



## Private Schools and Choice: The Student Scholarships for Education Excellence Pilot Program in Orleans Parish

The post-Katrina public school landscape in New Orleans is uniquely characterized by citywide school choice and the variety of schools and school types available to parents and students. All public schools in New Orleans are open to students residing in the city limits, regardless of their neighborhood of residence or attendance zone. While a growing majority of public school students are enrolled in charter schools, private and parochial schools continue to play a major role in the elementary and secondary education landscape. More than 30 percent of all K-12 students in New Orleans attend a private school, nearly three times the national average and twice the Louisiana state average. Since 2008, a publicly-funded private school voucher pilot program in New Orleans has provided nearly 2,000 students from low and moderate income families a scholarship to attend a private or parochial school.

Private school vouchers are gaining prominence nationwide as a mechanism to expand school choice and competition. As Governor Bobby Jindal and the Louisiana Legislature consider creating a new statewide private school voucher system, it is important to evaluate and assess the pilot program in New Orleans and to understand its impact on academic achievement and access to quality schools for all children. This paper, part of the Scott S. Cowen Institute for Public Education Initiatives *Spotlight on Choice* project, provides an overview of the New Orleans voucher pilot program and its impact on academic performance and school choice to date.

### Program Description

The Student Scholarships for Education Excellence Pilot Program in New Orleans was proposed by Governor Bobby Jindal and enacted by the Louisiana Legislature in 2008. The program began by serving grades K-3 and has added a grade each year, currently serving about 1,850 students in grades K-6 in the 2011-12 school year.<sup>i</sup> Though the number of participants remains fairly small, representing just seven percent of all K-6 public school students in

### Fast Facts

- The Student Scholarships for Education Excellence Pilot Program (“voucher program”) was created by the Louisiana Legislature in 2008.
- Approximately 1,850 students in grades K-6 currently participate in the voucher program.
- The average voucher for the 2012-13 school year is forecast at \$4,864, up from about \$4,100 in the program’s previous years.
- In order to be eligible for a voucher, students must live in Orleans Parish, be enrolled in a failing public school or entering kindergarten for the first time, and have a family income less than 250 percent of the federal poverty line.
- Limited data are available to evaluate the program, though the 2011 LEAP/iLEAP scores suggest that while voucher recipients at some private schools are excelling, those at other schools are scoring well below students at failing public schools in Orleans Parish.

New Orleans, the voucher program has drawn attention both locally and nationally as an example of integrating private schools into a choice system.

### Eligibility

The voucher pilot program in New Orleans is designed to serve children who may not have access to a quality public school in their neighborhood and whose family has limited financial means to support other school options. In order to be eligible for a voucher, students must live in Orleans Parish, be enrolled in a failing public school\* or entering

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\* A failing public school is a school that has been identified as academically unacceptable by the State Board of Elementary and Secondary Education. For the 2011-12 school year, a school was deemed academically unacceptable if it received a School Performance Score or Assessment Index below 65.



kindergarten for the first time, and have a family income less than 250 percent of the federal poverty line, or about \$57,600 for a family of four in 2012.<sup>ii</sup> Last year, nearly 4,000 K-5 public school students in New Orleans (21 percent) attended a failing school and would have been eligible for a voucher so long as their family met the income requirement. Across Louisiana, 86 percent of families have incomes below 250 percent of the poverty line.<sup>iii</sup> This number is likely exceeded in Orleans Parish where over 83 percent of public school students in New Orleans qualify for free or reduced-price lunch, a program that requires a family income less than 185 percent of the federal poverty line or about \$41,000 for a family of four.<sup>iv</sup>

### Funding

The voucher pilot program in New Orleans provides a scholarship, or voucher, that is equal to 90 percent of the total state and local funding per student or the private school's tuition and fees, whichever is smaller. Per pupil state and local funding in Orleans Parish was \$8,463 in the 2011-12 school year<sup>v</sup>, making the maximum voucher worth \$7,617. If a student is entitled to receive special education services, the amount of federal special education funding that the district would receive is added to the scholarship.<sup>vi</sup> Since the program's inception, the average scholarship award has been significantly less than total state and local funding. The average voucher for the 2012-13 school year is forecast at \$4,864<sup>vii</sup>, up from about \$4,100 in the program's previous years.

Act 509, which in 2008 created the voucher pilot program in New Orleans, stipulates that participating private schools must accept the voucher as payment for "all educational costs, including incidental or supplementary fees, that are charged to all enrolled students, including but not limited to meals, field trips, and before- or after-school care." In practice, parents may be required to cover the cost of school uniforms, books, transportation, extracurricular activities, and other expenses.<sup>viii</sup>

Since 2008 and through the 2011-12 school year, funding for the New Orleans voucher pilot program is included as a line item in the Recovery School District (RSD) budget and must be annually appropriated by the Louisiana Legislature. Because vouchers have been a politically controversial issue, the

Legislature's approval of funding for the voucher program has often been uncertain. Based on Act 509, total funding for the program cannot exceed \$10 million, and the Legislature's actual budget allocation has ranged from \$6 to \$10 million a year since 2008. Actual spending, however, has generally been well below the budgeted amount, ranging from \$2.7 to \$8.7 million a year. This is both because the vouchers on average cost less than the maximum allowed and because participation in the program is limited to the number of vouchers made available by private schools. The table below includes the voucher pilot program's total budget as allocated by the Louisiana Legislature, amount spent, and number of students served for each year since its inception.

### New Orleans Private School Voucher Pilot Program, 2008-12

School Year	Grades Served	\$ Budgeted	\$ Spent	Approx. # Students Served
2008-09	K-3	\$10M	\$2.7M	650
2009-10	K-4	\$6.3M	\$4.9M	1,200
2010-11	K-5	\$9M	\$8.7M	1,700
2011-12	K-6	\$8.9M	N/A	1,850

*Source: Recovery School District New Orleans Budget, Fiscal Years 2008-2012, Times-Picayune*

On February 27, 2012, the Louisiana Board of Elementary and Secondary Education (BESE) approved a Minimum Foundation Program (MFP) resolution that, if approved by the Louisiana Legislature, will allow vouchers to be funded through the MFP rather than by a separate budget appropriation while also providing for a statewide expansion of the voucher program.<sup>ix</sup> The MFP formula determines the minimum cost of education in all public elementary and secondary schools and is used to allocate the funds equitably to parish and city school systems.<sup>x</sup> The MFP resolution passed by BESE in February 2012 would mean that when a student is awarded a voucher, public school funding that otherwise would be paid to the local school district will simply follow the student to private school. As a result of this funding change, the number of vouchers allocated each year would be limited only by private school participation in the program and not by the amount of funding allocated by the Legislature.

## Administration

The New Orleans voucher program is administered by the Louisiana Department of Education (LDOE). The LDOE is responsible for distributing information about the program to parents in Orleans Parish, accepting voucher applications, determining program eligibility, holding a lottery to assign vouchers when the number of applications exceeds the available vouchers, managing a waitlist if necessary, and collecting student information from participating private schools. The vouchers are paid by the LDOE to participating private schools directly on a quarterly basis based on enrollment.

The LDOE provides information about the voucher program to parents and families through its website. A list of participating private schools, including a map, brief description of the school, and the number of voucher seats available in each grade is published on the LDOE's website annually.<sup>†</sup> It is not clear to what extent public school parents are familiar with the program. A March 2012 survey of 325 Orleans Parish registered voters found that 12 percent were "very familiar" with school vouchers and 34 percent were "somewhat familiar," similar to the responses of voters in other parishes across the state that do not have voucher programs.<sup>xi</sup>

The application deadline for the voucher program has generally been in late March, similar to the RSD's common application deadline. The LDOE accepts applications over a four or five day period, generally including a Saturday, at the University of New Orleans campus.<sup>xii</sup> Students who received a voucher to attend a private or parochial school the prior year receive confirmation no later than the end of April that their voucher will continue for the following year. New or first-time voucher recipients are alerted by the end of May, allowing parents to choose between accepting the voucher and accepting enrollment at an RSD charter or direct-run school; general admissions to most private schools as well as to the higher performing Orleans Parish School Board (OPSB) schools take place much earlier in the year, in the winter or early spring.

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<sup>†</sup> The Student Scholarships for Educational Excellence Listing of Participating Schools, 2012-13 School Year can be downloaded by clicking [here](#).

## The St. Thomas School

A 2010 study by University of New Orleans researchers focused on the experiences of parents of children enrolled at the St. Thomas School (pseudonym), a private Catholic elementary school in central New Orleans. The school serves a predominantly African American population of 165 students, 57 of whom were voucher recipients in the 2009-10 school year. All kindergarten students received a voucher, while 59 percent of K-4 students did, and the principal predicted that within 1-2 school years, 50 percent of the schools total K-7 student population will be voucher recipients. 16 parents were interviewed for the study.

### Key Findings:

- Small school and class sizes, strict discipline, and regular parent communication were of particular importance for parents participating in the voucher program at the St. Thomas School. However, most parents based their decision to use a voucher to send their child to St. Thomas based on general ideas about private and Catholic schools rather than specific knowledge about the St. Thomas School itself.
- Private schools were the primary source of information about the voucher program.
- Tracking students with special needs and ensuring services are provided pose significant challenges as students move between public and private schools.
- Transportation was noted as a major challenge for parents participating in the voucher program, though for many the St. Thomas school was closer than the public school their child would have attended.
- Schools that provide vouchers for a high proportion of their enrollment may become dependent on the program.

*Source: Brian Beabout and Belinda Cambre, "Parental voucher enrollment decisions: Choice within choice in New Orleans," Presented at AERA Annual Meeting, May 4, 2010.*

## Nonpublic School Participation

For the 2012-13 school year, 34 nonpublic or private schools have been approved to participate in the New Orleans voucher pilot program for a total of 2,212 vouchers available from grades K-7.<sup>xiii</sup> The majority of vouchers (667) are for kindergarten, while about 200-250 vouchers are available for the 1<sup>st</sup> through 7<sup>th</sup> grades. About half of the participating schools are located in Orleans Parish, while most others are in Jefferson Parish, though St. Charles, Terrebonne, and East Baton Rouge Parishes are also represented. Almost all the schools are Catholic or otherwise religiously affiliated.

Private or parochial participation in the New Orleans voucher pilot program is voluntary. To be eligible to participate, private schools must meet the following requirements:

- Be approved, provisionally approved, or probationally approved by BESE;
- Comply with the nondiscrimination requirements established in *Brumfield v. Dodd*;
- If in operation for less than two years, voucher student enrollment cannot exceed 20 percent of total enrollment.<sup>xiv</sup>

The conditions for BESE approval are outlined in BESE Nonpublic Bulletin 741, which specifies minimal standards relating to curriculum, class size, school year, and principal and teacher qualifications.

Provisional approval refers to new schools still in the approval process or schools that failed to meet some of the standards. Schools with provisional approval that failed to meet the standards are given two years to meet the standards; if after two years, they have not remediated their deficiencies, they receive probationary approval. Probationary approval indicates that a school's principal or staff failed to meet educational standards or that the school has operated under provisional approval for the past two years without remediating its deficiencies.

A public school in Orleans Parish may also participate in the voucher program so long as it is not deemed failing according to Louisiana's accountability system<sup>xv</sup>, though the open enrollment system in New Orleans makes this provision irrelevant as all public schools must allow for students across the city to attend.

Participating schools are required to use an open admissions process to admit voucher recipients, and to use a lottery should the school have more applicants than available seats. However, accepted students are subject to the school's academic, disciplinary, and other standards and policies.

Act 509 establishes some reporting and testing requirements required for private schools participating in the voucher pilot program but includes no reprisals for failure to meet these requirements. First, schools must report the number of students enrolled who receive a voucher to the LDOE. Second, schools must submit to the LDOE an independent financial audit, paid for by the LDOE, which clearly states the school's maximum tuition or the actual cost of educating a student. If an audit is not submitted, the school is placed on probation and cannot enroll any additional voucher recipients. Finally, participating schools must ensure that all voucher recipients (but not other students) are administered the state's required examinations, including the LEAP, *i*LEAP, and End of Course tests. The state publishes test results from private schools, but, because of privacy concerns, it releases scores only for those schools that have more than 10 test takers per grade. Since many private schools have only a handful of voucher recipients in each grade, school-level test results are rarely available for participating schools. The state does not hold schools accountable for student performance on the tests, and, unlike public school students, 4<sup>th</sup> grade voucher recipients do not have to meet a certain level of performance on the LEAP in order to be promoted to the next grade.

## Program Results

The voucher pilot program in New Orleans is intended to provide parents and students with better school choices than those they would otherwise have access to, in particular failing public schools. Because the program has only been in existence for only a few years, there are limited data available to adequately assess the quality of education being provided by private schools to voucher recipients. According to one parent survey, administered by the Black Alliance for Education Options in 2011, over 90 percent of parents with students in the voucher program were satisfied with their child's school and with their child's academic progress.<sup>xvi</sup> Additionally,

the LDOE reports that the program has an 86 percent retention rate.<sup>xvii</sup>

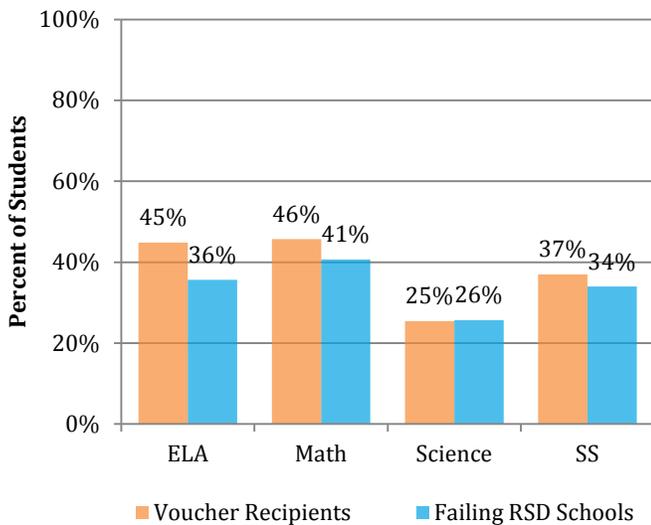
### Academic Performance

Evidence of academic performance is also limited, making it difficult to draw conclusions about the academic outcomes of voucher recipients compared to students at other schools in New Orleans. The charts on the next page compare the LEAP and iLEAP

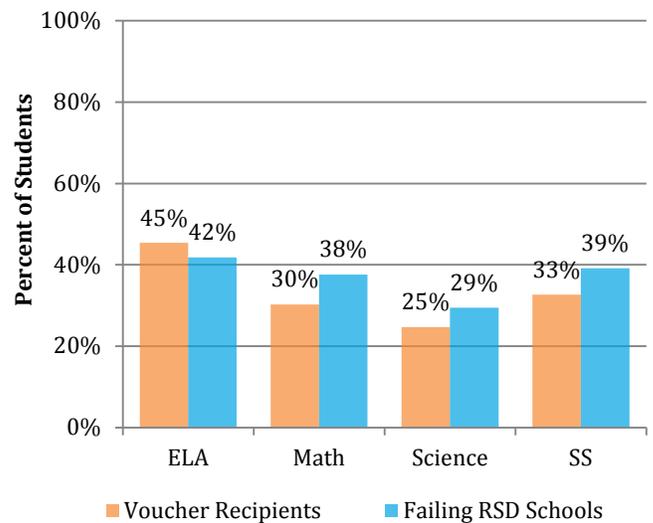
performance of voucher recipients and students at failing public schools in New Orleans, all of which are in the RSD, in the 2010-11 school year. The results show that in most grades and subjects voucher recipients were outperformed by students at failing public schools. Students at failing RSD schools would have been eligible to receive a private school voucher so long as they met the income eligibility requirement.

## LEAP and iLEAP Performance, 2011

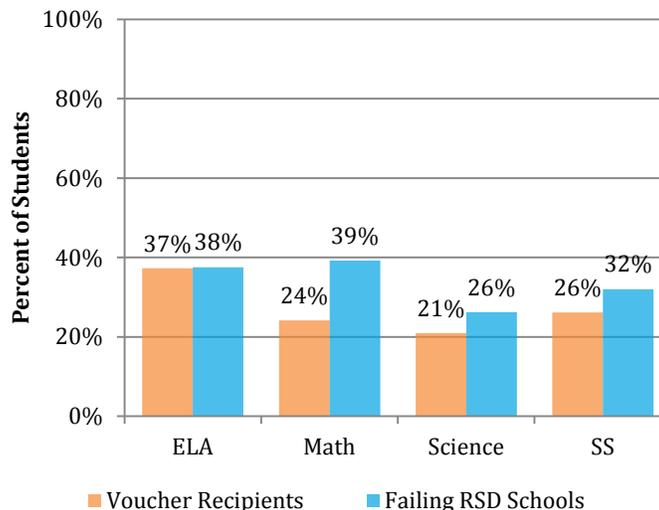
3rd Grade iLEAP, Percentage of Students Scoring Basic & Above (2011)



4th Grade LEAP, Percentage of Students Scoring Basic & Above (2011)



5th Grade iLEAP, Percentage of Students Scoring Basic & Above (2011)

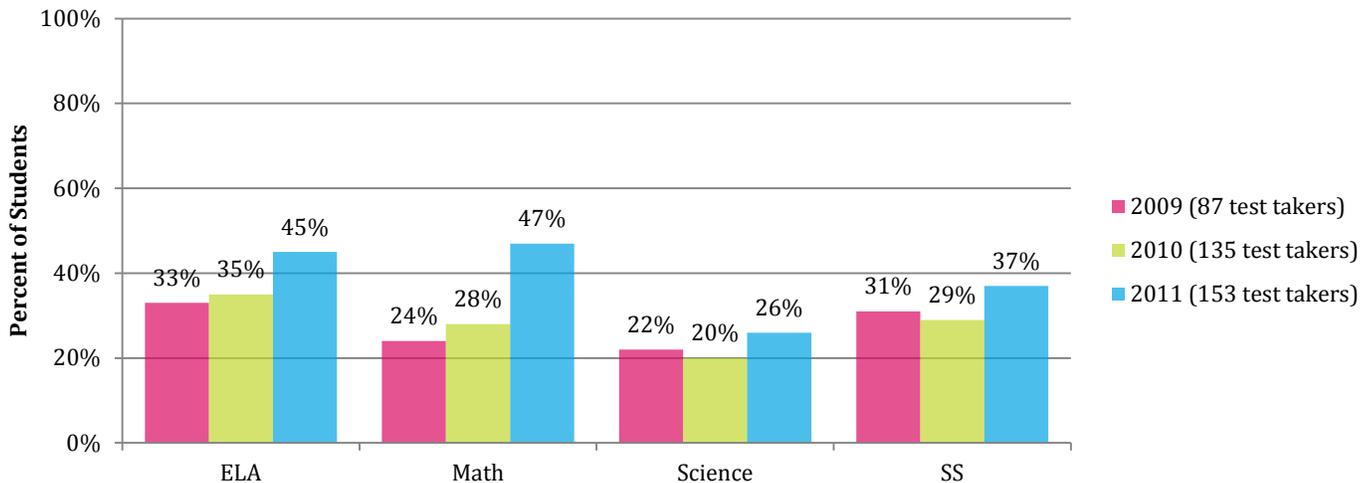


Source: Louisiana Department of Education, 2011

In the three years for which third grade test data are available, voucher recipients have shown some improvement. The increase in the percentage of students scoring Basic and above could be from a variety of reasons, such as higher performing students selecting vouchers, teachers becoming more

familiar with the tests, and schools and teachers getting better at ensuring voucher recipients are well-served at their schools. The chart below illustrates third grade voucher recipient performance on the iLEAP in each year since the voucher program was enacted.

3rd Grade iLEAP, Percentage of Students Scoring Basic & Above (2009-2011)



Source: Louisiana Department of Education, 2011

Due to privacy laws, only eight of the 32 participating schools had school-level test results reported in the 2010-11 school year, though the eight schools enrolled 62 percent of all voucher students.<sup>xviii</sup> Among schools reporting test results, performance varied significantly. Two schools had 80 percent or more of their students participating in the voucher program score Basic and above on the English or math section of the LEAP/iLEAP, while the remaining six schools had between five and 61 percent of students scoring Basic and above. Student performance at four schools was worse than the lowest performing school in the RSD, with less than a quarter of students scoring Basic and above.

### Conclusion

The voucher pilot program has provided low and moderate income families in New Orleans with school options in addition to those already provided by the open enrollment public school system. Today,

public school families in New Orleans can choose among over 40 different charter school operators and two public school districts, including 25 public schools that received a C, D, or F according to the state's accountability system, in addition to 34 private and parochial schools across the region. The voucher program has expanded school choice for the nearly 2,000 participating students. Parents who take advantage of the voucher program are satisfied with their children's schools. However, with limited accountability measures in place it is difficult to know if the program's participating private schools are meeting the academic needs of their students.

The available evidence suggests that while voucher recipients at some private schools are excelling academically, this is not the case at many, if not most, participating schools. More data are needed to truly understand the impact of private school vouchers in a choice system.

## End Notes

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- <sup>i</sup> “Can Jindal take school vouchers statewide?,” Associated Press, Jan. 1, 2012.
- <sup>ii</sup> 2012 HHS Poverty Guidelines.
- <sup>iii</sup> Mike Hasten, “Jindal Education Plan Hits Nerve,” *News-Star*, January 18, 2012.
- <sup>iv</sup> Federal Register, Vol. 76, No. 58, Friday, March 25, 2011.
- <sup>v</sup> Circular No. 1134, MFP Budget Letter Spreadsheet 2011-2012, Initial July 2011.
- <sup>vi</sup> LA RS 17:4011-4025.
- <sup>vii</sup> “Can Jindal take school vouchers statewide?” *Associated Press*, January 22, 2012.
- <sup>viii</sup> Sarah Carr, “School vouchers facing uncertain future; Jindal program takes back seat to charters,” *Times-Picayune*, September 6, 2009.
- <sup>ix</sup> Andrew Vanacore, “Using public money to pay for private school vouchers is approved by state education board,” *Times-Picayune*, February 27, 2012.
- <sup>x</sup> Minimum Foundation Program (MFP) Administration, Louisiana Department of Education.
- <sup>xi</sup> Paul DiPerna, *Louisiana K-12 and School Choice Survey: What Do Voters Say about K-12 Education?*, The Friedman Foundation for Educational Choice, March 29, 2012.
- <sup>xii</sup> Andrew Vanacore, “Deadline coming up for New Orleans parents seeking private school vouchers,” *Times-Picayune*, March 06, 2012.
- <sup>xiii</sup> Student Scholarships for Educational Excellence List of Participating Schools, 2012-2013 School Year.
- <sup>xiv</sup> LA RS 17:4011-4025.
- <sup>xv</sup> *Ibid.*
- <sup>xvi</sup> Student Scholarships for Educational Excellence Program Parental Satisfaction Survey, Louisiana Black Alliance for Educational Options, December 2011.
- <sup>xvii</sup> Andrew Vanacore, “Data Don’t Yet Prove Case for Voucher Program,” *Times-Picayune*, February 6, 2012.
- <sup>xviii</sup> *Making Choice Right: Can Private School Vouchers Live Up to Their Promises?*, Bureau of Governmental Research, March 2012.