

2013-15 Budget Issue Paper Voucher Expansion

[LFB 2013-15 Budget Summary: Pages 372-374 #3]

Governor's Proposal:

Modify the current law statutory language for the parental choice program for eligible school districts (under which the Racine parental choice program currently operates) to create a two-step process under which choice programs substantially similar to the Racine program could be created in additional school districts.

The first step would involve a district being identified as an eligible school district. Specify that a district would be identified as an eligible school district if it satisfies both of the following criteria: (a) the number of pupils enrolled in the district, as counted on a full-time equivalency basis, is at least 4,000; and (b) two or more public schools in the district in the same school year were placed in a performance category of either "fails to meet expectations" or "meets few expectations," or the equivalent lowest performance categories, on an accountability report issued by the Department, under another provision of the bill.

Require the Department, within ten days after it publishes accountability reports, to publish a notice on its website that lists the districts that meet the two criteria to be identified as eligible school districts for a choice program for the immediately following school year. Require the Department to notify the school district clerk of an identified district, in writing, of this identification. Specify that pupils who reside in a district identified as an eligible school district may not attend a private school through a choice program until that district qualifies as an eligible school district.

The second step would involve a district qualifying as an eligible school district. Specify that a district qualifies as an eligible school district if, no later than August 15 immediately following the date on which the Department identified the district as an eligible school district, at least 20 pupils who reside in the district apply to attend a choice school under the program and simultaneously notify the Department that they have applied to attend a choice school. Specify that pupils applying to attend a choice school that is a first-time participant in the program and that has not obtained preaccreditation could not be counted towards the 20 pupils required for a district to qualify as an eligible school district.

Require the Department, no later than five days after receiving notice from private schools regarding acceptance of pupils in a first-year program, to determine whether an identified district qualifies as an eligible school district. Require the Department to publish on its website a list of qualifying eligible school districts. Specify that a district that qualifies as an eligible school district would remain qualified in subsequent school years.

If fewer than 20 pupils who reside in the district apply to attend a choice school under the program in a given year, a district would still remain identified as an eligible school district, even though a choice program would not be operating in the district. Specify that such a district would no longer be identified as an eligible school district if, at the time at which any subsequent accountability reports are published by the Department, fewer than two schools in the district are placed in a performance category of "fails to meet expectations" or "meets few expectations," or the equivalent lowest performance categories. Require the Department to remove such a district from the list of identified districts on its website within ten days after the Department publishes the subsequent accountability reports. Require the Department to notify the school district clerk in writing of the change in eligibility status. Specify that a change in eligibility status does not preclude a district from being identified as an eligible school district in a subsequent school year.

Specify that no more than a total of 500 pupils in 2013-14 and 1,000 pupils in 2014-15, counted on a full-time equivalency basis, residing in school districts that qualify as eligible school districts may attend choice schools under the program. Under the bill, there would be no limit on the number of pupils who could participate in the expanded program beginning in 2015- 16.

Based on the maximum per pupil payments and the participation limits under the bill, provide \$3,221,000 in 2013-14 and \$7,195,000 in 2014-15 in the appropriation for payments under the parental choice program for eligible school districts. Under the net 38.4% general aid reduction that is currently made to the aid otherwise paid to eligible districts, the total aid reduction for eligible school districts would be \$1,236,900 in 2013-14 and \$2,762,900 in 2014- 15. The net general fund fiscal effect would be \$1,984,100 in 2013-14 and \$4,432,100 in 2014- 15. A corrective amendment would be needed to accomplish the intent of the aid lapse provision.

DPI Position: Oppose

Rationale for Opposition:

Over the last few years, efforts to expand school voucher programs in Wisconsin have focused (1) on easing or eliminating the program income restrictions, subsidizing middle-income and more affluent families that send their children to private schools, and (2) expanding the program geographically across the state.

These changes represent a departure from the original legislative intent established in 1991, which envisioned a program that would enable low-income students in Milwaukee to attend higher performing private schools that otherwise would be financially out of reach.

Wisconsin's 23 year track record and \$1.4 billion investment in school vouchers has provided mixed results. Some schools have provided high quality educational opportunities; however, a significant number continue to underperform compared to Milwaukee Public Schools (MPS). Additionally, financial instability and legal issues continue to plague some schools.

The Governor's 2013-15 biennial budget and recent calls for statewide expansion raise critical policy questions regarding the wisdom, necessity, and demand for expanding school vouchers, given the ambiguous performance data and minimal accountability. The academic performance data and the enrollment history of the voucher program point to several trends, including:

Students in Milwaukee Parental Choice Program (MPCP) schools have similar or lower academic achievement, particularly in math, than their counterparts in MPS.

Significant numbers of voucher students perform below average on reading and math, raising questions about the academic basis for expansion and need for academic accountability.

Expanding vouchers is not free, diverting state resources and increasing property taxes.

The currently proposed expansion to nine school districts will cost an additional \$3.2 million in FY14 and more than \$7.1 million in FY15 according to the Legislative Fiscal Bureau. However, private school voucher proponents have publicly stated they want to see a "voucher in every backpack" statewide. At the current per-pupil voucher cost, expanding the program statewide would cost nearly \$800 million annually. Furthermore, the Governor's budget includes increased payments, particularly at the high school level, which would further increase this cost to over \$1.0 billion each year.

Despite initial cost controls and enrollment restriction, previous history indicates a significant portion of new participants will be students currently enrolled in private schools. Increases in income eligibility passed in the last state budget now mean the average family of four in Wisconsin meets the income requirements to qualify for the program. As a result, the costs for educating these students will continue to shift from parents to property taxpayers.

In addition, it will be difficult to expand the choice program without replicating the funding flaw that penalizes Milwaukee and Racine taxpayers. Notably, over 17 percent of this year's MPS property tax levy is related to the voucher program.

Most voucher schools are dependent on public funds to maintain operations.

Of the 110 schools participating in the voucher program, only 18 schools enrolled less than 50 percent voucher students and only seven schools enrolled less than 10 percent voucher students. This government subsidy has protected Milwaukee private schools from the market forces that have led to declining private enrollment statewide.

ACADEMIC ACHIEVEMENT

When the voucher program began in the 1990-91 school year, the legislative intent was to create a targeted program for low-income MPS students to access to high-quality private schools. The implicit presumption was that participating schools would offer a better education that otherwise would be financially out of reach for low-income families.

However, while some outstanding schools have joined the program, overall schools perform similarly or worse than MPS—offering more of a parallel academic experience overall.

Furthermore, poor regulatory controls enabled some opportunistic operators to exploit families and taxpayers.

Over time, operations and financial accountability measures were gradually added to the program to combat the most egregious violators, and in 2006 the legislature commissioned a study of student performance in voucher schools.

2009 Wisconsin Act 28 established that *voucher schools* must be pre-accredited and 2011 Wisconsin Act 32 expanded the list of pre-accrediting agencies. In addition 2009 Wisconsin Act 28 established that starting in the 2010-11 school year *voucher students* must take the Wisconsin Knowledge and Concepts Exams (WKCE). This assessment data provided the first apples-to-apples comparison of student performance.

While MPS students on average do better in mathematics and reading (see Figure 1) than voucher students, results from state exams show both MPS and voucher schools have significantly lower student achievement than the statewide average, including students from economically disadvantaged families.

Additionally, when the reading and math performance for voucher schools are arrayed on a scatter plot along with the MPS average, two interesting trends emerge (see Figure 2).

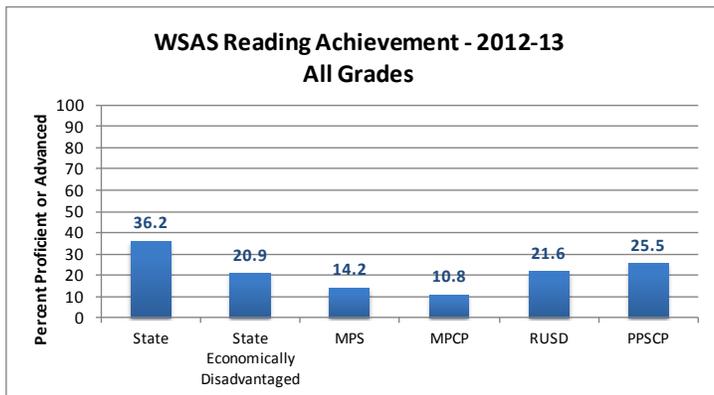
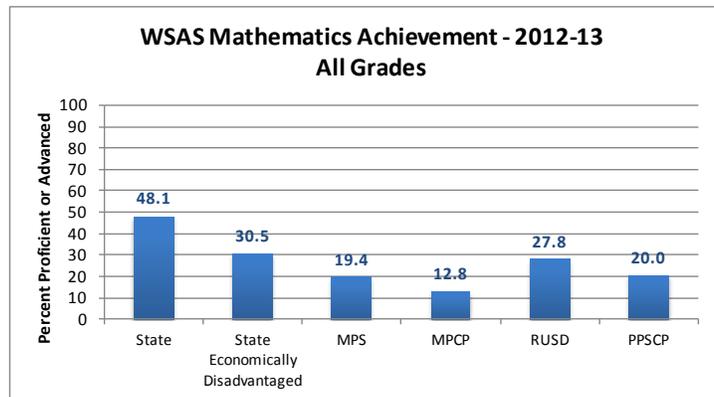


Figure 1: MPS students outperform choice (MPCP) students in mathematics and reading, especially in the elementary and middle school levels. Similar results are seen between Racine Unified School District (RUSD) students and Parental Private School Choice Program (PPSCP) students in Racine.

***2012-13 results are reported at the new, more stringent cut scores for proficiency.**

- First, only 22 of 99 voucher schools are outperforming the MPS average for both reading and math.
- Second, a significant number of voucher schools (64 of 99) perform below the MPS average in reading and math. While this is also true for MPS schools, those schools are subject to federal and state sanctions and turnaround requirements.

2nd Quadrant ↓ Below average math ↑ Above average reading	1st Quadrant ↑ Above average math ↑ Above average reading
3rd Quadrant ↓ Below average math ↓ Below average reading	4th Quadrant ↑ Above average math ↓ Below average reading

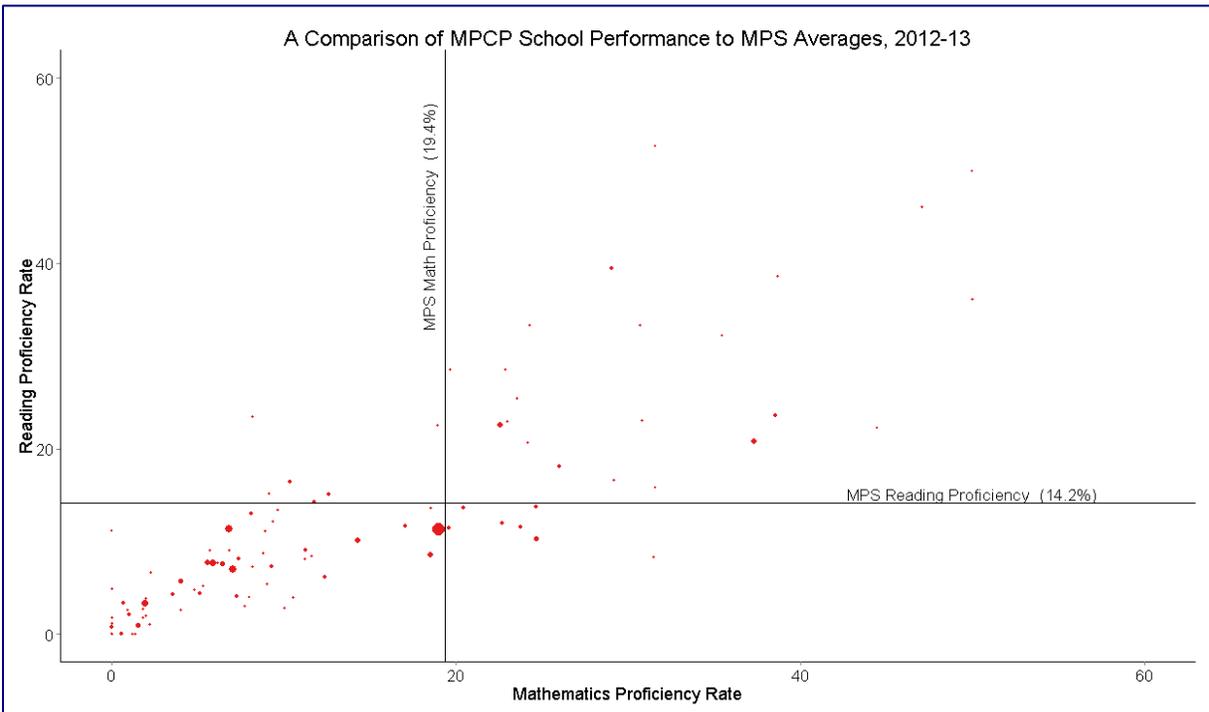


Figure 2: City-wide comparison of reading and mathematics performance among Milwaukee students enrolled in public schools, the voucher program and independent charter schools. The scatter plot shows that public school students perform better both in mathematics and reading than voucher schools. Schools with less than 6 pupils are not included as DPI does not report these schools. A larger version of this graph that includes MPS and 2r charter schools is in the appendix at the end of this document.

GRADUATION

One of the arguments put forth by voucher proponents is that “enrolling in a private high school through MPCP increases the likelihood of a student graduating from high school.” The study most often cited showing that students participating in the voucher program have better graduation rates than students in MPS is Report #24 of the School Choice Demonstration Project (SCDP) Milwaukee Evaluation. However, the authors of that study actually state that there is no conclusive evidence of an impact when demographic factors are considered (emphasis added).

*“This implies although race, gender, and prior levels of achievement do not explain most of the MPCP effect, per se, including these characteristics in a prediction of MPCP impacts on attainment **does not allow us to reject the possibility that there is no MPCP effect with traditional levels of confidence.**”*

In fact, the largest positive impact on graduation rates found by the study was students remaining in the same school for their entire high school careers, regardless of whether they were in a voucher school or an MPS school.

“Regardless of where students began their high school careers, remaining in the same sector had a positive impact on graduation. The marginal effect of this impact is... larger than any of the estimated MPCP effects we report here.”

INCOME ELIGIBILITY

Initially, the voucher program was restricted to families in Milwaukee making 175% of the federal poverty level, which was comparable to Wisconsin’s free-and-reduced price lunch threshold for a family of four.

- Original voucher threshold (175% federal poverty level) = \$41,212; and
- Wisconsin FRL threshold = \$42,600¹

Since 2006, families have been eligible to persist in the program with a income up to 220% of the federal poverty level, and 2011 WI Act 32 increased the initial income eligibility threshold to 300% of the federal poverty level. Some context on relevant income data is provided below:

- While the voucher program undoubtedly still primarily serves low-income students, so does MPS, which is 82 percent FRL, making the overall student populations similar;
- The adjusted gross income (AGI) per tax filer in Milwaukee is \$34,000² (the statewide average is closer to \$47,000);
- The MPCP eligibility at 300% federal poverty (about \$77,000 for a married family of four) is more than twice the average Milwaukee income; and
- The Scholarship, Opportunities & Access in Racine (SOAR) organization conducted a parent survey that indicates 34% of Racine voucher families responding had an income of over \$40,000 (similar to the \$42,600 FRL threshold). This would be comparable to the 36% of Racine public school students who are over the FRL threshold.³

¹ 2012-13 FRL Income Guidelines. http://fns.dpi.wi.gov/files/fns/doc/iegs_2013-14.doc

² Wisconsin Municipal Income Per Return Report <http://www.revenue.wi.gov/ra/munagi12doc.pdf>

³ The Choice: Private school report to the community 2013
http://www.thewheelerreport.com/wheeler_docs/files/0416soar.pdf

Some advocates have questioned the appropriate comparison groups for student performance data. The “all students” category is the stock comparison group for all schools statewide, from Whitefish Bay to Beloit. Subgroup analysis by race, English language proficiency and special needs is then provided for a more “apples-to-apples” comparison.

If voucher students are integrated into the statewide student information system (SSIS), then the state could do a direct student comparison using FRL subgroup data. However, at present, given how high the voucher income limit is relative to Milwaukee incomes and the very similar student populations, comparing all students is the most statistically appropriate comparison.

ENROLLMENT

Program Growth: Enrollment in voucher schools grew steadily since 1998-99, when the Wisconsin Supreme Court ruled that private religious schools could participate in the voucher program, leveling off at just over 20,000 in the 2009-11 biennium.

However, in the last two years enrollment has increased sharply following the raising of income limits in 2011 WI Act 32, reaching just under 25,000 Milwaukee students in the 2012-13 school year. This growth is in stark contrast to the statewide private school enrollment trend.

Over the last decade, statewide private school enrollment has *declined* 20 percent, while private school enrollment (including voucher schools) in Milwaukee has *grown* by 20 percent. This is not surprising, given the level of subsidy that Milwaukee private schools receive through vouchers.

Wholesale Subsidy: With only a few exceptions, private schools participating in the voucher program are entirely dependent on voucher students to maintain enrollment. It is unlikely that the current number of private schools in Milwaukee could exist without this significant government subsidy (in the form of vouchers). This raises an important question:

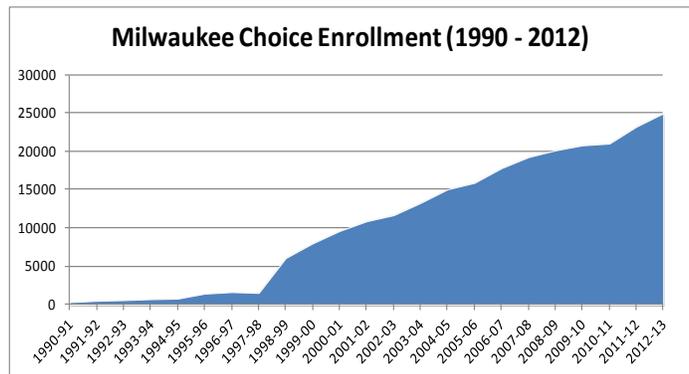


Figure 3: On June 10, 1998, the Wisconsin Supreme Court ruled 4-2 in *Jackson v. Benson* that religious schools could participate in the school choice, leading to significant enrollment growth.

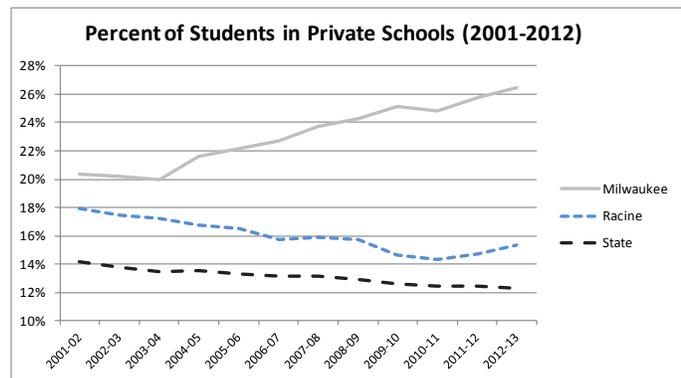


Figure 4: Private school enrollment statewide has been decreasing as a percentage of the total population. For more than a decade the choice program has made Milwaukee an exception to this trend, with steady increases in enrollment driven by vouchers. In Racine, after a decline the last decade, the trend was reversed following the expansion of vouchers to the district.

If only one in five students enrolled in a voucher school in Milwaukee pays tuition, then when does a private school really become a public school?

For the 2012-13 school year, on average 78 percent⁴ of students enrolled in participating schools were on publicly-funded vouchers with a trend toward 100 percent voucher enrollment over time. Moreover, it is notable that in 2012-13:

- 1/5 of participating schools had 100 percent of their students on vouchers.
- Over 1/2 of participating schools had 95 percent or more of their students on vouchers.
- Over 3/4 of participating schools had 68 percent or more of their students on vouchers.

In fact, only 18 out of 110 voucher schools have less than 50 percent of their students enrolled on publicly-funded vouchers, and only seven schools had less than 10 percent.

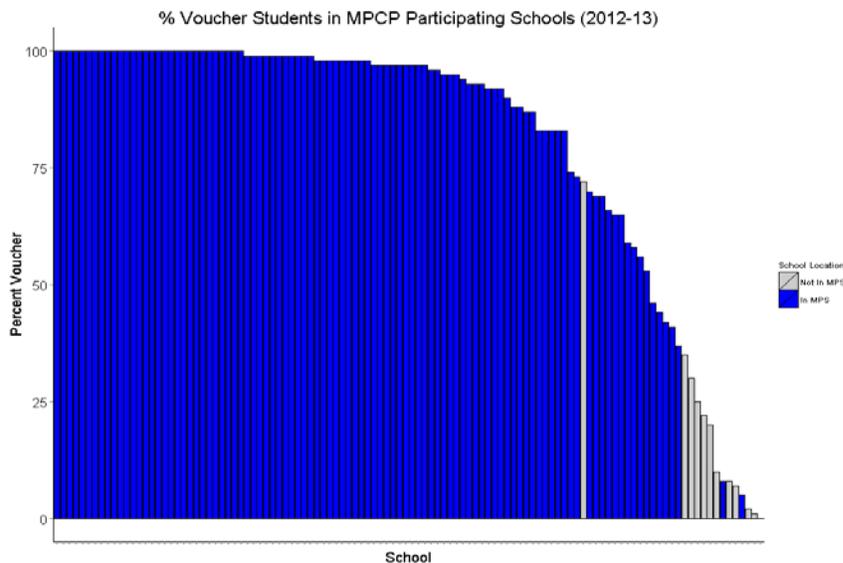


Figure 4: The 2012-13 enrollment data shows that most schools participating in the Milwaukee Parental Choice Program are entirely dependent on vouchers. A larger version of this graph that includes school names is in the appendix at the end of this document.

With the exception of a few schools, Milwaukee religious and private schools now almost exclusively enroll voucher students. This effectively means that most voucher schools are entirely dependent on taxpayers and public funds to maintain operations, raising new policy questions regarding accountability, academic performance and access.

If the voucher schools are really some kind of quasi-public schools, then in keeping with national efforts to turnaround struggling schools, low-performing voucher schools should be required to undertake school improvement efforts, face sanctions, or be removed from the program. Additionally, voucher advocates were included in the design team that created the new common school report cards, envisioning the inclusion of voucher schools would be a fundamental element of any meaningful school accountability system.

THE COST OF EXPANDING SCHOOL VOUCHERS

The current state approach to funding the state's voucher program in Milwaukee is complicated. As shown on Table 2, right now the state directly pays 61.6 percent of the cost of school vouchers (\$3,968 on a per voucher student basis) and MPS state general aid is reduced by 38.4 percent to pay for the balance of the program (\$2,474 per voucher student).

Table 1: Breakdown of the current school choice funding split.

State	\$3,968	61.6%
Local	\$2,474	38.4%
<i>Total</i>	\$6,442	

In 2012-13, the total estimated cost of school vouchers in Milwaukee is \$154.6 million (24,000 FTE students x \$6,442 per voucher student).

After factoring in MPS' high poverty aid, which must be used to offset the school voucher tax levy, the state's share of the cost of school vouchers this year is roughly \$101.0 million and MPS' share is \$53.6 million.

Provisions in the 2013-15 biennial budget bill increase the cost of school vouchers in Milwaukee to \$164 million in 2013-14 and \$194 million in 2014-15. MPS' property taxes are expected to increase by several million dollars annually each of the next two years due to increased school voucher costs and a reduction in high poverty aid.

In 2012-13, the introduction of school vouchers in Racine cost an estimated \$3.2 million (500 FTE students x \$6,442 per voucher student). The state's share of the cost of school choice this year is roughly \$2.0 million and Racine Unified School District's (RUSD) share is \$1.2 million.

Provisions in the 2013-15 biennial budget bill increase the cost of school vouchers in Racine to \$4.8 million in 2013-14 and \$7.2 million in 2014-15. RUSD's property taxes are expected to increase by approximately \$800,000 annually each of the next two years due to increased school voucher costs and a reduction in high poverty aid.

Hidden Taxes: As a function of state law, property taxes related to voucher students enrolled in voucher schools are currently hidden within the overall MPS and RUSD property tax levies. In short, the MPS Board and RUSD Board are essentially compelled to levy a tax on Milwaukee and Racine property owners to fund schools they have no authority over. Notably, voucher schools represent 17.2 percent of the total MPS levy and 1.5 percent of the total RUSD levy.

The State Superintendent proposed addressing this issue in his 2013-15 biennial budget by changing the state funding split from its current 61.6 percent/38.4 percent ratio to a 70 percent state share/30 percent local share, which is more reflective of MPS and RUSD's share of funding through the state school aid formula. Such a proposal would save Milwaukee and Racine taxpayers at least \$10 million in 2014-15 alone under the proposed 2013-15 biennial budget.

As the Governor's proposed expansion of the school voucher program to additional school districts replicates the current method of funding voucher students in Milwaukee and Racine, **it is a near certainty that both state fiscal obligations and local property taxes in these communities would increase.** This is the case as:

- (a) The state would be paying for the costs of students now enrolled in private schools that are not currently receiving vouchers; and
- (b) Local property taxpayers would be doing the same.

It has been argued school vouchers “save” money for MPS, RUSD, and other school districts in the state for over a decade. While this point is debatable depending on the assumptions used, it is not valid if the voucher program is expanded to new cities or income levels, unless students currently enrolled in a private schools are permanently prohibited from participating. Otherwise, private schools will suddenly receive state and local taxpayer-funded support for students that were previously funded by tuition (at no expense to taxpayers). The initial grade-level restrictions included in this budget are unlikely to continue long term, as evidenced by the restrictions being lifted in Milwaukee.

RUSD became eligible for vouchers in the 2011-12 school year when WI Act 32 created the Parental Choice Program for Eligible Districts. According to RUSD, approximately half of the pupils enrolling in the program in the first year did not previously attend a district school.

Simply put, if a student enrolled in a private school in Green Bay this year is eligible for a voucher next fall, both the state and local property taxpayers would now pay for this student, which would not result in “savings” to the state, the Green Bay Area School District, or any other school district since the student was not previously enrolled in a public school.

Tables 2 and 3 estimate the annual additional costs of possible voucher expansion to additional cities and statewide, providing for the movement of existing private school students to vouchers over time based on program experience. The estimates are only for existing private school students; they do not include the additional financial impacts of students moving from a public school into the voucher program.

Table 2: Cost projections for geographic expansion of the choice program for existing private school students utilizing vouchers arrayed against proposed increases in the voucher payment. These are “new” costs for students that currently receive no state funding.

2012-13 Projected "New" Annual Cost of School Choice Expansion - 50 percent "uptake" of private school students					
	2013-13 FTE	*Estimated	Funding per choice student		
	Private School Enrollment	Voucher Participation	\$6,442 (current law)	\$7050 / \$7856 (proposed)	\$9,884 (revenue limit)
Beloit	247	122	\$0.8 million	\$0.9 million	\$1.2 million
Fond du Lac	1,503	745	\$4.8 million	\$5.5 million	\$7.4 million
Green Bay	3,128	1,512	\$9.7 million	\$11.0 million	\$15.0 million
Kenosha	2,625	1,285	\$8.3 million	\$9.4 million	\$12.7 million
Madison	4,019	1,965	\$12.7 million	\$14.2 million	\$19.4 million
Sheboygan	1,110	539	\$3.5 million	\$3.9 million	\$5.3 million
Superior	358	161	\$1.0 million	\$1.1 million	\$1.6 million
Waukesha	2,318	1,129	\$7.3 million	\$8.3 million	\$11.2 million
West Allis-West Milwaukee	689	323	\$2.1 million	\$2.3 million	\$2.3 million
Total	15,997	7,781	\$50.1 million	\$56.6 million	\$76.9 million
**Expanded Statewide	80,028	40,014	\$257.7 million	\$288.0 million	\$395.5 million

- Voucher participation if 50 percent based of existing private school students utilize a voucher to attend private school.
- The statewide number does not include the Milwaukee and Racine school districts.

Table 3: Cost projections for geographic expansion of the choice program for existing private school students utilizing vouchers arrayed against proposed increases in the voucher payment. These are “new” costs for students that currently receive no state funding.

2012-13 Projected "New" Annual Cost of School Choice Expansion - 85 percent "uptake" of private school students					
	2013-13 FTE	*Estimated	Funding per choice student		
	Private School Enrollment	Voucher Participation	\$6,442 (current law)	\$7050 / \$7856 (proposed)	\$9,884 (revenue limit)
Beloit	247	206	\$1.3 million	\$1.5 million	\$2.0 million
Fond du Lac	1,503	1,266	\$8.1 million	\$9.3 million	\$12.5 million
Green Bay	3,128	2,570	\$16.6 million	\$18.7 million	\$25.4 million
Kenosha	2,625	2,183	\$14.0 million	\$16.0 million	\$21.6 million
Madison	4,019	3,340	\$21.6 million	\$24.1 million	\$33.0 million
Sheboygan	1,110	916	\$5.9 million	\$6.6 million	\$9.1 million
Superior	358	274	\$1.8 million	\$2.0 million	\$2.7 million
Waukesha	2,318	1,919	\$12.4 million	\$14.1 million	\$19.0 million
West Allis-West Milwaukee	689	548	\$3.5 million	\$3.9 million	\$5.4 million
Total	15,997	13,222	\$85.2 million	\$96.2 million	\$130.7 million
**Expanded Statewide	80,028	68,023	\$438.2 million	\$489.6 million	\$372.3 million

- Voucher participation if 85 percent based of existing private school students utilize a voucher to attend private school.
- The statewide number does not include the Milwaukee and Racine school districts.

Table 4 provides estimates the total annual cost of possible voucher expansion statewide, based on program experience and accounting for both students attending existing private schools and students attending existing public schools accepting vouchers.

Table 4: Total cost projections for statewide expansion of the choice program for both existing public and private school students utilizing vouchers arrayed against proposed increases in the voucher payment.

Projected Total Annual Cost of Statewide School Choice Expansion							
					Funding Per Choice Student		
Percent of Students Statewide Utilizing A Voucher	Total Students on Vouchers	Percent Existing Private School Students Utilizing A Voucher	Existing Private School Students Accepting Vouchers	Existing Public School Students Accepting Vouchers	\$6,442 (current law)	\$7050 / \$7856 (proposed)	\$9,884 (Revenue Limit)
15%	144,561	50%	65,776	78,786	\$0.9 billion	\$1.1 billion	\$1.4 billion
		85%	94,999	49,562			
20%	192,748	50%	65,776	126,973	\$1.2 billion	\$1.4 billion	\$1.9 billion
		85%	94,999	97,749			

DISTRICTS TARGETED FOR EXPANSION

The proposed expansion of the voucher program is projected to impact nine additional school districts in its first year. The choice program in Milwaukee was intended to help low-income students in a district underperforming in the majority of its schools. The proficiency scores and graduation rates in these nine districts show that they do not meet this profile and significantly exceed the voucher program's 12.9 percent math and 10.8 percent reading proficiency level.

Table 5: Graduation and assessment proficiency results in the nine districts currently identified for expansion of the parental choice program.

School Choice Expansion Targeted Districts			
District	4-year Graduation Rate	Math Proficiency	Reading Proficiency
Beloit	83.6%	31.4%	20.9%
Fond du lac	87.5%	45.3%	34.9%
Green Bay	79.9%	38.6%	27.8%
Kenosha	80.2%	41.7%	28.7%
Madison	74.6%	46.0%	37.2%
Sheboygan	90.3%	47.7%	33.1%
Superior	86.7%	47.7%	33.8%
Waukesha	84.8%	49.0%	37.8%
West Allis-West Milwaukee	91.1%	50.0%	32.8%
MPCP	n/a	12.8%	10.8%

ADDITIONAL GRAPHS

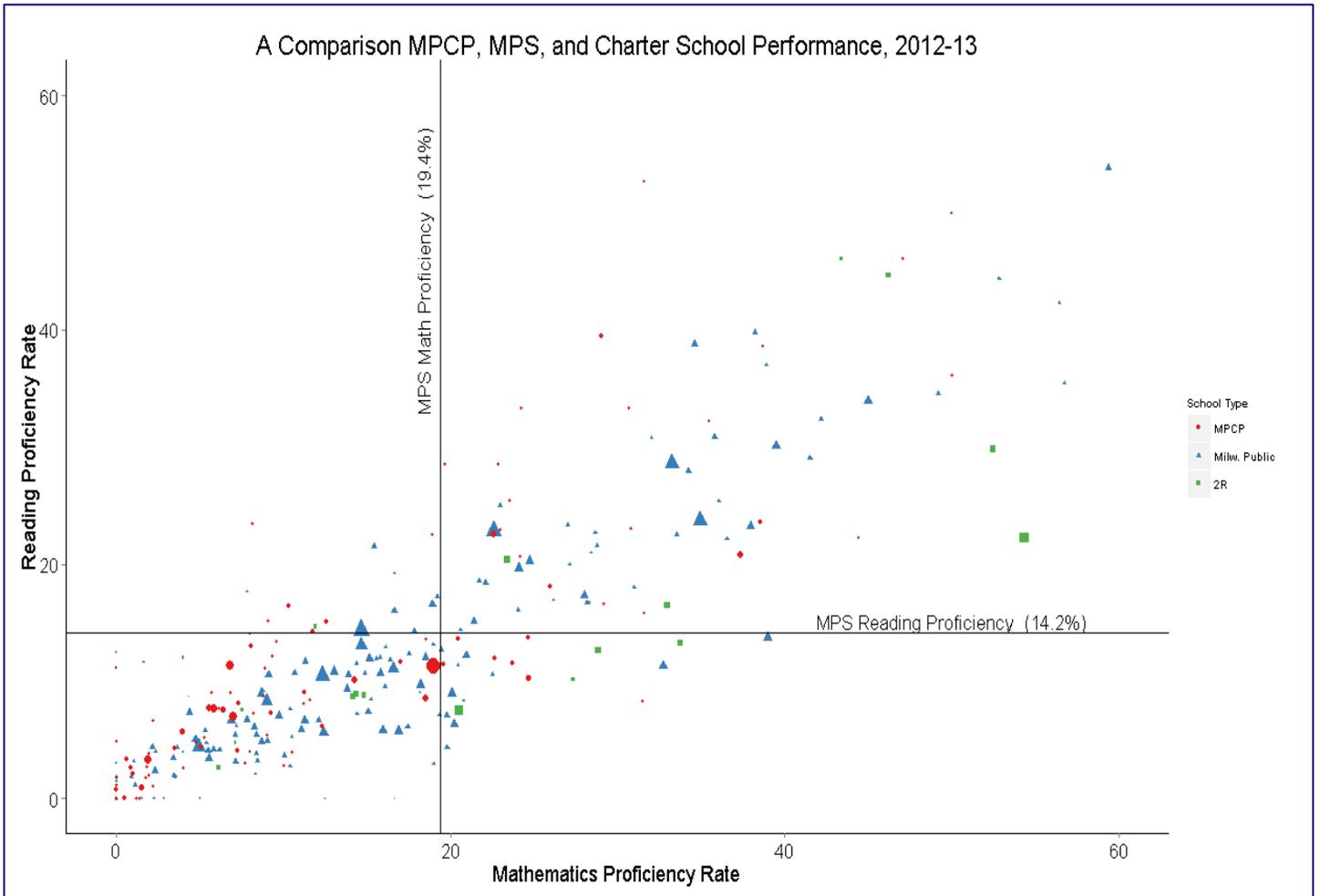


Figure 5: City-wide comparison of reading and mathematics performance among Milwaukee students enrolled in public schools, the voucher program and independent charter schools. The scatter plot shows that public school students perform better both in mathematics and reading than voucher schools. Schools with less than 6 pupils are not included as DPI does not report these schools due to privacy issues.

I. SUPPLEMENTAL INFORMATION

MPCP schools terminated from the program due to compliance issues (2003-2013).

Total count: 46

Total aid paid to terminated schools: \$115,596,211

School Name	Reason(s)	Total Payments**	Years in Program
2003-04			
<i>Alex's Academics of Excellence</i>	Audit did not meet program requirements	\$ 3,505,595	5
<i>Mandella School of Science and Math</i>	Failure to return MPCP checks	\$ 2,231,340	2
2004-05			
<i>Academic Solutions Learning Center</i>	Student Safety Issues	\$ 10,494,281	6
	Audit and membership issues		
<i>Learning Enterprise*</i>	Financial Viability Issues	\$ 7,517,572	13
<i>Louis Tucker Academy</i>	Failure to return MPCP checks	\$ 2,795,779	8
	Audit and membership issues		
2005-06			
<i>Howard's Learning Center</i>	Failure to submit required reports	\$ 175,539	3
<i>Ida B. Wells</i>	Failure to submit certificate of occupancy	\$ 136,689	1
<i>LEADER Institute</i>	Failure to return MPCP checks	\$ 1,958,241	2
	Improperly claimed summer school payments		
	Financial Viability Issues		
<i>Medgar Evers Christian Academy</i>	Failure to refund the state 2003-04 FIR payment	\$ 2,319,357	9
<i>Northside High School</i>	Failure to meet private school requirements	\$ 1,708,419	1
<i>Sa'Rai and Zigler Upper Excellerated Academy</i>	Improperly claimed students for payment	\$ 910,572	2
<i>Tahir Ahmadiyya Elementary School</i>	Did not meet continuing eligibility requirements	\$ 77,259	1
<i>Tucker's Institute of Learning</i>	Improperly submitted financial information report	\$ 930,210	2
2006-07			

<i>Christ Kids Academy of Excellence</i>	Did not meet continuing eligibility requirements	\$ 476,874	2
<i>Faith Temple Pentecostal</i>	No application for private school accreditation	\$ 82,563	1
<i>Nubian Preparatory Learning Academy</i>	Failed to meet 2005-06 financial information report (FIR) requirements	\$ 63,510	1
<i>DJ Perkins Academy of Excellence</i>	Financial concerns with 2005-06 FIR	\$ 472,476	2
<i>STS Christian Academy</i>	Failure to submit certificate of occupancy		
<i>Elijah's Brook God's Nation Children School</i>	Health and Safety Issues		
2007-08			
<i>Nzingha Institute</i>	Failed to refund 05-06 state adjustment payment	\$ 559,437	2
<i>Veritas Academy</i>	Did not file continuing eligibility report	\$ 327,682	4
2008-09			
<i>Jesus Academy of Learning</i>	Failed to apply for accreditation	\$ 253,539	1
<i>Grace Preparatory School of Excellence</i>	Accreditation application denied	\$ 1,035,790	8
<i>Institute for Career Empowerment Inc.</i>	Accreditation application denied	\$ 2,821,704	4
<i>Agape Center of Academic Excellence, Inc.</i>	Financial viability issues	\$ 7,188,581	12
<i>Blyden Delany</i>	Did not file continuing eligibility report	\$ 4,443,631	10
<i>R & B Academy</i>	Health and Safety Issues		
<i>The Young Women's Institute for Global Studies</i>	Ceased Operations	\$ 125,533	1
	Failed to apply for accreditation		
<i>Family Academy</i>	Ceased Operations	\$ 2,042,332	11
<i>Collins Christian Academy</i>	Imminent Threat to Safety	\$ 277,494	1
	Failed to apply for accreditation		
2009-10			
<i>Excel Learning Academy</i>	Accreditation application denied	\$ 2,535,753	5
<i>Johnson Christian Academy</i>	Accreditation application denied	\$ 2,124,379	3
<i>KidPreneur</i>	Accreditation application denied	\$ 1,805,724	3
<i>Resurrection Christian Academy</i>	Imminent Threat to Safety	\$ 2,433,867	5
	Also terminated for the 2010 -11 school year due to no surety bond		
<i>Victory Preparatory Academy</i>	Did not file continuing eligibility report	\$ 2,660,428	10
<i>The Way and the Truth Christian Academy</i>	Did not file continuing eligibility report	\$ 1,004,264	1

<i>Trinity Christian Academy</i>	No Surety Bond	\$ 2,284,431	3
2010-11			
<i>Harambee Community School</i>	Accreditation application denied - circuit court appeal pending	\$ 31,104,399	20
<i>Garden Homes Community Montessori School, Inc.</i>	Accreditation application denied	\$ 397,748	3
<i>Excel Academy</i>	No Surety Bond	\$ 8,596,409	6
<i>Tuskegee Aviation Academy</i>	No Surety Bond	\$ 711,253	2
<i>More Than Conquerors Preparatory School</i>	Did not file continuing eligibility report	\$ 32,540	2
<i>Mustard Seed International School</i>	No Surety Bond	\$ 466,582	4
<i>Mills Christian Academy</i>	Did not meet private school requirements	\$ 2,214,535	3
2011-12			
<i>Milwaukee Institute for Academic Achievement</i>	Health and Safety Issues	\$ 294,722	1
2012-13			
<i>The Margaret Howard Christian Leadership Institute</i>	Accreditation Denied	\$ 1,997,178	4
Total Estimated Payments		\$ 115,596,211	