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**Breaking
the Rules for
Business Support
of Education**

By J. Patrick Rooney



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By J. Patrick Rooney

In early 1991 there was a legislative effort in Indiana to get the state legislature to approve educational choice funding. It did not go anyplace, but that is no surprise. Anybody who has ever worked with legislation knows that it is a lot easier to prevent a change than it is to get one, so the advantage is all on the side of the opponents who want to keep the status quo.

We have been interested in poor people and minority people for a long time, and have been successful in several areas. In Indianapolis we are not only a major employer, but we are a major employer of minority people that are coming out of the inner city. And we know that many of them do not have the skills necessary to obtain good jobs.

Now, the demands of the marketplace are getting more severe, not less severe. We have very few jobs, if any, where it is only important that you have a strong back and a weak mind. We need people with strong minds, and particularly with the educational fundamentals. Probably reading is the most important skill. Workers have to be able to read and follow instructions. We sit people down to a computer terminal, they push the right buttons, information and instructions come up on the screen, and they have to be able to follow those instructions. And we know that the number of qualified job applicants is going down and our demands are increasing. So, what can we do about it?

One thing we can do, and probably will do next time there is the long session in Indiana. (Indiana in alternate years has a long and short session. In 1991 there was a long session, in 1992 a short session and in 1993 there will be a long session again.) When that comes we will probably be there with parents and students advocating the funding of educational choice.

Investing in Education. But in the meantime, what could we do to help these under-educated people? We were concerned about them, and Indianapolis happens to be where we have many employees. We decided corporations give for charitable purposes, and probably nothing that we could possibly give money to would be as beneficial to our society in the long run as helping these children get a better education.

Now, we know that the more prosperous people have two alternatives. One is they can pack up the family and move to a better neighborhood. They can compare the quality of schools and then move to a community that has a better school system. The alternative that the more prosperous people can choose is pay the tuition to go to a private school.

But for a lot of people—the low-income people in the inner city—neither one of those alternatives is possible. We decided that we would pay half of the cost for low-income parents if they wanted to send their child to a private, non-public school. We were asked if we would set any criteria for the school? We decided we would not if we were really interested in power to the people, or empowerment.

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He spoke at The Heritage Foundation on April 15, 1992.

ISSN 0272-1155. ©1992 by The Heritage Foundation.

I want to talk about those two expressions. In the late 1960s, the left in this nation was talking about power to the people. And today the Republican party is talking about empowerment; but as far as we know, they are the same thing. Giving people power and choices does not belong either to the left or to the right, it belongs to all of us. So we decided we would do something for the parents to give them the power to make a choice.

What we agreed to do was to pay half of the tuition, up to \$800. Now how did we get to the \$800 figure? We actually enquired of the non-public schools, and except for a couple of elite schools, the tuition was \$1,600 a year or less. Only one school, a sectarian school, had tuition of \$1,800. So we decided that we would pay up to half of \$1,600, that is \$800, or half of whatever the school was charging. In fact, some of these schools had a "cheaper-by-the-dozen" tuition. I go to a church that has a school and I believe the tuition is \$1,315 for the first child and only \$180 more for the second child. Now we know that that does not cover the marginal cost for the school, but that is their problem. We are not running the school, we are simply trying to fund parents who want to take their children to a non-public school.

We talked about it. We knew that we wanted to contribute these funds. We decided that we would guarantee to help 500 children and we would guarantee to do so for three years. We did not want anxiety about what was going to happen the next year. Now the fact is that we intend to continue doing this until the government takes it over and grants educational choice to everybody. And when that takes place, then our action will not be required anymore; but in the meantime, we decided we would guarantee our support unconditionally for three years.

Income Criterion. And whom will we do it for? We were asked if we were going to screen the students. We decided we would screen them only as to the income of the parents; and if possible, we preferred to use an independent criterion rather than our own. We decided we would pay half of the tuition cost for those children that qualified for the reduced-cost lunch program. There is a federally funded, reduced-cost lunch program and the income criteria are fairly generous. It is not policed by us, and the school has to submit information to the federal government to get reimbursement to the school. We decided that if the child qualified for that, then the child would qualify for our grant. Some 57 percent of all the children in the Indianapolis public school system do, in fact, qualify at the present time. It may indeed be more than that, but 57 percent are currently getting the reduced-cost lunch program. There may be another 10 percent that would qualify whose parents are sending lunch with them.

We decided we would do it for grade school. We would love to be able to do it for both grade school and high school, but there was a limited amount of money that we were willing to commit. So we committed \$1.2 million for three years, which would meet this tuition grant of \$800 per child for the next three years.

We made this commitment to help the low-income and minority children to get a better start on education, because we thought there was probably nothing that would be as important that we could do. It is very common for corporations to make grants and for a building or Chair to be named for them so their names are perpetuated. But we believed that if we were really interested in doing good, we ought to help the children get a better start in life. It is our impression that if they do not get the fundamentals in the beginning, remedial education does not work very well. I am not saying remedial help does not work at all, it just does not work as well as getting it right the first time. So we decided we would fund the fundamentals so that they would get it right the first time.

Golden Rule Insurance Company writes group life and health insurance, but as far as we know, we are the largest provider of individual health insurance. If you happened to leave your employer and go to work for yourself and were buying individual insurance, you would very likely be buying it from us. And, of course, we employ a lot of people in clerical roles.

Now we have been joined by a number of other companies that are deciding that funding tuition is a good thing. Approximately 800 children are funded.

I want to tell you how we have positioned it. We have positioned this as assistance to the children and to the parents. This is not intended to be an attack on the public school system. We have not disparaged the public school system, but let me tell you what the community in Indianapolis knows, because they read it on the front page of the newspaper. The empirical evidence is that the test scores—Indiana has a state-wide testing program called ISTEP—of the children in the private schools are much better than those of the children in the public schools.

Public School Police. I am told that the public schools in Indianapolis have the third largest police force in Indiana. Indianapolis has the largest police force, Evansville has the second largest, and the third largest police force in Indiana is operated in the public schools to control violence in the public schools. And we know that on the front page of the newspaper they are telling about dogs that sniff for drugs, and that is not happening in the private schools.

So one of the things we learned after we started this program is the response of the parents. The parents who are involved are delighted and it appears that their response is, "My child is working harder. I like the environment and the fact that my child is safer." Either in reality the child is safer, or the child and the parent feel safer, which is probably the same thing. But as we have positioned it, we are granting help to parents and children so that they can go to another school if they choose to; and of course, when they do, they have to pay half. Now because of this "cheaper-by-the-dozen" phenomenon, the cost to the parents is not actually averaging \$800 a child. It is \$800 for the first child, and maybe as indicated at the church where I go, the tuition is \$90 for the second child.

I want to tell you about the possibility for replication of the program. We are providing to anybody that wants them, complete copies of all of the documents that we have created. When we created the program we had a form that was this long and had many questions on it—Social Security, where the parents worked. So help me, we may even have had their shoe sizes on the form. But what did we need with all this information? All we needed really was to find out: did they live within the confines of the Indianapolis public school system; did they qualify for the reduced-cost lunch program, and was there a non-public school system that would take the child?

By the way, as far as I know, except for the few elite schools, the other private schools take the children without any criteria applied. They just take them if they apply and if they can pay the tuition. So, as far as I know, the non-public school systems are not testing the children to go, but we developed a very simple form.

Spreading to Other Cities. As to the matter of replication, we are giving to other cities and other groups of people copies of anything we have done—the articles of incorporation, the by-laws, the application form, the question and answer sheet that we produced, and so on. We believe that a number of cities are going to be replicating the program. I am going to Lansing, Michigan, next week to speak at the opening day of a choice charitable program that will take place in Detroit and Grand Rapids, I believe. The reason for going to Lansing is that it is the capital of Michigan.

I understand that today—on April 15th—San Antonio, Texas, is announcing with public display their choice charitable program for this coming year. They have a couple of prosperous corporations that are providing the foundation funding, but yet a number of other corporations and individuals are participating.

Next month I am going to Atlanta, Georgia, to speak on the subject. I am also going to Cleveland. All of these have a program started up, and hopefully it will generate enough funding that it will be able to go next year. I do not wish to leave Chicago out, because Chicago is close to us. A man by the name of Patrick Keleher is a leader in an organization called “TeachAmerica” in Chicago, and it is putting together a choice charitable program for next year.

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