

Data Requirements of the 'Premium'

Online Fiscal Impacts Calculator for Private School Choice Legislation

*In all cases, be sure the second most recent year for the data you enter is **at least two years prior** to the most recent data available. The calculator makes a linear projection of the data to the first year the proposed legislation would be in effect. If the two data values you provide are too close, in time, the calculator may project, even amplify, what was an aberration from the true trend.*

1.) Statewide Total Private School Enrollment.

The most recent year (____), **total [all] private school enrollment** for your state is ____.
Also two years before that, or second most recent (yr = ____), total private school enrollment for your state is ____.

Provided here: <http://www.school-choice-fiscal-notes-calculator.net/internaldata/internaldata.xlsx>

2.) Public School Enrollment – Statewide

Most recent year (____), **total public school enrollment** (traditional + charter) for your state _____. Also two years before that*, or **second most recent** (yr = ____), total public school enrollment (traditional + charter) for your state _____.

*** the second most recent year provides a basis for an extrapolation, so do NOT use the year prior; at least two years prior is recommended. Three or four years prior is better if the most recent year is for a recession year; a year of state budget cuts.**

Locator Advice: your state education agency; for example, in Texas:
<http://ritter.tea.state.tx.us/perfreport/snapshot/2011/state.html>

3.) Charter School Enrollment - Statewide

Most recent year (____), **chartered public school enrollment** for your state _____. Also two years before that, or second most recent (yr = ____), chartered public school enrollment for your state _____.

Locator Advice: your state education agency; for example, in Texas:
<http://ritter.tea.state.tx.us/perfreport/snapshot/2011/state.html>

4.) Average Private School Tuition

Most recent year (____), **your state's average private school tuition rate** ____, and 2 years before that, or 2nd most recent (yr = ____), your state's average private school tuition rate ____.

Locator Advice: Average independent school tuition is available from U.S. Department of Education, National Center for Education Statistics, *Digest of Education Statistics, 2009*, Table 59. http://nces.ed.gov/programs/digest/d09/tables/dt09_059.asp

Recommendation: Because those data are typically old and sometimes questionable, and especially if you use a national estimate for your state, determine the importance of this item with a 'sensitivity test'. That means run your numbers at least twice; the second time with slightly different numbers for average private school tuition. Report that sensitivity in your fiscal note.

5.) Average District-level *total* Per Pupil Traditional Public School Operational Funding

Most recent year (____), **average District-level total Per Pupil Public Operational Funding** for your state _____. Also two years before that, or second most recent (yr = ____), average District-level ***total*** Per Pupil Public Funding for your state _____.

Locator Advice: your state education agency; for example, in Texas: <http://ritter.tea.state.tx.us/perfreport/snapshot/2011/state.html>

6.) **Average District-level State Per Pupil Public Funding**

Most recent year (____), **average District-level State Per Pupil Public Funding** for your state _____. Also two years before that, or second most recent (yr = ____), average District-level ***State*** Per Pupil Public Funding for your state _____.

Locator Advice: your state education agency; for example, in Texas: <http://ritter.tea.state.tx.us/perfreport/snapshot/2011/state.html>

7.) Average avoided (or available for re-allocation by state funding formula) state government spending per student transfer from public to private. It could be as much as the annual state per-pupil payment to school districts.

Most recent year (____), **average avoided state government spending per student transfer from public to private** for your state _____. Also, second most recent (yr = ____), average avoided state government spending per student transfer from public to private for your state _____. State funding that would no longer flow to a district if a student transfers to a nonpublic school. Second most recent: two to three years before the most recent, recommended.

Locator Advice: your state fiscal bureau, or your state education agency; for example, in Texas: <http://ritter.tea.state.tx.us/perfreport/snapshot/2011/state.html>

Note: those payments sometimes lag enrollment change by a year or more. It varies by state. The calculator cannot take account of that variability. Calculator users have to take account of such timing issues, themselves.

8.) The **first fiscal year** the proposed legislation would be in effect is _____.

9.) Average state payment per proposed program user.

- a.) In that first Fiscal Year the proposed law would be in effect, the **average state expenditure per user of the proposed program** if legislation under consideration is enacted _____. Enter '0' if the subsidy level is specified as a rate, not a dollar amount. Enter '1' if the proposed legislation is a 'Tax Credit' for Donations to a Scholarship/Voucher-granting fund. Entering a '1' will trigger skipping 10-12, 16-19, below.
- b.) In the second Fiscal Year, the statewide average private school user payment per program user if the legislation under consideration is enacted _____. Enter '0' if the subsidy level is specified as a rate, not a dollar amount.
- c.) In the third Fiscal Year, the statewide average private school user payment per program user if legislation under consideration is enacted _____. Enter '0' if the subsidy level is specified as a rate, not a dollar amount.

Examples for this item:

Avg Annual Tuition Voucher: \$5000

Avg Annual Education Savings Account Deposit: \$6000

Avg Annual Tuition Tax Credit: \$3000

Do not enter the '\$' in the calculator boxes.

10.) Program participant – average state payment rate

If the proposed legislation defines the per pupil subsidy as a fraction of the State Spending number you provided in #9 above, specify that fraction (as a decimal, not %) for each of the first three fiscal years the legislation is in effect.

Year 1 rate: _____

Year 2 rate: _____

Year 3 rate: _____

For example, recent Texas legislation set the subsidy at 60% of State Spending per pupil.

Rate1 = Rate2 = Rate3 = 0.60

The calculator skips #10 if you entered dollar amounts in 9a – 9c, or a ‘1’ in 9a.

11.) Shared Financing (top-off, co-payment, etc.) Permission.

a.) Determine if your proposed legislation specifies that **private schools are eligible for government funds only if they accept them as full payment**. Enter ‘1’ in the box if families can pay tuition with a combination of government and private funds; top-off with their own money or with private scholarship grants? Synonyms for topping off, include adding on, co-payment, and shared financing. For example, Milwaukee’s tuition voucher program has not and mostly still does not allow co-payment.

b.) If you determine that the proposed legislation allows private co-payment, determine if there is a co-payment limit _____ (\$); enter ‘0’ if the legislation does not specify a maximum co-payment. For example, the Cleveland tuition voucher program limits co-payment.

12.) ‘Taxation’ of Co-Payment (shared financing)

If your proposed legislation allows **public-private co-payment of tuition**, determine if the private co-payment is taxed. The average top-off tax rate as a decimal is _____. For example, if a \$4000 voucher, plus a \$1000 private add-on (top-off) payment covers a \$4800 tuition, the \$1000 add-on was taxed at a 20% rate. Enter ‘0.20’ in the box. No such tax: enter ‘0’.

Chile’s tuition voucher program levies a private co-payment tax; revenues used to finance low income co-payments.

13.) Long-time Private School User Eligibility to Participate in the Proposed Program

In the first fiscal year the proposed legislation is in effect, what **fraction of students enrolled in private schools before passage of the proposed school choice legislation are eligible for the government payments to support private school use?** _____ (rate expressed as a decimal).

In the second fiscal year the proposed legislation is in effect, what fraction of students enrolled in private schools before passage of the proposed school choice legislation are eligible for the government payments to support private school use? _____ (rate expressed as a decimal).

In the third fiscal year the proposed legislation is in effect, what fraction of students enrolled in private schools before passage of the proposed school choice legislation are eligible for the government payments to support private school use? _____ (rate expressed as a decimal).

14.) Cap on the Number of Program Participants

Determine if there is a limit on how many eligible children can participate in the proposed program in the first Fiscal Year it is available: # of students limit is _____. No cap; enter '0'.

Determine if there is a limit on how many eligible children can participate in the proposed program in the second Fiscal Year it is available: # of students limit is _____. No cap; enter '0'.

Determine if there is a limit on how many eligible children can participate in the proposed program in the third Fiscal Year it is available: # of students limit is _____. No cap; enter '0'.

For example, 'use' may be limited to 20,000 children, even though eligibility (#16, below) is limited to a larger number, say, all children in families below 185% of the poverty level.

Step 18), below, takes account of fiscal limits; for example the total amount that can be spent.

15.) Further Eligibility Targeting (low income, failed schools, etc.)

Determine if there is a **cap on eligibility for the government payments to support private school use** in the first Fiscal Year it is available: # of students limit is _____. No cap; enter '0'. If the limit is specified as the number below a low income threshold or enrolled in 'failed' schools (however defined), you'll have to estimate the number of children meeting that criteria.

Determine if there is a **cap on eligibility for the government payments to support private school use** in the second Fiscal Year it is available: # of students limit is _____. No cap; enter '0'.

Determine if there is a **cap on eligibility for the government payments to support private school use** in the third Fiscal Year it is available: # of students limit is _____. No cap; enter '0'.

16.) Statewide Personal Income.

The most recent year (_____), **Personal Income** of your state is _____. Also two years before that, or second most recent (yr = _____), the Personal Income of your state is _____.
Second most recent: two to three years before the most recent, recommended.

Provided here: <http://www.school-choice-fiscal-notes-calculator.net/internaldata/internaldata.xlsx>

17.) Statewide Population.

The most recent year (____), **Population** of your state is _____. Also two years before that, or second most recent (yr = _____), the Population of your state is _____.
Second most recent: two to three years before the most recent, recommended.

Provided here: <http://www.school-choice-fiscal-notes-calculator.net/internaldata/internaldata.xlsx>

18.) Tax Credit Scholarships

There are school choice programs that grant tax credits to individuals and or businesses that donate to funds that grant vouchers. If your legislation proposes that, what is the statewide annual limit, in dollars, on the tax credit amount is _____. If there is no limit, enter a large number in the neighborhood of total state tax revenue subject to the credit; for example, state income tax revenue if the credit is a state income tax credit.

19.) Tax Credit Rate for Tax Credit Scholarship Donations

The tax credit rate is _____ percent (0 to 100) of the donated amount.

To include graduation rate effects:

20.) 'Completion I' Definition of the Graduation Rate

What matters to fiscal cost is enrollment through the senior year, not necessarily graduation. This means the 'Completion I' definition of graduation rate, which means graduated or continued. Determine the 'Completion I' rate (____) for the most recent year available (____), and the 'Completion I' rate (____) for two years prior to the most recent year (____). Entering rates for any consistent definition of 'graduation' will not greatly impact the impact estimates.

21.) Freshman Cohort of Graduating Classes

Freshman 'Cohort' for the Graduating class of the first fiscal year (N) the proposed legislation would be in effect. If N=2015, the freshman cohort is for the Class of 2015. The freshman cohort, which means the Fall N (after possible graduation) count of the number students assigned one of four final statuses: graduate, continuer, GED recipient, or dropout.

Data for the 2015 cohort is typically not available until 2016 or 2017, so an estimate is in order. In Texas, the freshman cohort of the Class of 2009, 2010, and 2011 was 6.5% (yes, the same

6.5% each of the three years) of Total Public School enrollment. So, compute 6.5% of the projected year N total public school enrollment; displayed by the online calculator after all of the first 16 items above are entered. Enter it here _____, and then online when indicated. Another estimation possibility is to find the freshman class size for the Spring of year N-3, Fall N-4 (_____). N = first fiscal year the proposed legislation would be in effect. If N=2015, find the freshman class size for the 2011-12 school year. In Texas, the Freshman 'Cohort' tended to be very close to 89% of the number of freshman.

Locator Advice: your state education agency; for example, in Texas:
http://www.tea.state.tx.us/acctres/dropcomp_index.html

Repeat that process for Year N+1 (_____). Freshman cohort for Year N+1 is (_____). Recall that N is the first fiscal year (N) the proposed legislation would be in effect. If N=2015, the freshman cohort for N+1 is for the Class of 2016.