

# cape Council for American Private Education outlook

"Voice of the Nation's Private Schools"

June 1992 Number 182

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## "Private" Schools and the "Public" Good

*An Essay  
by Greg D. Kubiak*

An important discussion to stem from the debate over school reform and educational choice has been the definition, or redefinition, of "public" schools. The issue took new form when the Bush Administration said any school serving the public should be considered a "public" school. It did so even before introducing its 1993 budget calling for choice scholarships to low- and middle-income families for use at "any accredited elementary or secondary school, public or private."

In arguing for federal support of public schools only, choice opponents hope to keep private schools in a box - as though the public is only served by schools run by the government. The threat of such isolation is - not simply a stifled debate of proactive educational opportunity - that private schools could be relegated to a subordinated status with exclusion from current education programs and initiatives. Thus, the private school community has been pushed to clarify its role as serving the public good.

### \$27 Billion! A Year

Private schools, which give parents a choice in education, teach students who perform better on national tests and graduate at a higher rate than their public school counterparts. Perhaps more importantly to taxpayers, private schools save all of us

an aggregate of some \$27 billion (that's Billion!) a year based on the average cost of educating a student in public schools. That alone is a public service. When was the last time an element of the private sector made such a contribution to the taxpayers, with no strings attached? One thing should be clear; that private schools, regardless of their individual missions and motivation, serve the public by helping contribute to an educated citizenry.

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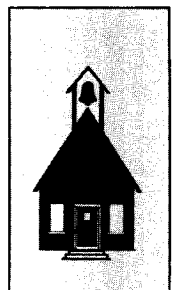
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Protectors of public education and purists of church/state separation will nobly pat the back of private schools for this philanthropic contribution to society. However, they are quick to dispel any discussion of the government even indirectly subsidizing this private activity. Despite the recognized contribution of the 25,000 private schools which are educating 5.2 million students, and the compulsory school attendance laws of every state, the choice opponents are unable to see the logical link between public service and taxpayer support.

The federal government has long promoted policies that affect private entities which strive to serve the public good. Since the income tax law passed in 1917, the tax code has been used to encourage contributions to private charities which minister to public needs. Arguing in support of a charitable deduction, one U.S. Senator referred to a *Washington Post* editorial of August 25, 1917 which stated, "This country can not abandon or impoverish the great structure of private charity and education that has been one of the most notable achievements of American civilization. Therefore with every additional dollar the Government finds it necessary to take in taxation it becomes increasingly necessary to . . . leave untaxed that part of every citizen's income which he may give voluntarily to the public good."

Not only have groups like the Salvation Army and the Nature Conservancy grown and been able to address social problems and concerns, but churches have likewise been the beneficiaries of an American tax code that rewards taxpayers for their financial contributions to such entities. Further, these same groups enjoy a tax-exempt status.

If we are so concerned about the separation of church and state with respect to public policy, why do we dare divert tax dollars to religious organizations by these two



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methods? I have yet to hear the opponents of educational choice carry out their Constitutional cry of concern by arguing that our tax code should not support religion through the charitable contribution deduction and exempt status provision. As we all know, the balances in the Constitution also guarantee the free exercise of religion among other choices and freedoms.

So the question narrows. Have private schools engaged in a 350 year experiment to "establish" religion with state support, or are they a publicly beneficial means of "free exercise" of educational choice?

### Choice: American Standard

The critical issue is not simply whether private schools serve the public good, but whether they are accountable to more than just the parents who choose them. To say that private schools are not publicly accountable is naive. Schools affiliated with CAPE member associations are non-profit, subscribe to policies of non-discrimination, and are subject to strict standards and regulations which vary from state to state. These regulations range from registration with the state education departments to *de facto* teacher certification. All are subject to health and safety standards which are policed by both state and federal agencies.

While some private schools exist out of the mainstream of American education, surely some definitions of accountability can be outlined, similar to those of CAPE schools.

Government supported choice in education exists for higher education with Pell Grants as it does for pre-kindergarten, child care with child care certificates. Despite the independent or religious affiliation of the providers, the national government has seen fit to support the free choice of those eligible for such aid. Yet, during the debate over giving such choice to low-income elementary and secondary school parents, our public school counterparts have drawn a firm line - or rather a circle. They have tried to distinguish between financial support to low-income parents for child care and college, etching out the middle twelve years of formal education as off-limits for support for educational choice.

Freedom of choice has always been an American standard. Taxpayer support of those choices is not as easy a call. But when

the public good is a result of those private decisions, government policy has fallen on the side of promoting and encouraging those choices.

When a federal worker has \$25 a month deducted from her paycheck to support a children's hospital, the government lets her deduct the annual payment from her taxable income on the 1040 form. When returning war veterans received educational grants under the GI Bill, no one said they couldn't go to Notre Dame or Texas Christian University because those were religiously affiliated schools. These choices involve government support of a private activity that results in a public good.

### The Social Agenda

The desperately tragic events surrounding the Rodney King verdict and the Los Angeles riots have predictably seen some people looking for short term answers and opportunities. Social scientists, journalists and politicians will no doubt debate the social agenda from criminal justice to civil rights to welfare reform throughout this political season. Part of the discussion will likely involve the need for improvement in education as the foundation on which economic, social, and racial peace can be rebuilt in our inner-cities.

If education is part of the answer to deep-seeded ills of society, then all of education which serves the public should be part of the debate. No single program or area of the domestic political agenda can heal the festering wounds of racial prejudice, disrespect of law, or economic inequity. But an educational system sensitive to the individual needs of every child can begin the recovery and rebirth of a nation used to boasting of its diversity. Children caught in the cycle of poverty and neglect can only perpetuate the despair in our inner-cities if established leaders settle for status quo solutions. Words from a Wisconsin Supreme Court decision in March upholding the Milwaukee inner-city, school choice program, give some guidance to policymakers. One judge in the majority wrote: "The Wisconsin legislature, attuned and attentive to the appalling and seemingly insurmountable problems confronting socio-economically deprived children, has attempted to throw a life preserver to those Milwaukee children caught in the cruel

riptide of a school system floundering upon the shoals of poverty, status quo thinking, and despair."

The decline of American competitiveness, mediocrity of national student tests, and violence and hopelessness in our city streets will need more than a single life preserver. But if we are serious about the future opportunities for our children, the debate on education must be serious, bold, and inclusive. Serving the public good deserves no less.

## CRIS Awards

Twelve Schools from across the country, as well as two high school students, have received national awards from the Council for Religion in Independent Schools (CRIS) for their superior achievements in community service.

For each of the last nine years, CRIS has recognized outstanding school-based community service programs in independent schools nationwide. The purpose is to honor superior community service efforts, inform other schools about model programs, and promote service to others as an essential moral and spiritual enterprise.

Those schools recognized with a Certificate of Merit are:

- Mercy Academy, Louisville, Kentucky
- Woodlands Academy of the Sacred Heart, Lake Forest, Illinois
- Norwood School, Bethesda, Maryland

Those schools recognized with an Honorable Mention are:

- The Blake School, Minneapolis, Minnesota
- Gill St. Bernard's Schools, Gladstone, New Jersey
- Stony Brook School, Stony Brook, New York
- University School of Nashville, Nashville, Tennessee
- Westminister Christian Academy, St. Louis, Missouri
- Wilmington Friends School, Wilmington, Delaware
- New Canaan Country School, New Canaan, Connecticut
- Oregon Episcopal School, Portland, Oregon
- Beauvoir, The National Cathedral Elementary School, Washington, District of Columbia



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The Student Leadership Awards went to twelfth graders Leah Erin Bomash of the Blake School and Duncan Levin of Horace Mann School in the Bronx, NY.

For more information, contact Dr. Michael J. Gorman at (202) 342-1661.

## Legislative Update

### ED Goes Back to Choice

In a meeting with private education leaders, Secretary of Education Lamar Alexander outlined the Administration's new choice initiative expected to be presented to Congress in mid-June. The "GI Bill for Children", originally announced in the President's fiscal year 1993 budget, seeks funding to provide scholarships of \$1,000 to children of low- and middle-income families for use at the elementary or secondary school of their choice.

The program would cost \$500 million a year to fund competitive 4-year grants to states, local educational agencies, or other units of government for scholarships to families to be used at "any lawfully operated school". Scholarships used at public schools would provide additional funding to the school while grants used at private schools could be applied toward tuition and fees. Up to \$500 of the federal funds may be used for "supplementary academic services", such as tutoring, special classes or after school programs.

At the late-May briefing, Alexander told representatives of CAPE and other private school officials that he has been surprised and unsettled by the immediate reaction by some in the public school community. He claimed that their response has failed to see the program as providing new money to public schools in the greatest need of additional funds.

### House Panel Boots Choice

On May 20, the House Education and Labor Committee approved **H.R. 4323**, authorizing \$700 million for public school reform efforts over the next ten years. The legislation, which passed by a 23 to 12 margin, contained no provision on the controversial issue of school choice including private schools, unlike an earlier measure passed by the panel.

The bill was revised from an earlier

version of legislation passed by the committee, **H.R. 3320**, which included a provision allowing for state and local restructuring plans that included private school choice. After a failed Senate vote in January on a demonstration project for low-income families, choice opponents pressed House members to eject the option from their legislation before it reached the floor for full House consideration.

Representative Richard Arme (R-Texas) offered an amendment in the Committee that would have required \$175 million of the bill's funds be directed to support choice programs. However, the amendment failed by a vote of 7 to 31, with one Member voting present. Calling the new legislation a "counterfeit education reform bill", Arme berated the Committee's chairman for introducing a new bill to replace H.R.3320, thus ignoring the work of the Committee and letting eight months pass without action on the reform bill.

Rep. Bill Goodling (R-Pennsylvania) then introduced a substitute amendment for the bill that essentially was the language of H.R. 3320, the previously approved bill that included private school choice as an option. The committee rejected his effort as well by a vote of 13 to 27.

Secretary of Education Lamar Alexander referred to the House bill as a "business-as-usual" approach to education reform and said that it "is worse than awful."

### Charitable Gifts Bills Introduced

A majority of both the Senate Finance Committee and House Ways and Means Committee have joined together in support of legislation to extend expiring provisions of the tax code, including a provision to remove charitable gifts of appreciated property from the alternative minimum tax (AMT).

The legislation is widely supported by the education and philanthropic community as it not only extends the current deadline for tax treatment of gifts of tangible personal property, but expands the coverage to all gifts of tangible and intangible property, including gifts of appreciated real estate.

Senators Jack Danforth (R-Missouri) and David Boren (D-Oklahoma) introduced **S. 2773** on May 21 before the Memorial Day

recess with 10 co-sponsors. A House companion bill, **H.R. 5240**, was introduced the same day by Representative Frank Guarini (D-New Jersey) with 31 co-sponsors.

Before the Tax Reform Act of 1986, taxpayers who made "non-cash" contributions to charities could take a tax deduction for the fair market value of that donated property. However, the '86 act legislated that those taxpayers who file under the AMT could not deduct the full value of their gifts of appreciated property. In effect, this removed a major incentive for many higher income taxpayers to make large donations to non-profit, tax-exempt organizations, including private elementary and secondary schools.

Both bills would extend the tax provisions for 18 months, replacing a 6 month extension passed last year which is set to expire June 30. Complaining about the ill-advised nature of short term tax policy, Guarini claimed that "this on-again, off-again treatment is counterproductive," and asked for bi-partisan support of the measure.

### House Panel Funds Research Bill

The House Education and Labor Committee reported out legislation on May 20 to reauthorize the Office of Educational Research and Improvement (OERI). **H.R. 4014** would create comprehensive research institutes, along with a system of extension agents to help teachers apply research in the classroom.

The measure notes that "the majority of our public schools are failing and that school reform efforts alone will not allow us to achieve the national education goals." The bill goes on to report that "OERI must be central to the coordination, development, dissemination and replication of ideas, strategies, and interventions that will make a substantial difference to every student and school in America."

An increase in the authorized funding would bring the OERI budget to \$228 million by 1995, up from the current level of \$71 million.

The Senate Labor and Human Resources Committee has already reported out a similar bill, **S. 1275** in March.

Both committee bill's should be consid-

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ered by the full House and Senate in the next several weeks.

### Budget Bill Rescinds Programs

A compromise budget rescission bill was passed by both houses of Congress in late May that would trim \$760,000 from the popular Chapter 1 program as well as cuts to vocational education and student aid programs. The reductions would not be felt in the Department of Education programs until fiscal year 1993 beginning in October.

The \$8.2 billion package of spending cuts was Congress' reaction to the Bush Administration campaign against Congressional "pork barrel" spending. While the total cuts exceeded the President's request by about \$300 million, it did not rescind many of the programs the President targeted.

H.R. 4990 was passed by the House on a 404 to 11 vote and the Senate by a 90 to 9 margin. President Bush is expected to sign the bill.

### Capenotes:

► The National Diffusion Network continued to show tremendous growth through its Private School Facilitator Project with

over 3,600 teachers trained in programs and 300,000 students affected, according to an annual report.

NDN is a body of over 400 exemplary educational programs validated by the Department of Education as educationally effective, cost-efficient and replicable. Teachers trained with NDN "adopt" the program and take their new skills to the classroom. In the last school year, private schools had 3,650 newly trained teachers in the programs. The number of students involved was 313,488.

CAPE, under contract from the U.S. Department of Education, disseminates NDN programs through its Private School Facilitator Project. For more information on NDN, contact Dr. Charles Nunley at the CAPE office by calling (202) 659-0177.

► *The Washington Post* conducted a survey of the 67 top education officials in the federal government to find where they send their children to school. The group was composed of top officials in the Bush Administration, the Department of Education, and the Congressional committees which oversee education policy.

The findings showed that none of those surveyed claimed to have sent their children

to the District of Columbia public schools. Rather, most utilized public schools in Fairfax and Montgomery counties, "two of the nation's most acclaimed school districts" in the wealthy Virginia and Maryland suburbs of Washington.

The study also found that 6 of 52 Members of Congress and President Bush sent their children solely to private schools. Vice President Dan Quayle and Secretary Lamar Alexander currently send their children to area private schools.

The article came to no conclusion on voting patterns for public schools and where officials sent their children. However, it noted that Senator Edward M. Kennedy (D-Massachusetts), a staunch private school choice opponent, sent his three children to private schools. Senator Orrin Hatch (R-Utah), the sponsor of a school choice demonstration project amendment considered by the Senate in January, sent his six children to public schools.

► **Renewal Reminder: CAPE OUTLOOK** will again be published in September for the '92-'93 school year. Please renew your subscription by sending \$10 to CAPE at 1726 M Street, NW, Suite 1102, Washington, DC 20036.

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a coalition of 14 national associations serving private schools K-12  
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[ISSN 0271-1451]

Outlook is published monthly (September to June) by the Council for American Private Education. Annual Subscription is \$10.

# cape outlook

COUNCIL FOR AMERICAN PRIVATE EDUCATION  
1726 M Street, NW, Suite 1102  
Washington, DC 20036

June 1992

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