

Council for American Private Education

# CAPE outlook

Voice of America's private schools

## Parental Choice a Prominent Feature at Reform Summit

A simple response to a sharp question captured a recurring theme at a Washington education policy summit. Former New York City schools chief Joel Klein and former Secretary of State Condoleezza Rice were asked during a keynote session to identify their priority strategy for improving education. Without hesitation, they both named school choice.

It turns out that comprehensive parental choice was a prominent feature within a broad framework of school reform presented at the Excellence in Action National Summit on Education Reform that took place in Washington, D.C., November 27 and 28.

Rice and Klein reviewed findings from *U.S. Education Reform and National Policy*, a recent report by a task force they co-chaired at the Council on Foreign Relations. The report warned that American security and economic prosperity is at risk because of breakdowns in education.

During her remarks, Secretary Rice said K-12 education could learn a lot from postsecondary education, which she called the international “gold standard.” American colleges and universities have competition and variety. “It’s not one size fits all,” she said, adding that “monopolistic tendencies” may be the K-12 system’s “biggest problem.”

### Catalytic Effect

Rice spoke of the “catalytic effect” that choice could have. In the postsecondary world, a college will either collapse or improve when faced with low enrollment because families have choices. She said choice would be especially helpful for low-income parents who are “the only people stuck in failing neighborhood schools,” a fact that she called, “the height of inequality.” It’s a “civil rights issue,” she said.

“No one in this room would send their kid randomly to a school in D.C.,” declared Klein, adding that folks with means

either move, go to a private school, or pull strings to avoid low-performing schools. He suggested that the acronym OPC (other people’s children) summarizes the phenomenon.

“As long as we send other people’s children to schools we won’t send our children to, shame on us. And the way out of that is choice.”

Former Governor of Florida Jeb Bush, who chairs the Foundation for Excellence in Education, the sponsor of the summit, also touted parental choice as a key component of a multi-pronged agenda for school reform.

### Where is the Shame?

In an opening address, Bush described a “great challenge we face as a nation,” devolving from a once upwardly mobile society to a stagnant society in which more people born into poverty tend to remain in poverty. “Where is the outrage, where is the shame?” he asked. He said that moving to a child-centered education system is “one path that we know for certain” can address the problem.

Bush’s reform agenda involves high standards, rigorous accountability, evaluating teachers as professionals, embracing technology, and implementing robust school choice. On the last point, he observed that monopolistic school systems “don’t change unless there are options.”

Calling parental choice a “catalytic converter” to accelerate school reform, Bush said that empowering parents is un-

comfortable for many people inside the current system but is nonetheless “a critical element of a proper strategy for transformational reform.”



Jeb Bush speaks at the Excellence in Action National Summit on Education Reform in Washington, D.C. (Photo: Foundation for Excellence in Education)

In a dialogue later in the day with former White House Chief of Staff John Podesta, Bush described the “incredible popular support” behind Florida’s corporate tax scholarship program, which currently serves 50,000 students. Each year parents

and students gather in Tallahassee for what Bush described as the city’s “largest civil rights rally” in order to show support for the program. A majority of African-American Democratic legislators in the state back the program “because they know there is political support back home in their districts.” As Bush put it, “The success of the program is what protects it.”

### Go Big or Go Home

At the summit’s closing session, Bush honored Indiana Governor Mitch Daniels for his pioneering work in education reform, including enactment of a comprehensive parental choice measure. Daniels advised the roughly 800 attendees to be as bold as possible when implementing school choice initiatives. “Go big or go home,” he said.

### Charters Only? Bad Idea

John Kirtley, chairman of Step Up for Students, which provides tax credit scholarships to children in Florida who come

continued on page 2

**CAPE member organizations:**

- Agudath Israel of America
- American Montessori Society
- Association Montessori International—USA
- Association of Christian Schools International
- Association of Christian Teachers and Schools
- Association of Waldorf Schools of N.A.
- Christian Schools International
- Evangelical Lutheran Church in America
- Friends Council on Education
- Lutheran Church—Missouri Synod
- National Association of Episcopal Schools
- National Association of Independent Schools
- National Catholic Educational Association
- National Christian School Association
- Oral Roberts University Educational Fellowship
- Seventh-day Adventist Board of Education
- United States Conference of Catholic Bishops
- Wisconsin Evangelical Lutheran Synod Schools
- 33 Affiliated State Organizations

a coalition of national associations serving private schools K-12  
Executive Director: Joe McTighe

**Outlook is published monthly (September to June) by CAPE. An annual subscription is \$35. ISSN 0271-1451**

13017 Wisteria Drive #457  
Germantown, MD 20874  
(tel) 301-916-8460  
(fax) 301-916-8485  
(email) cape@capenet.org

[www.capenet.org](http://www.capenet.org)



## Blended Learning Carries Promise for Religious Schools

Education experts from around the country gathered in Washington recently to discuss a new report by the Lexington Institute on using innovative programs to improve religious schools. The seminar, “Building 21st Century Catholic Learning Communities,” was held at Catholic University of America October 16. While the focus was Catholic schools, the seminar carried implications for all religious schools.

The report notes that the 2012-13 school year is the first in which “more American children will be enrolled in charter schools than Catholic schools,” a milestone event that “presents an opportunity for Catholic schools to innovate and renew their mission.”

### High Quality, Low Cost

The authors call on schools to adopt innovative models, such as blended learning, which “promises a high-quality, lower-cost education to students regardless of their background” by using “technology to customize student learning and promote subject mastery.” In a blended learning approach, students acquire skills and content online at their own pace, but with the assistance and guidance of teachers in a classroom. “Teachers are empowered to intervene and adapt to student needs,” says the report. What’s more, “Schools garner tangible data to address their specific weaknesses and to market their strengths.” The

bottom line is that schools that adopt the model “can see dramatic improvements in financial and academic results” and at the same time enhance their religious mission.

### Innovative Models

Joseph Womac, executive director of the Fulcrum Foundation, which provides financial assistance for Catholic schools in the Archdiocese of Seattle, was a presenter at the seminar. He says in the report that Catholic schools “need to diversify our brand offerings and create value for diverse customer bases.” Somehow these schools have to wring even greater efficiencies from innovative models because “these schools are running about as cheap as possible under the traditional model.”

Womac worked with Scott Hamilton at Seton Education Partners and with the Bill and Melinda Gates Foundation to bring a new instructional model to St. Therese Catholic Academy, which describes itself as a “blended technology-learning academy” and a “21st century Catholic school of excellence.”

The Lexington report (available at [www.lexingtoninstitute.org/education](http://www.lexingtoninstitute.org/education)) claims that blended learning “not only reduces direct operating costs like labor, it also provides struggling schools with better financial transparency tools to track student outcomes and resource efficiencies.”



### continued from page 1

from low-income families, explained during a strategy session why support for charter school choice without private school choice is a mistake.

His first objection to a “charter only” strategy is on moral grounds. Students in standard public schools have high-performing private schools available right now in their neighborhoods and should not have to postpone a quality education hoping that someday a charter school might appear. The need is now, and parents don’t have time to wait lest their children be lost. “It’s just morally wrong,” said Kirtley.

A second reason that “char-



Joel Klein and Condoleezza Rice at the Excellence in Action Summit (Photo: Foundation for Excellence in Education)

ters alone” is a poor strategy is that “the competition effect is much more robust if you have more schools in the mix, including private schools.”

Finally, limiting choice to charters is a mistake because “you leave on the table political assets that can be used in the reform battle.” Private schools can immediately serve a large number of students in choice programs, and parents of those students can be mobilized as grassroots advocates. Moreover, pastors of neighborhood churches that sponsor schools are often powerful political players in communities, and they, too, can be of enormous help in generating political support.

## Nonprofits Worry About Limits on Charitable Giving

As President Obama and Congressional leaders debate how to avoid the “fiscal cliff,” one vehicle for raising revenues—limiting the income tax deduction on charitable giving—has the nonprofit world worried.

Numerous proposals have surfaced to cap the tax benefits of donations to charities. President Obama’s 2013 budget proposed setting all itemized deductions at 28 percent of their value for households with annual incomes over \$250,000. Other proposals would repeal itemized deductions entirely or cap them at a specific amount (e.g., \$17,000, \$25,000, \$50,000), with each formula yielding different figures in raised revenue.

The Tax Policy Center, sponsored by the Urban Institute and the Brookings Institution, estimates that a repeal of all deductions would yield an additional \$2.2 trillion in tax revenue over the next ten years, while capping itemized deductions at \$25,000 or \$50,000, would yield, respectively, \$1.3 trillion or \$749 billion. Capping itemized deductions except for charitable contributions would bring in \$885 billion under a \$25,000 cap and \$490 billion under a \$50,000 cap.

### Preserving Current Deductions

The Charitable Giving Coalition has the goal of preserving current tax deductions for charitable donations. The coalition represents a diverse collection of nonprofit organizations, including CAPE and some of its member groups, the United Way Worldwide, the American Red Cross, The Philanthropy Roundtable, and many more.

A paper by the coalition makes the case succinctly: “If donors have less incentive to give to charities, donations decline.” It says tax limits on charitable giving “will have a devastating impact on charities and nonprofits,” involving “the loss of billions of dollars, which would impede the important work that nonprofits do for the millions of Americans who rely on them.”

The group is planning “Protect Giving—D.C. Days,” a gathering in Washington, D.C., on December 4 and 5 to encourage Congress to preserve charitable deductions.

In letters last month to President Obama and Congressional leaders, the coalition reported

that “nonprofits generate \$1.1 trillion every year in the form of jobs and services.” Ten percent of the country’s workforce serves in the nonprofit sector, equating to 13.5 million jobs and \$668 billion in wages and benefits to employees.

The letters distinguished the charitable deduction from other itemized deductions “in that it encourages individuals to give away a portion of their income to those in need,” thus rewarding “a selfless act.” For each dollar of tax relief from a charitable deduction, “the public typically receives three dollars of benefit,” an impact unmatched by other tax provisions.

Even proposals that target only the wealthy pose a problem. The United Way is a member of the Charitable Giving Coalition, and Steve Taylor, vice president for public policy at the United Way, recently told *Time* magazine that the top-third of the top one percent of donors provide 15 percent of the organization’s budget. According to William Daroff, vice president for public policy at the Jewish Federation of North America, 90 percent of the group’s donations come from the top 10 percent of donors.

### Ripple Effects

Rev. Larry Snyder, president of Catholic Charities, spoke to *Time* about the secondary effects of changes to the tax code. “If we have to cut back our services, then the government is just going to have more people at their door....It really is one of those things where you cut off your nose to spite your face.”

### \$7 Billion a Year

Independent Sector (IS), another coalition of which CAPE is a member, has drafted its own letter to urge that the charitable deduction remain intact. The letter states that a cap “could reduce charitable giving by as much as \$7 billion a year,” which would “come on top of the nearly \$20 billion annual decrease in giving since the economic downturn began in 2007.”

Does the charitable deduction encourage donors to give? According to the IS letter, between 2003 and 2009 more than 22 percent of online donations were made on December 30 or 31 each year, “underscoring the extent to which tax implications guide donor behavior.”



## Courts and Choice

Two consequential court decisions dominated school choice news last month.

A state judge ruled November 30 that Louisiana’s sweeping scholarship program is unconstitutional, striking a blow to students seeking a better education. The program allows families with incomes under an amount linked to the federal poverty level to attend a private school.

Governor Bobby Jindal called the ruling “wrong headed and a travesty for parents across Louisiana who want nothing more than for their children to have an equal opportunity at receiving a great education.”

Roughly 5,000 students currently participate, and their education is not likely to be disrupted during the appeals process the governor has vowed to pursue.

The program was challenged in court by the state’s two largest teacher unions and the Louisiana School Boards Association.

In a case with a more upbeat outcome, the Oklahoma State Supreme Court ruled November 20, in a 7-2 vote, that school districts do not have standing to sue parents who participate in the Lindsey Nicole Henry Scholarship for Students with Disabilities Program.

“This is a great victory for both religious freedom and the disabled,” said Eric Baxter, senior counsel for the Becket Fund for Religious Liberty, which represents the parents of disabled students who were sued by their public school districts. “The message from the Supreme Court today is unequivocal: These school districts should stop spending taxpayer dollars suing their most vulnerable students and focus on what they are supposed to be doing—teaching kids. Let’s hope the school districts drop their paranoia that allowing disabled kids to go to a private religious school of their choice somehow creates an official state church for Oklahoma.”



Return service requested

## CAPE notes

★ President Barack Obama announced his intent last month to appoint Dr. Darryl J. Ford to the board of directors of the National Board for Education Sciences. Dr. Ford currently serves as clerk of the board of directors of the Friends Council on Education, a member organization of CAPE. Since 2007 he has been head of school for William Penn Charter School in Philadelphia, PA, and from 1992 to 1997 he served as headmaster and executive director of St. Gregory Episcopal School in Chicago.

★ The Indiana Department of Education announced last month that the number of families participating in the state's Choice Scholarship Program has more than doubled from 3,919 last year to 9,324 in 2012-13.

"Once again, thousands of Hoosier families made powerful choices for their children, choices made possible by Indiana's commitment to educational options for all students—regardless of background, income or ZIP code," State Superintendent of Public Instruction Dr. Tony Bennett said. "Simply put, we are providing our neediest families options they've never had before, and they're taking advantage of the opportunity to select schools that work best for their children.

"This socially just policy underscores my belief that all students can and will succeed if we remove senseless barriers that allow achievement gaps and cycles of poverty to persist, especially in our most

challenged communities."

According to the state DOE, "Indiana's voucher program provides means tested scholarship families may use to send their children to participating non-public schools. Students qualify for one of two scholarship levels based on their total family income as well as federal free and reduced lunch participation requirements."

★ Meanwhile in Wisconsin, the nation's first voucher program has also hit all-time enrollment levels. The Wisconsin Department of Public Instruction reported that for the 2012-13 school year, 112 private schools are participating in the Milwaukee Parental Choice Program (MPCP) with a total enrollment of 24,941 students. When the program first started in 1990-91, seven schools served 337 participating students.

★ The Association of Christian Schools International (ACSI), a member of CAPE, announced last month that it "recently added 200 hours to its library of on-demand professional development content, increasing the content portal to over 500 hours."

"We're excited about the high-quality, on-demand professional development we're able to offer Christian educators," said Dr. Sam Barfell, vice president of professional development for the association. "Our library of content includes training from respected thought leaders and practitioners....It provides material on a

broad range of current trends in education, including the recently adopted national Common Core standards."

For more information about ACSI NEXUS, the "revolutionary new model for delivering professional development," visit ACSI's Web site at <[www.acsi.org](http://www.acsi.org)>.

★ *The Way of the Future: Education Savings Accounts for Every American Family*, a new report by the Friedman Foundation for Educational Choice, describes a unique way to expand school choice.

According to the foundation, education savings accounts allow parents "to pay for tutors, online learning programs, private school tuition, and even college expenses." The approach "is to fund students directly," empowering parents to then "choose the type of education that best suits their needs." The accounts "encourage families to shop more economically for schooling options, as unused funds can be saved for postsecondary education."

Arizona enacted the nation's first ESA program last year.

Written by Dr. Matthew Ladner, the report is available at <[www.edchoice.org](http://www.edchoice.org)>.

★ Worried about exceeding a possible cap on charitable deductions (see p. 3) next year? Avoid any limits and claim a deduction for 2012 by donating to CAPE before December 31. Please help us spread the message that private schools are good for students, good for families, and good for America. Visit <[capenet.org/support](http://capenet.org/support)>.