

Vouchers for Private Virtual Education Are Misspent Public Money

The COVID-19 pandemic has caused many schools across the U.S. to temporarily shift to distance learning or a combination of online and in-person instruction until it's safe for students and teachers to be in classrooms again. Even before the pandemic, many school districts used online programs to complement in-person teaching. But there are stark differences between districts using public resources to incorporate technology into effective teaching and learning on the one hand, and privatized, fully virtual education on the other.

Research shows that virtual learning is simply not an effective, long-term substitute for brick and mortar schools.¹ Because private virtual schools are not held accountable in the same way as public schools, they usually don't report data on funding, student outcomes, and other important measures, and are largely absent from studies of virtual education.² But based on what is known about virtual schools, including virtual charter schools, as well as extensive research on the harmful effects of voucher programs, it's clear that **voucher-supported, private virtual schools** are a misuse of scarce public resources.

➤ VIRTUAL SCHOOLS HARM STUDENTS' EDUCATIONAL OUTCOMES

Students in virtual schools do not receive the same opportunities to learn as students in traditional public schools, and their educational outcomes suffer:

- Students in virtual schools learn less and have lower test scores than their public school peers.³
- Only about half of virtual school students reach graduation, far less than the traditional public school average.⁴
- Virtual schools have larger student-to-teacher ratios than traditional public schools.⁵ Smaller class sizes are associated with improved student outcomes.⁶
- Where virtual schools are operated by private, for-profit "Education Management Organizations," more than two-thirds fail to achieve acceptable performance ratings from their states.⁷
- Numerous studies demonstrate that private school voucher programs likewise fail to improve student outcomes.⁸

➤ VIRTUAL SCHOOLS ARE NOT EQUITABLE

Virtual schools do not provide equitable opportunities to learn for students from economically disadvantaged families, students with disabilities, English learners, and other historically marginalized students:

- Virtual schools do not provide many of the supports that are crucial for students to learn and thrive, including free and reduced-price meals; onsite social workers, guidance counselors and paraprofessionals; and in-person peer-to-peer interactions.⁹

Diverting public funds to private virtual schools will not deliver equitable educational opportunities or good student outcomes, either during the pandemic or after.

- Virtual schools exacerbate the technology gap, since low-income families often do not have the devices or internet connectivity required to participate.¹⁰
- Virtual schools spend less on special education, despite serving an increasing number of students with disabilities.¹¹
- Overall, virtual schools serve a student population that is wealthier and whiter than that of local public schools.¹²
- Private school voucher programs often allow participating private schools to discriminate against students and families,¹³ fail to provide critical services,¹⁴ and have been shown to increase segregation.¹⁵

➤ VIRTUAL SCHOOLS ARE ESPECIALLY SUSCEPTIBLE TO ACCOUNTABILITY FAILURES

Virtual schools are highly susceptible to accountability failures due to a general lack of oversight.

For example:

- Two virtual schools in Indiana took \$40 million in taxpayer money based on “exaggerated” student enrollment.¹⁶
- Online charter schools in California enrolled fake students and misappropriated \$80 million in public funds.¹⁷
- An online charter school in Oklahoma recruited “ghost students” by paying \$1000 taxpayer-funded bonuses.¹⁸
- It is well documented that private school voucher programs lack transparency and accountability.¹⁹

Public schools welcome all children and serve the vast majority of them, including low-income students, students with disabilities, English learners, students of color, and other students most impacted by the pandemic. Public schools need increased resources to bridge growing opportunity gaps and meet students’ educational, health, and social-emotional needs. Diverting public funds to private virtual schools will not deliver equitable educational opportunities or good student outcomes, either during the pandemic or after.

Public Funds Public Schools is a national campaign that works to ensure public funds are used exclusively to maintain, support and strengthen our nation’s public schools. pfps.org

1 See, e.g., In the Pub. Interest, *Why Online Education Can’t Replace Brick-and-Mortar K-12 Schooling* (2020), https://www.inthepublicinterest.org/wp-content/uploads/ITPI_OnlineEdFailure_May2020.pdf.

2 See, e.g., Nat’l Educ. Policy Ctr., *Virtual Schools in the U.S. 2019* (Alex Molnar ed., 2019), <https://nepc.colorado.edu/sites/default/files/publications/RB%20Exec%20Summary%20with%20blurb.pdf>.

3 See, e.g., June Ahn & Andrew McEachin, *Student Enrollment Patterns and Achievement in Ohio’s Online Charter Schools*, 46(1) *Educ. Researcher* 44 (2017), <https://journals.sagepub.com/doi/10.3102/0013189X17692999>; Ctr. for Res. on Educ. Outcomes, *Online Charter School Study* (2015), https://credo.stanford.edu/sites/g/files/sbiybj6481/f/online_charter_study_final.pdf.

4 Nat’l Educ. Policy Ctr., *Virtual Schools in the U.S. 2019*, *supra*.

5 *Id.*

6 Barbara Nye, Larry V. Hedges & Spyros Konstantopoulos, *The Effects of Small Classes on Academic Achievement: The Results of the Tennessee Class Size Experiment*, 37(1) *Am. Educ. Res. J.* 123 (2000), <https://journals.sagepub.com/doi/10.3102/0002831203700123>.

7 Nat’l Educ. Policy Ctr., *Virtual Schools in the U.S. 2019*, *supra*.

8 See, e.g., Ulrich Boser, Meg Benner & Erin Roth, Ctr. for Am. Progress, *The Highly Negative Impacts of Vouchers* (2018), <https://cdn.americanprogress.org/content/uploads/2018/03/22115443/NegativeEffectsVouchers-report2.pdf>; Jonathan Mills & Patrick Wolf, *The Effects of the Louisiana Scholarship Program on Student Achievement after Four Years*, Univ. of Ark. Working Paper Series (2019), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3376230; David Figlio & Krzysztof Karbownik, Thomas B. Fordham Inst., *Evaluation of Ohio’s EdChoice Scholarship Program: Selection, Competition, and Performance Effect* (2016), https://edex.s3-us-west-2.amazonaws.com/publication/pdfs/FORDHAM%20Ed%20Choice%20Evaluation%20Report_online%20edition.pdf. For additional research documenting the negative effects of vouchers on student outcomes, visit the PFPS website’s Research page: <https://pfps.org/research/>.

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10 Katie Reilly, *The Achievement Gap is ‘More Glaring Than Ever’ for Students Dealing with School Closures*, *Time* (Mar. 26, 2020), <https://time.com/5810503/coronavirus-achievement-gap-schools/>.

11 Miron & Urschel, *Understanding and Improving Full-Time Virtual Schools*, *supra*.

12 *Id.*

13 See, e.g., Bayliss Fiddiman & Jessica Yin, Ctr. for Am. Progress, *The Danger Private School Voucher Programs Pose to Civil Rights* (2019), <https://cdn.americanprogress.org/content/uploads/2019/05/10124230/Vouchers-and-Civil-Rights2.pdf>.

14 See, e.g., Julie F. Mead & Suzanne E. Eckes, Nat’l Educ. Policy Ctr., *How School Privatization Opens the Door for Discrimination* (2018), https://nepc.colorado.edu/sites/default/files/publications/PB%20Mead-Eckes%20Privatization_4.pdf.

15 Hailey Potter, The Century Found., *Do Private School Vouchers Pose a Threat to Integration?* (2017), <https://tcf.org/content/report/private-school-vouchers-pose-threat-integration/?session=1>; Chris Ford, Stephanie Johnson & Lisette Partelow, Ctr. for Am. Progress, *The Racist Origins of Private School Vouchers* (2017), https://cdn.americanprogress.org/content/uploads/2017/07/12184850/VoucherSegregation-brief2.pdf?_ga=2.60387630.241386641.1607372695-268473100.1604069996.

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