

Indiana's Choice Scholarship: Participation & Impact on Achievement

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Highlights Summary

The Indiana Choice Scholarship Program (ICSP), launched in 2011, offers an opportunity to study how a large-scale K-12 private school tuition voucher program works and to analyze the results it has produced in its first few years. Indiana's school voucher program is the nation's largest voucher program, accounting for nearly 20 percent of all voucher students nationwide, with 34,299 students receiving vouchers and 313 private schools participating during the 2016–17 academic year. It is unique in that both low- and moderate-income families are eligible for a voucher, and there is no cap on the number of students who can take part. The average scholarship amount, based on the public-school district in which students live, ranges from about \$4,500 in Kindergarten to \$5,600 in high school.

Our four-year evaluation of the Indiana program is one of a few recent studies that finds statistically significant negative effects on students' mathematics achievement of using a voucher to switch from a public to a private school in the first years after a choice program's launch. These findings are the same for students of all races or ethnicities, whether African American, Latino, white, or multiracial. Our research also indicates that voucher students begin to recoup their academic losses in their third and fourth years of attending a private school. Students transitioning to a private school may need time to acclimate to what are usually more rigorous academic standards and higher expectations for homework and schoolwork.

Who Participates?

About 76 percent of Indiana's private schools—and nearly all its Catholic schools—participate in the voucher program. When examining student participation, we looked at students who joined the program early and students who are participating now, because the program has changed over time. Initially, students could receive a voucher only if they had attended a public school for at least one year, or if they had attended a private school with the help of the state's scholarship tax credit program for tuition-paying families. In 2013, the program expanded eligibility requirements to include siblings of voucher students and allowed students to receive a voucher starting in Kindergarten. Thus, in its first year, 90 percent of Indiana voucher students had previously attended a public school, but by 2016–17, only 45 percent had. In other words, the program started out serving students who wanted to leave public schools, but it now serves a majority of students who have attended private schools from day one.

As the program eligibility requirements changed, so too did the demographics of participating students. In the first year, 24 percent were African American, but this number declined to 12 percent in 2016–17. Conversely, the percentage of white students receiving vouchers increased from 46 percent in the first year to 60 percent in 2016–17. The shares of Latino students (20 percent) and multiracial students (6–7 percent) remained consistent over time. Statewide in 2016–17, the K–12 student population was 69 percent white, 12 percent African American, 11 percent Hispanic, and 5 percent multiracial.

Statewide, students receiving vouchers were low-achieving before entering private schools. On average, voucher students performed at roughly the 41st percentile at baseline compared to all public- and private-school students statewide and were nearly four percentile points higher achieving at baseline than their same race, low-income peers remaining in public schools. African American voucher students were much lower achieving at baseline, while white

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students were higher achieving. Voucher students moved to private schools whose students were performing, on average, at the 53rd to 57th percentile in math and English Language Arts (ELA), respectively. Private school principals, teachers, and students we interviewed said that students who transferred into private schools using a voucher had not been required to do much homework in the public schools. Schools responded to their new students by providing more individualized instruction and in some cases, by adding an “ability” group.

Effects on Achievement

Because Indiana does not cap the number of vouchers awarded, it has no lottery process to determine who receives a voucher. Without the benefit of random assignment, we used a variety of statistical approaches to determine the program’s impact on student achievement. We focused on students using a voucher to switch from a public to a private school in grades 5–8 during the program’s first four years (2011–12 through 2014–15). Because Indiana public and private schools take the same state assessment in grades 3–8, we could identify public-school students who shared similar achievement trajectories and demographic characteristics with these voucher students at baseline (the year prior to a student switching from a public to a private school) and track both groups’ academic progress for up to four subsequent years.

Overall, we found an average loss in mathematics of 0.12 standard deviations (roughly 3-4 percentile points) from baseline for students who used a voucher to transfer from public to private schools. The largest losses occurred during years one and two. However, voucher students began to show signs of improvement by their fourth year in a private school, and in that year there was no statistically significant difference between them and their public school peers in terms of total achievement gains from baseline. The negative math effects in the early years are similar to recent findings for students participating in new statewide voucher programs in Louisiana and Ohio, though smaller in magnitude. In ELA, we find no statistically significant average difference in the performance of voucher and public school students in any year. We found little to no variation in these effects based on a student’s race or ethnicity, suggesting that achievement gaps in mathematics were exacerbated in early years and remain steady in ELA.

Implications for Program Design

If states and cities continue to implement parental choice programs, our research to date offers some clear policy implications: (1) allow enough time for schools and families to prepare for the implementation of a voucher program; (2) start with a smaller number of scholarships and use lotteries to determine participation, enabling researchers to better assess early impacts on students; (3) provide broader measures beyond achievement (engagement, motivation, social-emotional skills, persistence) to assess a program’s effectiveness; (4) start students earlier in their academic careers to better acclimate students to private schools; (5) ensure the quality of private schools willing to participate; and (6) provide additional teacher training in mathematics instruction and in learning to lead more diverse classrooms.

Outside of choice programs, policymakers should consider other pressing educational policies such as early childhood education, continuing teacher training and professional development, and student funding for postsecondary education, which are likely to provide greater educational opportunities for all students, especially students of color.