

Vouchers 101: The Basics of Utah's New School Privatization Program

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Written by: Anna Thomas



For the first time, during the 2024-25 school year, Utah parents are able to access public taxpayer funding to enroll their child in private religious schools, or to cover home-schooling expenses. In this post, we'll talk about the basics of how the program works and how public money flows from the legislature and into the hands of private schools.

Managed Outside of Utah

When Utah's school voucher program - called the "Utah Fits All Scholarships" - was launched by [school privatization proponents](#), the legislature directed the Utah State Board of Education (USBE), to find a third-party "program manager" to administer it. Nearly \$123 million (as of March 6, 2025) in taxpayer money is funneled to this third party each year. That third party does not have the same reporting and accountability requirements as a public agency like USBE.

The voucher program manager, [Alliance for Choice in Education \(ACE\)](#), or ACE Scholarships, is located in Colorado. ACE claims to have distributed nearly \$212

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million in public funding to non-public schools since 2000. The non-profit organization received public funding to run school voucher programs in nine states, including: Utah, Arizona, Arkansas, Florida, Indiana, Iowa, Mississippi, New Hampshire and North Carolina. Fun fact: ACE's current CEO, Norton Rainey, makes \$409,023 a year (by comparison, we pay Governor Cox around \$166,000 a year).

Due to [serious implementation issues](#) that arose during the first school year during which vouchers were used, in 2025 the legislature created a "financial administrator" who will process and distribute all scholarship funds, in accordance with ACE's guidelines. In addition, USBE's deputy superintendent of operations must act as "contract administrator" to coordinate with both the program manager and the financial administrator, in order to ensure that certain standards are followed.

How Families Get Their Vouchers

We only have one year of information to examine regarding how ACE administers Utah's voucher program. Here's how the process is supposed to work:

- Parents "pre-apply" through the program website at the beginning of the calendar year.
- Those who "pre-apply" are notified when the full voucher application process opens in early March.
- The third-party program manager, ACE, decides who gets to participate in the voucher program for the upcoming school year. According to state law, they are supposed to prioritize in the following order:
 - Children who are already in the voucher program or have a sibling in the program; then
 - Children in families living at 300% of the federal poverty level (FPL) or below (a family of four with a household income of \$96,450/year or less); then
 - Children in families living between 200% and 555% of FPL (a family of four making up to \$165,000/year); then finally,
 - Any other eligible students.
- For families that are selected to receive the voucher, ACE (or the new financial administrator) creates an Educational Savings Account (ESA, also referred to by ACE as a "digital wallet"), where the money is held. Each student receives:

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- \$8,000 per year if attending a private school;
- \$4,000 per year if the student is between ages 5 and 11, and being homeschooled; and
- \$6,000 per year if the student is between ages 12 and 18, and being homeschooled.
- Families access their student's ESA through an online portal, from which they can directly pay (through the portal) any "qualified providers" or "eligible service" pre-approved by ACE.

So Many Allowable Uses for Tax-payer Funded Vouchers

Voucher recipients can use the taxpayer funding to pay for private school tuition and fees, of course. But there are many other approved educational expenses, such as:

- After-school programs;
- Extra tutoring services;
- Physical, occupational and speech therapy;
- Transportation to and from a "qualified provider";
- Devices like computers, laptops and tablets, as well as software and apps; and
- Fees for college entrance exams (as well as for prep courses for those exams).

As of March 6, 2025, there are some new guidelines for voucher spending. No more than 20% of a voucher can be spent on extracurricular activities, and no more than 20% can be spent on physical education. The "educational supplements" on which voucher money can be spent has been defined a little more narrowly, to address [reported abuse and misuse of public money](#) through the voucher program.

There are a lot more details, rules, and guidance, but these are the basics of how the program is meant to work.

Our Public Money, No Public Accountability

There are no educational standard requirements for voucher students. And no student assessments are required to evaluate whether the private school or homeschool curriculum is actually teaching children to read, write, do math, or

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understand basic scientific facts.

In fact, state law prohibits any public influence over how and what voucher students are taught.

In our next post in this series, we will discuss how Utah - a state where vouchers have been roundly rejected for nearly 20 years, and where only 8% of students attend private school or homeschool - got steamrolled by national privatization proponents.

Read more from our series, Vouchers and School Privatization:

Part 2: A Timeline of the School Voucher Steamroller in Utah



Part two discusses the steady steamrolling of school vouchers in Utah—a state where only 3% of students attend private schools, 5% are homeschooled, and the vast majority of families report high satisfaction with their local public schools.

[READ PART 2](#)

Part 3: Utahns Like Their Public Schools, So Who Exactly *Does* Want Vouchers?



The third part of this series discusses public opinion on vouchers and how Utah's voucher push is part of a nationwide, billionaire-funded agenda to privatize education.

[READ PART 3](#)

Part 4: Vouchers. Don't. Work.

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The fourth part of this series discusses the research on voucher efficacy. Overwhelming data shows vouchers don't work.

[READ PART 4](#)

FAQ's: Understanding Vouchers and School Privatization in Utah



This FAQ page addresses key concerns surrounding school vouchers and their impact on Utah's education system, exploring the promises made by voucher supporters and the reality of their effectiveness.

[READ FAQ'S](#)