

Council for American Private Education

CAPE outlook

Voice of America's private schools

Study Finds Advantages for Students in Faith-Based Schools

Students in religious schools enjoy a significant academic advantage over their counterparts in traditional public schools and charter schools, according to findings from a meta-analysis of 90 studies on the effects of schools conducted by William Jeynes, senior fellow at the Witherspoon Institute in Princeton, New Jersey, and a professor at California State University, Long Beach. The study was published in issue 3 of volume 87 of the *Peabody Journal of Education*.

"The results indicate that attending private religious schools is associated with the highest level of academic achievement among the three school types, even when sophisticated controls are used to adjust for socioeconomic status," according to the report.

"I was quite surprised that students from charter schools did no better than their counterparts in traditional public schools," wrote Jeynes in an email message to CAPE. At the start of the study, he was expecting to see higher levels of performance from charters.

"To the extent that neither traditional public schools nor charter schools are succeeding on a broad scale, it appears that the best hope for American education is religious private schools," said Jeynes. "Not only are they considerably more economically efficient, but their students obtain better results." He said the nation should "rethink its strategy of espousing charter schools and overlooking the benefits of faith-based education."

Time for Choice

One of the paper's conclusions is that it may be time to extend school choice to include the private sector. Jeynes told CAPE that because religious schools are so much more efficient than public schools, "states would save money by implementing programs that pay for children to attend these schools instead of more expensive

public ones." He said the meta-analysis "calls into question the current trajectory of school choice that emphasizes only public school choice, without due diligence in pursuing the inclusion of private religious schools."

Results

A meta-analysis looks at studies in a specific field and, employing sophisticated statistical techniques, identifies the effect size of each study and then calculates an overall average effect size for the set of studies.

Examining results from all 90 studies, Jeynes found that the average standardized test score for religious school students is .29 of a standard deviation higher than that for traditional public school (TPS) students, while the average score for charter school students is only .01 of a standard deviation higher. Converting the effect sizes into percentiles, the average standardized test score for students in faith-based schools is 11 percentile points higher than that for TPS students, while charter school students score essentially the same as their TPS counterparts.

In his communication with CAPE, Jeynes summarized the advantage this way: "Students who attend religious schools score at an academic level about 12 months ahead of their counterparts."

Jeynes also looked at only those studies employing "sophisticated controls" in their analyses (e.g., controls relating to socioeconomic status, race, and gender) and still found a positive effect size of .14

standard deviations for religious schools. For charter schools, the effect is negative (-.03). Jeynes told CAPE that even with the controls, the private school academic advantage is about seven months.

Another key finding in the study is that the achievement gap, as measured

both by ethnicity/race and socioeconomic status, is roughly 25 percent narrower in faith-based schools than in public schools, a fact that should capture the attention of policy makers who have been wrestling with this vexing problem for years. As the report puts it, "Americans should rejoice" that the gap is being bridged, regardless of where it's being bridged.

Although academic performance

was a key focus in the report, the study also examined student behavior and found an even larger advantage, or effect size, for religious schools. As Jeynes told CAPE, "Students who attend religious schools have fewer behavioral problems than their counterparts, even when adjusting for socioeconomic status, race, and gender." That translates into fewer gangs, less drugs, and greater racial harmony in religious schools than in public schools.

Why are students more successful in religious schools? Jeynes believes that such schools "have higher expectations of students and encourage them to take hard courses," adding that religious schools subscribe to the notion that "students are often capable of achieving more than they realize."

Meta-Analysis Key Findings

Compared to traditional and charter public schools, faith based schools have...

- a significant academic advantage
- narrower achievement gaps by race/ethnicity and income
- better student behavioral outcomes

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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 McTigue

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Obama Budget Threatens Charitable Giving

President Barack Obama's budget proposal for 2014 would limit the tax value of charitable donations, possibly discouraging contributions and jeopardizing services by organizations, including private schools, that rely on them.

The proposal would put a 28 percent cap on the tax benefit of itemized deductions, including those for charitable donations, thus affecting persons in tax brackets above that level. Currently, if a person's tax rate is 39.6 percent, a \$10,000 donation to charity yields \$3,960 in tax savings and actually costs the taxpayer \$6,040. Under the White House budget plan, the same donation would produce \$2,800 in tax savings and cost \$7,200. The community that relies on charitable contributions is concerned that the added cost will deter donations.

In a letter to the president underscoring worries within the community, the Charitable Giving Coalition, of which CAPE is a member, said "tampering with the 100-year-old charitable deduction" would "spell disaster for the vital programs and services of thousands of charitable organizations and the millions of Americans who rely on them each day." The letter goes on to warn that "giving will go down significantly if you unravel the existing policy that incentivizes people to support communities."

Part of the coalition's approach is to distinguish the charitable deduction from other itemized deductions. The former "encourages individuals to give away a portion of their income to benefit others in need." It "rewards a selfless act" and motivates "donors to give more to charities than they otherwise would have given."

The coalition's letter says that "for every \$1 a donor can claim for their donation, the public receives approximately \$3 of benefit. It is unlikely that any other tax provision generates that kind of positive public impact."

"Tampering with the charitable deduction," the letter continues, "causes giving to decline and communities to lose."

CAPE Members

Several members of CAPE are part of the Charitable Giving Coalition, including Agudath Israel of America, the Association of Christian Schools International, and the National Association of Independent Schools.

The coalition estimates that if the 28 percent cap on the tax value of deductions were implemented, "donations to the nonprofit sector could

decline by more than \$5.6 billion per year," an amount that is "more than the annual operating budgets of the American Red Cross; Goodwill Industries International, Inc.; Habitat for Humanity; the Boys & Girls Clubs of America; Catholic Charities USA; and the American Cancer Society combined."

Pease Limitations

Although the president's budget is a proposal at this point, Congress has already imposed actual limits on the tax benefits connected with charitable contributions. In the agreement in January to avoid the "fiscal cliff," lawmakers reduced

the tax benefit of itemized deductions for taxpayers with annual incomes above certain thresholds (\$250,000 for singles and \$300,000 for couples). Under the agreement, deductions are scaled back by 3 percent of the amount that the taxpayer's

adjusted gross income exceeds the threshold. For example, a couple making \$400,000 a year (\$100,000 above the threshold) would have the value of their deductions, charitable or otherwise, reduced by \$3,000 (3 percent of \$100,000).

These so-called Pease Limitations are also opposed by the Charitable Giving Coalition, which cheered the introduction on April 10 of H.R. 1479 by Representatives Jim Sensenbrenner (R-WI) and Jim Matheson (D-UT). The bill would exempt deductions for charitable giving from the overall Pease limit on itemized deductions.

"Americans recognize the importance of the philanthropic sector, and in trying economic times, the importance of non-profits and charities only grows," said Sensenbrenner. "We should make clear that the deduction for charitable giving is a critical part of our tax code."

Congressman Matheson noted that "charities are providing a vital safety net" and said, "It is critical that we encourage and provide people with every opportunity to give back."

Raising Revenue

In a quest to raise revenue, various members of Congress are considering several ways to limit the value of tax deductions for certain earners. Some potential approaches are listed in the budget resolution that the Senate approved in March: an across-the-board limit on the rate at which tax deductions would reduce one's tax bill, a limit based on a percentage of one's income, a dollar cap on allowable deductions, and replacing some deductions with limited tax credits.



Students Have Above-Average Grasp of Economics

Students in religious and independent schools scored significantly higher than other students on a national assessment of economic literacy. Sixty-two percent of private school students and 41 percent of public school students scored at or above the proficient level of performance on the 2012 test of twelfth-graders conducted as part of the National Assessment of Educational Progress (NAEP). A nationally representative sample of nearly 11,000 seniors from 480 public and private high schools were tested.

According to a [report published April 24](#), knowledge of economics is “vital for functioning effectively in today’s society” to help citizens manage finances, make wise investments, and decide on alternative economic visions offered by political leaders. Through college and into the workforce, students’ “understanding of the economy will help them become financially responsible citizens.”

Markets and Economies

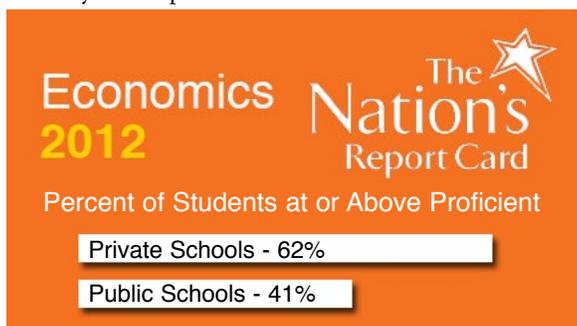
The framework for the assessment defines economic literacy as “the ability to identify, analyze, and evaluate the consequences of individual decisions and public policy.” The test assesses an understanding of how markets work and how national and international economies function. Other concepts include the choices and trade-offs people face within the constraints of limited resources and “the benefits and costs of economic interaction and interdependence among people and nations.”

Through questions relating to “market economy,” or microeconomics, students are tested on “how individuals and businesses make economic choices as buyers and sellers in the marketplace.” As an example, one question asks students to explain what would happen to demand for grapes if the price of grapes were to increase by a large amount. Another asks them to select from four options the factor that “best describes an opportunity cost for a student who chooses to quit a full-time job to go to college,” the correct answer being “giving up current wages and benefits.”

The “national economy” content covers macroeconomics and includes questions relating to “the behavior of the economy as a whole” as affected by individual, business, and government decisions. Money, interest rates, monetary and fiscal policy, inflation, unemployment, and eco-

omic growth are some of the concepts covered. One question measures whether students know that an increase in consumer spending is likely to cause an increase in employment, and another asks students to identify the economic costs to the nation of an extended period of high rates of unemployment.

The “international economy” area “focuses on international trade—how individuals and businesses interact with global markets.” In one question, students are asked to explain why U.S. steel manufacturers would support a tariff on imported steel.



States attend private schools, and 92 percent attend public schools.

Three Levels of Performance

All NAEP assessments measure performance against three achievement levels: *basic*, which “denotes partial mastery of prerequisite knowledge and skills;” *proficient*, which “represents solid academic performance;” and *advanced*, which “represents superior performance.” Within the economics assessment, the ability to “identify a trait of a market economy” or to “recognize an action of government that protects property rights” is regarded as basic performance. Recognition of the “consumer price index as a measure of inflation” and the ability to analyze “how competition by entrepreneurs creates innovation and economic growth” are examples of knowledge at the proficient level. And examples of performance at the advanced level include the ability to “identify how a change in the value of a currency affects imports and exports” and the ability to “calculate the real interest rate given the current interest rate and the rate of inflation.”

David P. Driscoll, chair of the National Assessment Governing Board, which sets policy for NAEP, was not happy with the overall national results. “It is astonishing that high school seniors do not know more about how economics affects their wallets, their country, and the world at a pivotal time in their lives, whether they choose to enter the workforce or pursue higher education,” he said.

Private Schools

The report states, “As with other NAEP assessments, public school students scored lower on average in economics than private school students.” Eight percent of twelfth-graders in the United

Win-Win

Research surrounding school choice “points clearly in one direction,” according to a new report by the Friedman Foundation for Educational Choice. That direction is win-win.

Empirical evidence “consistently shows that choice improves academic outcomes for participants and public schools, saves taxpayer money, moves students into more integrated classrooms, and strengthens the shared civic values and practices essential to American democracy,” according to the report.

Titled *A Win-Win Solution: The Empirical Evidence on School Choice*, the report examines research centering on five areas: “academic outcomes of choice participants, academic outcomes of public schools, fiscal impact on taxpayers, racial segregation in schools, and civic values and practices.”

Of the 12 studies looking at academic outcomes for participants, 11 found “that choice improves student outcomes” for all or some students.

Twenty-two out of 23 studies on the effects of choice on the performance of students in public schools found “that choice improves public schools.”

All six studies looking at the fiscal impact of choice found that “school choice saves money for taxpayers.” And the evidence was equally overwhelming in demonstrating that “school choice moves students from more segregated schools into less segregated schools” and that it has a positive effect on civic values.

“School choice has a strong track record in how it affects students, public schools, taxpayers, diversity, and civic values,” said Greg Forster, author of the report and senior fellow with the Friedman Foundation. “There is good reason to believe broader school choice programs would produce better results, and on a much larger scale.”