, individualized education, the freedom they have in choosing their students, funding, decreased regulation or factors outside of the schools' control such as levels of parental education of the students in the school that create a perceived higher quality of education?

In 2000, Richard Rothstein, a Research Associate at the Economics Policy Institute conducted a series of studies to evaluate the differences between public and private schools. Rothstein's research team compared test scores of students from similar backgrounds and found very little difference between those who attend public schools and those attending private schools. The only notable difference was for students attending Catholic high schools, who scored slightly higher than students in public schools. Perhaps, more significant for the purposes of this paper, is the fact that there are also a wide range of high and low-performing private schools (Benveniste, Carnoy, & Rothstein, 2003).

Given the wide variety of educational quality in private schools nationally, we can reasonably expect that Washington, D.C. also has a range of low and high performing private schools. If this is the case, the oversight and monitoring practices of the WSF become even more important. We cannot assume all private schools will outperform all public schools, so any voucher program must be selective in determining what schools will be eligible to participate. Furthermore, accurate information must be made easily available to parents so that they can make informed decisions about their children's

schooling. It is clear that the D.C. OSP does not have adequate oversight or selection practices to ensure that students using vouchers will receive a high quality education.

Chester Finn, Former Assistant Secretary of Education, was a strong supporter of vouchers during the Reagan Presidency. Speaking about what he viewed as a lack of choice in U.S. Education, Finn stated:

We don't tell poor people what to eat; we give them food stamps.
We don't tell them which doctor to go to; they have Medicaid cards. [Yet, in education, only the rich can] buy their way out, by moving into a certain neighborhood or choosing private schools
(Benveniste *et al.*, 2003).

Although Finn's statements may not represent the beliefs of more knowledgeable voucher proponents who understand the intricacies of school choice, his comments do serve as an example of the over-simplified, ideological arguments that are so common in political battles over vouchers. Finn's comments bring up several important misconceptions about vouchers and school choice in general. First, Finn presented the idea that food stamps and Medicaid are unregulated, when in fact, both of these government programs place significant limits on the choices that those using them can make. As with food stamps and Medicaid, the choices of low-income families using vouchers are not on par with the options of the wealthy. In Washington, D.C. private school tuitions range from two thousand dollars to thirty thousand dollars. Unless they can acquire additional financial aid, a \$7,500 voucher will not allow a student from a poor family to attend an elite private school. Vouchers may be a useful tool to offer some

students opportunities in some private schools, but they are not a final solution to the problems plaguing urban districts, and should not be presented as such.

The conversion of seven Catholic schools to charter status brings up important policy questions for school choice. Aside from the specifics of the Constitutional requirement for a separation of Church and State as stated in the Zelman decision, what makes the use of public funds for religious education acceptable in one situation—vouchers—and not in another—charters? If we believe that teachers must have certain certifications or knowledge to serve charter students or traditional public school students, we should have those same expectations for teachers serving students using vouchers to attend private schools.

Both charters and vouchers are intended to expand choice and improve educational quality as measured by academic achievement. While some level of experimentation may be useful to find effective reform options, policymakers must be clear about educational standards. A variety of educational options can be very beneficial given the diverse group of students that reside in any district. Choice programs, however, cannot be randomly regulated and variations in standards should be thought-out and clear. Washington, D.C. is an extreme example of a struggling urban school system, and charters and vouchers may be able to offer a better education to some students in D.C. or other parts of the United States. Not all students will be able to benefit from these choice programs, and they do not address the fundamental flaws in the education system within the United States. Therefore, such programs must be coupled with serious reform efforts

within the traditional public school system in order to create a higher quality and more equal system of public education.

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