

# Information and Exit:

## Do Accountability Ratings Help Families Choose Schools?

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# Accountability: The centerpiece of contemporary education reform

- Popular reform among policy-makers and public
- Logic: Measure performance and link to consequences
- Typical System:
  - Standards-based testing
  - Performance-based consequences (Direct)
  - Public release of performance reports (Indirect)

# Indirect Accountability

*“And now it is up to you, the local citizens of our great land, the compassionate, decent citizens of America, to stand up and demand high standards, and to demand that no child - not one single child in America - is left behind.”*

– President G.W. Bush upon passage of the No Child Left Behind Act in 2002

- The role of information:
  - School report cards reduce information costs
  - Parents use information to sort children (Exit)

# Florida School Report Cards

- School Grades: A through F
  - Readily interpretable
- School Grade Points: 600 point index
  - Amenable to RD estimation strategy

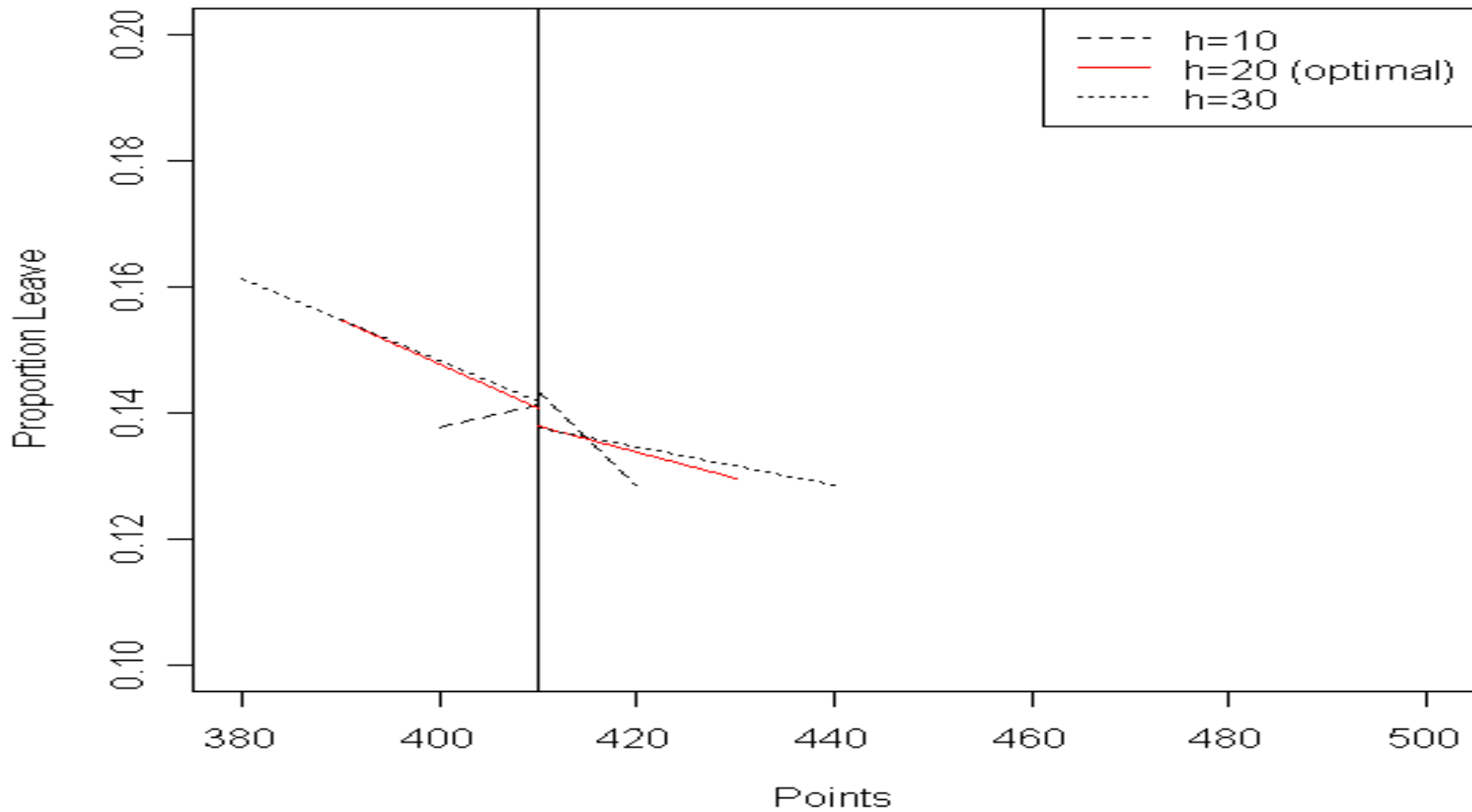
# Administrative Data

- Schools:
  - Grade and grade points
- Students (3<sup>rd</sup> through 10<sup>th</sup> grades):
  - School Attended
  - Grade
  - Gender
  - Race/ethnicity
  - Special education status
  - ESOL
  - Free/reduced lunch
  - Test scores

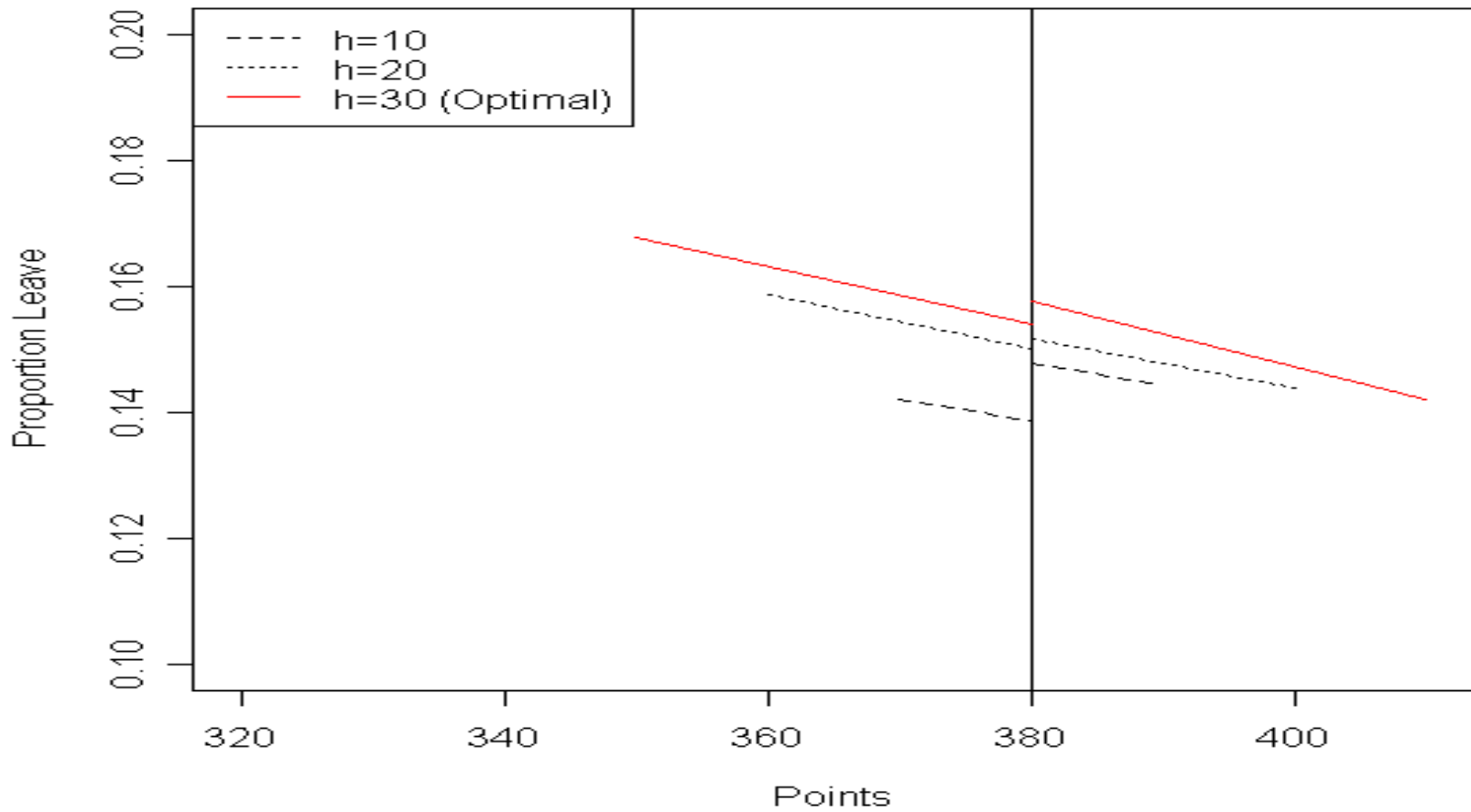
# Regression Discontinuity

- Series of local regressions around grade thresholds (Imbens and Lemieux 2007; Chiang 2008)
- Checks:
  - Bandwidth specification
  - Balance on covariate predicted values
  - Multiple bandwidths

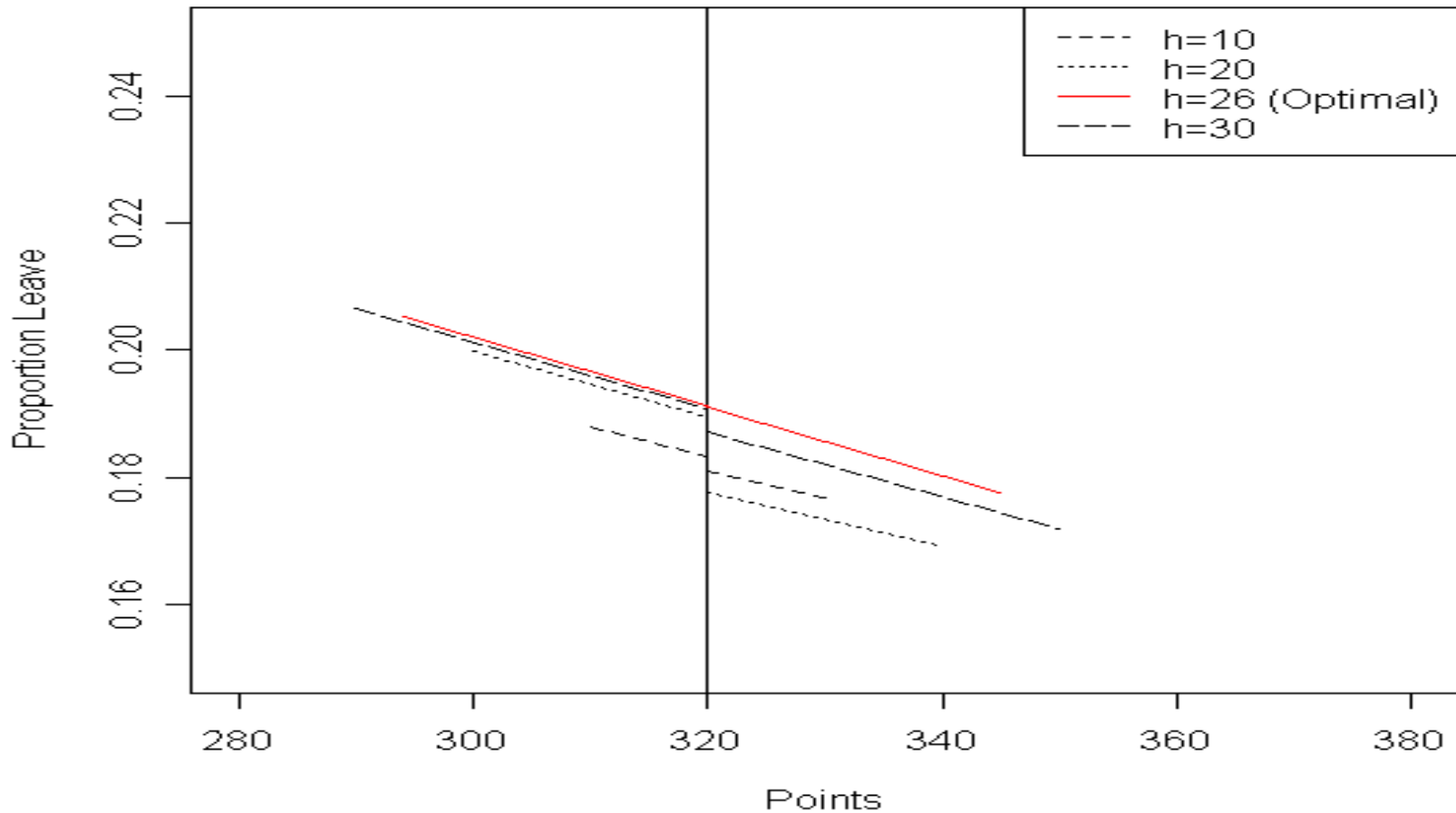
# A/B Discontinuity



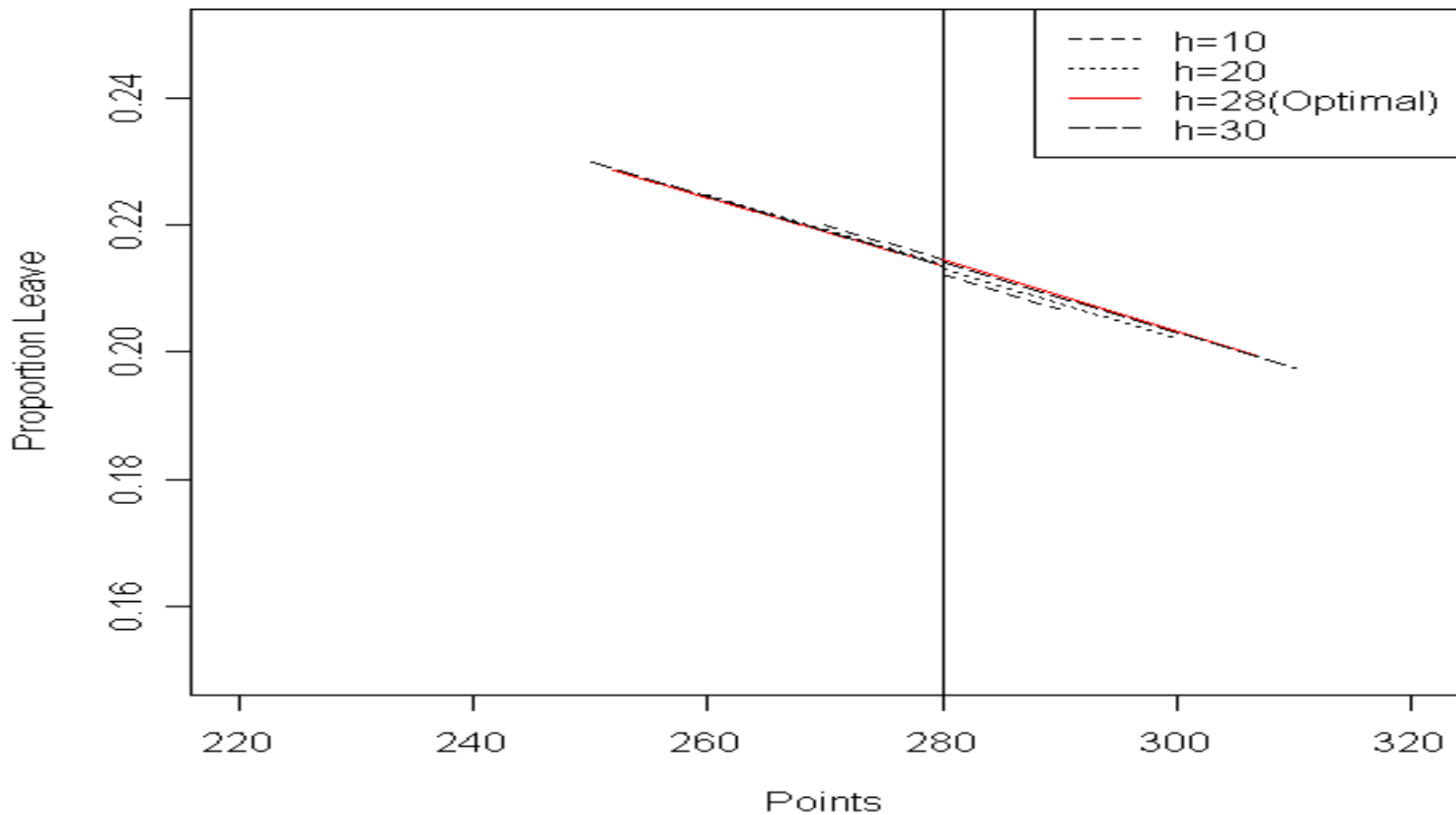
# B/C Discontinuity



# C/D Discontinuity



# D/F Discontinuity



# Estimates: From tables 2 through 5

Threshold	Coefficient	Difference in Predicted Probability
A-B	0.071 (0.185)	0.009 (0.173)
B-C	0.149 (0.095)	0.016 (0.010)
C-D	-0.064 (0.121)	-0.008 (0.015)
D-F	0.134 (0.176)	0.024 (0.031)

# Possible Explanations

- Information matters when condition on moves made for other reasons
- High costs of exit prevent use of the exit option

# Entrance: From table 8

Threshold	Estimate
A-B	0.004 (0.011)
B-C	0.007 (0.009)
C-D	0.001 (0.019)
D-F	-0.027 (0.026)

# Exit and Choice

- Institutional Provisions for Choice in Florida:
  - Public school choice
  - Vouchers for private school choice
- Estimated change in probability of exit for students in schools receiving an F grade and choice provisions: 0.381 (0.072)

# Conclusions

- No evidence for an effect on:
  - Exit generally
  - Exit by subgroup
  - Sorting conditioned on move for other reasons
- Some evidence for an effect on:
  - Exit when report cards accompanied with institutional mechanisms for choice that reduce cost
- Implications: What should be the policy emphasis?