Model Summary

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The dependent variable for each model is $log(truancy_rate)$

The $subsidy_level$ variable is a factor with three levels, high, average, and low.

Model 1

$$\beta_0 + \beta_1 pupil_teacher_ratio$$

Model 2

$$\beta_0 + \beta_1 pupil_teacher_ratio + \beta_{2,3} subsidy_level$$

Model 3

$$\beta_0 + \beta_{1,2} subsidy_level + \beta_{3,4,5} subsidy_level \cdot pupil_teacher_ratio$$

Model 4

$$\beta_0 + \beta_{1,2} subsidy_level + \beta_{3,4,5} subsidy_level \cdot pupil_teacher_ratio + \beta_6 \cdot \frac{average_salary}{1000}$$