Paying for private school
State tax credits helping more families

Before Julian Hoskins could walk or talk, his mother thought about where he’d learn to read and write.
When he turned 4, Julian started preschool at First Baptist Christian Academy in Palm Coast. Patty Hoskins wanted to keep her only child there for kindergarten.
But Hoskins and her husband lost their mortgage company during the economic downturn and couldn’t afford tuition. School leaders said Julian could attend for free, but Hoskins found a way to pay for Julian’s education — through a state scholarship for low-income families.
Private schools once were reserved mostly for the privileged few, but not anymore. About half of the students in Flagler County’s private schools use the state’s tax-credit scholarship to pay their tuition. The same is true for a quarter of the students in Volusia County’s private schools. Overall, more than 60,000 Florida students, up about 10,000 from last year, will redeem millions of dollars in scholarships at private and mostly religious schools this year.

Evelyn Estremara, 2, works at peeling an orange recently at CASA Montessori in Palm Coast. It costs $675 per month for the full-day program. The school limits how much of the state’s tax-credit scholarship it will accept.

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PRIVATE
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Parents like Patty Hoskins say the scholarships allow them to tailor their children’s education or escape from failing public schools. Now a third-grader, Julian still relies on state money to attend First Baptist.

“It has been a huge blessing,” Hoskins said. But critics say the program diverts tax dollars from public to private schools, which aren’t held accountable for student performance. Instead of sending poor students away, said Mark Pudlow, a spokesman for the Florida Education Association, the state should focus on improving neighborhood schools.

“What we’re doing, in a lot of ways, is trying to avoid making the hard fixes to schools that are in economically challenged areas,” he said. “And let’s be honest — that’s where most of the problems with public schools reside.”

HOW IT WORKS

Here’s how the 12-year-old program works:

Corporations that pay Florida income tax, insurance premium tax, alcohol beverage excise tax, direct pay sales and use tax, and oil or gas severance tax can redirect a portion of that money to Step Up for Students, a non-profit organization that awards scholarships in kindergarten through 12th grade on a first-come, first-served basis. Students whose families earn 185 percent of the federal poverty line or less, or $35,500 for a family of four, are eligible.

The total scholarship amount is limited each year; if 90 percent of the cap is met, it increases 25 percent the following year. About 60,000 students statewide will redeem $236 million — the maximum allowed by law — at private schools this year, said Jon East, a spokesman for Step Up for Students. Last year, $229 million was available.

About two-thirds of the scholarship recipients are black or Hispanic, East said, and they’re usually students who struggle academically. Children as old as fifth grade who are already enrolled in private schools are eligible for the scholarships, but older students must attend a public school first.

Far from draining resources from public schools, the program actually saves money for the state because private schools receive less money per student than public schools, East said. A state report estimated a savings of $57.9 million last year.

“I would go so far as to say every independent evaluation of this program has said this program saves tax money that can be used to enhance traditional public schools,” he said.

The amount of the tax-credit scholarship, which is fixed at $4,880, often doesn’t cover the full cost of tuition. Some schools write off the difference, East said, while others ask families to pay it.

At a few local schools, including the Basilica School of St. Paul in Daytona Beach, the tuition for a majority of students is paid using state tax-credit dollars. The school added about 100 students this year, Principal Betty Powers said, thanks in part to an ambitious marketing campaign that included TV and newspaper ads.

After an unsuccessful push to convert the CASA Montessori School of Palm Coast into a charter school, leaders there say they plan to accept the tax-credit scholarships starting next year, administrator Albert Esteves said. He also hopes to add about 20 students and bump up the upper age limit from 6-year-olds to 9-year-olds.

The state program’s popularity doesn’t mean public schools are failing, East said, but it enables low-income students to transfer to private schools that may suit them better. The share of K-12 students who attend private schools remains modest — about one in 10 in Volusia and statewide, and one in 20 in Flagler.

And while many private schools in Volusia and Flagler counties reported adding students this year, at least a couple have been shuttered. St. James Episcopal School in Ormond Beach announced last month that it would close after 30 years because of falling enrollment and financial struggles. Flagler Christian Academy in Bunnell also closed.

The school served 46 students in preschool through eighth grade, administrator Joyce Jolley said last year. So few students were enrolled at each grade level, the school relied on videos of instruction from another school.

MORE GROWTH LIKELY

For private schools that rely on public tax-credit dollars, critics of the program say there’s little accountability, though they must administer standardized tests to tax-credit scholarship recipients. Schools that accept $250,000 or more also must file yearly financial reports through an independent certified public accountant.

“While there is tremendous oversight — some might say too much — in public schools, there certainly isn’t enough in some of these voucher schools,” FEA’s Pudlow said.

Even as more families choose private schools, the tax-credit scholarship also may help public schools. The program has increased competition and appeared to boost test scores at public schools in areas with easy access to a variety of private schools, according to a study by David Figlio and Cassandra Hart at Northwestern University.

Scholarship recipients showed about as much improvement on standardized tests as those whose family incomes were eligible for the program but who stayed in public schools, though direct comparisons are difficult because the public and private school students don’t take the same test, according to a study published last month by Figlio.

Leaders of local private schools say parents turn to them for small class sizes, freedom from state-mandated FCAT testing and, in many cases, faith-based instruction. At First Baptist, where about half of the students receive the tax-credit scholarship, families find classes with fewer than 10 students and the Christian A Beka curriculum.

Hoskins said she thinks her son, now 8 years old, is building strong reading skills and feels comfortable raising his hand and asking questions in class.

Though school leaders allowed her son to attend kindergarten at First Baptist without paying tuition, Hoskins said she spearheaded the charge to bring the tax-credit program to the school after hearing about it from friends in Miami.