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The Evolution of School Choice in San Diego

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We thank many district administrators for providing useful insights into San Diego's school choice program, in particular Superintendent Alan Bersin, Sandra Robles, Brian Bennett, Karen Bachofer and Susie Millett. We are also indebted to Lorien Rice who is working with us on a multi-year school choice project, and whose research efforts have greatly informed this paper.

INTRODUCTION

A half century ago, in 1954, the *Brown v. Board of Education* decision set a national precedent by calling for strong measures to equalize the quality of education given to black and white students. Similar court cases soon sprung up around the country, including California. In the 1977 *Carlin v. Board of Education* decision, the California State Supreme Court determined that 23 San Diego schools could be considered segregated and ordered the San Diego Unified School District to develop a plan to integrate these schools. Unlike other large cities, San Diego was allowed to pursue this goal through the use of *voluntary* busing and magnet school programs.

As a result of *Carlin* and related court cases, San Diego implemented a broad range of measures designed to promote integration and to provide better opportunities to non-white students. Among these were the Voluntary Ethnic Enrollment Program (VEEP) and the establishment of magnet schools, both of which enabled students to choose schools outside their neighborhoods in the hopes that the resulting transfers would create a balanced racial mix in the district's schools. Today the VEEP and magnet programs, along with a state-mandated open enrollment program known as School Choice and the more recent creation of charter schools within the district's boundaries, form a complex web of public school options available to the district's students.

However, with California voters' 1996 passage of Proposition 209, which prohibits the use of race as a factor in hiring practices, college admissions, and contracting, the VEEP and magnet programs can no longer use a student's race as a factor in granting transfers. The district must now employ more indirect and less effective methods of promoting integration through these programs.

Meanwhile, the district's shifting demographics made integration, at least with white students, a moving target. During the mid-1970s, about 75 percent of the students in the district were white. Today whites, at about 26 percent, are in the minority, with the district being comprised of predominately non-white students and Hispanic students, at 41 percent, composing the largest ethnic group. Though certain ethnic groups are no longer considered a minority in size, they still trail white students in standardized test scores.

Despite the fact that whites are now outnumbered by Hispanic students, the district still sees racial integration as a motivating rationale behind these programs. But the choice programs have survived at least in part because policymakers have come to see public school choice as serving additional related purposes. San Diego administrators view school choice as a way of reducing inequality in educational outcomes more generally. Nationally, many proponents of school choice view it as a means of injecting market incentives into the public system. The theory is that competition among schools for students, even within just the public system, will force all schools to improve their performance in a bid to attract or at least retain students. That is the rationale behind the choice provisions of the federal No Child Left Behind Act of 2001 (NCLB), which mandates that school districts offer alternatives to children in schools that fail to make what the law terms “adequate yearly progress.” Another argument in favor of school choice is that students from traditionally underserved groups would benefit if surrounded by higher-achieving peers. Recent research has produced solid evidence in San Diego and elsewhere that the achievement of a student’s peers has a direct and positive impact on his or her own rate of learning.¹

Yet to date we know relatively little about the impact public school choice has on school performance and student achievement. Policymakers need better information on the overall impact of these programs as well as their success or failure at reducing achievement gaps among ethnic and socioeconomic groups.

San Diego’s long experience with public school choice makes the district a particularly interesting venue for implementation of these programs. It has also given the district a significant head start in implementing the choice provisions of NCLB. At the same time, however, the growing popularity of NCLB choice in San Diego has raised serious questions about how the various historical layers of school choice fit together. It seems quite likely that the coming years will see the streamlining of what has become a very complex choice system.

The main goal of this paper is to describe the workings of the multiple forms of school choice in San Diego. For readers outside San Diego, especially those who administer school districts with less experience in implementing school choice than San Diego, there are some important insights to be gleaned about the potential benefits and

pitfalls inherent in public school choice. The San Diego experience also has the potential to inform the national debate over NCLB. Administrators in the district repeatedly and forcefully state their support for the overall objectives of the NLCB school choice provisions. Yet early experience in the district suggests that some relatively simple tweaks to the federal law would make it more effective. Indeed, in some major respects the district's pre-existing mechanisms for providing choice seem both more equitable and financially and administratively more efficient than the new system created by NCLB.

HOW SCHOOL CHOICE WORKS IN SAN DIEGO

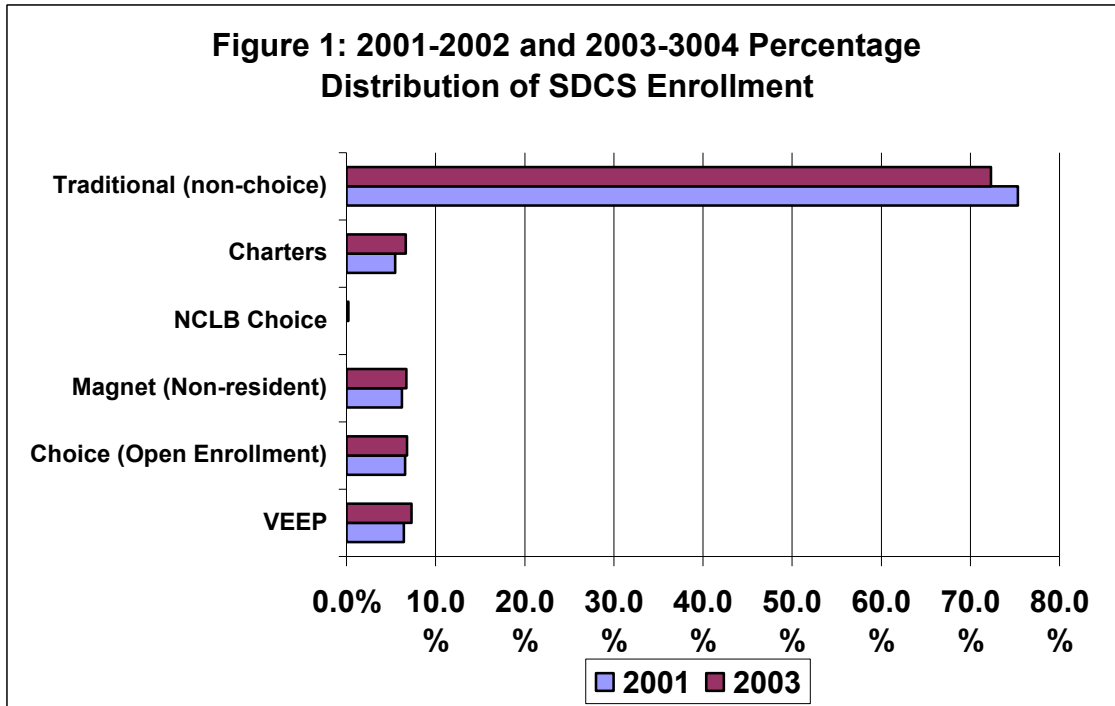
For students who live within the boundaries of San Diego City Schools and wish to attend a public school other than their neighborhood school, there are five options available: magnet schools, the VEEP program, the School Choice program, which is the name for the state-mandated open enrollment program, the NCLB choice program initiated in fall 2002, and charter schools. A separate paper in this volume provides detail on charter schools. We discuss them here so as to provide a comprehensive bird's eye view of the overall choice system.²

The district distributes a detailed glossy brochure to each family early in the school year, advertising the various choices available. Parents then have until mid March to apply to any of the pre-existing choice programs. Where necessitated by over-subscription, the district holds a centralized random drawing to determine which student applicants will be accepted to a given school and program. (Except for three charter schools converted from regular public schools, the district does not process applications for the remaining 18 charter schools.)

Students are free to apply any VEEP, magnet, open enrollment and charter schools in a given year, although typically a student will apply to one school in one program in a given year. All four options are readily available to elementary, middle and high school students. To be eligible for NCLB choice a student must be attending a school that has been designated as Program Improvement because it has failed to meet requirements of California's definition of Adequate Yearly Progress for two years in a row.

As illustrated by Figure 1, roughly one in four SDCS students attends a school outside his neighborhood through one of these choice programs. The percentage of students in choice programs rose slightly from fall 2001 to fall 2003 from 24.7 percent to 27.7 percent. Enrollment shares rose in all five choice programs, but the biggest gains were in the VEEP program and charter schools. Between fall 2001 and fall 2003, the enrollment shares for VEEP and charters rose from 6.4 to 7.3 percent and 5.5 to 6.6 percent respectively. NCLB choice did not begin until fall 2002, and by fall 2003 enrollment in this program had risen to only 0.2 percent of district enrollment. Based on applications for fall 2004, enrollment may rise to 0.5 to 1 percent in 2004-2005. Although its enrollment share is quite miniscule, the NCLB choice program could figure largely in the future reconfiguration of school choice as a whole in San Diego.

We now discuss these programs in turn.



Magnet Schools

At its inception, the goal of the magnet schools program was to attract students from primarily white areas into non-white areas by offering specialized curricula and additional resources such as reduced teacher/student ratios, teaching labs, field trips, and

so on. Two examples of these magnet schools are the Language Academy and the School of Creative and Performing Arts. The Language Academy serves students in grades K-8 and specializes in bilingual education in both French and Spanish. Students who begin in the lower grades receive instruction almost entirely in French or Spanish for 2 or 3 years, gradually receive more instruction in English, and then continue with humanities in a foreign language for grades 7 and 8. The School of Creative and Performing Arts offers comprehensive study in visual and performing arts. The Language Academy and the School of Creative and Performing Arts derive 58% of their new students from cluster 4, the areas with the fewest white students.

In some cases magnet schools attempt to create flows in the opposite direction, into schools in predominately white areas. The students are allowed opportunities they would not otherwise be able to obtain through their regular school. Magnet schools also improve the diversity of the student body and enable students from different parts of the city to interact with one another

As of the 2003-2004 school year, 23 magnet schools operated in the district, with 14 elementary schools, 2 middle schools, 3 high schools and 4 operating across multiple grade spans. There has been a sharp reduction in the number of magnet schools over the last few years, from 45 in 1998 to 23 in 2003. But some complexity underlies this overall trend. For example, between fall 2001 and fall 2003 the number of magnet programs fell by 6. During this period, 7 magnet programs were shut down, one school gained a magnet program, and 2 of the 7 schools that lost their magnet programs maintained their pre-existing charter school programs. In spite of the reduction in the number of magnet programs, their enrollment share actually inched upward over the 2001 to 2003 period as shown by Figure 1.

In an interview, Superintendent Bersin referred to the district's 2002 report on magnet schools as part of the reason for the revamping of the magnet program during his tenure. In Bersin's view, "The Blueprint...evaluated all programs from the standpoint of improving academic achievement among students and discontinued programs those that didn't produce return in investment. Magnets were an obvious candidate for this analysis and many, many magnets were closed down....if a magnet program produced neither

racial integration nor student achievement then it would no longer continue to exist.” We discuss this district report below.

If the major reduction in the number of magnet programs is the most important recent change to the magnet program in recent years, probably the second most dramatic change involves how student eligibility is determined. Prior to fall 2000, magnet schools used a student’s race (defined simply as white or non-white) to determine eligibility for the program. Because of Proposition 209, the district can no longer take a student’s ethnicity into account when admitting students to magnet schools. Any student who resides within the district’s boundaries may apply to a magnet school, and priority lists for admission are sorted by random number.³ However, the district admits students into magnet schools through a process that is intended to encourage greater integration. Magnet schools accept students based on which of four clusters of schools they would otherwise attend. All schools in the district are put into one of four clusters. The clusters are sorted by racial composition, with cluster 1 having the largest percentage of white students, and cluster 4 having the largest percentage of non-white students. Magnet schools with a large percentage of white students first accept applications from students living in cluster 4, then 3, 2, and 1. Meanwhile, schools with a large percentage of non-white students, such as San Diego High, accept applications in cluster order 1, 2, 3, and 4. However, within clusters, applicants of all races and ethnicities are given the same priority, and lotteries are used to decide who is admitted to oversubscribed schools.

The district provides free transportation to magnet schools for district students who attend a magnet school outside of their neighborhood and have a walking distance greater than two miles. These students are termed “non-resident” students.

As shown in Figure 1, non-resident attendees of magnets account for approximately 6 percent of the district enrollment, of roughly 140,000 students. In the last few years non-residents have accounted for one-third to one half of total enrollment at these magnets, with the other students attending the school because it is in their local attendance area.

Demand for these programs remains high, and not all students can be accommodated. For instance, in 2001-2002, there were 17,621 applications to magnet schools from 11,368 applicants, for 2217 open slots.

Voluntary Ethnic Enrollment Program

Magnet schools exist in all areas of San Diego, and serve to integrate schools by creating flows of students both from and to mostly white neighborhoods. The VEEP program works in a similar way, but typically attracts students from primarily non-white neighborhoods to schools in primarily white neighborhoods. The main objectives are to create more diversity among students in the receiving schools, and to improve achievement among VEEP students by enabling them to attend higher-performing schools with high-achieving peers. Much of the movement between sending and receiving schools is across Interstate 8, which runs east-west through the city, dividing the northern, largely white areas from the southern, minority areas. Generally speaking, achievement at schools north of Interstate 8 has been higher on state tests.

VEEP, unlike the magnet program, limits the choices available to each student. It does this by offering students in traditionally “VEEP-sending” schools a short list of VEEP-receiving schools to which they can apply. (Students from traditionally receiving schools can apply to attend a VEEP-receiving school in their list, but this seldom happens.) The district creates many of these small VEEP “allied patterns” so as to keep the number of bus routes to a financially manageable level.

Because VEEP is rooted in the court desegregation orders emanating from the *Carlin* case, sending and receiving schools are grouped into a VEEP allied pattern so that a movement of a non-white student from a sending school to a receiving school improves integration at both schools (for instance by decreasing the percentage of students who are white at the receiving school and increasing this percentage at the sending school). Until fall 2000, a student in a school with low percentages of white students could apply to VEEP only if he or she were not white. However, with the passage of Proposition 209, for the last several years the district has allowed students of *any* race to apply to the VEEP program. Thus, the nature of the VEEP allied patterns still tend to lead to racial and ethnic desegregation, but not as strongly as in the past because, for instance, white students at VEEP-sending schools can now apply to leave for schools that typically have a greater share of white students than their current schools.

The program is open to all students who reside within a specific boundary of a school with a VEEP pattern. For instance, students whose neighborhood school is Euclid Elementary are allowed to apply to one of eight other elementary schools. VEEP students at the elementary level follow the same feeder pattern as their classmates in their new school, rather than having to return to their neighborhood for middle and high schools.

Receiving schools, in conjunction with the district's Enrollment Options Office, determine the number of slots available at the school each year. As with the magnet program, demand for this program remains strong. In 2001-2002, there were 8,099 applications from 5,636 applicants, for a total of 2064 available slots.

Students who are bused from a VEEP-sending school face a number of challenges when they arrive at their new school. Among them are an apparent achievement gap between white and minority students within the school; cultural differences; socio-economic differences; and loss of personal time by having to be bused. However, students who enroll in VEEP will interact with a new set of peers and teachers who may boost their learning.

The application process for VEEP is similar to magnet schools: students who apply before March 15 are given first priority and siblings of students currently in the program are at the top of that list. Wait lists do not carry over from year to year, so if a student is not accepted, that is, does not "win" the random lottery, he or she must reapply the following year. Admission is also based on availability, with the highest achieving schools typically having the fewest number of openings due to demand. As with magnet schools, the district provides transportation.

School Choice (Open Enrollment) Program

The third choice program operating in SDCS, the district-wide School Choice program, provides any student in the district with the opportunity to attend any school within the district's boundaries. To prevent confusing this with the other forms of school choice in San Diego, we will refer to this as the open enrollment program. It is mandated by state law passed in 1993 as a way of increasing the options for every student. The law envisaged many reasons why a student might want to move between districts, such as to

allow for recent or impending moves across district lines, to provide specialized courses or environments, to provide a haven for victims of violent crime that occurred while on school grounds, and for elementary school students only, to assist parents with finding local after-school child care, or a school near the parent's place of work. In practice almost all open enrollment transfers in San Diego occur within district, although some students living outside the district participate.⁴ The drawbacks of this program include space limitations and the lack of district-provided transportation. This latter problem creates a more substantial obstacle for low-income parents who may not have a vehicle, or whose work schedules do not permit them to drive their children long distances to school. At high-achieving schools, open seats are scarce and interested students are frequently placed on waiting lists. Much like the magnet and VEEP programs, siblings of currently enrolled students receive priority admission and students who attend schools outside their neighborhood are allowed to continue in the same feeder pattern.

In 2001-2002, there were 12,705 applications from 8,311 applicants for 3045 new slots. Because students are allowed to apply to as many schools as they wish (with the exception of magnet schools), some students applied to more than one school with the hopes of being accepted into at least one school.

Charter Schools

Charter schools, publicly funded schools that operate more independently of the school district than a regular public school, are an increasingly popular alternative to the traditional school. These schools obtain their charters from the district. The district is responsible for providing oversight of the schools. (Under state law, charter schools are exempted from parts of the California education code but still are subject to many regulations.) During the 2003–04 school year, 21 charter schools were operating within the district's boundaries; they served 9,080 students, or about 6.6% of the total number of students attending public schools within San Diego's boundaries. This represents a 24 percent increase in charter school enrollment since the 2000–01 school year.

DISTRICT REPORTS ON SCHOOL CHOICE

The Program Studies office in SDCS's Standards, Assessment, and Accountability Department has produced reports of both the VEEP program and the magnet program. To a certain extent these reports conform to a format requested by the court during the years when the district's desegregation efforts were still under court supervisions. No studies of the Choice (open enrollment) program or charter schools have been performed recently.

The most recent report of the VEEP program was published in July 2003 (Program Studies Department, 2003).⁵ This careful report focused primarily on the extent to which VEEP schools promoted integration and narrowed the achievement gap. It used data encompassing the 10-year period from 1992 to 2002 to look at trends in enrollment and test scores. The report provides evidence that VEEP has integrated receiving schools, and mixed evidence on student achievement.

In 2002 the Program Studies Office released a report of the magnet schools in the district. This report⁶ (Program Studies Department, 2002) was similar in nature to the VEEP evaluation in that it attempted to ascertain the extent to which the magnet program achieved the overall objectives of integration and closing the achievement gap between white students and African American and Hispanic students.

COMPETITIVE EFFECTS OF SCHOOL CHOICE

As mentioned in the introduction, one of the commonly cited benefits of school choice is that it forces all schools to improve for fear of losing students to competitors. However, if part of the benefits of competition derives from competition *between* districts, the programs of primarily intra-district choice that exist in San Diego would not necessarily produce the full potential benefits.

If data on the impact of choice on integration and the direct effect of choice on choice participants are currently quite limited, as implied by our above summary, then virtually nothing is known about these hypothesized effects of competition on schools. We asked several district administrators if they had seen any evidence that would point in favor of or against the competition hypothesis. None knew of any evidence at all. This is not surprising as probably the best way to test this hypothesis is to go outside a single district and to compare districts with varying degrees of choice.

The most relevant statement by a district official was that under the various choice programs staff at “schools with long waiting lists” are proud of the demand for places at their schools, while staff at schools that tend to lose students to other schools “feel badly”. Of course, we have no way of knowing whether staff at the sending schools who feel badly about the losses of local students react by working to improve their schools.

THE ARRIVAL OF NCLB CHOICE

Under the federal NCLB law, schools that fail to meet Adequate Yearly Progress are listed as needing improvement. In California such schools are called Program Improvement (PI) schools. In the first year of PI status, students at those schools are eligible to apply to be bused to other non-PI schools. In the second year of PI status, schools must also allow students to apply for supplementary services (free tutoring).

Betts and Danenberg (2004) provide a detailed analysis of how San Diego has implemented the NCLB choice provisions, based on district data and interviews with two dozen respondents including district administrators, principals and representatives of several community-based organizations that both work with the district and lobby the district on behalf of students from various racial, ethnic and language groups.⁷ Here we will highlight selected findings of the Betts and Danenberg study and provide an update on this new flavor of school choice in San Diego.

SDCS received regulations from the state department of education as to how to implement NCLB in June 2002. Given the need to contact parents in affected schools and design busing plans in the space of three months, not many students opted for NCLB choice in the 2002-2003 school year. Betts and Danenberg report that in the first year, 72 students filed 90 applications for busing under NCLB and 24 (one-third) actually enrolled. In the second year, 480 students (about 1 percent) of eligible students filed 600 applications for a transfer by August 2003. As of late October 2003, approximately 300 of these students had accepted the district’s offer of bus service to a higher-performing school. Overall, the percentage of eligible students who applied for NCLB choice in 2003-2004 was 0.5 in elementary schools, and 1.4 and 1.5 in middle and high schools

respectively. For the 2004-2005 school year, applications grew, to roughly 3000 from 1650 students.⁸ The district will not know actual transfer percentages until late fall 2004.

The national press has been replete with stories of low participation rates for the NCLB choice program. On the surface SDCS fits this description, but in fact the participation rates by the second year in SDCS were higher than in some other large districts around the country. In addition, the fact that prior to the start of NCLB choice, fully one out of four students had already enrolled in one of the four pre-existing choice programs will naturally have blunted the demand for this new form of choice.

To the extent that NCLB choice numbers have grown more quickly in San Diego than in some other jurisdictions, what are the likely causes? Clearly, SDCS had a major advantage implementing NCLB choice compared with districts that lacked pre-existing busing systems. The district was able to piggyback the new program on top of VEEP busing patterns as far as possible. This reduced planning headaches and in fact saved money by integrating bus routes between the two choice systems to a large extent.

Although the district's existing busing infrastructure greatly helped it to speed the introduction of NCLB choice, tensions have clearly arisen. Betts and Danenberg (2004) report that some parents have taken exception to the district's decision to give NCLB choice applicants priority in busing over applicants for the VEEP and magnet programs. To date, the conflict has mainly concerned timing – in the past the district has received applications for VEEP and magnet programs up to March, then held a series of computerized random drawings, assigning students to new schools in May and June. With the advent of NCLB choice, these decisions have had to be delayed in some cases. NCLB choice decisions are made first, and with the state releasing new lists of PI schools only in late August each year, SDCS has to make some very late-summer decisions about NCLB busing. Additionally, in consonance with intent of NCLB, the district now gives VEEP and Magnet applicants from PI schools preference over most other applicants. We suspect that in the future tensions between NCLB choice and both VEEP and the magnet program will become much more severe, as the number of NCLB choice applicants grows to the point where it rivals the applicant numbers for these pre-existing programs.

And as much as the existing busing system helped the district implement NCLB, the layering on of yet another busing pattern has stretched the system to its limits. As

Superintendent Bersin says, “We have ended up with a transportation software system that is more complicated than United Airlines.... You know, it is now a common joke that any time I ask for one change in one transportation route I get the same number: ‘That will cost \$563,000’!” The district’s transportation system is now undergoing a complete overhaul, rationalizing bus routes in order to prepare for the growth of NCLB choice. Bersin says that the new routes, due to be implemented in fall 2005, will pay more attention to students’ developmental needs, with elementary students beginning their day at one time, middle school students at a later time, and high school students at a still later time.

The ways in which schools are chosen and students are chosen for the pre-existing choice programs differ substantially from the methods used for NCLB choice. In some respects, the older system seems better designed than the federal NCLB system. Consider first the selection of schools. The district selects certain schools to be magnet schools, with distinct features, or VEEP-receiving schools, and changes these patterns little from year to year. In contrast, the first year that a school is designated PI, its students become eligible for NCLB choice. PI status is announced in late August based on schools’ results on the prior spring’s state-mandated tests of student achievement. The scheduling problems are immediately obvious: district officials have barely two weeks to design new bus routes for newly designated PI schools, to inform parents, and to collect and process applications. The system seems almost designed to fail. This problem likely occurs throughout California and other states that test students in spring and are unable to release lists of so-called failing schools until late summer.

A more deliberate system of bringing new schools into the NCLB choice program would make administration simpler, and based on comments Betts and Danenberg (2004) heard from parent groups, it would also reduce parents’ confusion about NCLB choice.

Betts and Danenberg make a specific suggestion in this regard, which is to reverse the order in which the federal law calls for the introduction of choice and supplementary services. The NCLB law dictates that in the first year a school is designated as “failing” choice must be provided, and that in the second year, students in that school must be offered supplementary services. A simple fix suggested by Betts and Danenberg would be to mandate supplementary services in the first year and choice in the second year.

This is simpler to implement because the provision of tutoring is far easier to organize in a few weeks than is a new set of bus routes.

This reversal of policy would also allow the district to recruit students for NCLB choice in much the same (and relatively more thorough) way that it already recruits students for the VEEP, magnet, and Choice programs, through outreach such as its annual mailing to parents of a brochure detailing all types of choice.

It is easy to see how the proposal for reversing the provision of choice and supplementary services would allow the district to advertise NCLB choice in the same way. If a school were designated PI in late August, the district could plan and advertise choice provisions for that school that fall, with the first transfers to begin in September of the following year. Of course, this approach would have the drawback that it would hold back the choice provision until a year after a school was designated PI. But it would facilitate planning, improve the “advertising” of NCLB choice, and could reduce the considerable confusion among parents about the NCLB choice program.

Another problematic aspect of NCLB choice is that the resulting transfers of relatively low-scoring students to receiving schools could quite mechanically throw these schools into PI status, because of declining overall or subgroup scores. Interestingly, the district is taking this possibility quite seriously, and has set target levels of transfers to each receiving school for 2004-2005 that are designed to ensure that receiving schools do not become labeled as needing improvement. These are meant to be guidelines only, and apparently are currently non-binding. We return to this important policy issue in the conclusion.

THE FUTURE OF SCHOOL CHOICE IN SAN DIEGO

In an interview, we asked SDCS Superintendent Bersin to forecast trends in school choice for the district. According to the Superintendent, the future of school choice may likely be smaller schools and more schools from which to choose. We will likely see more of the focused, career-oriented schools that teach a vocation or skill that students would be able to carry into the job market. Bersin suggested that high schools could differentiate themselves by creating real pathways to careers, attracting students with similar interests who are planning to enter the workforce following high school.

The San Diego Metropolitan Regional Career and Technical High School is an example of this.⁹ Starting in September 2004, this school will focus on small enrollments, internships, and college classes for high school students. The overall focus is to develop career interests through professional internships in a small-school setting, where no students fall through the cracks.

Bersin would also like to see more magnet schools in the future, in spite of the reductions under his watch. He likes how magnet schools draw students from various regions of the city, create diversity in the student population, and establish solid academic programs that are *varied*. He believes magnets should not have boundaries and should draw students from all over the district. He also cites Longfellow Elementary School's Spanish Language Immersion Program, the School of Creative and Performing arts (SCPA), and the language academies as examples of magnet schools that work. Those schools are, in his words, "wonderfully diverse" and have "high academic programs."

Integration has receded as a goal at the elementary and middle school levels in light of the changes wrought by NCLB and the passage of a bond measure for new school construction. To the extent that NCLB is expected to grow, it may decrease the number of students currently participating in the VEEP program. Meanwhile, Proposition MM was passed in 1998 as a bond measure to modernize existing schools and to build 16 new schools in the district. According to the Superintendent, the proposition originated as a means of responding to minority communities' desire for new *local* schools to alleviate problems of overcrowding. One of the benefits is that lower SES communities will receive new facilities. However, an unintended side effect will be to diminish the demand for VEEP busing, as children who are currently bused to other schools decide to stay in their new neighborhood schools. This may serve to resegregate certain communities.

Another recent trend is that the district has closed and re-opened three relatively low-scoring schools in Fall 2004 as three high school "complexes" housing a total of 14 separate academies. Each has its own curricular theme, but what these new "schools within schools" have in common is a smaller student body, and multiple reforms designed to enhance a sense of community and contacts between teachers and students. These reforms are funded in part by the Bill and Melinda Gates Foundation. In an

interview we asked Superintendent Bersin whether he viewed these reforms as a means of increasing the competition among schools within the district, thereby improving all high schools through the enhanced competition. He made clear that although increased competition was certainly a factor, it was very much a secondary reason for adopting the reforms. The most important reason he cited was a need to address his concern that the district's Blueprint reforms to assist students lagging behind would fare better at the high school level if high schools were smaller, ensuring greater contacts between individual teachers and students.

CONCLUSION

School choice in SDCS has a long history. We have argued in this paper that this history is something of a double-edged sword. When the federal NCLB law was implemented in 2002, the pre-existing transportation infrastructure in San Diego did much to facilitate NCLB choice. District administrators wisely piggybacked NCLB choice on top of existing bus routes created under the VEEP program. Although the pre-existing SDCS choice programs have helped in the short run, in the long run, as student demand for NCLB choice inevitably grows, it remains to be seen whether these older forms of school choice can survive unchanged. The second largest district in California and the eighth largest nationally, SDCS inevitably has developed a very complex planning system that coordinates bus routes and school bell times. This complexity makes even small changes very difficult to make. In the long run, it seems quite conceivable that VEEP may be subsumed into the small but rapidly expanding NCLB choice program, because of the sheer difficulty of planning. No district official explicitly predicted this outcome, but it seems like a quite logical possibility.

Would this be a good thing? We don't think so. One important advantage of the VEEP system is that parents can plan for their children's schooling years in advance, as the VEEP "allied patterns" of schools are seldom changed. Once in this program, a student has an assured feeder path as she progresses from elementary to middle and then high school. By contrast, by its very nature, the set of PI schools from which students can elect for NCLB choice will change from one year to the next, based on the previous spring's test scores. The advantage of the NCLB approach to choice is that it provides a

rapid response to deteriorating academic conditions at a given school. The disadvantage is that schools can bounce back and forth from PI to non-PI status in successive years. This makes it very difficult for parents to know whether, if they opt for choice, their children will have a steady, predictable set of school options for the rest of their school career.

Notably, one of the reasons why SDCS piggybacked NCLB choice on top of the VEEP system was to allow parents some continuity. District officials reported to Betts and Danenberg (2004) that a likely scenario will be that a student opts to attend a certain school under NCLB choice, only to have that school designated PI because of the subsequent underperformance of one or more subgroups at that school. That school will automatically become ineligible to receive students under NCLB, but in many cases it will continue to be a VEEP receiving school. For parents who like the school, they will often have the option to keep their child there by applying to the VEEP program. For this reason alone, dismantling VEEP would arguably reduce the quality of the overall SDCS school choice programs.

What are some take-away messages for administrators in other districts, and for policymakers in Washington? For other districts, the idea of selecting small groups or clusters of sending and receiving schools could be helpful in designing bus routes that are financially feasible while still providing genuine choice under NCLB. For any district that has a pre-existing transportation system, finding complementarities with NCLB choice in this way seems pragmatic. For districts that prior to NCLB lacked any busing system, there is reason to take heart. Many such districts have struggled to implement NCLB choice, but in the long run they may have a “latecomers’ advantage” in the sense that they can design choice from the ground up. It is indeed quite remarkable that SDCS officials view NCLB choice as providing an “opportunity” to re-build their transportation plan.

The SDCS experience also provides good tactical advice to other districts that are concerned about the NCLB choice option throwing receiving schools into ‘failing’ status. This concern, voiced by many administrators to Betts and Danenberg (2004), stems from the idea that large inflows of low-scoring students into a receiving school under NCLB choice will mechanically lower that school’s test scores. In recent months, district

officials have worked extremely hard to design target transfer numbers for each receiving school that would prevent receiving schools from falling into PI status solely because of inflows of students under NCLB choice. Barring a reform to the provisions of NCLB, other districts would do well to follow suit.

Perhaps a more important message for other districts is that SDCS provides proof that if parents are offered school choice they will jump at it. In 2003-2004 slightly more than one out of four students was in some form of choice program. That charters, magnets, open enrollment and VEEP have successfully co-existed in SDCS also implies that choice by its very nature is heterogeneous. Administrators we interviewed were very supportive of NCLB choice, but it is crucial to realize that providing additional flavors of choice could make a real difference for some families. The primary goal of NCLB choice and VEEP is to transfer students voluntarily to schools that have higher achievement levels, albeit it typically a similar overall curriculum. VEEP, unlike NCLB choice, has historically had the supplementary goal of boosting racial and ethnic desegregation. Many parents value this option. Charters and magnet schools are quite distinct from both VEEP and NCLB choice, in that they provide school cultures and academic focal points that can differ quite sharply from the district norms. All of these forms of choice serve valuable purposes, and it would be useful for districts to offer a variety of choice programs. NCLB choice by itself may be helpful but insufficient.

Another message for policymakers in other districts is that it is quite difficult to evaluate systems of school choice. Our summary of San Diego's own reports on the VEEP and magnet programs suggests that we have limited information on the extent to which the various programs promote integration or boost the achievement of "choosers". Further, we quite literally have no information on whether the tonic of school competition in San Diego has in fact improved performance at the schools that typically lose students to other schools. Superintendent Bersin reported to us that magnets were closed down if they failed to integrate the school or to boost test scores. While these past decisions to close down many magnet programs could be perfectly correct, our own reading is that the limited data marshaled by the district to present does not yet provide convincing evidence either way. The policy upshot is that given the contentious nature of school choice, it

behooves districts elsewhere to design their school choice programs with evaluation in mind.

In particular, to evaluate the impact of choice on the achievement of leavers, we would ideally use a lottery system so that researchers would have as a comparison group students who applied to leave but who were not randomly selected. This would provide a comparison group of similarly motivated students who did not leave their schools for purely random reasons related to a lottery draw. To its credit, the district implemented a series of centralized random drawings for VEEP, magnets and the open enrollment programs beginning in fall 2001. (In a multi-year project we are currently analyzing one year of these data to estimate the impact of the choice programs on achievement.) Research staff in the district clearly have the technical expertise to conduct such studies periodically, as well as the interest, but have not received the direction from senior administrators to allocate time for such a project. The nearly ideal lottery system designed by the district presents it with a rich opportunity for such a study that would prove helpful to the national debate on school choice.

For policymakers in Washington, our findings and those of Betts and Danenberg (2004) suggest ways to fine-tune NCLB's choice provisions. Giving districts more time to publicize and plan for entry of new schools into NCLB choice would reduce administrative costs and the considerable confusion that appears to exist among parents. One simple solution would be to reverse the order in which supplementary services and choice are offered at so-called 'failing' schools, so that choice would be offered in year two and tutoring in year one. This would give SDCS and many districts in a similar position several months to plan new bus routes and parents a half year or more to learn about their new choice options and to apply. A second inference from our study is that policymakers in Washington face a very difficult task: when introducing a new federally funded form of school choice, there can be all sorts of unintended consequences regarding some districts' pre-existing choice systems. Finding a way to provide more flexibility to individual districts that already have instituted similar choice reforms could prove quite helpful. For example, providing districts with a year to implement choice in newly designated Program Improvement schools, instead of one to two weeks, would lead to smoother implementation and less parental confusion. Another idea that would

allow parents continuity under NCLB choice would be to permit districts to continue pre-existing busing arrangements from school A to B even if school B should fail to meet AYP repeatedly for several years. This should not be a normal occurrence but could be allowed if the receiving school came reasonably close to meeting AYP across all subgroups. Similarly, if a school improved to the point where it no longer is a PI school, it would make sense to continue to allow use of federal NCLB choice funds for a limited time to continue to bus students from that school. This would provide some continuity for students and reduce planning costs for districts.

Finally, it should alarm federal legislators to know that at least one major district is actively planning limits on transfers to each receiving school under NCLB choice. These limits sometimes go beyond the normal bounds imposed by the number of available seats. The district is taking this action in a bid to prevent these schools from being labeled incorrectly as ‘failing’ schools. The district is merely acting in the best interests of students; the true long-term fix is for a change in the federal law. The re-authorization of NCLB should allow states to adjust a school’s test scores to take into account inflows and outflows of students related to NCLB choice (and other forms of choice). Such a reform could do much to increase public confidence in NCLB.

Endnotes

¹ See Eric A. Hanushek, John F. Kain, Jacob M. Markman and Steven G. Rivkin, *Does Peer Ability Affect Student Achievement?* (National Bureau of Economic Research Working Paper 8502, 2001), Hoxby, Caroline, *Peer Effects in the Classroom: Learning from Gender and Race Variation*, (National Bureau of Economic Research Working Paper 7867, 2000) and Betts, Julian R., Andrew Zau and Lorien Rice, **Determinants of Student Achievement: New Evidence from San Diego**, (San Francisco: Public Policy Institute of California, 2003).

² These programs are largely funded internally by the district. However, state funding for integration in the form of Targeted Instructional Improvement Grants contribute to some extent. Similarly, the district has a long history of garnering funds from the federal government for re-designing or opening new magnet programs.

³ First priority goes to those students who apply before March 15. Of those students, siblings of current students are given a higher priority. Schools then draw students at each grade level based on the priority number and their own capacity for accepting additional students. If students apply after March 15, they are added to the bottom of the priority list by date and time. Those applications are not assigned a random number, but are treated by priority type.

⁴ According to district staff, in a typical year, about 4000 students either opt into the district or out of the district under open enrollment, with typically about 1700 coming in and 2300 leaving the district.

⁵ Program Studies Department, *Report on Voluntary Ethnic Enrollment Program (VEEP) Schools* (San Diego City Schools, 2003).

⁶ Program Studies Department, *Report on Magnet Schools* (San Diego City Schools, February 2002).

⁷ Julian R. Betts and Anne Danenberg, "San Diego: Do Too Many Cooks Spoil the Broth?", in Frederick Hess and Chester Finn (Eds.), **Leaving No Child Behind? Options for Kids in Failing Schools**, (New York: Palgrave MacMillan, 2004).

⁸ Sandra Robles, Personal communication, July 2004.

⁹ David E. Graham, "High School with a Real-World Twist," *San Diego Union-Tribune*, July 7, 2004.
