

SCHOOL CHOICE, ARIZONA STYLE

Notes from November 15, 2014 General Meeting
League of Women Voters of Greater Tucson (lwvgt.org)

Panelists:

Chris Kotterman is the Deputy Director of Government Relations for the AZ Dept of Education.

Dr. David Baker is the superintendent of Flowing Wells School District.

Sheri Dahl is Superintendent of Catholic Schools for the Diocese of Tucson.

(Complete bios are printed at the end of this summary.)

Intro:

The presentation focus is on the “nuts and bolts of the Empowerment Scholarship Accounts (ESA).” The current school choice movement seeks to maximize the ability of parents to choose their children’s education by having public education money follow the child.

There are five programs for school choice:

- 1) Home school
- 2) Open enrollment-parents must provide transportation
- 3) Charter schools (There are 618 AZ charter schools who serve 17% of AZ school children)
- 4) School tuition tax credit programs operated using school tuition organizations (STOs), which are certified by the AZ Dept. of Revenue. There are 4 programs, 2 for individual taxpayers and 2 for corporate entities and insurers. Taxpayers who donate to STOs can receive a dollar for dollar deduction in their state income taxes. STOs use donated moneys to provide scholarships to private schools, to reserve money for specific students in future years and to pay their own operating costs. Since the first tuition tax credit program was created in 1998, through FY 2013, there have been nearly 690 million dollars of tuition tax credits while STO’s paid 573 million dollars for private school scholarships to about 62 private schools.
- 5) Empowerment Scholarship Accounts (ESAs)

The presentation focus is on the newest program: ESAs.

Chris Kotterman, ADE Deputy Director:

ESA’s: What are they and how do they work? Enacted by the legislature in 2011, the ESA program allows parents of an eligible child to receive state funds to purchase education services for that child. The first year of operation was 2012.

There are four categories of eligibility.

1. Disabled as determined in the AZ Revised Statutes (ARS)-parents must submit IEP from the public school the child attended. Disability is documented.
2. Child of a parent on active duty full time. (Not based on need)

3. The current school is rated "D" or "F."
4. Children in foster care and are wards of the state

When it is determined that the student meets the criteria , a prepaid debit card worth 90% of what the funding was in the traditional public school is given to the parent. Parents choose how to use the money among the allowable education services. As a condition of participating, parents sign a contract and opt out of the public school system, giving up their right to a free public education. The parent is responsible for the child's education and not the state. However, under federal law pertaining to children with disabilities, the state still has some obligations.

Participation in the ESA program is time and labor intensive. Parents must submit quarterly reports that are audited. The money can be used for private school tuition, home schooling curricula, and a range of other educational services such as educational therapy, but not for general medical bills. Money can be saved towards college expenses. Parents make education decisions on behalf of the student. There are over 1300 students in the program in 2014-15 at a cost of \$17 million. This is the third year that the program has been in place.

The average annual payment for children without disabilities ranges from \$5200-5500. However there is a "significant" range in the amount of funding for children with disabilities. Children with autism can receive up to \$25,000 per student.

There is an attrition rate: ½ of those who start the application process actually sign the contract and take the money. One-third of these will go back to public school by the end of the school year.

Quotable quotes referring to ESAs: "Education choice in its purest form" and "A sort of niche program."

Dr. David Baker, Superintendent of the Flowing Wells School District:

While he agrees with everything that Chris said, there are some additional factors.

Children living within the boundaries of "D" or "F" schools may not be attending those schools, but they qualify for ESAs because they live within the attendance boundaries of these schools.

Charter schools receive \$1,000 more in funding than the traditional public schools.

Disabilities can require highly specialized programs (especially for those with autism) for the students, but most students with disabilities are learning disabled, for which the public school

districts are reimbursed at .003 over the base funding, which is not an incentive for private schools to recruit these students.

There is a need to increase the amount of revenue for public schools, including the \$1.3 billion in back payments due to the rate of inflation. There has been a significant loss of money for public schools in the last five years in AZ. Baker, while acknowledging the impact of the recession, attributed some of this to charter schools, tuition tax credits, open enrollment and school choice for lower income students.

Jeanne Powers at ASU has studied the effect of school choice on the concentration of students by socio-economic and ethnic patterns and concluded that segregation by race and socioeconomic status has increased.

Who takes advantage of the tax credits? Upper income, better-educated folks with students in the Catalina Foothills District are more likely than lower income families in Flowing Wells. The result is a widening of the socio-economic gap.

Dr. Baker recommends that the state fix its weighting system for allocation of funds to school districts to direct more benefits to low-income students and schools which serve students with greater needs. Flowing Wells has 75% of its students on reduced lunch program.

IF ESAs were available to all students, how would that work? School choice has not resulted in more innovative educational programs than in traditional public schools. Data show that reality regarding the results of school choice does not match the rhetoric by which legislation promoting these programs was passed.

Sheri Dahl, Superintendent of the Diocese of Tucson Schools

Her district encompasses 43,000 square miles with 25 schools, including 6 high schools, 18 elementary schools, and 1 early childhood center; the schools are in San Carlos, Yuma, Nogales, Casa Grande, Douglas, Sierra Vista etc. There are 4600 elementary students and 2,000 high school students.

All schools are accredited and the Diocese requires certified teachers. They test each year and have seen growth and improvement among their students. Their core value is that “parents are the primary educator/decision maker.” The schools “bring them along” and try to support them.

There are 175 ESA students in the Diocese schools. San Miguel High School has seen an increase of students with ESAs. They have seen ESA special needs students on the south side of Tucson and in Douglas. There are challenges with social justice in these areas.

The pastor is “the CEO” of the parish school. There is site-based governing. There are religious education programs in each parish. In these classes parents learn that they have options other than public schools for their students’ education, such as ESAs. Parish schools try to fulfill the mission of the church which is to provide religious education as well as high quality education.

Some entering students are below grade level. How to bring them up? They have “ever changing demographics and a “melting pot” at their schools. How can they acculturate the students to help them along? Teachers work with differences and family issues. The Diocese schools are “serving families in an ever -changing culture. “ The schools are 62% Hispanic. Tuition ranges from \$4,000-6,000 in elementary schools to \$5,000-11,000 for high school students. There are no savings for parents on their ESA accounts. Sometimes the ESA money is not enough for the high school students, so the Diocese supplements.

Q & A

Q: What percentage of children in Arizona is homeschooled?

Kotterman: Doesn’t know the percentage of children home schooled in AZ, but estimated about 25% of ESA students are home schooled. The state has no obligation or accountability for the home school academics, since home-schooled students must only register with county school superintendents. Some believe that since home schooled families take state money, the state should be involved. The State has an obligation to see that public schools are of sufficient quality.

Dahl: There are no state requirements for private schools in the Arizona statutes, but the Diocese believes that their schools should be as good as or better than their public school counterparts and holds itself accountable for meeting state education standards. This is a “constant conversation.”

Q: What steps does the state take to eliminate [or improve] “D” or “F” schools?

Kotterman: There is a school improvement division in ADE. They used to send out a solutions team to review curriculum and help develop a school improvement plan that was monitored. However in 2009 they lost the state funds that supported this. Now they have only a small amount of federal dollars. There are not enough resources to support school improvement efforts.

There are 60 “D” schools and 74 “F” schools out of a total of 2,000 public schools. Many of these are in rural areas or on the reservations. The more struggling students there are at a school, the more money is needed to move them up.

Dr. Baker was asked how to retain teachers.

Dr. Baker: 30-40% of first year teachers leave within five years. Professional development is a “hallmark” in Flowing Wells and new teachers are actively supported.

In addition to the attrition of new teachers, in the next decade a large number of teachers will retire. There will be a shortage of teachers. As an example he cited the high school math teacher shortage that is occurring. UA will graduate one math teacher this semester and five more in the spring. There are currently 17 area openings for qualified math teachers just in the Tucson area.

Additional factors that contribute to attrition of teachers in public schools: Teachers worry about using student tests as a measure of teacher performance. This is an incentive for teachers to move to private schools, where there is also less paperwork. Teachers want to move away from paperwork and get back to teaching smaller classes. Autonomy is wanted in the classroom. Salaries matter and working conditions are important. Baker believes that teachers are the most important factor in student learning.

The demographic for “D” and “F” school locations is clear: mobile populations, native Americans, and rural areas. Other factors that correlate positively with student learning are family income level and ethnicity. We need effective strategies to address these factors so students improve.

Q: When will data drive education?

Kotterman: The real questions should be what data is collected and how is it used. At present teachers are rated on the student performance on standardized tests, mainly involving math and reading. Student growth is part of the measure on a teacher’s performance rating.

Dahl: Diocese schools look at the “big picture on teacher performance.”

Q: What changes can the new Superintendent of Public Instruction make relative to Common Core?

Kotterman: There is limited ability to make changes in public education on her own. However, he said that if the Governor, the Superintendent, and the legislature chose to act together, there could be some changes in education policy.

The State Board of Education is committed to Common Core. While there are five vacancies on the 11 member board, two of them must be a University President and a County Superintendent of Schools. These members are unlikely to support elimination of Common Core.

Certain standards need to be updated, but this won’t happen in the next four years.

Baker: Public schools **do** work. We should measure the impact or outcome of school choice legislation against the intent of the legislation.

Dahl: Parochial schools complement, rather than compete, with public schools. They save money for public schools-\$52 billion nationally.

Kotterman: There are issues with public education throughout the U.S. Accountability is needed. However, in the last decade education reform has been dominated by large philanthropic interests like Bloomberg and Gates.

These individuals' businesses are driven by models of efficiency; they believe that they can set up the perfect formula to force educators to focus on the right things. However it doesn't work that way. Unlike businesses, which choose their raw materials, public schools are expected to educate everyone. They have to take students where they are and help them move on. College and career standards are great, but we have to make sure tax dollars are well spent.

What is the percentage of state versus local funding of schools? 50-50 or 60-40 on average, but it varies widely by district. There are equalization funds because of property value disparities among school districts, and because some districts have large percentages of non-taxable public lands. If local property tax is not sufficient to provide school districts with the amount required to fund each student, the state will provide the rest.

ADE administers school choice but cannot market ESAs.

Panelist Bios

Chris Kotterman is the Deputy Director of Government Relations for the Arizona Department of Education. Though not an Arizona native, he grew up in the Valley and is a product of Arizona's public school system, attending the Kyrene Elementary and Tempe Union High School Districts from Kindergarten through 12th grade. He holds a bachelor's degree from Arizona State University and is enjoying the 2014 college football season immensely. He holds a master's degree in Journalism from the University of Maryland. Prior to coming to work for ADE, he was a policy advisor to both the Arizona Senate and House of Representatives Democratic caucuses on education and budget issues.

Dr. David Baker is the superintendent of Flowing Wells School District. His 23 year career began by teaching fourth grade in the Flowing Wells School District. He served in principal and assistant principal positions for both Flowing Wells and Amphitheater School Districts before

becoming associate superintendent at Flowing Wells, where, for ten years, he oversaw technology, curriculum and instruction. Dr. Baker's recent work within Flowing Wells has been the establishment of an inquiry-based elementary science program, the development of the district assessment plan and use of student achievement data for informing practice, and transitioning to the Arizona Career and College Readiness Standards. Recently, he has focused on school improvement strategies and interventions by matching limited financial resources to targeted district goals. In each of these capacities, Dr. Baker is constantly engaged in determining the needs of the community and creating support structures necessary to help classroom teachers be successful in their craft.

Sheri Dahl is Superintendent of Catholic Schools for the Diocese of Tucson. She has spent the past 20 years in her vocation of Catholic education, half of it as an elementary teacher, the past ten years in administration as a principal, assistant superintendent, and now as superintendent. Her Bachelor's degree in Education is from the University of NE, Teacher certification completion from Nebraska Wesleyan University, a Masters of Education in Ed Leadership from Doane College in NE, and current Superintendent certification from the AZ Dept. of Education.

[She writes of herself] "I am continually amazed and amused by the divine intervention God provides in my daily life, which has included my share of blessed challenges; my hope and prayer is to help young people see the wonders God has in store for them if they only recognize His loving hand extended to them as seen through eyes of faith." She and her husband enjoy golfing, swimming, working their hunting dogs, and spending as much time as possible with their children and grandchildren.