

ABOUT THE AUTHORS

Dagney Faulk, PhD is director of research and a research professor at Ball State CBER. Her research focuses on state and local tax policy and regional economic development issues. She received her doctorate in economics from the Andrew Young School of Policy Studies at Georgia State University.

Michael J. Hicks, PhD is director of Ball State CBER and the George & Frances Ball distinguished professor of economics in the Miller College of Business. His research interest is in state and local public finance and the effect of public policy on the location, composition, and size of economic activity. Hicks earned doctoral and master's degrees from the University of Tennessee and a bachelor's degree from Virginia Military Institute. He is a retired Army Reserve infantryman.

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Center for Business and Economic Research, Ball State University

2000 W. University Ave., Muncie, IN 47306-0360
765-285-5926 | cber@bsu.edu
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Using data on 2019-20 student transfers among public, charter, and private school options, we examine differences in state funding if these transfer students had attended the traditional public school in the district in which they reside versus the enrolled district or school.

School Choice and State Spending on Education in Indiana

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Center for Business and Economic Research, Ball State University
Dagney Faulk, PhD, and Michael J. Hicks, PhD

Abstract

Indiana has a variety of K-12 school choice options beyond attendance in the public school district in which the student resides; other options include enrollment in charter schools or home school programs, participation in an income-based voucher program to attend private schools, and inter-district transfers to other public school districts (the most widely used option).

Using data on 2019-20 student transfers between Indiana's 289 traditional public school districts, transfers between traditional public school districts and charter schools, and transfers between traditional public schools and private schools accepting the Choice Scholarship, we examine differences in state funding if these transfer students had attended the traditional public school in the district in which they reside versus the enrolled district or school.

We find that in aggregate state spending on primary and secondary education was \$88 million lower in 2019-20 because of school choice (about 1.0 percent of Indiana's general fund spending on education).

Introduction

School choice has become one of the driving forces behind education reform in the United States. The basic premise behind K-12 school choice is to eliminate student assignment to public schools based on where they live and instead give parents the option to enroll their child in the school of their choice. Proponents of school choice argue that the introduction of charter schools, voucher programs, and open enrollment programs will allow parents to choose among schools. They also contend that this will promote competition and increase accountability of the public school system. A better understanding of the fiscal implications of these schooling options is necessary to assess those claims.

Indiana has a variety of K-12 school choice options beyond attendance in the residentially designated public school district, including enrollment in charter schools or home school programs, participation in an income-based voucher program to attend private schools, and inter-district transfers to other public school districts (the most widely used option). During the 2019-20 school year 64,685 students (5.7% of public and private school students) transferred^[1] from their school district of legal residence to another traditional public school. In contrast, 44,965 students (3.96% of public and private school students) attended charter schools and 36,700 students (3.2%) attended private schools using a Choice Scholarship (voucher).^{[2] [3]}

Charter and voucher programs allow students to attend schools other than the traditional public school in the school district where they live, while open enrollment allows students to attend a traditional public school outside of their home district. Each of these choice programs impacts state funding available to the public school districts where students live (corporation of legal settlement).

In the next section, we provide a brief review of the literature on school choice in Indiana and open enrollment student flows. We then provide information on the data and method used to calculate the fiscal impact of school choice for the 2019-20 school year—the amount of state spending that would have occurred if transfer students attended a school in the district where they lived compared with state spending on the schools they actually attended followed by a discussion of the results. We summarize our findings in the final section.

Literature Review

A variety of studies have examined the impact of school choice on state education spending. While none of these studies have examined the breadth of school choice that is available in Indiana, the partial analysis as well as experience from other locations is helpful in understanding the impact of school choice.

Impacts in Indiana

The studies focusing on school choice in Indiana have examined the impact of school choice on the academic outcomes of Indiana students. These studies show that school choice has not had a consistent, positive impact on academic outcomes as measured by standardized test scores, at least over the relatively short period examined. Barends and Waddington (2018) examined the effect of various school choice options (charter, magnet, Catholic, and other private schools) on academic achievement in the Indianapolis area. They found either no difference in math

or English/language arts (ELA) achievement gains or modest losses for students transferring from a traditional public school to one of these other school choice options. An exception was one model showing positive ELA gains for Black students switching to charter schools.

Waddington and Berends (2018) examined the impact on low-income students switching from traditional public schools to private schools using the Choice Scholarship. They found no consistent evidence that vouchers promote increased academic achievement among low-income students, showing modest decreases in math test scores and no change in ELA scores.

Enrollment Flows in Other States

While no detailed studies examining the determinants of enrollment flows among public school districts in Indiana have been conducted to date, studies of these policies in other states



1. The source for the transfer data is the Indiana Department of Education's Fall 2019-2020 Public Corporation Transfer Report, available at <https://www.doe.in.gov/accountability/find-school-and-corporation-data-reports>. The source for the count and percentage of statewide student enrollment by school type is the Choice Scholarship Program Annual Report, Participation and Payment Data, June 2020.
2. This includes charter schools and virtual charter schools. There were also 3,877 transfers between traditional public school corporations for other reasons including agreements between the corporation of legal settlement and the servicing corporation, "better accommodation" by order of the State Board of Education or under IC20-26-11-5, placement by county welfare offices, state courts, etc.
3. Homeschooling is another choice option. Data on home schooled students is not included in this analysis.

have shown that high test scores are one of the primary determinants of the number of transfers between traditional public school districts in states with open enrollment. Open enrollment refers to student transfers among traditional public school districts.

A study of Minnesota public school districts (Reback 2008) examined factors affecting the demand for transfer spaces. He found that transfer demand is greatest when the average scores on standardized tests is much greater than neighboring districts, and that test scores are a slightly stronger predictor than socioeconomic variables. The study also reported that students from low-income families and students receiving specialized services are more likely to participate in open enrollment. Nonwhite students are slightly less likely to participate in open enrollment.

Welsch, Statz and Skidmore (2010) examined which school district characteristics affected applications to transfer and the number of transfers in Wisconsin. Transfers are positively related to districts with high test scores, high spending and low percentages of free and reduced lunch and minority students. Families transfer out of districts with fewer extracurricular activities and prefer racial balance to more segregated districts. Results suggest that families may choose to live in districts with more expensive housing and relatively low school spending and send their children to districts that spend more.

Carlson, Lavery and Witte (2011) examined enrollment flows between districts in Colorado and Minnesota finding that student transfers occur mainly between relatively high-performing districts and that student achievement and structural characteristics of districts drive enrollment flows with distance between districts constraining enrollment flows.

Powers, Topper and Silver (2012) examined enrollment flows among public school districts (including charter schools) in Phoenix, Arizona and found that small elementary districts in the urban core had the highest percentages of incoming and outgoing students with most students moving to and from other districts in the metro area; large suburban districts had lower overall mobility rates but higher rates of movement between traditional public and charter schools; the number of incoming and outgoing students were similar in most districts; and student movement had no impact on racial stratification.

Holme and Richards (2009) provide a descriptive analysis of enrollment flows in and out of Denver, Colorado school districts. They find that high-income students are more likely to take

advantage of the option to transfer to higher-income districts and that white students are more likely to transfer out of racially diverse schools into districts with higher portions of white students. They also find that in some cases lower-income students and students of color transferred to districts with higher portions of students with similar backgrounds.

Open Enrollment and Strategic Competition

A few studies have examined the strategic interaction of school districts in states with open enrollment programs. Rincke (2006) examines the participation decision for a voluntary open enrollment program in Michigan and finds that neighboring public school districts' participation influences a district's probability of participating and that competition for students was the driving force behind district participation. He also found that past participation and test scores positively influenced a district's willingness to accept transfer students and that the student-teacher ratio, funding per student, and differences in median house value were negatively related to participation in the open enrollment program. Ghosh (2010) examined how open enrollment affects the input choices of school districts. He finds that districts increase per-pupil expenditures in response to the spending of neighboring districts, and over a longer period they respond to pupil-teacher ratios with competition for students being the driving forces behind these decisions.

Impact of Open Enrollment

While not the focus here, several papers have examined the impact of open enrollment on various economic and student outcomes. Babington and Welsch (2017) estimated several specifications to examine how open enrollment affected student performance and found that districts that have more students transferring out have higher reading test scores in the subsequent period in two specifications and interpret these results as districts reacting to competitive pressure by improving reading scores. There is not a similar effect on math scores, and incoming transfers have no effect on scores. Using data on Minnesota's inter-district choice program, Reback (2005) showed that residential property values appreciate in districts where students are able to transfer to preferred schools outside their district of residence and decline in districts that accept transfer students, which ultimately has local fiscal implications.

Analyzing School Choice in Indiana

Indiana's Open Enrollment Program

Indiana is one of 30 states (as of 2017) that have adopted a public school choice (open enrollment) program to allow students to transfer between school districts.^[4] School district participation in this program is voluntary. This program allows students to attend any public school outside the school district of residence, provided that parents follow the timelines and procedures of the application process established by the governing body of the school district.^[5] The school district sets the maximum number of seats available to transfers in each district school each year and cannot set selection criteria (such as academic record, test scores or disability) to select students or prevent transfers out of the district. Applications may be denied if there is lack of space, if the student has been suspended for more than 10 school days, or if

the student has a history of unexcused absences. If more students apply than there are spaces available, a publicly verifiable random selection process (such as a lottery) must be used to determine which transfer students will be admitted to each school building and grade. Neither the sending nor receiving district are obligated to provide transportation to transfer students.

There were 289 traditional public school districts operating in Indiana during 2019-20, serving 998,244 students (87.98% of public and private school students) (IDOE 2020c). During the 2019-20 school year, all 289 public school districts had outgoing transfers, and nine had no incoming transfers.^[6]

Figures 1 and 2 show the range of outgoing and incoming transfers for Indiana's public school districts, while *Figures 3 and 4* show the number of outgoing and incoming transfers as a

4. NCES, State Educational Reforms, Table 4.2, https://nces.ed.gov/programs/statereform/tab4_2.asp

5. See IC 20-26-11-32 for details on the transfer process.

6. Traditional public school corporations with no incoming public transfers during the fall 2019-2020 membership count were Clinton Prairie School Corporation, Greensburg Community Schools, Crothersville Community Schools, Gary Community Schools, Michigan City Area Schools, MSD Pike Township, MSD Warren Township, School of the Town of Speedway and MSD Warren County. We don't know if these districts chose not to accept transfers or if no families wanted to transfer their students into these districts.

Figure 1. Number Of Outgoing Transfers*, Fall 2019

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report

* Indiana K-12 students transferring from traditional public schools to traditional public, charter, and private schools (with Choice Scholarship)

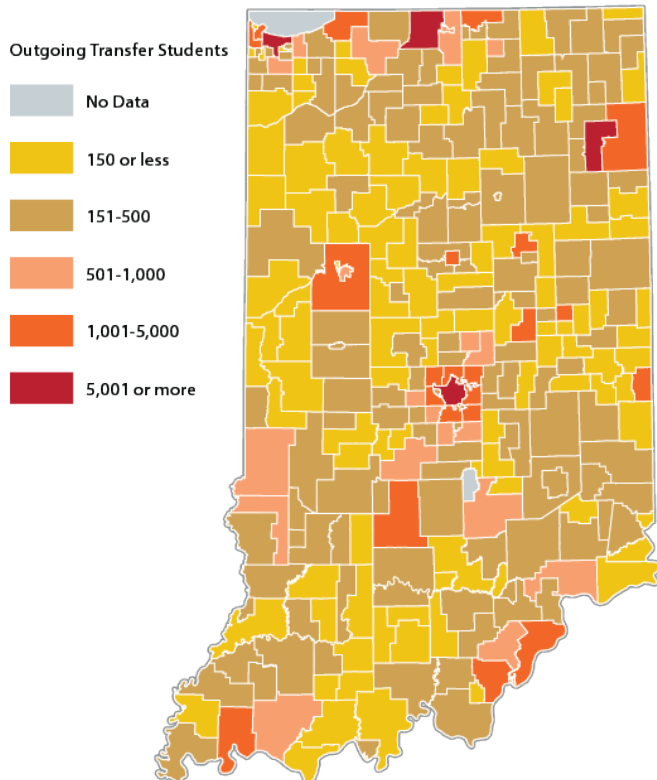


Figure 2. Number Of Incoming Transfers From Other Public School Districts, Fall 2019

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report

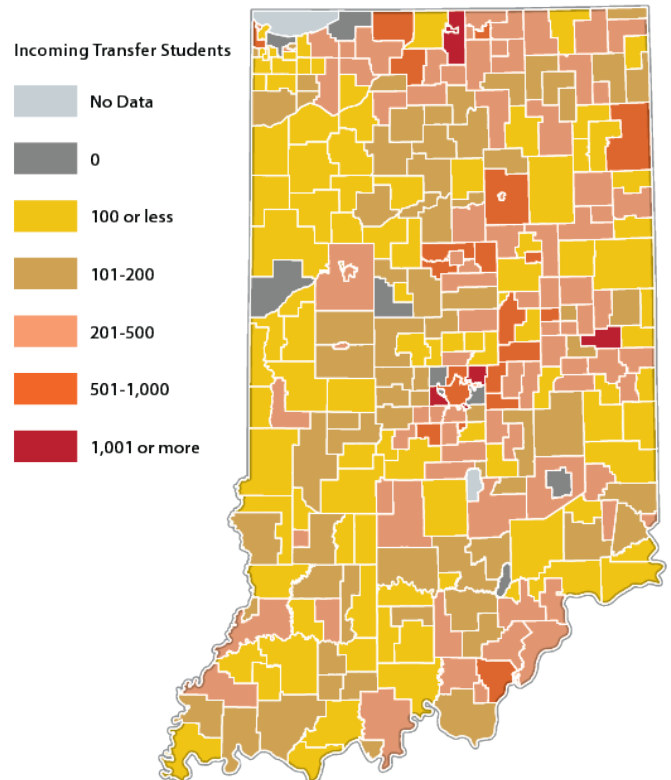
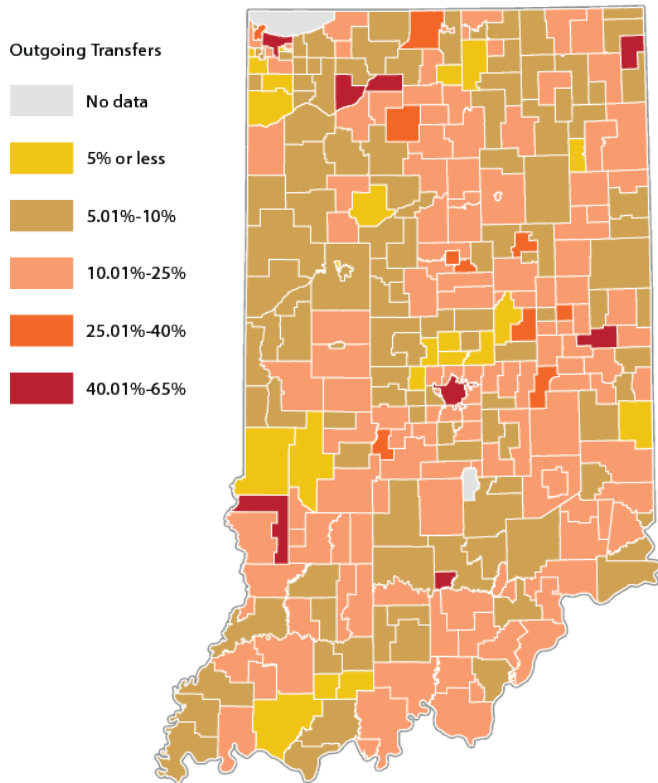


Figure 3. Outgoing Transfers As A Percentage Of School-Aged Students (State-Funded) Living In The School District, Fall 2019

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report



percentage of school-aged children (state-funded) that live in the school district. Indianapolis Public Schools is the district with the most outgoing transfers (23,000+ in Fall 2019), which is almost 50 percent of the school-age students that live in the district and attend a school that receives state funding for them either through the state funding formula or the Choice Scholarship program.^[7] The district with the largest percentage of transfers is Gary Community Schools, where more than 63 percent of students who live in the district (7,600 students) transfer to another traditional public school district, a charter school, or a private school.

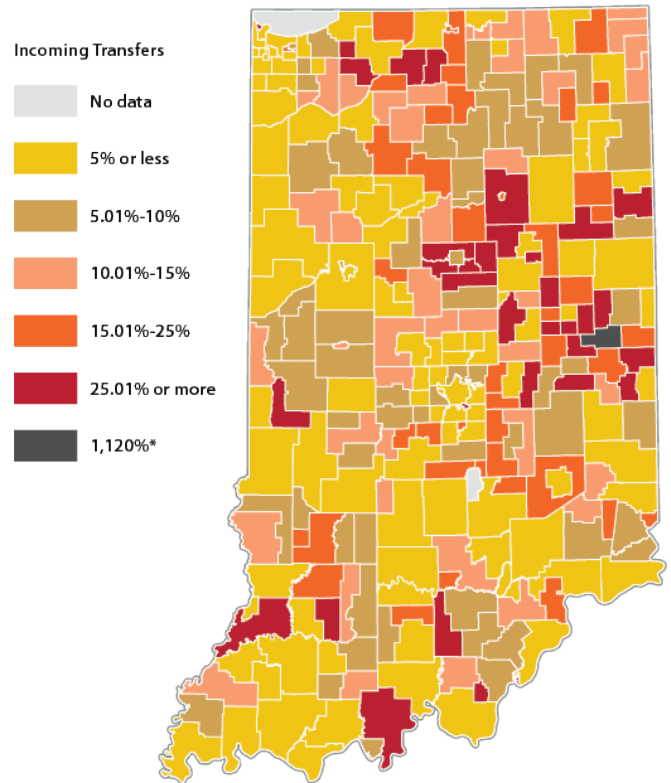
Incoming transfers tend to be more dispersed. For incoming transfers, Union School Corporation in Randolph County is an outlier, receiving more than 4,200 incoming transfers—more than 10 times the number of school-aged students in the district and the most incoming transfers of any school district—primarily through its online program. The school district with the next highest number of incoming transfers was Penn-Harris-Madison School Corporation in St. Joseph County with just over 1,800 incoming transfer students.

Appendix Table A1 shows transfer pairs for the traditional public school districts with the most transfers (200+ transfer students).

7. Just over 5,400 of these students attended the Innovation Network Charter Schools, which are managed by the Indianapolis Public School Corporation.

Figure 4. Incoming Transfers As A Percentage Of School-Aged Students (State-Funded) Living In The School District, Fall 2019

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report



The most transfers (1,100 students) occurred from South Bend Community School Corporation to Penn-Harris-Madison School Corporation. Most transfers occur between adjacent school districts.

State Education Funding

In Indiana, education funding follows the student. When a student transfers from one school district to another, the funding flows to the receiving district rather than to the district where the student resides.

Beginning in 2009, the state took over education funding (education-related operating expenses) for all public school districts in the state. Local funding (mainly from property taxes) is still used for debt service, capital projects, transportation, and bus replacement. School districts can raise additional operating funds through a referendum process (IDOE 2020a).

State tuition support during the 2019-20 school year included four grants. In Indiana the largest component of state funding for public education is the basic tuition support grant, which has three components—the foundation amount, the complexity amount, and the English Language Learners (ELL) amount. The

Figure 5. Student Enrollment In Public School Districts, 2019-2020

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report

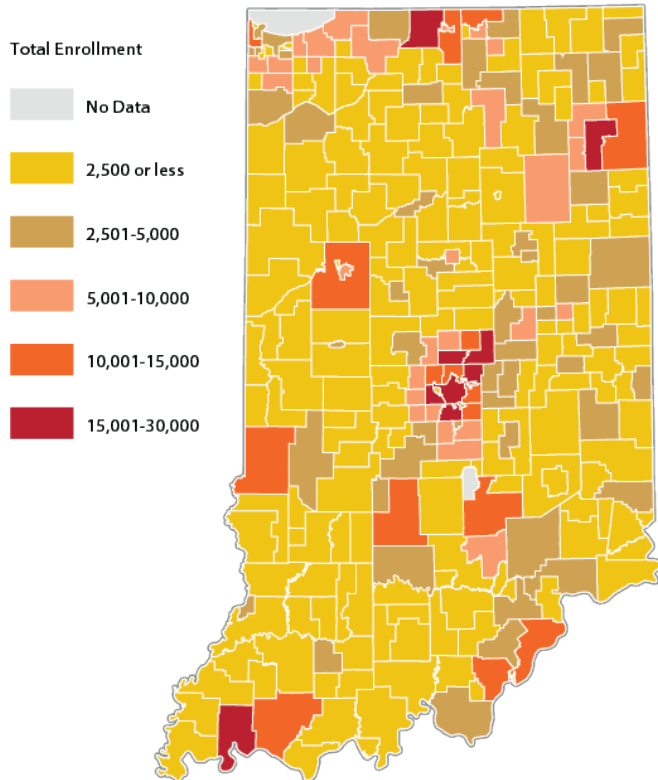
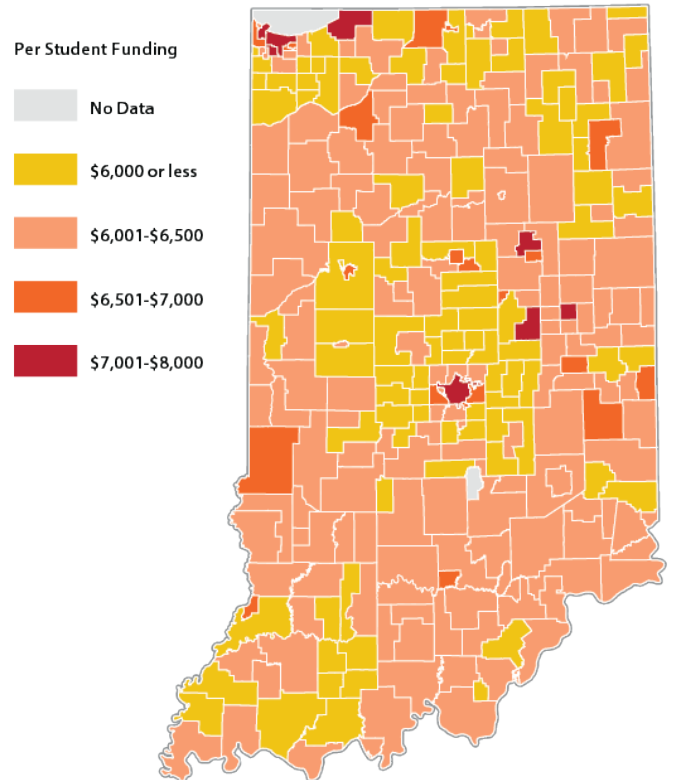


Figure 6. State Funding Per Student In Public School Corporations, 2019-2020

Source: IDOE, Fall 2019-2020 Public Corporation Transfer Report



foundation amount provides the largest share of funding and is codified each biennium; the amount totaled \$5,548 during the 2019-20 school year for nonvirtual students and \$4,715.80 (85% of \$5,548) for virtual students.

The funding that school corporations received is equal to the foundation amount times the average of the September and February ADM count (average daily membership or number of students enrolled in each school on a specific date). Charter schools are funded through the same formula as traditional public schools. The complexity amount provides additional funding based on a school district’s demographic factors. Today, the formula is based on the percentage of students qualifying for SNAP, TANF, or foster care services.

For the 2019-20 school year, the combined complexity and ELL amounts ranged from \$43.44 (Zionsville Community Schools) to \$2,155.51 (Gary Community Schools) per ADM. The ELL payment amount is based on the percentage of English Language Learners. For details on the calculations of these components of state funding and related reconciliations, see IDOE (2019, p. 17-18). The funding data used in this analysis includes

the basic tuition support grant only (IDOE 2020a). *Figures 5 and 6* show the range of enrollment and state spending per student for Indiana’s traditional public school corporations.

The other three grants include the Honors Diploma Grant (based on the number of students receiving academic or technical honors diplomas), the Special Education Grant (based on the number of special education students served), and the Career and Technical Education Grant (based on the number of students, number of credit hours, and rating given to CTE courses offered). These grants are used to supplement funding for these particular programs and are not included in the analysis below. IDOE (2019) provides more information on these grants.

Districts losing students experience a decrease in state funding but may gain state funding by accepting transfer students from other districts.

Traditional public schools also receive local funding from property taxes and fees that are used to fund transportation, capital improvement, and debt service.⁸ Local funding is not included in any of the calculations used in this analysis. Charter schools and private schools do not receive funding from local property taxes.

8. Beginning January 1, 2019, the fund names were changed to the Education Fund, which funds student instruction and learning and is funded through state and federal revenues, and the Operations Fund, which funds non-classroom expenditures such as transportation, bus replacement, and capital projects and is funded through local property taxes (IDOE 2019).

Figure 7. Public And Private School Enrollment With Private Enrollment Share, 2007-2020

Source: STATS Indiana

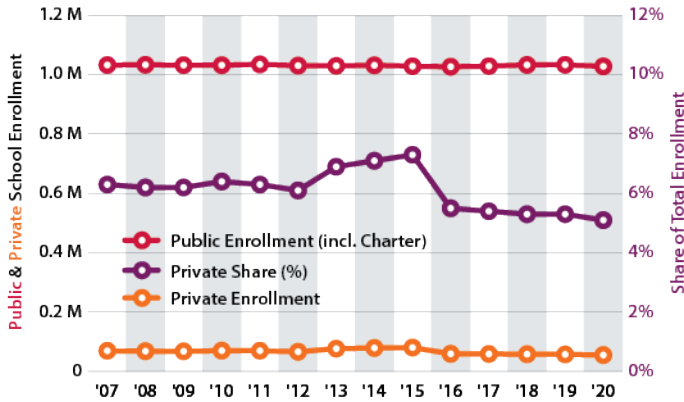


Figure 7 shows public (including charter schools) and private school enrollment and the share of students enrolled in private schools over time. Private school enrollment has declined over the past decade, possibly related to families taking advantage of open enrollment at public schools.

Figure 8 shows the decrease in aggregate education spending (inflation-adjusted) over time.

Figure 9 shows the decline in state spending per student over time (inflation-adjusted) and the decline in K-12 education spending as a share of state GDP, with a small uptick during 2020.

See Appendix Tables A5, A6, and A7 for more details.

Figure 8. Real Education State Spending In Indiana, 2010-2020

Source: Indiana Handbook of Taxes, Revenues, and Appropriations, various years.

Note: Adjusted for inflation using the Education CPI, US city average, all urban consumers, Bureau of Labor Statistics.

* Total spending includes appropriations through the state's general fund, dedicated funds, federal funds, and 2011 ARRA funding.

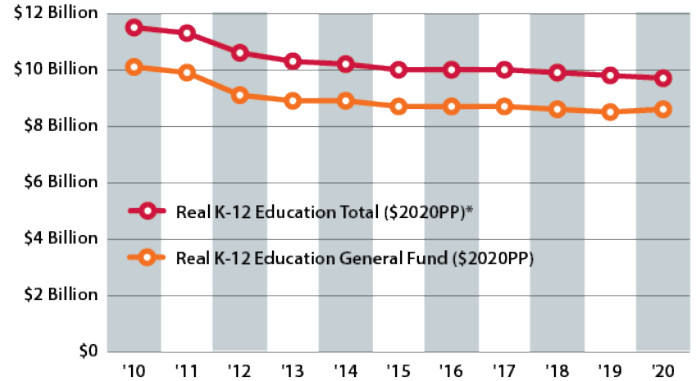


Figure 9. State Education Budget (Spending Per Student And As A Share Of State GDP)

Source: Indiana Handbook of Taxes, Revenues, and Appropriations, various years; STATS Indiana; and authors' calculations.

*Includes appropriations through the state's general fund, dedicated funds, federal funds, and 2011 ARRA funding.

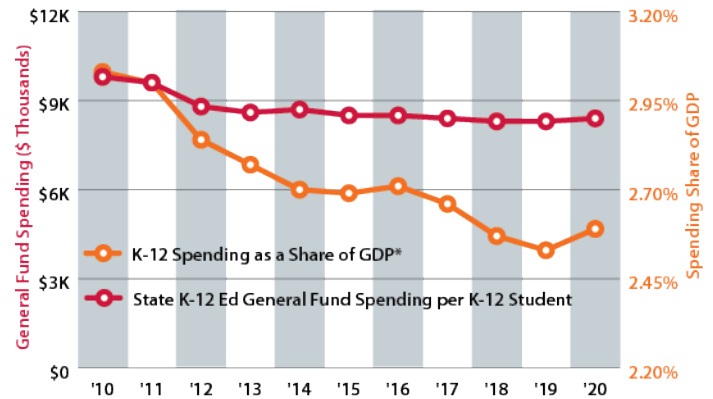
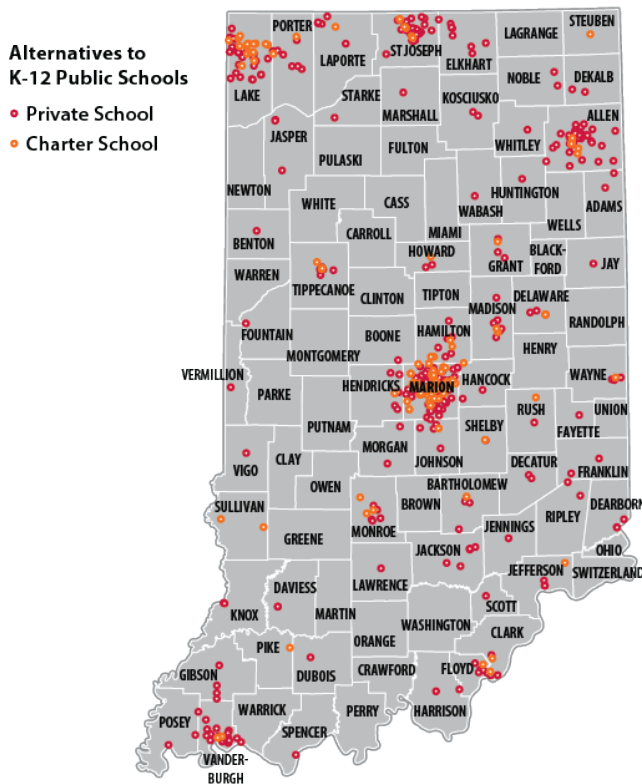


Figure 10. Distribution of Charter Schools And Choice Scholarship (Private) Schools

Source: IDOE



Charter Schools in Indiana

The law authorizing Indiana charter schools was passed in 2001 (NCES).^[9] There were 73 charter schools and three virtual charter schools operating in Indiana during the 2019-20 school year, with about 19 percent of charter students attending virtual charter schools. Of Indiana’s 92 counties, 18 counties have charter schools located in them. Marion County (Indianapolis) has the most with 53 charter schools, followed by Lake County (Gary) with 13 and St. Joseph County (South Bend) with five.

Figure 10 shows the locations of charter schools in Indiana. Appendix Table A2 shows transfer pairs between traditional public school districts and charter schools with the most transfers (200+ students). Gary Community Schools and Indianapolis Community Schools dominate these types of transfers because these districts have the most charter schools either within or near the boundaries of the district.

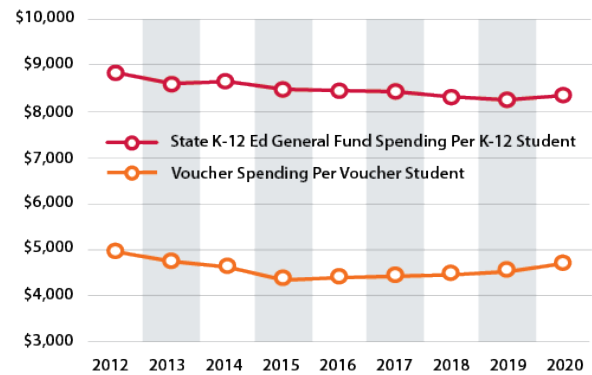
9. IC 20-24 are the legal statutes governing charter schools.

10. IC 20-51-4 are the legal statutes governing the Choice Scholarship program.

Figure 11. Voucher School Vs. Public School Per-Student Spending, 2012-2020

Source: IDOE, Choice Scholarship Annual Report, various years

Note: Adjusted for inflation using the Education CPI, U.S. city average, all urban consumers, Bureau of Labor Statistics.



Indiana Choice Scholarship Program (Private School Vouchers)

The Indiana Choice Scholarship Program was passed into law in 2011.^[10] It provides funding to families that meet income and eligibility requirements to help offset the cost of tuition and fees at participating private schools. There are eight different eligibility tracks. See IDOE (2020c) for details. The income eligibility criteria are tied to free and reduced lunch eligibility (69%, 100%, 125%, 150%, or 200% of income to qualify for the federal free or reduced lunch program). The scholarship amount is the lesser of tuition and fees at the Choice (private) school or 90, 70, or 50 percent of the per-student state funding formula for the student’s school district of residence depending on household income.

Figure 11 shows per student spending for voucher and public school students since 2012. Per-pupil spending for public school students has decreased since 2010, while per-pupil spending per voucher student has increased. The 2018-19 school year had 326 participating private schools (IDOE 2020c). The locations of private schools accepting Choice Scholarships in Indiana are shown in the previous Figure 10. Urban areas have the most private school accepting the Choice Scholarship, while some rural counties have no private schools.

Appendix Table A3 shows the private schools receiving the most transfer students from traditional public schools (at least 200 students) using the Choice Scholarship program. Appendix Table A4 shows transfer pairs between traditional public schools and private schools with the most transfers (200+ students). As with transfers to charter schools, Indiana’s largest cities dominate these types of transfers because these cities have the most private schools and school-aged children. See Appendix Table A7 for more details on state funding for Choice Scholarship students.

Data, Method, and Discussion

Using publicly available data from the Indiana Department of Education for 2017-18 and 2019-20 school years, we examine observed transfer flows and state funding that accrues to the corporation where the student transfer is enrolled compared with the state funding that would have accrued to the corporation where the transfer student resides (corporation of legal settlement). Data on student transfers comes from “The Fall 2019-2020 Public Corporation Transfer Report” School Choice Transfers worksheet (IDOE 2020b), while data on state funding for traditional public schools and charter schools comes from the “Indiana K-12 State Tuition Support Annual Report” Appendix G (IDOE 2020a). Data on state funding for the Choice Scholarship program comes from the “Choice Scholarship Program Annual Report” Appendix C: Participation and Payment Data (IDOE 2020c). Analogous reports were used for the 2017-18 calculations.

We calculate state funding if students had attended their corporation of legal settlement by multiplying state funding (basic

tuition support grant) times the number of transfers out of the corporation. We calculate state funding at the enrolled corporation or charter school by multiplying its state funding (basic tuition support grant) times the number of transfers into the corporation. We do this for each pair of corporations and then aggregate across all corporations with transfers to get a total for the state. For the nonpublic transfers (Choice Scholarship), we multiplied state funding for the corporation of legal residence for each choice scholarship student and aggregated it for each private school accepting choice scholarship students and then compared this total with the Choice Scholarship Award Amount for private schools. These results are presented in *Table 1*.

Appendix Tables 1 and 2 show the enrolled corporations with the most transfers between traditional public schools and between public schools and charter schools. *Appendix Tables 3 and 4* show the calculations for private schools with the most Choice Scholarship students.

Table 1. State Spending On Education With And Without School Choice, Aggregate, 2017-18 & 2019-20

Source: Authors’ calculations using data from the Indiana Dept. of Education, Fall 2019-2020 public corporation transfer report; Indiana K-12 state tuition support annual report for fiscal years 2016-2020; Choice Scholarship annual report, participation and payment data; analogous reports for 2017-2018 school year.

2017-18 School Year	Number Of Transfers	State Funding If Students Attended Corp. Of Legal Settlement (\$)	State Funding At Enrolled Corporation/ School (\$)	Difference (\$)	2019-20 School Year	Number Of Transfers	State Funding If Students Attended Corp. Of Legal Settlement (\$)	State Funding At Enrolled Corporation/ School (\$)	Difference (\$)
Public Transfers: Parent Choice	49,895	308,961,448	295,263,666	-13,697,783	Public Transfers: Parent Choice	62,860	402,310,764	385,239,244	-17,071,520
Public Transfers: Charter-Independent	38,026	250,251,309	241,794,963	-8,456,346	Public Transfers: Charter-Independent	34,733	238,286,789	231,779,492	-6,507,296
Non-Public Transfers: Choice Scholarship	35,442	223,295,880	153,756,702	-69,539,178	Non-Public Transfers: Choice Scholarship	36,204	\$236,071,085	\$171,506,175	-64,564,910
Total	123,363	782,508,637	690,815,331	-91,693,306	Total	133,797	876,668,637	788,524,912	-88,143,725

Note 1: Student transfers labeled as “Public Transfers: Other” in the IDOE transfer report are not included in the calculations above. This category includes students with legal settlement in a school corporation who are enrolled and attending a different school corporation due to scenarios other than parent choice. Common examples include an agreement between the corporation of legal settlement and the servicing corporation. A “better accommodation” student transfer agreement between the corporation of legal settlement and the student’s parents; a “better accommodation” order by the State Board of Education; state obligations; a placement by county welfare offices, state courts, state licensed child-placing agencies, etc.

Note 2: Student transfers between Indianapolis Public Schools (IPS) and Innovation Network Charter Schools of Avondale Meadows Middle School, Enlace Academy, Global Preparatory Academy, Herron Charter, Ignite Achievement Academy, James and Rosemary Phalen Elementary, Kindezi Academy, KIPP Indy Legacy High, Matchbook Learning, Purdue Polytechnic High School Ind, Riverside High School and Urban ACT Academy are not included in the table above. These schools are funded through IPS. Transfers between IPS and CSUSA Donnan, CSUSA Howe and CSUSA Manual are not included in this analysis. Transfers between IPS and Indiana Virtual Pathways Academy are not included in this analysis. Transfers between Gary Community School Corporation and Edison Learning Roosevelt are not included in this analysis. Transfers between MSD Pike Township and Ignite Achievement Academy are not included in this analysis. Transfers between these corporations are listed in the public corporation transfer report, but there is no FY18 and/or FY20 state funding information for these schools in the IDOE State Tuition Support Annual Report.

Note 3: Transfers to the Indiana School for the Blind and Visually Impaired and Indiana School for the Deaf are not included in this table.

Note 4: Data includes only the foundation and complexity amounts (and ELL amounts during 2019-20). Honors, CTE, and Special Education Grants are not included.

The results in *Table 1* show these calculations for two school years: 2017-18 and 2019-20. If students had attended a traditional public school in the district in which they reside (in the absence of school choice), state tuition support for these students would have been just over \$782.5 million in 2017-18. With school choice, state tuition support or voucher payments for these students totaled just over \$690.8 million. The difference is \$91.7 million. This is about 1.0 percent of general fund spending on education for that year.

During the 2019-20 school year, if transfer students had attended the public school in the district where they lived, state funding for these students would have totaled \$876.7 million. With choice, the state spent \$788.5 million funding the schools these students actually attended. The difference was \$88 million, again about 1.0 percent of general fund spending on education for that year.

The calculations in *Table 1* do not include information on the switcher rate for students using the Choice Scholarship voucher. The switcher rate is a crucial factor in any fiscal analysis of school choice. The switcher rate is the share of students who would be enrolled in a public school without the voucher. Luekin (2019) provides a review of random assignment studies used to estimate switcher rates for various U.S. school choice programs. The estimates provided in these studies range from 79 percent to 98 percent, meaning that 79 to 98 percent of students attending

private school using a voucher would have attended public school in the absence of the voucher.

We use a switcher rate of 89 percent to provide a more realistic estimate of the fiscal impact of Indiana's Choice Scholarship program. This is the switcher rate of the Louisiana Scholarship Program, which has a similar structure to Indiana's program, during its fourth year of operation. An 89 percent switcher rate means that 89 percent of students receiving the voucher would have enrolled in a public school in the absence of a voucher, and 11 percent would have enrolled in the private school without the voucher. If 89 percent of the students receiving a Choice Scholarship voucher had attended a public school, state tuition support to public schools would have increased by an additional \$198.7 million during 2017-18 and \$210.1 million during 2019-20 if these students had instead attended the public school in the district where they live. Choice Scholarship payments to private schools would have decreased by approximately \$136.8 million during 2017-18 and \$152.6 million during 2019-20. The 11 percent of students who received Choice Scholarships but would have attended private schools without them resulted in the state paying \$16.9 million during 2017-18 and \$18.8 million during 2019-20 to subsidize private school tuition for these students. If this switcher rate is included, state savings from school choice would be lower.

Conclusion

While the impacts of school choice on students' academic outcomes in Indiana have yet to be established, we are able to calculate the financial impact. Comparing state tuition support if students had attended a public school in the corporation in which they reside and state funding provided for these students attending either another public school, a public charter school, or a private school through the Choice Scholarship program shows that the state spends about \$88 million to \$92 million less with school choice during the two school years considered here than would be spent if students attended a traditional public school in the district in which they reside.

This analysis raises a few issues that merit additional research, should data become available. First, we do not assess the initial effects of the school choice legislation. There are several parts of this. The opening of inter-district transfers likely placed significant financial strain on some private schools, as students chose nearby local public schools instead of private schools. Available data might identify the institutional effect of vouchers on sustaining existing private schools. Similarly, in not evaluating the initial legislation, we cannot determine what effect competition for students may have had on the composition and financing of individual schools.

Our calculations for transfers assume a static value for complexity and ELL components of state financing. This is reasonable given the modest year-to-year changes, but over a lengthy period may alter the net effect of school choice. For example, if student mobility is correlated with factors that influence the complexity and ELL funding, the funding for both gaining and losing schools would be affected. Due to very strong geographic correlation of poverty and immigration, this is unlikely to be a large effect, but may be worth future study.

Our work doesn't evaluate the effect of choice on the economies of scale of schools. Smaller schools are costlier to operate, while larger schools are less expensive on a per student basis. We are only concerned in this study with state funding, but the change

in school size from choice may change the actual cost of operating schools. This is outside our scope of analysis, but is a worthy question as well.

This study does not estimate the effect of school choice on household location decisions. There are two likely effects. First, greater choice likely helped Indiana statewide, as potential residential choice would be less risky with respect to school performance. Second, the well-established link between local school quality and residential location decisions may have weakened. This would likely have had the dual effect of sustaining home prices in poorly performing school corporations, while dampening growth of home prices in better school corporations. This would have associated public finance effects that would spill over into schools.

Importantly, the dollar savings from school choice in Indiana were accompanied by general declines in per-student spending (inflation-adjusted). It may be useful to compare the cost savings from Indiana's school choice program to overall cuts to educational spending. In the 2019-20 school year, the school choice program saved Indiana \$88 million. However, in that same year, the General Assembly allocated a smaller share of GDP to education than it did in 2009-10. The result was \$1.3 billion fewer dollars to K-12 education. Actual real reductions in spending were close to \$600 million. So, for each \$1 saved by choice, the General Assembly reduced spending on K-12 by nearly another \$7. An important political economy research question would be whether the benefits of school choice that we identify here influenced subsequent funding considerations.

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Authors

Dagney Faulk, PhD, director of research and research professor, Center for Business and Economic Research, Ball State University.

Michael J. Hicks, PhD, director, Center for Business and Economic Research; and George & Frances Ball distinguished professor of economics, Miller College of Business, Ball State University.

Designers

Cade Deckard, undergraduate research and GIS assistant, Center for Business and Economic Research, Ball State University.

Maggie Getzin, undergraduate graphic design assistant, Center for Business and Economic Research, Ball State University.

Victoria Meldrum, manager of publications and web services, Center for Business and Economic Research, Ball State University.

Appendix

Additional data is included in Appendix Tables A1-A8, found on pages 13-19.

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Center for Business and Economic Research, Ball State University

2000 W. University Ave., Muncie, IN 47306-0360
765-285-5926 | cber@bsu.edu
bsu.edu/cber | cberdata.org



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Appendix A. Additional Data (Tables A1-A8)

Table A1. Traditional Public School District To District Pairs With More Than 200 Parent Choice Transfers, School Year 2019-20 Fall Membership Count

Source: Indiana Department of Education, Fall 2019-2020 Public corporation transfer report; Indiana K-12 state tuition support annual report FY2016-FY2020; authors' calculations.

Corporation Of Legal Settlement Name	FY2020 State Funding Per Student (\$)	Enrolled Corporation/School Name	Public Transfers: Parent Choice	FY2020 State Funding Per Student (\$)	Total Funding If Students Had Attended Corp. Of Legal Settlement (\$)	Funding At Enrolled Corporation (\$)	Difference (\$)
South Bend Cmty School Corp	6,866	Penn-Harris-Madison School Corp	1,100	5,804	7,552,622	6,384,653	-1,167,969
Indianapolis Public Schools	7,175	M S D Lawrence Township	866	6,408	6,213,905	5,549,215	-664,690
South Bend Cmty School Corp	6,866	School City of Mishawaka	757	6,524	5,197,577	4,938,956	-258,621
Indianapolis Public Schools	7,175	M S D Wayne Township	716	6,626	5,137,594	4,743,965	-393,628
Fort Wayne Cmty Schools	6,700	East Allen County Schools	697	6,345	4,669,607	4,422,577	-247,031
Indianapolis Public Schools	7,175	Beech Grove City Schools	688	6,610	4,936,682	4,547,783	-388,899
Anderson Cmty School Corp	7,077	Frankton-Lapel Cmty Schools	605	5,947	4,281,797	3,598,165	-683,632
Marion Cmty Schools	7,162	Mississinewa Cmty School Corp	557	6,530	3,989,457	3,637,333	-352,124
Elkhart Cmty Schools	6,430	Concord Cmty Schools	533	6,081	3,427,355	3,241,120	-186,236
Kokomo School Corporation	6,842	Northwestern School Corp	434	5,823	2,969,237	2,527,273	-441,964
Anderson Cmty School Corp	7,077	South Madison Cmty School Corp	414	5,875	2,930,023	2,432,411	-497,611
Indianapolis Public Schools	7,175	M S D Washington Township	409	6,337	2,934,743	2,591,886	-342,857
Muncie Cmty Schools	7,212	Yorktown Cmty Schools	392	6,068	2,827,261	2,378,848	-448,413
Anderson Cmty School Corp	7,077	Daleville Cmty Schools	389	6,110	2,753,089	2,376,829	-376,260
Marion Cmty Schools	7,162	Oak Hill United School Corp	377	6,054	2,700,225	2,282,181	-418,044
Kokomo School Corporation	6,842	Western School Corporation	373	6,002	2,551,902	2,238,768	-313,134
Richmond Cmty Schools	6,914	Northeastern Wayne Schools	368	5,996	2,544,289	2,206,587	-337,703
School City of Mishawaka	6,524	Penn-Harris-Madison School Corp	346	5,804	2,257,435	2,008,264	-249,172
Kokomo School Corporation	6,842	Taylor Cmty School Corp	344	6,563	2,353,497	2,257,569	-95,928
South Bend Cmty School Corp	6,866	Union-North United School Corp	339	6,113	2,327,581	2,072,192	-255,389
South Bend Cmty School Corp	6,866	New Prairie United School Corp	338	5,934	2,320,715	2,005,702	-315,013
Gary Cmty School Corp	7,704	School City of Hammond	331	6,890	2,549,862	2,280,511	-269,351
M S D Lawrence Township	6,408	Mt Vernon Cmty School Corp	330	5,816	2,114,597	1,919,372	-195,225
Richmond Cmty Schools	6,914	Centerville-Abington Cmty Schools	329	6,041	2,274,650	1,987,407	-287,243

Corporation Of Legal Settlement Name	FY2020 State Funding Per Student (\$)	Enrolled Corporation/School Name	Public Transfers: Parent Choice	FY2020 State Funding Per Student (\$)	Total Funding If Students Had Attended Corp. Of Legal Settlement (\$)	Funding At Enrolled Corporation (\$)	Difference (\$)
Greater Clark County Schools	6,172	Clarksville Cmty School Corp	320	6,300	1,975,094	2,016,086	40,992
Elkhart Cmty Schools	6,430	Penn-Harris-Madison School Corp	318	5,804	2,044,839	1,845,745	-199,093
Muncie Cmty Schools	7,212	Liberty-Perry Cmty School Corp	310	6,383	2,235,844	1,978,767	-257,077
Wabash City Schools	6,362	M S D Wabash County Schools	303	6,136	1,927,783	1,859,102	-68,681
Clark-Pleasant Cmty School Corp	5,953	Greenwood Cmty School Corp	286	6,109	1,702,601	1,747,280	44,679
M S D Wabash County Schools	6,136	Wabash City Schools	276	6,362	1,693,439	1,756,000	62,561
School City of Hammond	6,890	School City of Whiting	275	6,391	1,894,684	1,757,467	-137,217
Kokomo School Corporation	6,842	Eastern Howard School Corp	268	5,982	1,833,538	1,603,270	-230,268
Tell City-Troy Twp School Corp	6,173	Perry Central Cmty Schools Corp	266	6,034	1,642,092	1,605,103	-36,990
Greater Clark County Schools	6,172	New Albany-Floyd Co Con Schools	264	6,152	1,629,453	1,624,157	-5,296
Muncie Cmty Schools	7,212	Delaware Cmty School Corp	262	6,115	1,889,649	1,602,091	-287,558
M S D Decatur Township	6,450	Mooreville Con School Corp	261	6,052	1,683,429	1,579,684	-103,745
South Bend Cmty School Corp	6,866	John Glenn School Corporation	249	5,928	1,709,639	1,475,972	-233,667
Muncie Cmty Schools	7,212	Cowan Cmty School Corp	249	6,201	1,795,888	1,543,954	-251,933
Greater Clark County Schools	6,172	West Clark Cmty Schools	238	5,821	1,468,976	1,385,317	-83,659
Elkhart Cmty Schools	6,430	Middlebury Cmty Schools	234	5,693	1,504,693	1,332,111	-172,582
Madison Consolidated Schools	6,250	SW Jefferson Co Con School Corp	233	6,369	1,456,140	1,483,991	27,850
West Clark Cmty Schools	5,821	New Albany-Floyd Co Con Schools	232	6,152	1,350,393	1,427,290	76,896
Peru Cmty Schools	6,486	Maconaquah School Corp	228	6,321	1,478,819	1,441,288	-37,531
M S D Warren Township	6,729	Southern Hancock Co Cmty School Corp	225	5,781	1,514,057	1,300,696	-213,361
Indianapolis Public Schools	7,175	Union School Corporation	219	6,013	1,571,415	1,316,856	-254,559
Vincennes Cmty School Corp	6,593	South Knox School Corp	215	5,906	1,417,415	1,269,837	-147,578
North Adams Cmty Schools	6,223	Adams Central Cmty Schools	211	5,789	1,313,106	1,221,536	-91,570
Penn-Harris-Madison School Corp	5,804	School City of Mishawaka	211	6,524	1,224,693	1,376,644	151,952
Marion Cmty Schools	7,162	Eastbrook Cmty School Corp	208	6,098	1,489,779	1,268,396	-221,383
Northern Wells Cmty Schools	5,811	M S D Bluffton-Harrison	203	6,053	1,179,592	1,228,791	49,199

Table A2. Traditional Public School Districts To Charter School Pairs—Charter Schools Receiving More Than 200 Transfer Students From Traditional Public School Districts

Source: Indiana Department of Education, Fall 2019-2020 Public corporation transfer report; Indiana K-12 state tuition support annual report FY2016-FY2020; authors' calculations.

Corporation Of Legal Settlement Name	FY2020 State Funding Per Student (\$)	Enrolled Corporation/School Name	Public Transfers: Parent Choice	FY2020 State Funding Per Student (\$)	Total Funding If Students Had Attended Corp. Of Legal Settlement (\$)	Funding At Enrolled Corporation (\$)	Difference (\$)
Gary Community School Corp	7,704	Gary Lighthouse Charter School	1,281	7,625	9,868,196	9,767,907	-100,289
Gary Community School Corp	7,704	21st Century Charter Sch of Gary	1,189	7,750	9,159,473	9,215,237	55,764
Gary Community School Corp	7,704	Thea Bowman Leadership Academy	1,072	7,212	8,258,163	7,730,910	-527,252
Indianapolis Public Schools	7,175	Victory College Prep Academy	886	7,508	6,357,413	6,652,460	295,047
Anderson Community School Corp	7,077	Anderson Preparatory Academy	742	6,539	5,251,394	4,851,923	-399,471
Indianapolis Public Schools	7,175	Paramount Brookside	729	7,335	5,230,874	5,347,244	116,370
Gary Community School Corp	7,704	Charter School of the Dunes	657	7,656	5,061,206	5,030,150	-31,056
Indianapolis Public Schools	7,175	KIPP Indy Unite Elementary*	609	7,907	4,369,825	4,815,582	445,758
Indianapolis Public Schools	7,175	SE Neighborhood Sch of Excellence	607	7,349	4,355,474	4,461,013	105,539
Indianapolis Public Schools	7,175	Christel House Academy South	603	6,601	4,326,772	3,980,198	-346,574
South Bend Community School Corp	6,866	Success Academy Primary School	603	7,140	4,140,210	4,305,281	165,071
Gary Community School Corp	7,704	Aspire Charter Academy	592	7,710	4,560,478	4,564,042	3,564
Indianapolis Public Schools	7,175	Irvington Community School	569	6,496	4,082,808	3,695,962	-386,846
Indianapolis Public Schools	7,175	IN Math & Science Academy - North	533	7,052	3,824,494	3,758,609	-65,884
Indianapolis Public Schools	7,175	Andrew J Brown Academy	526	7,158	3,774,266	3,764,924	-9,342
School City of Hammond	6,890	Hammond Academy of Science & Tech	520	6,452	3,582,675	3,355,097	-227,578
Indianapolis Public Schools	7,175	J & R Phalen Leadership Academy	468	7,449	3,358,092	3,486,343	128,251
Gary Community School Corp	7,704	Steel City Academy	452	7,707	3,481,987	3,483,388	1,401
Muncie Community Schools	7,212	Burriss Laboratory School	435	5,826	3,137,394	2,534,367	-603,027
Indianapolis Public Schools	7,175	IN Math & Science Academy	432	6,843	3,099,777	2,956,344	-143,433
School City of East Chicago	7,541	East Chicago Lighthouse Charter	432	7,630	3,257,513	3,296,303	38,789
Indianapolis Public Schools	7,175	Vision Academy	412	7,419	2,956,269	3,056,624	100,355
Indianapolis Public Schools	7,175	Christel House Academy West	387	7,041	2,776,884	2,724,809	-52,075
Indianapolis Public Schools	7,175	Phalen Leadership Academy - IN Inc	372	6,984	2,669,253	2,598,152	-71,100
M S D Warren Township	6,729	Irvington Community School	371	6,496	2,496,511	2,409,845	-86,666

Corporation Of Legal Settlement Name	FY2020 State Funding Per Student (\$)	Enrolled Corporation/School Name	Public Transfers: Parent Choice	FY2020 State Funding Per Student (\$)	Total Funding If Students Had Attended Corp. Of Legal Settlement (\$)	Funding At Enrolled Corporation (\$)	Difference (\$)
Indianapolis Public Schools	7,175	Tindley Genesis Academy	367	6,809	2,633,375	2,498,797	-134,579
Indianapolis Public Schools	7,175	Avondale Meadows Academy	355	7,202	2,547,271	2,556,646	9,376
South Bend Cmty School Corp	6,866	Career Academy Middle School	353	6,527	2,423,705	2,304,006	-119,699
South Bend Cmty School Corp	6,866	Career Academy High School	325	6,206	2,231,457	2,016,983	-214,474
School City of East Chicago	7,541	East Chicago Urban Enterprise Acad	321	7,142	2,420,513	2,292,569	-127,944
Indianapolis Public Schools	7,175	KIPP Indy College Prep Middle*	292	7,726	2,095,220	2,255,980	160,761
New Albany-Floyd Co Con Sch	6,152	Community Montessori Inc	258	5,682	1,587,244	1,466,039	-121,206
Fort Wayne Community Schools	6,700	Timothy L Johnson Academy	258	7,963	1,728,492	2,054,508	326,017
Monroe County Community Sch Corp	6,101	The Bloomington Project School	250	5,823	1,525,335	1,455,713	-69,623
Evansville Vanderburgh School Corp	6,484	Joshua Academy	247	7,094	1,601,622	1,752,164	150,542
Indianapolis Public Schools	7,175	Charles A Tindley Accelerated Sch	246	6,319	1,765,151	1,554,444	-210,706
Greater Clark County Schools	6,172	Rock Creek Community Academy	240	5,997	1,481,321	1,439,357	-41,964
Evansville Vanderburgh School Corp	6,484	Signature School Inc	227	6,488	1,471,936	1,472,749	813
Northeast School Corp	6,351	Dugger Union Cmty School Corp	227	6,697	1,441,761	1,520,308	78,547
Fort Wayne Community Schools	6,700	Indiana Connections Academy	219	5,352	1,467,208	1,172,007	-295,201
Indianapolis Public Schools	7,175	Indianapolis Metropolitan HS	217	7,282	1,557,064	1,580,140	23,076
Duneland School Corporation	5,854	Discovery Charter School	200	5,732	1,170,848	1,146,320	-24,528

Table A3. Choice Scholarship Student Enrollment and Funding—Private Schools With 200 Or More Choice Scholarship (Voucher) Students

Source: Indiana Department of Education, Fall 2019-2020 Public corporation transfer report; Indiana K-12 state tuition support annual report FY2016-FY2020; Choice Scholarship annual report, participation and payment data; authors' calculations.

School Name	County	2019-20 Choice Scholarship Qualified Award Amounts (\$)	2019-20 Number Of Choice Scholarship Students	State Funding If Choice Scholarship Students Had Attended Corporation Of Legal Settlement (\$)	Difference (\$)
Bishop Dwenger High School	Allen	2,104,237	448	2,935,002	-830,765
Cardinal Ritter High School	Marion	2,483,405	434	2,964,970	-481,565
Saint Charles Borromeo School	Allen	1,948,885	422	2,817,040	-868,155
Concordia Lutheran High School	Allen	1,810,902	371	2,440,034	-629,132
Roncalli High School	Marion	1,792,103	370	2,357,077	-564,974
Bishop Luers High School	Allen	1,838,877	350	2,303,033	-464,156
Crossing Educational Center	Elkhart	2,032,398	342	2,236,408	-204,009
Evansville Christian School	Vanderburgh	1,715,348	341	2,171,987	-456,639
Marian High School	St Joseph	1,722,952	338	2,246,606	-523,654
Saint Joseph's High School	St Joseph	1,826,753	338	2,301,656	-474,904
Saint Casimir School	Lake	1,492,299	329	2,284,704	-792,405
Heritage Christian School	Marion	1,590,930	327	2,060,243	-469,313
Blackhawk Christian Elem School	Allen	1,517,985	311	2,047,961	-529,976
Saint Michael the Archangel Sch.	Marion	1,528,963	303	2,123,294	-594,331
Saint Vincent DePaul School	Allen	1,012,452	302	1,941,748	-929,296
Seccina Memorial School	Marion	1,760,413	302	2,107,774	-347,361
Bishop Noll Institute	Lake	1,754,135	291	2,080,056	-325,920
Christian Academy of Indiana	Floyd	1,278,482	287	1,758,764	-480,282
Faith Christian School	Tippecanoe	1,321,434	284	1,748,871	-427,437
Saint Mark School	Marion	1,105,319	281	1,808,988	-703,670
Holy Spirit School	Marion	1,290,557	278	1,900,825	-610,268
Concordia Evang Lutheran Sch	Allen	1,267,481	276	1,827,295	-559,814
MTI School of Knowledge	Marion	1,597,871	268	1,801,146	-203,276
Tabernacle Christian Schools	Morgan	1,361,336	266	1,641,958	-280,622
Saint Jude Elementary School	Allen	1,076,625	258	1,721,567	-644,942
Elkhart Christian Academy	Elkhart	1,182,462	253	1,563,989	-381,526
Saint Therese Little Flower Sch	Marion	1,439,728	253	1,773,470	-333,741
Suburban Christian School	Marion	1,145,503	237	1,474,737	-329,234
Cathedral High School	Marion	1,187,818	232	1,516,568	-328,750
Saint Monica School	Marion	1,175,392	227	1,469,861	-294,469
Saint Philip Neri School	Marion	1,422,999	226	1,610,338	-187,339
Saint Matthew Cathedral School	St Joseph	1,077,659	217	1,481,616	-403,957
Saint Anthony Catholic School	Marion	1,336,621	216	1,523,966	-187,346
Greenwood Christian Academy	Johnson	1,001,060	213	1,288,739	-287,680
Central Catholic School	Marion	1,317,085	210	1,467,681	-150,596
Lakewood Park Christian School	DeKalb	919,277	209	1,281,275	-361,998
Eman Schools	Hamilton	1,078,494	208	1,238,026	-159,532
Holy Cross Lutheran School	Allen	828,812	205	1,353,493	-524,681
Holy Family School	St Joseph	1,080,280	203	1,393,802	-313,522
Blackhawk Christian Jr/Sr HS	Allen	961,657	202	1,330,411	-368,754
Saint Adalbert School	St Joseph	1,134,112	201	1,377,510	-243,398

Table A4. Traditional Public School Districts To Private School Pairs—Private Schools Receiving 200 Or More Transfer Students Using The Choice Scholarship

Source: Indiana Department of Education, Fall 2019-2020 Public corporation transfer report; Indiana K-12 state tuition support annual report FY2016-FY2020; Choice Scholarship annual report, participation and payment data; authors' calculations.

Note: Data is not available to calculate Choice Scholarship funding for each school pair as in Tables A1 and A2. We know the aggregate amount of Choice Scholarship funding that each private school received, which is included in Table A3.

Corporation Of Legal Settlement Name	FY2020 State Funding Per Student (\$)	Enrolled Corporation/School Name	Non-Public Transfers: Choice Scholarship (\$)	State Funding If Choice Scholarship Students Had Attended Corporation Of Legal Settlement (\$)
Fort Wayne Community Schools	6,699.58	Saint Charles Borromeo School	401	2,686,531.58
Fort Wayne Community Schools	6,699.58	Bishop Dwenger High School	352	2,358,252.16
South Bend Cmty School Corp	6,866.02	Saint Joseph High School	315	2,162,796.30
Fort Wayne Community Schools	6,699.58	Concordia Lutheran High School	291	1,949,577.78
School City of Hammond	6,889.76	Saint Casimir School	279	1,922,243.04
Fort Wayne Community Schools	6,699.58	Bishop Luers High School	277	1,855,783.66
Evansville Vanderburgh Sch Corp	6,484.30	Evansville Christian School	275	1,783,182.50
Indianapolis Public Schools	7,175.41	Cardinal Ritter High School	254	1,822,554.14
Fort Wayne Community Schools	6,699.58	Saint Jude Elementary School	246	1,648,096.68
Fort Wayne Community Schools	6,699.58	Blackhawk Christian Elementary School	241	1,614,598.78
Indianapolis Public Schools	7,175.41	St Michael The Archangel School	239	1,714,922.99
Perry Township Schools	6,438.97	Saint Mark School	236	1,519,596.92
Fort Wayne Community Schools	6,699.58	Concordia Lutheran School	231	1,547,602.98
South Bend Cmty School Corp	6,866.02	Marian High School	215	1,476,194.30
Indianapolis Public Schools	7,175.41	Saint Philip Neri School	208	1,492,485.28
South Bend Cmty School Corp	6,866.02	Holy Family School	203	1,393,802.06
Indianapolis Public Schools	7,175.41	Seccina Memorial High School	200	1,435,082.00

Table A5. Total K-12 Student Enrollment in Indiana

Source: STATS Indiana

Note: Analysis does not include home-schooled students.

Year	Total Public Enrollment (Traditional & Charter)	Total Private Enrollment	Private Enrollment Share Of Total Enrollment
2007	1,032,341	69,708	6.33%
2008	1,033,132	68,237	6.20%
2009	1,031,990	67,877	6.17%
2010	1,031,807	70,118	6.36%
2011	1,034,516	69,819	6.32%
2012	1,030,306	66,363	6.05%
2013	1,029,609	76,850	6.95%
2014	1,031,386	79,098	7.12%
2015	1,028,407	80,523	7.26%
2016	1,026,670	59,389	5.47%
2017	1,028,824	58,881	5.41%
2018	1,032,690	58,129	5.33%
2019	1,033,075	57,343	5.26%
2020	1,027,896	55,348	5.11%

Table A7. State Spending On Education As A Share Of Total State Spending, State Spending Per Pupil, And State Spending As A Share Of GDP

Source: Indiana Handbook of Taxes, Revenues, and Appropriations, various years; STATS Indiana, authors' calculations

* Total includes appropriations through the state's general fund, dedicated funds, federal funds, and 2011 ARRA funding.

Year	K-12 General Fund Share Of State General Fund	K-12 Total Share Of State Grand Total*	Real K-12 General Fund Spending Per K-12 Student (\$ 2020PP)	K-12 Spending Share Of GDP*
2010	54.9%	31.6%	9,806	3.03%
2011	53.7%	32.2%	9,553	3.00%
2012	52.1%	31.7%	8,849	2.84%
2013	51.3%	31.8%	8,610	2.77%
2014	50.4%	30.4%	8,656	2.70%
2015	50.4%	30.2%	8,486	2.69%
2016	51.6%	28.9%	8,459	2.71%
2017	51.3%	29.2%	8,436	2.66%
2018	51.8%	28.1%	8,324	2.57%
2019	51.0%	27.9%	8,256	2.53%
2020	50.2%	24.7%	8,351	2.59%

Table A6. State Budget, K-12 Education

Source: Indiana Handbook of Taxes, Revenues, and Appropriations, various years.

Note: Adjusted for inflation using the Education CPI, U.S. city average, all urban consumers, Bureau of Labor Statistics.

* Total includes appropriations through the state's general fund, dedicated funds, federal funds, and 2011 ARRA funding.

Year	Real K-12 Education General Fund (\$ 2020PP)	Real K-12 Education Total (\$ 2020PP)*
2010	10,118,004,698	11,527,491,079
2011	9,882,544,223	11,293,674,934
2012	9,117,284,964	10,579,559,383
2013	8,865,107,299	10,316,807,805
2014	8,927,254,329	10,225,228,126
2015	8,727,311,030	9,989,668,932
2016	8,684,735,324	10,001,806,069
2017	8,678,758,905	9,975,076,015
2018	8,595,820,045	9,899,608,803
2019	8,529,563,613	9,801,237,446
2020	8,583,554,780	9,666,129,186

Table A8. Choice Scholarship (Voucher) Students And State Spending

Source: Indiana Department of Education, Choice Scholarship Annual Report

Year	No. Of Choice Scholarship Voucher Students	State Spending On Choice Scholarship (\$)	Real State Spending On Choice Scholarship (\$ 2020PP)	Voucher Spending Per Voucher Student (\$)	Real Voucher Spending Per Voucher Student (\$ 2020PP)
2012	3,911	15,514,025	19,415,288	3,967	4,964
2013	9,139	36,042,923	43,461,004	3,944	4,756
2014	19,809	78,593,340	91,749,102	3,968	4,632
2015	29,148	112,707,313	126,860,840	3,867	4,352
2016	32,686	131,514,682	143,847,810	4,024	4,401
2017	34,299	142,193,570	152,034,382	4,146	4,433
2018	35,458	151,377,354	158,337,019	4,269	4,465
2019	36,290	161,445,100	164,417,895	4,449	4,531
2020	36,707	172,776,490	172,776,490	4,707	4,707