HIGHER OUTCOMES

- All parental choice program students outperformed their full-income, public school counterparts on the ACT for three years running.¹
- The highest performing schools in Milwaukee with a majority of students in poverty are Choice and Charter schools.
- Students in the MPCP are more likely to graduate high school than students in MPS.²

LOWER COST

- According to the most recent DPI data available, the Choice program saves the State $4,243 in property taxes per Choice student on average.
- Average district school funding for the 2016-17 school year (most recent DPI data available):
  - $12,333 for grades K-12
- Voucher funding for the 2018-19 school year:
  - $7,754 for grades K-8
  - $8,400 for grades 9-12

RAPIDLY GROWING, POPULAR PROGRAMS

- In 2018-19, student enrollment in the Choice program grew to over 40,000 students.³
- Aside from the higher outcomes of the Choice program, any parents choose voucher schools for their students because safety is their top priority.⁴
- In a recent poll, 54% of people in Wisconsin support the Choice program while 41% oppose. For those under 45 years of age, 57% support while 37% oppose.

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¹ https://schoolchoicewi.org/2018/10/02/parental-choice-program-students-again-outperform-peers-scw/
² https://schoolchoiceinfo.org/data/hot_topics/grad_rate.pdf
³ https://schoolchoicewi.org/2018/10/30/parental-choice-programs-grow-to-over-40000-students/
⁴ https://www.tandfonline.com/doi/abs/10.1080/15582159.2017.1384878
Wisconsin is home to four parental choice programs - the Milwaukee Parental Choice Program (MPCP), the Racine Parental Choice Program (RPCP), the Wisconsin Parental Choice Program (WPCP), and the Special Needs Scholarship Program (SNSP).
The MPCP was created in 1990, and is the country’s first school choice voucher program. This program allows low and middle-income families who reside in the City of Milwaukee to enroll their children in private schools that they could not otherwise afford through the use of an educational voucher. In its first year, seven private schools in the city accepted 341 students. Today, the MPCP has expanded to include 129 schools in the metro-Milwaukee area and serves over 28,900 students annually. The MPCP has no enrollment caps. Most schools that participate in the MPCP enroll both choice and non-choice students.

Families wishing to participate in the MPCP must be at 300% or less of the federal poverty level to participate. Table 1 (appendix) denotes the income thresholds for this upcoming school year. If a family is married, $7,000 is added to their income limit amount, which allows families who are on the cusp of eligibility to participate.

The school and student growth of the MPCP from the 1998-1999 school year to the present is depicted in the tables to the left.
In 2011, Choice expanded to Racine. Today, 26 schools in the Racine area serve over 3,300 Choice students. Like the MPCP, there are no enrollment caps. However, students can only enter into the program if they are in grades K4, K5, 1, 9, or transferring from a public school or homeschool.

The income restriction mirrors that of the MPCP; families must be at 300% or less of the federal poverty level to participate.

The school and student growth of the RPCP since the creation of the program in 2011-2012 is depicted in the charts below.
In 2013, limited school choice opportunities were expanded throughout the state with the creation of the Wisconsin Parental Choice Program. In Wisconsin’s 2015-2017 budget, many restrictions preventing growth of the WPCP were removed. An overall enrollment cap no longer exists; instead enrollment is dependent on the number of students who leave the public school district for a Choice program. For the upcoming 2019-2020 school year, no more than 4% of a district’s students can participate in the WPCP. The WPCP has the same grade level entry points as the RPCP. Today, over 7,100 students participate in the program at 213 schools.

The income eligibility for the WPCP is more restrictive than that for MPCP and RPCP. Families must be at or below 220% of the federal poverty level. Table 2 (appendix) denotes the maximum yearly income allowed. If a family is married, $7,000 is added to their income limit amount, which allows families who are on the cusp of eligibility to participate.

The school and student growth of the WPCP since the creation of the program in 2013-2014 is depicted in the charts below.
SPECIAL NEEDS SCHOLARSHIP PROGRAM

In the 2015-2017 budget, Wisconsin created the Special Needs Scholarship Program which serves students with an identified disability in a private school. To be eligible, a student must have an IEP or Service Plan developed within 3 years of their application. Act 59 removed two barriers to entry beginning in the 2018-2019 school year: open enrollment denial and prior public school enrollment. Unlike the other Choice programs, participating families are not subject to any income limitations. Schools participating in the program may charge SNSP students additional tuition and fees.

In 2016, 26 schools and 235 students statewide participated in the SNSP. Today, 76 schools participate and are serving 692 SNSP students.

The school and student growth of the SNSP since the creation of the program in 2016-2017 is depicted in the charts below.

For the 2018-2019 school year, SNSP students each received $12,431 in scholarship funds. If a SNSP student is determined to no longer have a disability upon reevaluation, then the student receives a partial scholarship. A partial scholarship is equal to the voucher amount of the other three Choice programs. For the 2018-2019 school year, the voucher amount is $7,754 for K-8th and $8,400 for 9-12th.

High Cost funding is an option for schools with individual students requiring additional funding and services. Beginning in 2018-2019, students that have qualified, documented higher costs are eligible for higher payments. The state may pay up to 150% of the scholarship for those students and may reimburse, up to 90%, funds allocated for students that require even higher costs. The High Cost option requires the schools to pay for the services up front and subjects all expenses to an annual audit.
FUNDING

For the RPCP and WPCP, per student payments for continuing students (students who first participated in the 2014-2015 school year or prior) are fully funded through state General Purpose Revenue (GPR). Payments for incoming students (students who first participated in the 2015-2016 school year or later) are funded through a reduction in the state aid that would otherwise be paid to those students’ school districts of residence. Because most districts’ state aid per child funding is less than the voucher or open enrollment transfer amount, the districts are allowed to levy property taxes for the difference. The SNSP is also funded in this way.

To make up for the aid reduction for incoming students, school districts receive a revenue limit adjustment for each student in the current year equal to the aid reduction. If a school district chooses to levy to the maximum, its total resources are unaffected by the choice aid reduction, because it replaced the aid reduction with local levy. School districts also include incoming students in their student count for membership in calculating state general aid.

Compared to the public school student, the Choice student saves taxpayers money. The voucher amount for the MPCP, RPCP, and WPCP is less than public school districts spend to educate their students; resulting in a lower tax impact. The difference between the cost of a Choice student and the cost of a public school student is depicted in the following chart.
Funding Comparison: Public Student v. Choice Student

The property tax impact of the WPCP can be viewed on an interactive map below using the DPI school financing data.¹

¹ [http://choosenyourschoolwi.org/schoolfinance](http://choosenyourschoolwi.org/schoolfinance)
The MPCP is funded differently than the other programs. This program is funded exclusively through state GPR. Under the program, payments to private schools are made from a sum-sufficient GPR appropriation. To partially offset the cost of the program, an aid reduction is made to the aid that would otherwise be paid to MPS equal to a percentage of the total cost of the program. MPS is given levy authority to match a reduction in state aid. In the 2018-2019 school year, 19.2% of the voucher had an impact on local property taxes. This will be reduced by 3.2% over the next six years (2024-2025) when Milwaukee property taxpayers will not see an impact of the voucher.

The estimated total cost of the MPCP, RPCP, and WPCP for 2015-2016 and 2016-2017 is depicted by the Legislative Fiscal Bureau in the table below.²

<table>
<thead>
<tr>
<th></th>
<th>Milwaukee*</th>
<th>Racine and Statewide</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015-16</td>
<td>2016-17</td>
<td>2015-16</td>
</tr>
<tr>
<td>GPR</td>
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<tr>
<td>Aid Reduction</td>
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</tr>
<tr>
<td>Net GPR</td>
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<td>$157.2</td>
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</table>

²Excludes high poverty aid.

ACCOUNTABILITY

Schools participating in the parental choice programs are held accountable by regulations and procedures legally required by the Department of Public Instruction, and more importantly parents. EdChoice (formerly known as the Friedman Foundation for Educational Excellence) released a report in May of 2014 entitled, Public Rules on Private Schools: Measuring the Regulatory Impact of State Statutes and School Choice Programs which deemed the MPCP the most regulated school choice program in the country.  

Additionally, stricter guidelines are in place for first time, “start-up” schools looking to participate in the program. In the early years, it was too easy for new start-up schools to join the program, resulting in many compliance-related terminations. Since 2013, Act 237 requires new schools to follow a longer timeline, and no new schools have been terminated from the program since its passage.

Financial transparency is required of schools participating in the parental choice programs through an independent GAAP audit. Schools must submit detailed budgets, prove financial viability, and attend fiscal training sessions prior to joining the program. Each year, schools are required to undergo this audit in order to show how voucher dollars are being spent and to make sure that the money is going toward educational expenses only. Schools must attest for every penny for every child, every year.

Schools participating in the program must also attain accreditation by an independent agency or obtain preaccreditation prior to joining the program. Accreditation requires schools to have degreed or licensed teachers, appropriate curriculum, accountable board governance, maintenance of student records, and a school environment conducive to learning. Choice schools must also have valid occupancy permits, offer the same number of hours of instruction as public schools, abide by the same health and safety requirements as public schools, and comply with non-discrimination provisions of the Civil Rights Act of 1964 (i.e. race, color, or national origin).

If at any time DPI finds that a school in the program is not abiding by these regulations, the school can have its funds withheld until compliance is met or be immediately terminated from the program. This requirement is distinct for Choice schools.

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1 https://files.eric.ed.gov/fulltext/ED560661.pdf
As part of the state accountability system, the DPI produces report cards for every publicly funded school and district in Wisconsin, including schools participating in the Choice program. These Accountability Report Cards include data on multiple indicators for multiple years across four Priority Areas (Student Achievement, Growth, Closing Gaps, and On-track and Post-Secondary Success).

In Milwaukee and Racine, schools in the Choice program outrank their public school counterparts in the Overall Accountability Score. While only 49% of MPS schools meet or exceed expectations, 68% of MPCP schools meet or exceed expectations. And in Racine, 77% of RPCP schools meet or exceed expectations while only 46% of RUSD schools meet or exceed expectations. WPCP schools have seen growth in their school report cards from last year and have improved their overall accountability ratings for 2017-2018. The percentage of WPCP schools meeting or exceeding expectations grew from 54% in 2016-2017 to 69% in 2017-2018.

The accountability ratings of Milwaukee schools—public, charter, and Choice—can be viewed on an interactive map by the Metropolitan Milwaukee Association of Commerce (MMAC) using data from the DPI report cards.4

<https://mkeschoolmap.org/map>
STATE ASSESSMENTS

Each year, schools participating the Choice program are required to administer the same state assessments to their Choice students as their public school counterparts:

❖ The Wisconsin Forward Exam for English Language Arts and Mathematics for students in grades 3-8;
❖ The Wisconsin Forward Exam for Science for students in grades 4 and 8;
❖ The Wisconsin Forward Exam for Social Studies for students in grades 4, 8 and 10;
❖ The ACT Aspire for students in grades 9 and 10; and
❖ The ACT and ACT WorkKeys for students in grade 11.

The Wisconsin Forward Exam is designed to gauge how well students are doing in relation to the Wisconsin Academic Standards. These standards outline what students should know and be able to do in order to be college and career ready. The ACT is the leading national college admissions test that evaluates college readiness based on the scored areas of English, Reading, Math, Science, and Writing.

Through these state assessments, the academic performance of Choice students can be directly compared to the performance of their public school counterparts. For the past three years, Choice students have consistently outperformed their peers on the ACT. The scores for the MPCP, RPCP, and WPCP are depicted in the charts below.
CASE LAW

WI Supreme Court:
Jackson v Benson (June 10, 1998)

- WI Supreme Court upheld the Milwaukee Parental School Choice Program as constitutional and determined the program did not violate the requirement for public schools - the program only adds options for parents.

U.S. Supreme Court:
Zelman v Simmons-Harris (June 27, 2002)

- U.S. Supreme Court upheld a Cleveland, Ohio program as constitutional and determined it was not in violation of the First Amendment or the Establishment Clause.
- Under the Private Choice Test developed by the court, a voucher program must meet all of the following criteria to be considered constitutional:
  1) Program must have a valid secular purpose.
  2) Aid must go to parents and not directly to the schools.
  3) A broad class of beneficiaries must be covered.
  4) Program must be neutral with respect to religion (opt out).
  5) There must be adequate nonreligious options.

PROGRAM MYTHS

Myth 1: Vouchers are more expensive to taxpayers.

- Voucher funding for 2018-2019 school year: $7,754 for grades K-8 and $8,400 for grades 9-12.
- Average district school funding: $12,333 for grades K-12 (2016-2017 most recent data available).
- On average, the Choice program saves the state $4,243 in property taxes per Choice student.
Myth 2: Vouchers are mostly given to students already attending private schools.

- The percentage of Choice students previously attending private school has dramatically dropped over time. There are currently grade restrictions in place which result in most new enrollees either entering school for the first time or public school transfers.

- According to the data currently available, less than 25% of new WPCP students in 2017-2018 were previously enrolled in a private school.

- SCW surveyed WPCP participating schools and found that the vast majority of the students that were previously attending the private school before receiving a voucher were attending on a scholarship. (As only low-income students qualify for the WPCP, this is not surprising.) As scholarship money was freed up with voucher use, private schools were able to serve more low-income students in the community who wanted options in education.
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<th>Family Size</th>
<th>Maximum Yearly Income*</th>
<th>Married Family</th>
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<td>6</td>
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*For each additional family member add $12,960

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<th>Family Size</th>
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*For each additional family member add $9,504