IMPROVING THE OPPORTUNITY SCHOLARSHIP PROGRAM IN WASHINGTON D.C.

TURNER LABRIE

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Before beginning this paper I would like to take a moment to say thanks to a few people. First, a thanks to EdChoice and Mr. Jason Bedrick for giving me the opportunity to work on a subject that I am passionate about. I would also like to thank Professor Pennock for his guidance on this project and his ability to create a welcoming environment where we could foster intellectual and personal growth. Also a thank you to the faculty and staff at Batten for their additional help on this project and for establishing the foundation necessary to engage in this work. Thank you to my friends and family who have been incredibly supportive through my five years here at UVA. Finally, a thank you to Coach Tony Bennett for the reminder that even when times are tough that joy does come in the morning.

DISCLAIMER

"The author conducted this study as part of the program of professional education at the Frank Batten School of Leadership and Public Policy, University of Virginia. This paper is submitted in partial fulfillment of the course requirements for the Master of Public Policy degree. The judgments and conclusions are solely those of the author, and are not necessarily endorsed by the Batten School, by the University of Virginia, or by any other entity."

ACRONYMS

DCPS: District of Columbia Public Schools

DCPCSB: District of Columbia Public Charter School Board

DCTAGP: District of Columbia Tuition Assistance Grant Program

FPL: Federal Poverty Line

GAO: Government Accountability Office

IDEA: Individuals with Disabilities Education Act

NAEP-TUDA: National Assessment of Educational Progress Trial Urban District Assessment

OSP: Opportunity Scholarship Program

PARCC: Partnership for Assessment of Readiness for College and Careers

SOAR: Scholarships for Opportunity and Results Act

WSF: Washington Scholarship Fund

EXECUTIVE SUMMARY

The D.C. Opportunity Scholarship Program is a voucher program with the intent of offering underprivileged children in Washington D.C. the opportunity to receive an education at a private school. It has a politically contentious history, with Congressional leaders constantly battling over funding for the program. Ideally, students participating in the Opportunity Scholarship Program would have higher academic performance indicators than students not participating. Unfortunately, that is not the case. A recent analysis found that students participating in the Opportunity Scholarship Program scored ten percentile points lower than students not participating (Dynarski, 2018). This achievement gap may be driven by a number of factors. Many children go to schools with low tuitions, indicating that the schools that they attend do not have the resources to provide an adequate education. Information on school quality is scarce, so parents may be unaware that the school they send their children to performs poorly academically. Or, parents may be aware of these issues and may send their students to these schools for reasons outside of academic performance, such as increased safety.

In the paper below, I outline four potential policy options that EdChoice can advocate on behalf of to attempt to close the achievement gap. The first option guarantees funding for the program for the foreseeable future, hoping that market forces correct the achievement gap. The second option increases the maximum scholarship amount and average scholarship value through increased appropriations to allow children to attend more expensive private schools. The third option creates an information system to arm parents with the necessary knowledge to make an informed decision about their child's future. The fourth option cancels the Opportunity Scholarship Program, suggesting that it is perhaps a program that cannot be saved. After evaluating the four options outlined above on their ability to improve academic performance, their cost, their impact on parental choice, and their political feasibility, I recommend advocating for improving parental information access. It is the policy option that is most likely to gather bipartisan Congressional support and is relatively cheap for the benefits it provides. To conclude, I include a brief section outlining potential advocacy strategies and key stakeholders.

WHAT IS THE D.C. OPPORTUNITY SCHOLARSHIP PROGRAM?

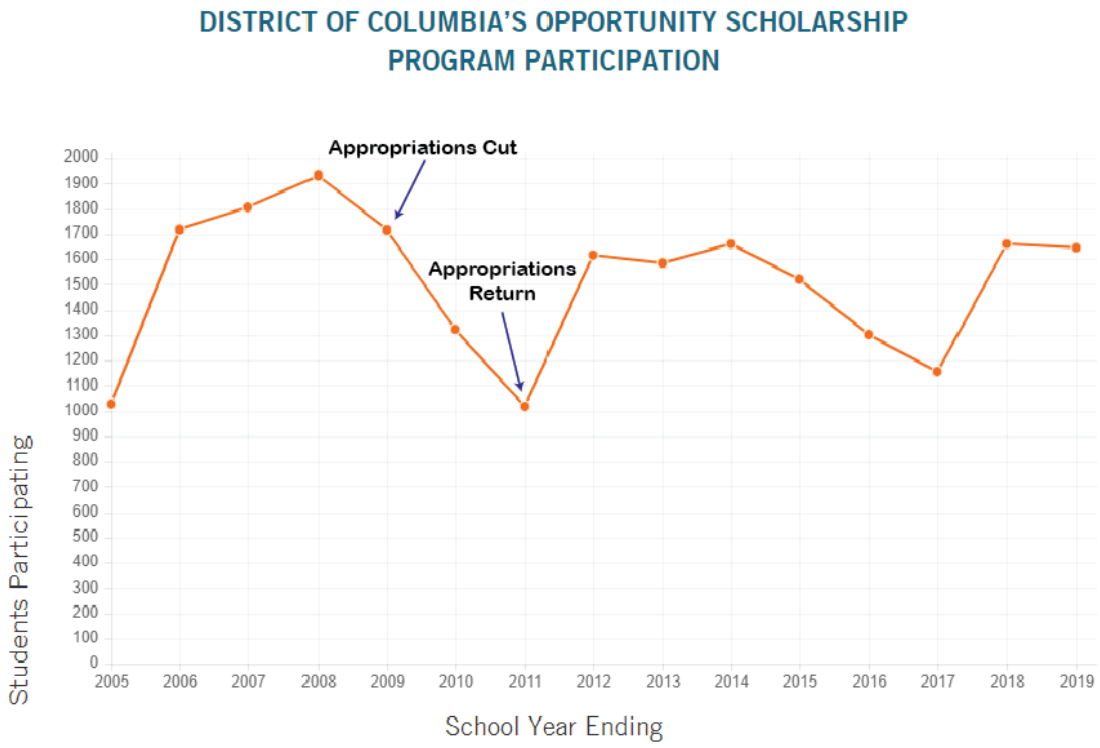
According to Serving Our Children, the D.C. Opportunity Scholarship Program (OSP) grants "need-based annual scholarships to eligible District children to attend a participating private D.C. elementary, middle, or high school of their parent's choice" (2019). For the 2018-2019 school year, students can receive scholarships valued up to $13,287 dollars to attend a private high school and $8,857 to attend a private middle or elementary school. The scholarship money can be used for tuition, books, school uniforms, and other education-related expenses (Serving Our Children, 2019).

In order to be eligible for the OSP, families must either earn less than 185% of the Federal Poverty Line (FPL) or receive Supplemental Nutrition Assistance Program benefits. Families will maintain eligibility as long as their household income does not climb above 300% of the FPL. Approximately 33% of families within Washington D.C. are eligible to participate in the OSP (EdChoice, 2019). Students are selected via a lottery should the number of applicants exceed existing slots. The program gives preference within the lottery to children who are coming from underperforming public schools and children whose siblings already receive a scholarship (EdChoice, 2019).

The OSP is the only federally funded school choice program in the United States. For 2019, Congress appropriated approximately $15 million dollars for the OSP. The OSP technically falls under the jurisdiction of the Department of Education, though the D.C-based non-profit Serving Our Children administers the program (EdChoice, 2019). This administrative structure keeps the OSP separate from the Washington D.C. public and charter school system.

For the 2018-2019 school year, 1,645 students participated in the OSP. This accounts for roughly two percent of all public school students in Washington D.C. Figure 1, pictured below, demonstrates the number of participants within the program from 2005-2019. The program reached its peak enrollment during the 2008-2009 school year when 1,930 students participated. The steep decline seen from 2009-2011 is a result of Congress cutting appropriations for new students. Despite appropriations returning in 2011, participation has yet to return to pre-2009 numbers.

Figure 1. Students participating in the OSP by school year



Source: EdChoice, 2019

HISTORY OF THE D.C. VOUCHER PROGRAM

The OSP has a history of being a politically contentious issue. The movement towards a D.C. voucher program began in 2002. The Mayor of Washington D.C. at the time, Anthony Williams, indicated to the White House that he was open to a federally-funded school choice program. President George W. Bush leaked in February 2003 that his 2004 budget would contain $75 million dollars for school choice programs, including a voucher system in Washington D.C. Despite intense lobbying by school choice opponents throughout summer 2003, the House of Representatives approved a bill funding the OSP by just one vote (Hsu, 2004). However, in the Senate, Republicans were unable to muster the 60 votes needed to invoke cloture. Senate Republicans rolled OSP funding into an unamendable appropriations bill, essentially forcing the opposition to vote in favor of the legislation or face a government shutdown (ABPNews, 2003).

In 2009, the OSP faced termination. Senator Dick Durbin (D-IL) added a provision into an appropriations bill that prohibited the administration of new scholarships unless the program

was reauthorized by Congress and the city council (Burke, 2012). Congress failed to do so and thus funding for new vouchers ceased Participation in the program dropped precipitously as new entries were forbidden. From 2009-2011, total recipients fell by 40.7% from 1714 to 1017 students (EdChoice, 2019). During the 2011 budget negotiations, Majority Leader John Boehner (R-OH) secured the passage of the Scholarships for Opportunity and Results Act (SOAR). SOAR expanded the OSP and reauthorized the program through 2016 (National Coalition for Public Education, 2019).

SOAR faced reauthorization again in 2017. During the markup, the House Oversight and Government Reform Committee rejected three amendments. The three amendments contained provisions overhauling the evaluation system and provided protections to LGBTQ and disabled students. Congressional leaders attached SOAR reauthorization to an appropriations bill in both houses where each measure passed (National Coalition for Public Education, 2019). SOAR is currently authorized through the Fiscal Year 2019.

The Department of Education made a significant change to SOAR in 2017. The Department reversed an Obama-era rule that prevented students that were already enrolled in private schools from receiving OSP money. Under the new rule, students that were already enrolled in private schools are eligible for vouchers, assuming they meet previously mentioned eligibility requirements (Emma, 2017).

THE D.C. SCHOOL SYSTEM

Before analyzing whether or not the OSP improves outcomes in Washington D.C., it is important to first consider the general performance of the school system administered by the city. If the D.C. school system is performing well, then it may make little sense for a voucher program to exist. There may not be room for improvement.

The Washington D.C. schooling system is divided into two distinct organizations. There is the District of Columbia Public Schools (DCPS), which educates over 48,000 students. For the 2017-2018 school year, 85% of its students came from a minority background and 77% were economically disadvantaged (DCPS, 2019). The D.C. Public Charter School Board (DCPCSB) is responsible for managing the over 43,000 students educated at public charter schools throughout

Washington D.C. Public charter school enrollment accounted for 47.5% of public enrollment for the 2017-2018 school year (DCPCSB Enrollment, 2018). For the 2017-2018 school year, 94.1% of its students came from a minority background and 72.8% were economically disadvantaged (DCPCSB, 2018). Given this bifurcated organizational structure, we will address each system's school quality separately.

Figure 2. DCPS and DCPCSB enrollment demographics

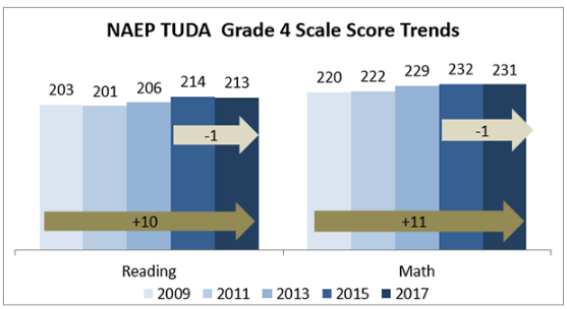
	D.C. Public Schools	*D.C. Public Charter School Board*
Total Enrollment	*48,144 Students*	*43,340 Students*
African American	*60%*	*75%*
Hispanic	*20%*	*16%*
White	*15%*	*6%*
Other	*5%*	*3%*
Economically Disadvantaged	*77%*	*73%*
English Language Learner	*14%*	*8%*
Special Education	*14%*	*14%**

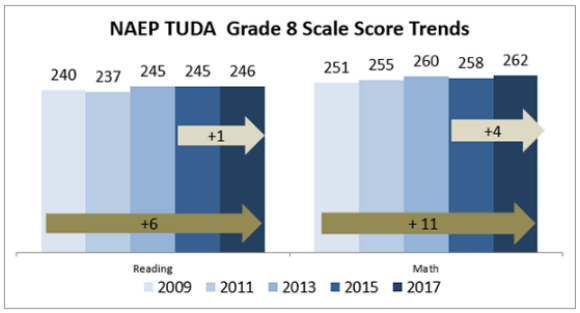
*Figure is from 2016-2017 as data isn't available for the 2017-2018 school year

Source: DCPS & DCPCSB, 2018

In terms of performance, the DCPS shows signs of improvement in recent years, but concerns within the system remain. From 2009-2017, scores on the National Assessment of Educational Progress Trial Urban District Assessment (NAEP-TUDA) improved by 9.5 points, on average across grades and subjects. The greatest gains, as shown in Figure 3, were in math for both Grade 4 and 8, which improved by 11 points (DCPS, 2018).

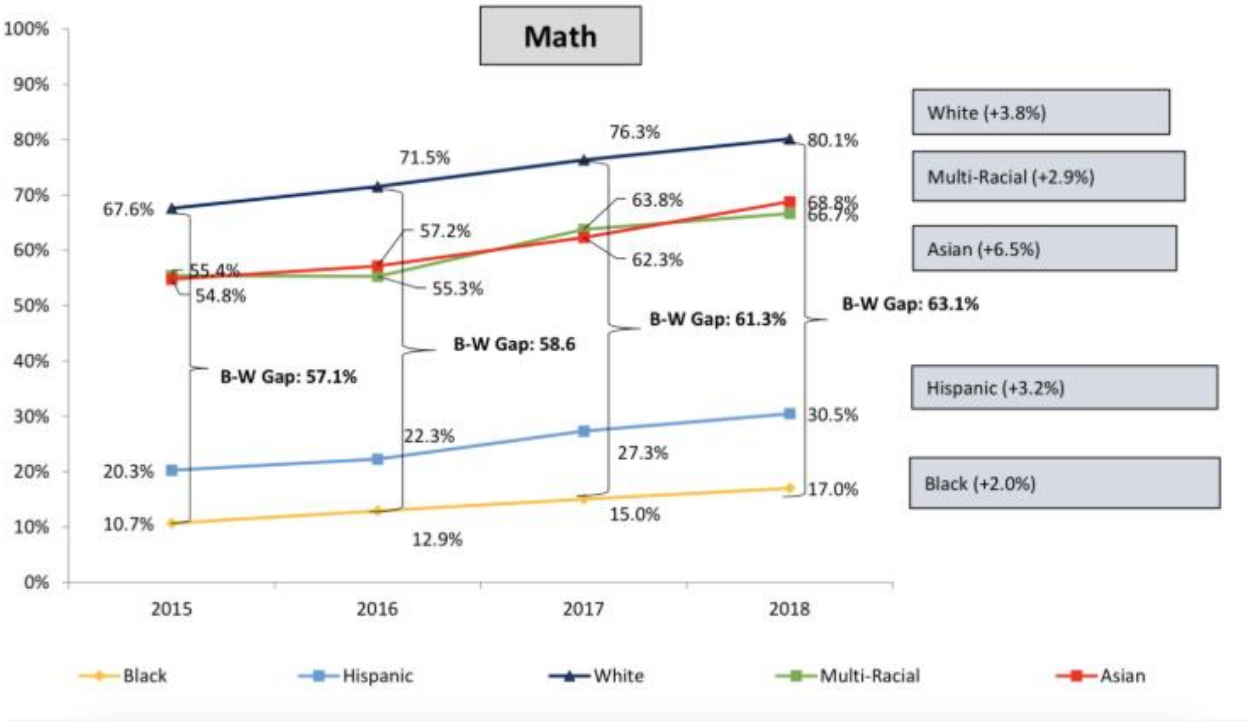
Figure 3. DCPS NAEP-TUDA trends in math and reading for Grade 4 and Grade 8

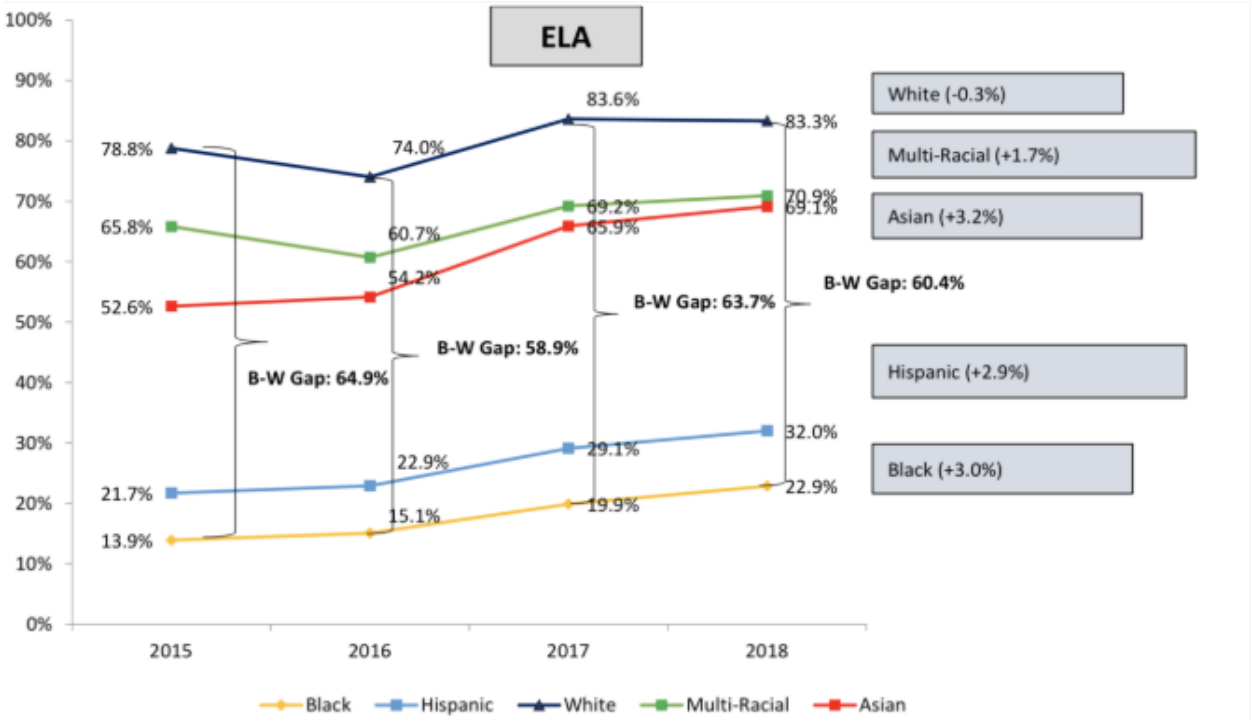




Scores on the Partnership for Assessment of Readiness for College and Careers (PARCC) improved by 8.5 percentage points in English and 7.3 percentage points in math. The same assessment found that approximately one-third of DCPS students are college ready. It also showed that significant achievement gaps between white and black students exist. White students performed better than black students by over 60 percentage points in both subjects (Abamu, 2018). Graduation rates for high schools in DCPS rose dramatically since 2011. From 2011-2017, graduation rates rose by 15.5 percentage points from 53% to 68.5%. Though, there are some doubts surrounding the validity of the improvement in graduation rates. Recent investigations found widespread fraud in reporting absences that would have a dramatic effect on graduation requirements (Massimo, 2018).

Figure 4. DCPS achievement gaps on the PARCC





Source: Abamu, 2018

On many metrics, students in charter schools outperform students in DCPS. On the NAEP-TUDA exam, black students in D.C. charter schools score 10.8 points higher than their counterparts in DCPS (Innes, 2018). Students also tend to graduate at a higher rate. The graduation rate for DCPCSB schools for the 2017-2018 school year was 72.4%, or 3.9 percentage points higher than the DCPS rate (DCPCSB, 2018). With the analysis above, it is important to note that these are simple comparisons and should not be interpreted as an indication that charter schools in D.C. improve student outcomes. This may simply be a case of self-selection. For example, students with parents who are more involved may be more likely to take to enroll in DCPCSB, which could explain the difference in academic achievement.

In general, while certain aspects of the D.C. schooling system (specifically the charter schools) perform well, there are many aspects where in which it fails. The achievement gaps for African American students are especially disturbing, considering they constitute a majority of the students enrolled in the D.C. schooling system. Furthermore, many students are constrained to schools that perform poorly. Roughly 36% of schools in Washington D.C. received a STAR rating of two stars or lower (Office of the State Superintendent of Education, 2019). The STAR

rating measures academic quality and school environment. Many students in Washington D.C. could undoubtedly benefit from a robust alternative to DCPS and DCPCSB.

THE IMPACT OF VOUCHER PROGRAMS WITHIN WASHINGTON D.C.

Supporters of voucher programs argue that they improve student outcomes. They believe that providing vouchers to families allows students to exit struggling public schools. They can then enter other education programs, which they argue are better suited to the needs of the child and in some cases are more innovative than traditional public schools. In addition, creating a voucher system introduces greater competition into the education market, thus increasing the quality of *both* private and public schools (Iacono, 2015).

There has been extensive research on voucher programs in Washington D.C. The D.C. School Choice Incentive Act of 2003 mandated evaluation of the program, driving a significant portion of the research (Levy, 2018). The next paragraphs will cover how voucher programs in D.C. impact student performance on standardized tests, graduation rates, college attainment, access, parental perceptions, and student perceptions. This section will also contain a brief segment that addresses other concerns with the OSP.

Student Performance

The analysis of an early privately-funded voucher system within D.C. found that enrollment within the program improved the performance of African American students. Wolf et al. used lottery-generated randomization to measure the difference in academic achievement for African American students enrolled in the Washington Scholarship Fund (WSF) (2002). The experiment discovered that African American students enrolled in the WSF scored 9 percentile points higher than those who applied for the WSF but did not gain admission via lottery. African American students comprised 93% of the students within the study. It is important to emphasize that the WSF is a privately funded program, so one must be careful when drawing conclusions for the federally-funded OSP.

Many separate analyses directly on the OSP found either neutral or discouraging results regarding student performances. In all analyses, the researchers again used the lottery to generate random assignment. In their 2008 & 2010 analyses, Wolf et al. found no difference in math or

reading achievement between students that enrolled using an OSP voucher and students that applied but did not receive a voucher. A 2017 analysis found that students enrolled using an OSP voucher scored 7.3 percentile points lower than students who did not receive a voucher (Dynarski et al., 2017). A follow-up study conducted a year later found that the gap between those using the OSP and those rejected from the lottery in math grew to 10 percentile points (Dynarski et al., 2018).

High School Graduation Rates and College Enrollment

The 2010 lottery experiment found that using a voucher improved high school graduation rates for those participating in the OSP. The study conducted by Wolf et al. found that those offered a voucher graduated at a rate that was 12 percentage points higher than those not offered a voucher (2010). This outcome is valuable because students who graduate with a high school degree earn $10,556 dollars more per year on average than students who do not graduate from high school (Bureau of Labor Statistics, 2017). One must note that the graduation rates mentioned above are based on parent survey data. It is possible that the difference generated in the study was due to self-selection into the survey and inaccurate reporting.

Only one study evaluated how offering a voucher impacted college enrollment and found that it had no effect for students participating in the OSP. It used the lottery to generate random assignment. The study found that students offered a voucher were no more statistically likely to enroll in college within two years after graduation than students who did not receive a voucher (Chingos, 2018).

Student Access

An initial analysis indicates that the OSP is successful in providing access to its targeted population. Students initially entering the program in 2004 performed similarly on reading and math assessments when compared to DCPS students. They were equally likely to have a disability. Students in the voucher program were more likely to be African American or participate in the free-or-reduced lunch program (Wolf et al., 2005). For the first two school years, 43% of applicants attended a failing public school and 11% attended a public school that

fell in the bottom quartile of performance metrics (Wolf et al., 2006). Given that this data is from over 10 years ago, it would be beneficial to have a more current analysis.

School Participation

During the 2005-2006 school year, an analysis by Wolf et al. found that, of 88 private schools eligible to receive OSP vouchers, 68 schools participated in the program (2007). As of 2019, 45 private schools participate in the OSP (EdChoice, 2019). There are concerns that some of the best private schools choose not to participate in the OSP. An opinion article in the *Washington Examiner* noted that "higher-quality private schools are less likely to participate in two of the most highly regulated voucher programs in the U.S." (DeAngelis, 2018). A study using a linear probability model found that private schools with higher tuitions, higher enrollments, and better customer reviews were less likely to participate in the OSP (Sude et al., 2017).

School Characteristics

As previously mentioned, 45 private schools participate in the OSP. Of those 45 schools, many were geared towards serving elementary students. Almost 69% of participating schools offered some form of elementary education[1]. Additionally, many educate high school students, with 45% of participating schools offering secondary education.

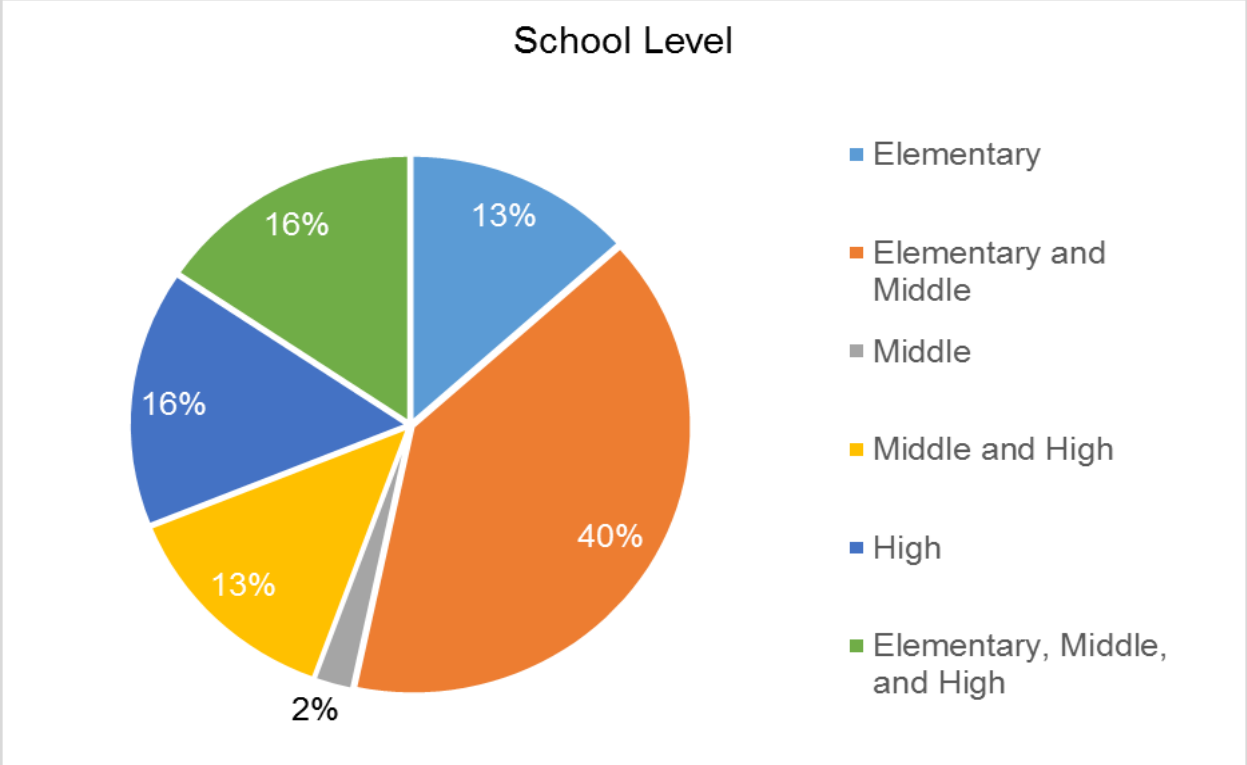
The schools participating in the OSP tend to be concentrated in the wealthier Wards of Washington D.C. Approximately 71% of schools reside in the five richest Wards (Wards 1,2,3,4, & 6) where the median household income is at least $80,000 dollars (D.C.'s Economic Strategy, 2018). This leaves only 29% of schools in the poorest three Wards. When you only consider Wards 7 & 8, where the household median income is below $40,000 dollars, there are only seven schools participating (Serving Our Children, 2019). Considering that many families that use the OSP likely come from poorer wards, considering the income restrictions, the geographic

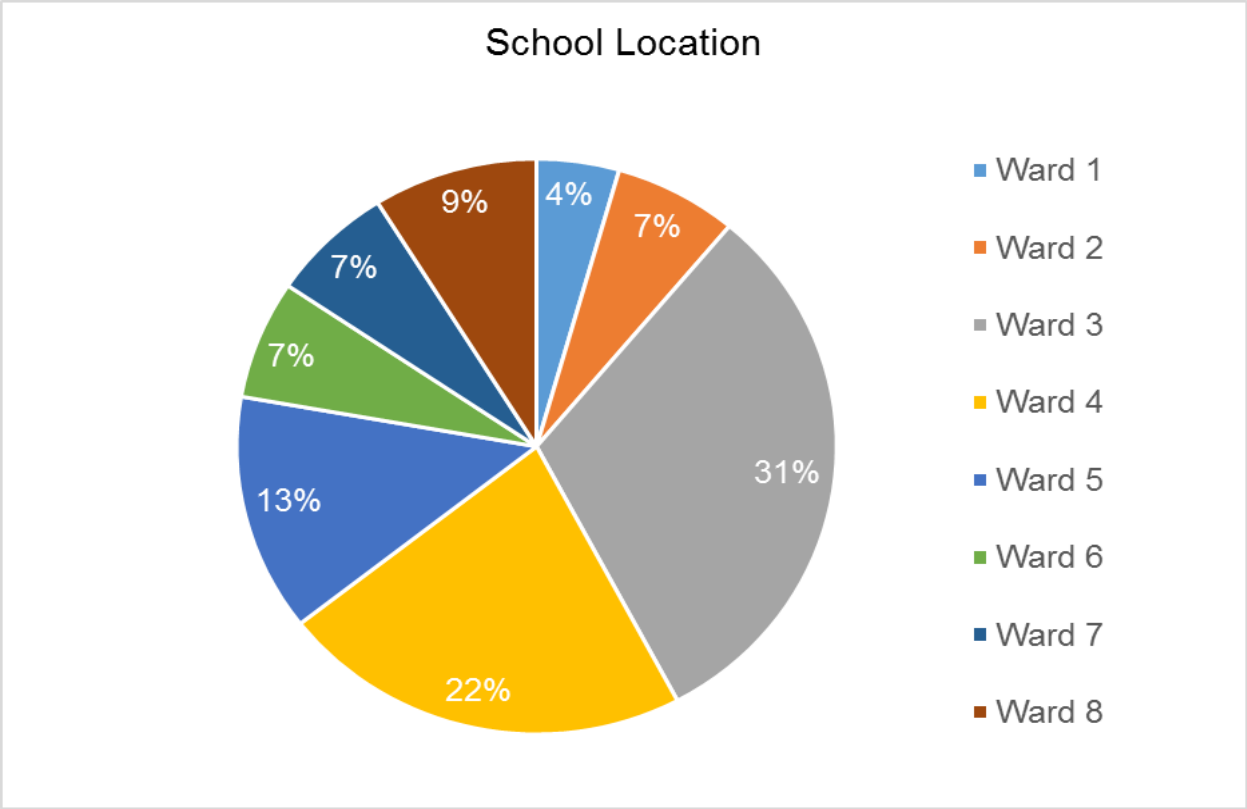
[1] I generated this data and the following data in this section. In order to derive these statistics, I looked at the ward, school levels served, and listed tuition price for each individual school that accepts OSP scholarships. I pulled the ward data from the Serving Our Children website. Data for the school level served and listed tuition is derived from each school's website.

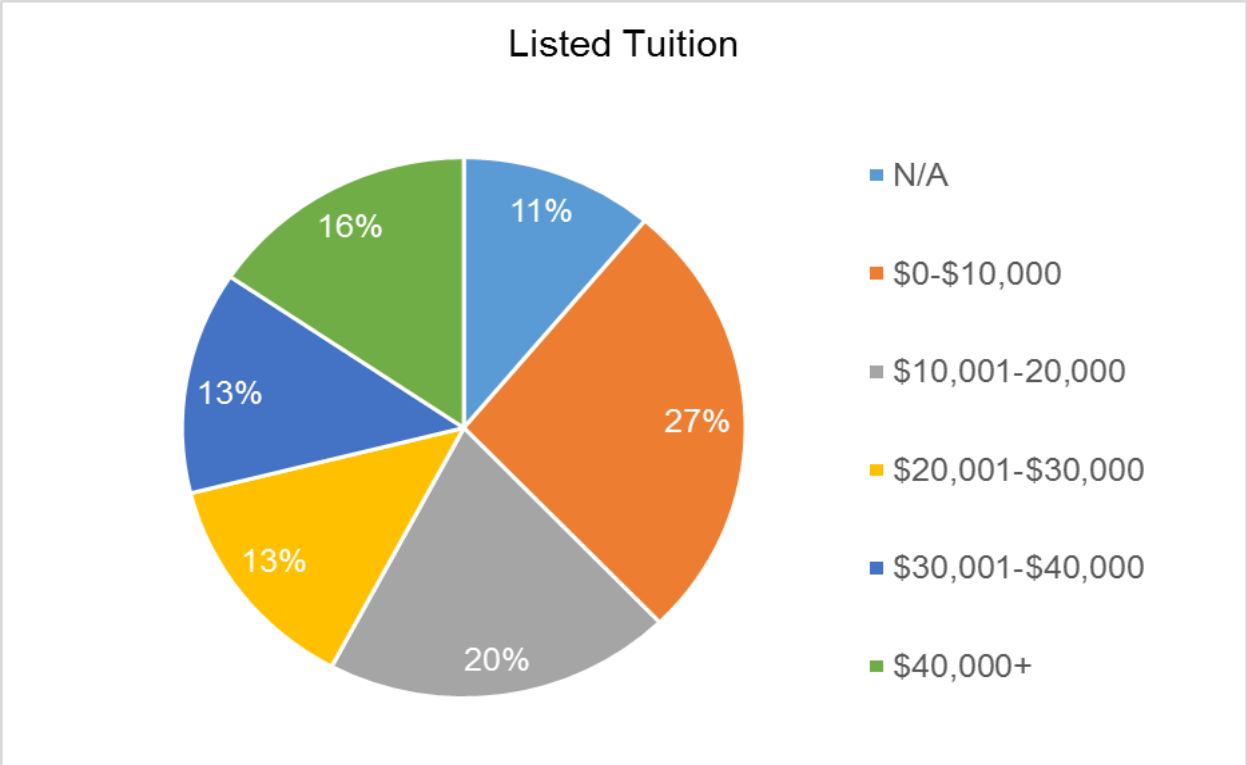
distribution of schools participating in the OSP is problematic. It leaves few options for parents who want to send their children to school nearby using the OSP. And for many students who use the OSP, it means lengthy commutes in order to attend school on the other side of town.

Most of the schools that participate in the OSP charge high tuitions. The mean tuition for participating schools is $27,675 dollars and the median tuition charged is $15,775 dollars. Over 60% of the schools charge yearly tuitions that are greater than $10,000 dollars. Almost 30% of schools over $30,000 dollars per year. This means that the average voucher value of $9,545 dollars cannot cover the full listed tuition price at 60% of the schools participating in the OSP and cannot even match the median or mean tuition. Now some of the difference between the voucher and the listed tuition may be covered by the schools themselves. Many schools talk about need-based financial aid on their web pages. However, it seems likely that many families who use the OSP would still need to devote significant financial resources to send their children to a private school that charges high tuition.

Figure 5. Schools participating in the OSP by school level served, ward, and listed tuition







Source: Author's Calculations

Parental and Student Perceptions

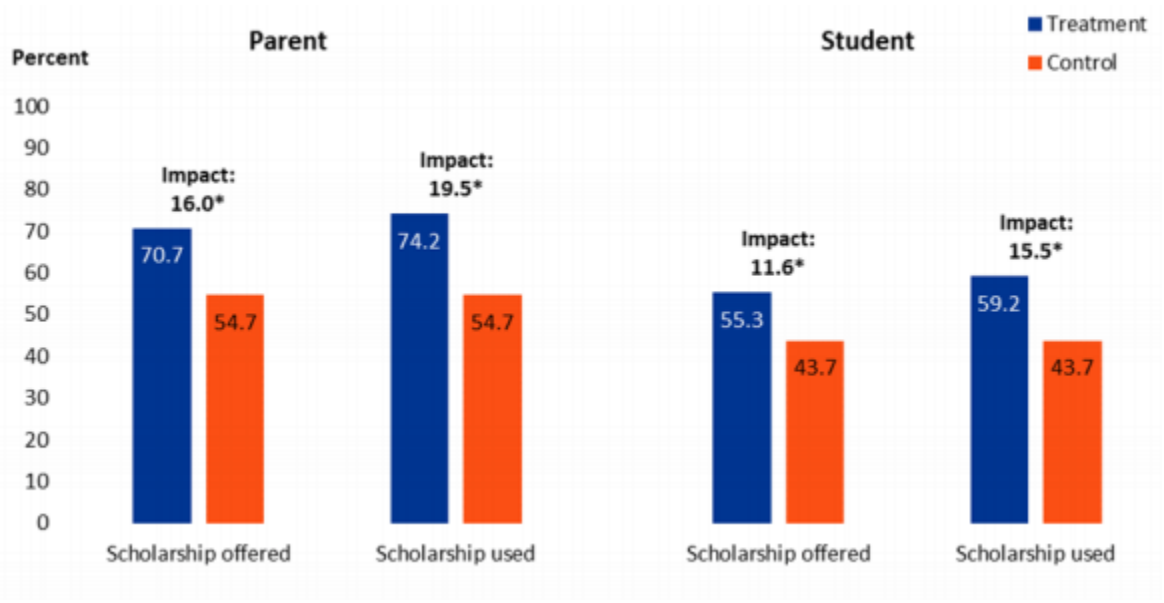
The data presented shows mixed parental and student views on the OSP. The first piece of evidence comes from lottery applications. If parents and students perceived the OSP to be low quality, then they would not sign up for a lottery. For every year of the program (excluding the years when funding was removed by Congress), there has been a lottery. This indicates that demand is exceeding supply (Wolf et al., 2017).

The application data is somewhat contradicted by recent enrollment numbers. For the 2015-2016 and 2016-2017 school years, the percentage of awards used dropped to 49% and 42%, respectively (Levy, 2018). This may indicate that once parents and student gain the award and more closely examine the available schools, they are not happy with their options.

Parents may decide to move their children to a private school with an OSP voucher because they feel it is safer. There is evidence that parents find private schools to be more secure. According to Dynarski et al., parents whose children participated in OSP found their child's school very safe at a rate that was 16.6 percentage points higher than parents of students who did not win the lottery (2017). One year later, this rate grew to 19.6 percentage points (Dynarski et al., 2018). Additionally, Wolf et al. found that parents with children in the OSP had lower perceptions of school danger (2008). The most recent analysis found that the aforementioned safety views extended to students. Students that participated in the OSP found their schools to be very safe a rate that was 15.5 percentage points higher than those who did not win the lottery (Dynarski et al., 2018).

Parents may perceive other benefits as well, such as improved teacher quality, more innovative teaching methods, and superior facilities. Wolf et al.'s 2008 analysis also found that parents with children in the OSP were 16 percentage points more likely to grade their child's school as an A or B than parents with students who did not win the lottery.

Figure 6. Percent of parents and students rating their school as very safe for 2012, 2013, and 2014 cohorts



Source: Dynarski et al., 2018

Other Areas of Concern

While the sections above highlighted some of the main aspects of evaluating the OSP, opponents and participants alike highlighted other concerns. Some parents point to the lack of quality control and transparency. A *Washington Post* article notes that there is little oversight over the private schools at times (Layton and Brown, 2012). The Government Accountability Office (GAO) shares these concerns and made a number of recommendations to improve administration and oversight (GAO, 2013).

Some are concerned with overregulation. DeAngelis, in his *Washington Examiner* opinion article, argued that the costs of regulation outweigh the benefits for higher quality private schools (2018). Research by Sude et al. finds with a fixed effect model that in the two states with the highest regulatory burdens, private schools were less likely to join voucher programs (2017). Finally, DeAngelis and Burke found using school and year fixed effects that increased regulation resulted in less private school specialization (2017).

WHAT ARE THE POLICY OPTIONS TRYING TO ACCOMPLISH?

After surveying the data and literature above, it is time to bring into focus what the proceeding policy options will try to accomplish. The proceeding policy options will attempt to address the disparity in achievement between those participating in the OSP and those who attend school under DCPS and DCPCSB. Two of the policy options outlined below will attempt to address this disparity in achievement by pushing students participating in the OSP towards private schools with higher tuition. The other two either allow the OSP to continue as currently constituted or cancel the OSP to address the problem.

Unfortunately, there is very little in the literature that explores whether or not there is a relationship between private school tuition and school quality. However, there are reasons to believe that, in general, as private school tuitions rise so does school quality and academic choice. General economic theory dictates that higher prices (in this case, tuition) reflect higher quality (Shugan, 1984). Additionally, it makes sense intuitively that higher tuition can lead to greater school quality and improved academic performance. Since most private schools rely upon tuition for a majority of their revenue, higher tuition typically means that more money can be spent on reducing class size, purchasing technology, and upgrading facilities.

There is also evidence from the public school sector that indicates that greater spending in schools leads to improved school performance. A summary of school financing findings from the Learning Policy Institute found that, on average, increases in funding is linked to improved school achievement and graduation rates. Additionally, school resources that require financial investments (such as smaller class sizes) typically have positive relationships with academic performance as well (Baker, 2017). While public and private schools are clearly different institutions, it is difficult to believe that smaller class sizes and improved teacher development would be beneficial for academic performance in a public school setting, but wouldn't in a private school setting. Simply put, the remainder of this paper will assume that higher tuitions are generally associated with better academic performance.

POTENTIAL CHANGES TO THE OSP

In the sections below, I will outline four policies that EdChoice can advocate on behalf of to improve the academic performance of students participating in the OSP. All four methods involve inducing families to send their children to private schools with superior academic qualities, which is typically represented by higher listed tuition. The four selected options for improving academic performance are guaranteeing minimum funding for the program, increasing appropriations for the program by raising the maximum and average scholarship available, providing more information to parents via an online interface, and ceasing new funding for the OSP.

Option 1: Guaranteed Minimum Funding

The first approach to improving the OSP is to make few substantial changes to the program whatsoever. Using this approach, funding levels would remain relatively unchanged on a year-to-year basis. Ideally, changes to the funding would only be determined by two factors: inflation and population growth. Changes in inflation would be reflected in changes to the average and maximum scholarship amount. Pegging the average and maximum scholarship amount to inflation would ensure that the real value of a student's scholarship does not decline over time. In addition, the total number of students offered a scholarship would be pegged to the growth in the number of eligible students from the previous year. This would ensure that the OSP serves a proportional number of students going forward. There would be very few tweaks to accountability and transparency measures.

In summation, the total appropriations for the OSP under this method would increase by the percent change in inflation plus the percent change in the total number of students eligible. The maximum and average scholarship amount would change by the percent change in inflation. This would create a scenario in which both the total number of eligible students and the maximum scholarship amount are guaranteed by the federal government. Parents would no longer have to worry about Congress eliminating funding for the OSP.

Implementing the aforementioned changes would require Congressional action. The OSP's funding is subject to the appropriations process and thus fluctuates on a year-to-year

basis. Applying the yearly adjustments would essentially create a funding floor for the program. The minimum floor would begin with the most recent appropriations and maximum scholarship amount and then adjusted subsequently.

Primarily, creating a guaranteed minimum would eliminate much of the uncertainty that surrounds the program. Parents won't have to worry about Congress terminating the program before they can switch into it. Also, this option acknowledges that competition may drive out underperforming schools. In the long run, parents will not use the OSP vouchers at schools that have poor academic reputations, thus potentially improving student performance. Additionally, it recognizes that parents may be aware of potential reductions in test scores. Instead, they decide that positive gains in other characteristics outweigh the costs associated with lower academic performance. On average, parents perceive the private schools participating in the OSP to be safer than the schools in DCPS and DCPSCB (Dynarksi, 2017). Additionally, parents believed that the schools participating in the OSP were superior in terms of quality than schools in DCPS and DCPCSB (Wolf et. al, 2008).

As evidenced above, it is possible that parents are choosing to enter their children into the OSP due to factors outside of academic performance. If that is the case, then providing a minimum guarantee will provide stability to parents and assurances that the OSP is on a more permanent footing. From there, parents can best decide what schooling option will create the best outcome for their children.

Option 2: Increased Funding to Raise Maximum Scholarship Limit and Average Scholarship Value

The second method for improving the OSP is fairly simple. It would involve increasing the funding appropriated for the program. The extra funding Congress appropriates would increase the maximum value of the scholarship. Currently, 1,645 students use the OSP. Students participating in the OSP account for less than two percent of all enrollment in the Washington D.C. schooling system. For 2018-2019, the maximum scholarship value is $13,287 for high school and $8,857 for middle and elementary schools (Serving Our Children, 2019).

The maximum scholarship level would increase. The average scholarship for each student is $9,545 dollars currently. Students that participate in OSP receive funding that is 46% of the amount spent on public school funding per-pupil (EdChoice, 2019). Under this scenario, the maximum scholarship amount would become equivalent to the average spending per-public school pupil. So, for the 2018-2019 school year, the maximum scholarship value would have been $20,750 dollars for high school students and $13,381 dollars for middle and elementary school students. This keeps the maximum funding by school level proportional. The annual average scholarship awarded would roughly be $14,906 dollars or a $5,361 dollar increase. Increasing the maximum scholarship value to this level would ensure that all students within the D.C. schooling system have the opportunity to receive the same level of financial support from the federal government. The total number of awards would only be adjusted as to keep pace with D.C.'s annual population growth. Washington D.C. is projected to grow at a rate of 1.6% annually over the next 30 years (D.C. Office of Planning, 2016).

Increasing the maximum scholarship value could have a few tangible benefits in terms of academic performance. Raising the maximum scholarship value may increase the quality of private schools that students end up enrolling in. Presently, the maximum scholarship value does not approach the full cost of tuition at some of the more expensive (and academically superior) private schools. For example, full tuition at Gonzaga costs $21,475, leaving parents to pay the remaining $8,818 if they receive the maximum scholarship amount. Since all families participating in the OSP operate below 185% of the FPL, paying the difference is often infeasible. So, these families must instead send their children where the maximum scholarship can cover most or all of the cost of attendance. Increasing the maximum scholarship value would make higher-quality schools more affordable, thus enabling more students to enroll in these schools.

Additionally, increasing the maximum scholarship value may provide access to some after-school services. Once a student pays for tuition, uniforms, and books, a student can spend any remaining funds from their OSP scholarship on after-school educational programming. The after-school programming typically takes the form of tutoring. While a full analysis of the efficacy of after-school tutoring is outside of the scope of this paper, there is evidence that indicates that it can improve academic performance (Rothman & Henderson, 2011). The

supplemental academic support could be especially beneficial for students who stay in poorer-performing schools.

In sum, increasing the maximum scholarship value has three main benefits. One, it ensures that all impoverished students within the D.C. schooling system have the opportunity to receive the same level of financial support. Two, it allows students to attend schools with higher tuition and thus greater resources. Three, it provides access to after-school programming that may improve academic performance.

Option 3: Improved Parental Information Access

The third option for improving the academic performance for students participating in the OSP is to improve the access to information that parents receive. As it currently stands, the amount of information that parents receive from Serving Our Children is limited. On their website, the only information provided to families is the schools participating, their contact information, and where they are located within Washington D.C. They do not provide any information on enrollment, tuition, or school performance (Serving Our Children, 2019).

In order to provide more information to parents, the OSP would model itself after the D.C. charter school system. It would provide more information digitally to parents. Specifically, it would model itself after the Find My School D.C. webpage, which gives information on both D.C. charter schools and public schools. On the webpage, it offers information on the grades served, the distance from home, public transportation access, school performance (known as a STAR rating), and other attributes that could inform a parent's decision on where to send their child to school.

The best organization to operate the information system would be Serving Our Children. Considering that they control the application process, they serve as a central reference point for parents. Moreover, they could integrate the information into the application process. Before applying for the OSP, parents could be presented with the full list of schools for their child's school level and their schools' indicators. It would give parents a general sense of the range of options available before they even apply.

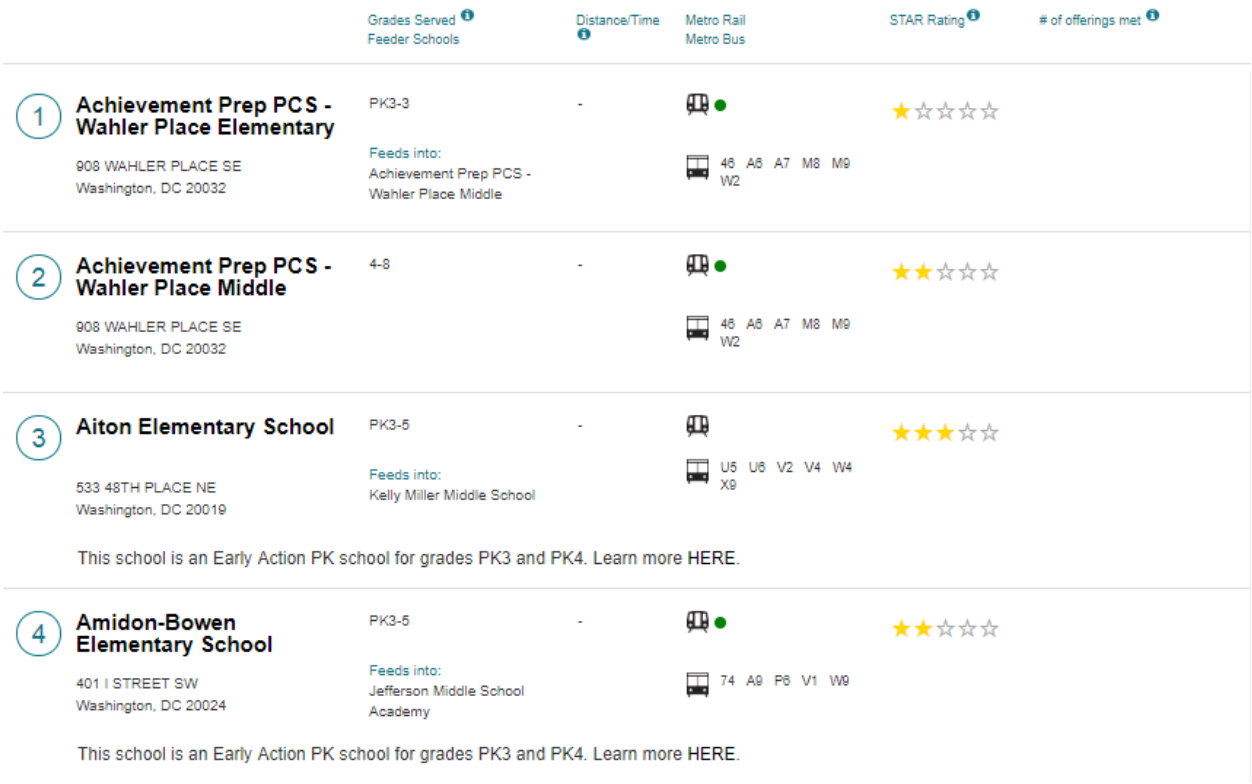
Providing such an information system would require a significant amount of cooperation from the private schools that participate in the OSP. They would need to provide much of the information that is displayed on the database. Some of this information, like enrollment, would be easy for the private schools to compile. However, some of it may be more difficult to obtain, and thus be costly. School quality is arguably the most important variable to be available to parents. For example, the STAR rating given to DCPS and DCPCSB schools contains information on academic achievement, intellectual growth, English language proficiency, graduation rates and the school environment (Office of the State Superintendent of Education, 2018). Ideally, the rating system used for the OSP would contain similar information. The quality rating would be displayed as an aggregate ranking on the main page, for simplicity's sake. Including too much information on the main page can confuse and overwhelm parents. The components that comprised the aggregate rating would be displayed on another page prominently linked on the main ranking page.

The way that the webpage presents the characteristics is critical for influencing how parents select schools. Find My School D.C. sorts by alphabetical order, which doesn't nudge a parent to primarily consider a specific school characteristic. When opening the page, schools should be sorted by the school quality metric. Research indicates that sorting a school by academic quality leads parents to select schools that have academic qualities that are five percentage points higher (Glazerman & Nichols-Barrer, 2018). However, parents will still have the option to sort by their desired characteristic.

Introducing an information system should improve the functionality of the school choice market. Simple microeconomic theory dictates that consumers possessing more information makes a market more efficient. As it currently stands, parents are unaware of their children's school's characteristics. They could be under the impression that they are sending their child to a high-performing school when they simply aren't. Providing more information could arm parents with the necessary knowledge. More information may also encourage parents to send their child to better performing schools. It is natural for parents to prefer schools that are higher performing to schools that are lower-performing. When provided with information that clarifies what schools perform better, parents may send their children to those schools. At the very least, it can discourage parents from sending their children to the worst-performing schools. One horrifying

example from *The Washington Post* highlighted a school that received OSP funding in which "the only bathroom in the school had a floor blackened with dirt and a sink coated in grime" (Layton & Brown, 2012). Most of the children attending that school received OSP vouchers. Clearly, some of the schools that students attend are not adequate to provide a substantial education. Providing information on these schools' quality may steer parents away from these institutions.

Figure 7. Find My School D.C. layout



Source: My School D.C., 2019

Option 4: Cancellation of the OSP

The final option for changing the OSP would involve canceling the program itself. In this scenario, funding for the program would slowly be phased out until it reached zero. Appropriations for new scholarship awards would be unavailable. The only funding available for the program would be for students that received scholarship awards before the program's

termination. These students would receive the scholarship amount equivalent to their most recent award.

Eliminating the OSP would remove an education option that produced suboptimal education outcomes. As mentioned previously, students that used an OSP voucher scored 10 percentile points lower than students who did not receive a voucher (Dynarski et al., 2018). The elimination of the OSP would force students to enter a system that is shown to have superior academic performance. Ideally, many of the students would enter the D.C. Charter School system. Parents with students in D.C. charter schools are generally more satisfied with their teachers, principals, facilities, and schools (Schneider & Buckley, 2003). Additionally, students in the charter school system have higher test scores than students in public schools (Sullivan, 2016). This improved performance may be due to self-selection, though there is evidence from the Boston charter school system that charter schools are the driver of academic improvements (Angrist et al., 2016).

So, by terminating the OSP, one would be eliminating an option for parents and students within the D.C. school system. It would be an acknowledgement that, while the OSP may work for some students, the OSP simply cannot compete with the alternatives on an academic-performance level. This is largely due to the presence of the D.C. charter school system, which is shown to offer a high-quality education to its students.

FACTORS TO CONSIDER WHEN EVALUATING POLICY OPTIONS

Factor 1: Cost-effectiveness

In terms of benefits, we will be concerned with academic performance. The policy options outlined above will be evaluated in one of two ways. For the second and third options, I will consider how the option influences enrollment in schools that have superior academic outcomes. The first and last options will be measured in terms of a change in percentile for math scores. The benefits will be considered in an immediate sense, though I acknowledge that some benefits may take time to accumulate as behaviors change.

The main costs to consider for the policy options are to the federal government since they put forth almost all of the funding for the OSP. The costs will be measured as the total projected

appropriations over the next five years, with the current appropriations serving as the first year. Additionally, it will include the potential additional costs for Serving Our Children, should they need to hire additional staff. Accounting for increases in costs for Serving Our Children also serves as a proxy for significant changes in administrative capacity. I will also include a cost-effectiveness measure. For example, a 10 percentile point increase for a $10 million dollar increase in appropriation would be $1 million dollars per percentile increase. We will only provide a cost-effectiveness measure for the most optimistic outcome for simplicity's sake.

Factor 2: Parental Choice

It would be crucial to include how each alternative impacts parental choice. Parental choice should be considered as it pertains to three questions. First, how does the policy impact the range of schools from which parents can choose? Second, how does the policy impact the amount of information that a parent has about the schools for which their children are applying to? Three, how does the option secure parental choice for future parents? All aspects address key questions of parental choice and liberty. The four policy options mentioned above will be rated either negative, neutral, or positive on their measure of parental choice. To be regarded as positive, a policy option only needs to address one of the three aspects mentioned above without harming one of the remaining aspects.

Factor 3: Political Feasibility

Given the very partisan nature of school choice and the Opportunity Scholarship Program, political feasibility must be considered**.** Since the OSP is governed and funded by the federal government, feasibility will largely be considered at the federal level. This criterion would be measured in terms of Congress's likelihood to implement the proposed change. It would likely have to be evaluated in terms of which party is in control. In other words, there would be one "score" for a Republican-controlled Congress and another for a Democrat-controlled Congress. There will be three possible "scores": low, medium, and high.

A Note on Equity

For the intents and purposes of this analysis, equity will not be a factor considered when evaluating the subsequent policy options. This is not because equity is not important in this

context. Considering that the program began as a means to provide additional education opportunities to underprivileged children, equity seems central to the program's mission. However, none of the options outlined below changes eligibility for the program. Thus, the distribution of benefits under the policy options does not drastically shift. While canceling the OSP, as outlined in Option 4, may have some equity concerns, I feel as if those are best addressed under the parental choice factor.

EVALUATION

Option 1: Guaranteed Funding

It is unlikely that guaranteeing minimum funding will change parental behavior when it comes to sending their children to schools with improved academic performance. There is no research on the subject and logically, there is little reason to believe that parents will change their behavior. Guaranteeing minimal funding does not remove any constraints that parents face when choosing where to send their children to school. It does not provide them with more money or information.

Additionally, it appears that most parents are happy with the schools that their students attend in the OSP, both in terms of safety and overall satisfaction. Over 67% of parents whose children participated in the OSP rated their child's schools as very safe. Furthermore, 78.3% of parents whose children participated in the OSP gave their children's school either an A or B grade when evaluating the school's quality (Dynarski et al., 2017). This indicates that most parents are generally happy with the schools that they send their children to under the OSP and are unlikely to change schools without a major change to the OSP.

In a best-case scenario for guaranteed minimum funding, student performance would again become equivalent with performance in DCPS and DCPSCB. The few parents that are dissatisfied with their children's school would remove their children from these schools. They would instead send them to schools that they perceive to be of a higher quality and would have improved academic performance. This would reflect general long term trends within schools participating in the OSP. Many of the mandatory evaluations found that there was no difference in performance between students in the OSP and students that did not win the lottery (Wolf,

2008; Wolf, 2010). So, it is possible that academic performance returns to that level without substantial changes to the OSP.

On a yearly basis, federal appropriations for the program would not change drastically. Over the course of five years, guaranteeing funding would cost $84.8 million dollars or under $17 million dollars per year. Guaranteeing minimum funding is unlikely to require increased funding for Serving Our Children. This option would not drastically increase the number of students that Serving Our Children would have to process. They would not have to hire additional staff.

Guaranteeing funding does little to expand parental choice. It does not provide parents with more options through financial support, and it does not provide parents more information to inform their choices. However, this option is still beneficial for parental choice. It ensures that future parents will be able to make the choice that parents currently can make in Washington D.C. Guaranteeing program funding secures parental choice for the future. Additionally, it alleviates fears for parents that the program will again be cut under Democratic leadership like it was in 2009. While Congress still honored existing scholarships during the 2009 cuts, there is no assurance that this would be the case should Congress cut funding again. Guaranteed funding would put these concerns at ease.

From a political perspective, guaranteed funding would be almost impossible. There are very few major mandatory spending programs in the United States. And most programs, outside of SNAP, do not address an issue that is as politically contentious as school choice. Some education spending is mandatory- Pell Grants and Vocational Rehabilitation State Grants, for example (Congressional Research Service, 2019). Again, these programs do not draw the same political attention as the OSP. It is clear that Democrats would staunchly oppose guaranteed funding. After all, they cut new funding for the program in 2009. Guaranteed funding represents the policy option that Democrats would be most against. It would ensure the program's survival in perpetuity, which would represent a major loss on the issue of school choice. So, unlike other alternatives, Democrats will not offer guaranteed funding as a bargaining chip on other issues. Republicans would clearly like to guarantee funding for the OSP and were very critical of its funding cut in 2009, and Speaker Boehner conducted extensive negotiations to secure its reauthorization in 2011 (Burke, 2012). However, Republicans are unlikely to gain the 60 votes

necessary in the Senate to guarantee funding. Furthermore, Republicans may not find the political expenditure that they would have to make to secure guaranteed funding worthwhile. In reality, guaranteeing funding for the OSP is politically infeasible.

Option 2: Increased Funding to Raise Maximum Scholarship Limit and Average Scholarship Value

The evidence indicates that most students using the OSP are not attending private schools with high listed tuitions. A 2010 analysis found that only 14.2% of students using the OSP attended a private school that charged tuition greater than $7,500 dollars. The mean weighted tuition for students using the OSP in the analysis was $7,252 dollars (Wolf et al., 2010). Of the 40 schools currently participating in the OSP that listed their tuition, 30 of them charged tuitions that were greater than $7,500 dollars (Author's Calculations). While I acknowledge that both listed tuitions and the scholarship provided increased since Wolf et al. conducted their 2010 analysis, neither increased substantially. This data indicates that most of the children using the OSP are relegated to schools charging low tuitions and thus do not have the resources necessary to provide an education competitive with the public schooling options in Washington D.C.

Unfortunately, very little research exists on the impact that increasing voucher expenditures has on academic performance or the quality of school attended by users. So instead I will turn to research on certain higher education funding mechanisms to serve as an approximation. I think this literature serves as a useful approximation for a number of reasons. One, the incentives and goals in both situations are similar. Characteristics like school culture (i.e. the right fit), academic quality, and even safety are at the forefront of a decision maker's mind when selecting either a private school or a higher learning institution. Two, while parents often aren't the primary decision makers during the college selection process as they are when selecting a private school, they are still heavily involved when selecting a college. Three, much of the funding for higher education is done at the individual- and not the institutional- level. The vouchers for the OSP are offered to students. In higher education, there are many examples of financial aid being given at the institutional level. This includes the Georgia HOPE scholarship and the now-defunct Social Security college benefit. Four, the costs facing both groups are largely the same. The average tuition for a four-year institution in 2016 is $22,432 dollars while

the mean tuition for a private school participating in the OSP is $27,675 (National Center for Education Statistics, 2016).

Two key studies explored the relationship between increased financial aid and its impact on college attendance. A regression-discontinuity analysis of the Social Security Student Benefit Program found that every $1,000 dollars in aid increased college enrollment by 3.6 percentage points (Dynarski, 1999). Additionally, an analysis of the Georgia HOPE scholarship found similar effects. It found that decreasing the cost to attend college by $1,000 dollars increased the likelihood of attending college by 3-4 percentage points (Dynarski, 2000).

Now it must be noted that neither of the programs above specifically target low-income populations similar to the populations targeted by the OSP. The Social Security Student Benefit Program was not specifically tied to income. The Georgia HOPE scholarship was merit-based, which meant that most of the aid went to middle- and upper-class students. Fortuitously, some evidence on the Pell Grant program indicates that increasing aid can impact attendance decisions for low-income recipients similar to the OSP. Eligibility for the Pell Grant is specifically based on family income. Students from families with lower incomes typically receive more aid and very few middle-income students receive any form of aid. While early analyses found that the Pell Grant has no effect on student behavior, an analysis on non-traditional students found that Pell Grant eligibility increased the likelihood to attend college by 1.3-1.5 percentage points (Seftor & Turner, 2002). With the average Pell Grant awarded during the study sitting at $3,040 dollars, this indicates a .42-49 percentage point increase per $1,000 dollars of aid.

Arguably the most relevant study comes from an analysis of the D.C. Tuition Assistance Grant Program (DCTAGP). The DCTAGP allowed D.C. residents to pay in-state tuition at any public institution around the country. Notably, in the first three years, only schools in Virginia and Maryland were eligible, and the average tuition paid in those states fell by $6,212 dollars relative to the University of the District of Columbia. After the prices dropped precipitously in Maryland and Virginia, the number of students enrolling in those schools increased by 176 percent (Kane, 2004). A large portion of these students was from poorer households.

Figure 8. Studies on increased financial aid and their effect on college attendance

Program	Effect
Social Security Student Benefit Program (Dynarski, 1999)	3.6 percentage points per $1,000 dollars in aid
Georgia HOPE Scholarship (Dynarski, 2000)	3-4 percentage points per $1,000 dollars in aid
Pell Grant for Non-Traditional Student (Seftor & Turner, 2002)	.42-.49 percentage points per $1,000 dollars in aid
D.C. Tuition Assistance Grant Program (Kane, 2004)	176% for a $6,212 dollar decrease in cost

These four studies provide a range of potential impacts. As noted above, the average scholarship will be increasing by $5,361 dollars. Using the figure from the Pell Grant analysis, one could expect that increasing the average Pell Grant by $5,361 dollars would increase enrollment in higher tuition schools by 2.3 percentage points. Using the figure from the Social Security Benefit Program (and the similar figures from the Georgia HOPE analysis), one could expect an increase of 19.3 percentage points. Finally, using the data from the DCTAGP analysis, one could expect an increase of 21.6 percentage points in students attending private schools with higher tuitions. Since each analysis has compelling reasons for its use, I will simply leave the figure as a range. Increasing the expenditures will increase the number of students attending more expensive private schools by between 2.3-21.6 percentage points.

Over five years, expanding the appropriations would require $121.23 million dollars. Per year, this equals $24.25 million dollars (for all policy option costing, see Appendix A). Increasing appropriations should not require additional administrative staff for Serving Our Children. Increasing the maximum value and average scholarship will not require the process of awarding more scholarships since that number will remain constant outside of population growth adjustments. While it is likely that more families apply for the OSP and that Serving Our Children may have to handle more inquiries, there should not be a significant financial expenditure to handle this additional workload.

Increasing appropriations should greatly expand parental choice. It will expand the number of schools that parents can apply to without worrying about paying out of pocket. If a family were to receive just the average scholarship, the number of schools that the OSP fully covers rises from 9 schools to 19 schools. Increasing appropriations also probably increases the number of schools that are now financially feasible with institutional aid. In general, this option expands the general scope of schools that parents can look at when trying to decide where to send their children. It significantly increases parental choice.

As with many of the options outlined in this paper, the political feasibility depends on the party in charge. Democrats will be very opposed to increasing appropriations for the OSP. As mentioned previously, Democrats, pushed by Senator Dick Durbin (D-IL) cut new funding for the OSP. In addition, many powerful interest groups that typically back Democrats oppose school voucher programs. In 2015, the National Education Association urged members of the House of Representatives to Oppose SOAR's reauthorization. The Center for American Progress, the premier left-leaning think tank, argues that voucher programs like the OSP should be phased out as public money shouldn't be used to subsidize private education options (Campbell, 2018). Republicans, on the other hand, will certainly be in favor of expanding appropriations. President Trump recently praised the OSP, stating that it made an "extraordinary difference" to students in Washington D.C. (Hefling, 2017). Furthermore, voucher programs fall under the wide umbrella of school choice policies that Republicans typically embrace.

Option 3: Improved Parental Information Access

There is extensive evidence that indicates that introducing information should encourage parents to send their children to schools with superior academic performance. An experiment in Charlotte found that receiving information on test scores and admissions odds increased the odds of attending a school without guaranteed admission (which have higher test scores, on average) by 5-7 percentage points and increased the average test scores of test scores by .05-.1 standard deviations. These effects were greater for families from low-income backgrounds (Hastings & Weinstein, 2007). This shows that providing simplified information can cause parents to choose schools with superior academic outcomes.

Evidence from outside the United States also suggests that providing information can influence schooling decision. A randomized control trial from the Netherlands found that when schools were shown to have high scores for academic quality in a newspaper article, enrollment in those schools increases by 9% (Koning & van der Wiel, 2013). It is important to note that there are key cultural and structural differences in school choice between the Netherlands and the United States. Still, this study provides additional evidence that having access to school information can lead parents to send their children to schools with superior academic performance.

The ordering of information can change parental preferences, as well. A randomized control trial performed online varied the default order of information provided. When the default order sorted academic performance in descending order (i.e. the highest performers appeared at the top), the average school performance of the school selected by parents increased by five percentage points (Glazerman et al., 2018). So, by sorting by introducing academic performance as the default order on the information website, this option further increases the likelihood that parents select schools with superior academic performance.

There are also concerns, however, that the private schools may react negatively to the demands imposed by introducing an information system. Private schools may find the financial and temporal costs associated with providing the necessary information too imposing. Additionally, schools may be hesitant to release their information on academic performance, lest it discourages parents both in and out of the OSP from sending their children. Though, this effect would be most likely for schools with poor performance. An experiment sent surveys containing different regulations to private school leaders in New York and California and asked if they would participate in a new school choice program with the existing regulations. The experiment found that when schools would be required to administer standardized tests, participation dropped by nine percentage points (DeAngelis et al., 2019). Considering that students at schools in the OSP would have to take a standardized test to provide comparable info, this decrease in participation reflects a possible school-level response to the new information requirement.

In summation, improving information could have a wide range of outcomes. In a worst-case scenario, information nudges parents towards sending their children to schools with better

academic outcomes but increased regulation causes superior academic schools to drop out. In this scenario, academic performance would decrease by 7.7 percentage points. In the best-case scenario, providing information to parents and a well-constructed website design would steer parents towards schools with stronger academic performances. This would increase performance by 12 percentage points.

From a costing perspective, we will assume that appropriations remain constant over five years. While there will be start-up costs associated with the project, they only range in the tens of thousands of dollars (Matt, 2018). In terms of a program that will cost tens of millions of dollars over the course of five years, these start-up costs are negligible. However, maintaining the website would require hiring two program managers. This would cost roughly $175,000 dollars per year (Glassdoor, 2019). Over five years, the course of five years, this policy option would cost $79.20 million dollars. On a yearly basis, this would cost $15.84 million dollars.

Like increasing appropriations, this option expands parental choice, albeit through a different mechanism. This increases parental choice because it expands the information that parents have access to. Parents will have more choices because their choices will not be constrained by asymmetries in information. They will be provided with similar levels of information as if they were choosing from schools in DCPS and DCPCSB. However, the level of parental choice is mitigated by the prospects of some schools dropping out due to regulations.

From a political feasibility standpoint, this I by far the most feasible option to pull through Congress. Democrats may be willing to support improve information structures. Many critics of the program refer to the program's lack of transparency when it comes to academic outcomes (Layton & Brown, 2012). The Center for American Progress staunchly opposes the existence of voucher programs, but they admit that they would like to see voucher programs "increase accountability and transparency" (Campbell, 2018). So, Democrats may be willing to back an information system in order to impose more accountability on the OSP.

Republicans may be hesitant to back this policy option due to concerns about overregulation, but there are strong arguments for them to support increased information. One improving information access is at the heart of free market ideals, considering that one of the conditions for a perfectly competitive market is perfect information. While perfect information

may not be realistic in this scenario, it is hard to argue that the OSP promotes competition in the education market when parents are left in the dark regarding the quality of the product they are purchasing. Two, information access and transparency has long been a key component and selling point for charter schools, specifically those operating under DCPCSB. Schools in DCPBSB provide information regarding academic performance and programs, so Republicans could claim that they are just extending the best school choice practices to the OSP. Increasing information access provides Republicans with an avenue to improve the OSP without incurring significant political costs.

Option 4: Cancellation of the OSP

Should Congress cut the OSP, all students that would have participated in the OSP would end up entering DCPS or DCPCSB. This means that the academic achievement gap would disappear between students. This would represent a 10 percentage point improvement. However, this improvement would not be immediate, as the cancellation option outlined above allows students already participating in the OSP to remain in the program.

This would be the least expensive option to pursue. Over five years, this option would cost $53.78 million dollars or $10.76 million dollars per year. Also, this program would clearly not require any additional funding for the administrative aspect of Serving Our Children. Their administrative needs would decline as they would no longer have to run a lottery since the program would no longer be offering new scholarships. Additionally, inquiries from prospective families would decrease since the opportunity no longer existed.

Canceling the OSP would clearly diminish parental choice in Washington D.C. Many parents that were not satisfied with both DCPS and DCPCSB would no longer have the option to send their child to a private school due to financial restraints. While DCPS and specifically DCPCSB often offer robust education opportunities, there are clearly many situations where parents do not feel that the opportunities provided are not the proper fit for their children. The substantial application numbers for the OSP bear that out. Canceling the OSP would remove an option for thousands of parents to send their children to schools that they feel are safer. It would also threaten the Washington D.C. schooling system's status as one of the most diverse in terms of choice.

Finally, canceling the OSP would be politically difficult and votes would again fall largely along political lines. Democrats would certainly support the program's cancellation, following the path that Senator Dick Durbin (D-IL) laid out in 2009. Doing so would bolster support from teachers' unions nationwide. Republicans, given their status as school choice champions, would clearly oppose such a measure.

OUTCOMES MATRIX

	Cost-Effectiveness	Parental Choice	Political Feasibility
Guaranteed Funding	**Benefit:** 0-10 percentile points **Cost:** $84.76 million **Cost-Effectiveness:** $8.48 million per percentile increase in math scores	Positive	**Democrats:** Low **Republicans:** Medium
Increased Appropriations	**Benefit:** 2.3-21.6 percentage point change in enrollment **Cost:** $121.23 million **Cost-Effectiveness:** $5.61 million per percentage point increase in enrollment	Positive	**Democrats:** Low **Republicans:** High
Improved Information	**Benefit:** -7.7-12 percentage point change in enrollment **Cost:** $79.01 million dollars **Cost-Effectiveness:** $6.58 million per percentage point increase in enrollment	Neutral	**Democrats:** High **Republicans:** Medium
Cancellation of the OSP	**Benefit:** 10 percentile points **Cost:** $53.78 million **Cost-Effectiveness:** $5.38 million per percentile increase in math score	Negative	**Democrats:** High **Republicans:** Low

RECOMMENDATION

After considering the above evaluations, I must recommend that EdChoice advocate in favor of improving parental access to information. This is primarily due to its potential to receive legislative support from both Republicans and Democrats. With the House of Representatives currently controlled by Democrats and the Senate controlled by Republicans, legislation on an issue like school choice would need to gather bipartisan support. If an option listed above is opposed by either Democrats or Republicans, it would likely die in the house that that party controls. However, for future reference, increasing appropriations is an attractive option should Republicans take both houses.

There are other reasons why advocating for an improved information system is attractive. Outside of canceling the OSP, improving the information available to parents is the least costly policy option. This may be attractive in a time where the national debt has ballooned to over $22 trillion dollars (though I acknowledge that funding for the OSP represents an infinitesimally small portion of the federal budget). Additionally, should private schools not drop out due to the requirements embodied in improving parental information access, this option can significantly increase parental choice. Given the centrality of transparency and accountability in the theory behind charter schools, extending that transparency and accountability to the OSP seems to be a natural progression.

I do acknowledge, however, that there are some issues associated with advocating for improving parental information access. It is possible that the increased reporting requirements necessary for a robust information system will cause some high-performing private schools to withdraw from the OSP. Should this occur, both parental choice would decrease and a large sum of money would be spent to decrease the efficacy of the program. However, I think that an effective advocacy program could mitigate these risks and I have briefly outlined a plan to do so below.

ADVOCACY PLAN- TARGETING KEY STAKEHOLDERS

A successful advocacy plan will be crucial for ensuring the success of improving parental information access. It is key to gather buy-in from four key constituencies to ensure that

improving parental information access is adopted by Congress and implemented successfully. First, is garnering support from key Democrats, given their control of the appropriations process. As mentioned in the evaluation section, Democrats should be relatively willing to support implementing an improved information system, considering their calls for transparency and accountability. Yet some may be unwilling to vote in favor of something that may be seen as supporting school choice. Therefore, in interacting with key Democrats, it would be important to emphasize these calls for accountability and transparency and point out the opportunities to protect underprivileged students from the abuses of mismanaged charter schools.

Further, it would be beneficial to gain Republican support to demonstrate that the legislation has bipartisan repeal and to secure the legislation's path in the Senate. They may be hesitant to support a measure that introduces potentially burdensome legislation onto private schools. However, it may be important to note that the OSP may be in a disadvantageous position from a public relations standpoint. The achievement gap between students in the OSP and students in DCPS and DCPCSB gathered significant press. Any additional negative press may turn the public against the program and pressure may mount to terminate the program. Test scores in the program need to turn around, and in a divided Congress this may be the only opportunity to do so. Pointing this out may spur Republicans to support this policy option.

From an implementation perspective, guaranteeing support from Serving Our Children would be beneficial as well. Should they oppose implementing and improved information system, they could easily sabotage the process through a variety of institutional channels. While it is difficult to imagine why they would be opposed to this policy option (reluctance to expand their capacity, perhaps?), it would be important to keep them informed and to routinely communicate with them throughout the implementation process. Moreover, they may possess localized knowledge that could improve the efficiency of the program.

Finally, it is vital to consult with and guarantee buy-in from the private schools participating in the OSP, specifically the schools that are high-tuition and high-performing. These schools may find the additional reporting requirements involved in creating an information system overly cumbersome. Thus, they may decide to stop participating in the OSP. This could potentially counteract many of the benefits generated from improving parental information

access and actually harm academic performance in the OSP. To try and prevent this, it would be important to make two points. One, improving parental information access should improve the education outcomes for underprivileged students, and improving education outcomes is central to the mission of many of the private schools participating in the OSP. Two, participating in an information system presents the private schools with an opportunity to demonstrate and advertise their academic quality along with the wide array of programs that they offer. They can use this to improve their standing both with families using an OSP and the general population looking to put their kids into private schools.

Generally speaking, reaching out to key constituencies can both maximize the likelihood that Congress acts to improve parental access to information and ensure that implementation proceeds in a manner that minimizes the potential negative outcomes of implementing such a system.

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APPENDIX A. POLICY OPTION COSTING

Policy Option 1: Guaranteed Minimum Funding

Type of Figure	Figure	Source
Number of Students in OSP	1,645	EdChoice
Average Scholarship	$9,545	EdChoice
Average Projected Inflation Rate	2.2%	International Monetary Fund
Average Projected D.C. Population Growth	1.6%	Office of Economic Planning

$$Year\ 1\ Cost = Average\ Scholarhip * Number\ of\ Students$$

$$Year\ 2-5\ Cost = Previous\ Year's\ Cost * (1 + Projected\ Inflation\ Rate) * (1 + Projected\ Population\ Growth)$$

$$Total\ Cost = \$84.76\ million\ dollars$$

Policy Option 2: Increased Funding

Type of Figure	Figure	Source
Number of Students in OSP	1,645	EdChoice
Average Scholarship	$9,545	EdChoice
Average Projected Inflation Rate	2.2%	International Monetary Fund
Average Projected D.C. Population Growth	1.6%	Office of Economic Planning
Per Student Funding Relative to D.C. Public School System	46%	EdChoice
Maximum Scholarship Value	$13,287	Serving Our Children

$$Year\ 1\ Cost = Average\ Scholarhip * Number\ of\ Students$$

$$Year\ 2\ Cost = \left(\frac{Average\ Scholarship}{Per\ Student\ Funding}\right) * \left(\frac{Average\ Scholarship}{Maximim\ Scholarship}\right) *$$

$$Number\ of\ Students * (1 + Projected\ Population\ Growth)$$

$$Year\ 3 - 5\ Cost = Previous\ Year's\ Cost * (1 + Projected\ Inflation\ Rate) *$$

$$(1 + Projected\ Population\ Growth)$$

$$Total\ Cost = \$121.23\ million$$

Policy Option 3: Improved Parental Information Access

Type of Figure	Figure	Source
Number of Students in OSP	1,645	EdChoice
Average Scholarship	$9,545	EdChoice
Average Salary for Operations Manager	$87,658	Glassdoor

$$Year\ 1\ Cost = Average\ Scholarhip * Number\ of\ Students$$

$$Year\ 2 - 5\ Cost = Year\ 1\ Cost + 2 * Average\ Salary$$

$$Total\ Cost = \$79.21\ Million$$

Policy Option 4: Improved Parental Information Access

Type of Figure	Figure	Source
Number of Students in OSP	1,645	EdChoice
Average Scholarship	$9,545	EdChoice
Average Decline in Enrollment	19.04%	EdChoice

$$Year\ 1\ Cost = Average\ Scholarhip * Number\ of\ Students$$

$$Year\ 2 - 5\ Cost = Previous\ Year\ Cost * (1 - Enrollment\ Decline)$$

$$Total\ Cost = \$53.78\ million$$