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ALLIANCE FOR EXCELLENT EDUCATION

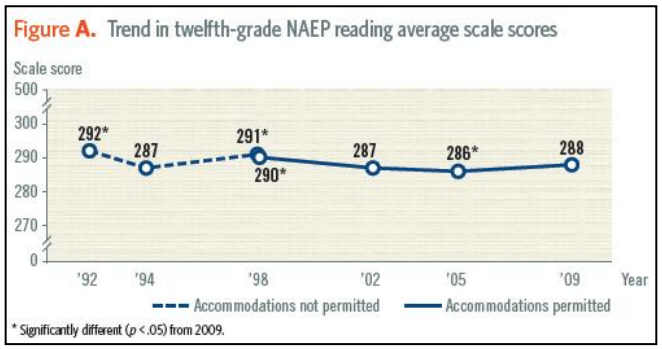
Straight A's

Public Education Policy And Progress

THE NATION'S REPORT CARD: Too Many High School Seniors Unprepared for College-Level Math and Reading

More than 60 percent of the nation's high school seniors fail to read at a proficient level, according to the results from the 2009 grade twelve reading assessment from the National Assessment of Educational Progress (NAEP), also known as *The Nation's Report Card*. Of those students, 26 percent fail to read at even a basic level. In math, nearly 75 percent of twelfth graders fail to perform at proficient level; 36 percent of those students perform below the basic level.

Overall, the report, *The Nation's Report Card: Grade 12 Reading and Mathematics 2009*, finds that the average reading score in 2009 was higher than in 2005 but lower than in 1992. In math, the average score was higher in 2009 than in 2005.



According to the report, 38 percent of twelfth graders performed at or above the proficient level in reading in 2009; this is higher than in 2005, but not significantly different from earlier years. The percentage of students performing at or above basic in 2009 (74 percent) was not significantly different from 2005 and was lower than in 1992. In math, the percentages of students performing at or above proficient and at or above basic were higher in 2009 than in 2005.

"We are encouraged with the gains students have made since 2005, but we are disappointed in declines compared to 1992. Improvement is still needed in both reading and math," said **David Driscoll, chairman of the National Assessment Governing Board**, which sets policy for NAEP. "It is noteworthy that grade twelve state-specific scores are available for the first time. I want to commend these eleven states for volunteering to know more about achievement."

The 2009 NAEP includes results from approximately 100,000 twelfth graders (52,000 students in reading and 49,000 students in mathematics) from 1,670 public and private schools across the nation. For the first time, state-level results are available for twelfth-grade public school students in eleven states that volunteered to participate: Arkansas, Connecticut, Florida, Idaho, Illinois, Iowa, Massachusetts, New Hampshire, New Jersey, South Dakota, and West Virginia.

Of the participating states, five—Connecticut, Iowa, Massachusetts, New Hampshire, and South Dakota—had higher average scores than the nation in both reading and mathematics. On the other hand, Arkansas, Florida, and West Virginia scored lower than the national average in both subjects. The report points out that the participating states vary widely in their demographics and notes that the percentages of black students ranged from 1 percent in Idaho and New Hampshire to 22 percent in Arkansas, while the percentages of Hispanic students ranged from 1 percent in West Virginia to 24 percent in Florida.

According to the report, nationally, achievement gaps in reading scores between white students and students of color have widened. In reading, white students scored 27 points higher than black students in 2009. In 1992, the achievement gap was 24 points. Compared to the average score of Hispanic students, white students' score was 22 points higher in 2009, compared to 19 points in 1992. The reading scores also show that while black, Hispanic, and American Indian/Alaska Native students did not make statistically significant gains since 1992, Asian/Pacific Islander students averaged an 11-point gain while white students averaged a 3-point gain.

Although all student subgroups made improvements in math since 2005, white students scored 30 points higher than black students and 23 points higher than Hispanic students. However, the gaps between these student subgroups are not significantly different from previous years in both subjects. From a gender perspective, females scored 12 points higher than males in reading, while males scored higher in math by a measure of 3 points.

The Nation's Report Card finds that higher levels of parental education are associated with higher student scores. For example, in both reading and math, students whose parents graduated from college scored higher on average than students whose parents only had some education after high school.

U.S. Secretary of Education Arne Duncan said that the report "suggests that high school seniors' achievement in reading and math isn't rising fast enough to prepare them to succeed in college and careers." Duncan noted that 86 percent of high school seniors said they expect to graduate from college according to a survey that accompanied the NAEP test. He also said that the Obama administration is providing $40 billion over the next decade in Pell Grants for disadvantaged students, supporting states as they work to raise standards, and investing in data systems to ensure teachers and parents have the information they need to know how their students and schools are doing.

In a statement, **Bob Wise, president of the Alliance for Excellent Education and former governor of West Virginia**, agreed with Duncan's assessment; "A high school diploma needs to be paper … and preparation," he said. "But as the results from *The Nation's Report Card* show, far too many students are being handed the paper but not showing the proficiency. The high school seniors included in this report are on the verge of graduation and perhaps college enrollment, but according to the report, 62 percent leave high school without the reading and comprehension skills needed to succeed in college or a career."

Complete results from *The Nation's Report Card* are available at http://www.nationsreportcard.gov/.

DEGREES OF SEPARATION: New Report Finds Better-Educated Individuals—and Cities—Were Less Impacted by the Great Recession

When the full impact of an economic downturn is measured, individuals with higher levels of education have consistently fared better during economic recessions, including the "Great Recession" that lasted from December 2007 to June 2009, according to a new report from the Brookings Institution. However, the report, *Degrees of Separation: Education, Employment, and the Great Recession in Metropolitan America*, also finds that the relationship between education and changes in employment has not been uniform across the country.

The report uses data from the Census Bureau's American Community Survey (ACS) to analyze employment between 2007 and 2009 for adults with different levels of education in America's one hundred largest metropolitan areas, which account for two thirds of the nation's workers and three quarters of its gross domestic product. Specifically, it focuses on the ratio of the number of people in jobs to the total population, or the employment-to-population ratio.

According to the report, the Great Recession affected the 30 percent of workers near the top of the educational attainment spectrum much less severely than others. It notes that while the employment-to-population ratio for groups without a four-year college degree fell between 2 and 3 percentage points from 2007 to 2009, the ratio for college-educated workers dipped by only 0.5 percent. Put simply, as the total number of working-age adults with college degrees increased over the two-year period, the number of employed individuals in the group rose at a similar rate. The same was not true among individuals with only a high school diploma or among individuals with some college or an associate's degree.

It is not surprising to hear that individuals with more education were better able to withstand the Great Recession, but the report also finds that metro areas with more highly educated populations also weathered the recession better than other metro areas. In fact, among the twenty largest metro areas with the highest shares of individuals with college degrees, only four—Bridgeport, Chicago, Raleigh, and San Diego—experienced overall declines in their employment-to-population ratios that exceeded the national average of 1.6 percentage points. Even lesser-educated workers seemed to benefit by living in highly educated metro areas. According to the report, only 15 percent of the twenty highest-educated metro areas registered a significant decline in the employment-to-population ratio for adults without a high school diploma, compared to 40 percent of the remaining eighty metro areas.

"It may be that these workers complement highly skilled labor in the production of specific goods and services, or that high-skilled workers consume goods and services that disproportionately employ lower-skilled labor (e.g., household cleaning, restaurants, etc.)," the report reads. "The smaller impacts of the recession on college-educated workers in these metro areas may thus have insulated their less-educated workers from more severe employment declines."

Degrees of Separation also finds that while there was some geographic overlap between the locations where the least- and most-educated workers were affected by the Great Recession, there were notable differences. In general, workers without a high school diploma were most

severely affected in Sun Belt housing-bubble markets such as Cape Coral, Orlando, and Phoenix, as well as older industrial metro areas in the Northeast and Midwest. However, none of the ten most-affected metro areas for workers without a high school diploma registered a statistically significant drop in employment among the college-educated. Meanwhile, of the thirteen largest metro areas that posted at least a modest decline for workers with a college degree, only five also saw unemployment levels drop among workers without a high school diploma.

"The Great Recession has struck broadly, but not evenly," said **Brookings Senior Fellow Alan Berube, coauthor of the report**. "Highly educated workers, and the metro areas with the highest concentrations of those workers, have suffered fewer job losses on average. These data also remind us that our efforts to help unemployed workers cannot be one-size-fits-all. It's important to have the flexibility to respond to differences in labor markets."

The report notes that national and state policies to help workers "get back on their feet" must permit local and regional officials to tailor their responses to the particular groups most impacted by the downturn. It suggests that policies might reasonably prioritize assistance to displaced workers with lower levels of education, who may have a smaller economic cushion and more limited job opportunities for the future. At the same time, however, workers with higher levels of education and skills—even those with a college education in some cases—may need special assistance and guidance to reintegrate into the labor market in regions where they have borne the brunt of the downturn.

Degrees of Separation is available at http://bit.ly/adOQyD. The report includes a table with the percentage point change in employment-to-population ratio by education attainment for the one hundred largest metro areas in the United States from 2007 to 2009.

WINNING BY DEGREES: New Report Examines How to Improve College Degree Attainment Rates at U.S. Higher Education Institutions

To reach the goal of producing one million more college graduates a year without increasing public funding, U.S. higher education institutions would need to improve their degree completion productivity by an average of 23 percent according to a new report from McKinsey & Company. The report, *Winning by Degrees: The Strategies of Highly Productive Higher-Education Institutions*, provides an in-depth look at eight two- and four-year colleges and universities that have successfully raised the rate at which students complete their degrees and improved cost efficiencies.

"College attainment rates are rising in almost every industrialized country," the report reads. "In the United States, however, they have remained relatively flat for the past ten years, even though completing a college degree has become increasingly critical to a person's life chances. Producing more college-educated workers is similarly critical to the nation's overall economic growth and prosperity."

The study builds on research from the Georgetown University Center on Education and the Workforce that the United States needs to produce roughly one million more college graduates a year by 2020 to ensure that the country has the necessary number of skilled workers. To reach

the 2020 goal at today's level of higher education degree production, McKinsey & Company estimates that the United States would have to increase postsecondary educational funding by $52 billion a year from its 2008 level of $301 billion.

However, due to budget shortfalls at state, federal, and school levels, this type of funding increase is highly unlikely, the report notes. It finds that in Fiscal Years (FY) 2009 and 2010, forty-two states had to cut higher education budgets and thirty-one states are planning to make further cuts in FY 2011. To make up for these budget cuts, many states increased student tuition fees. According to the report, tuition fees rose by 439 percent between 1985 and 2005 compared to a 108 percent rise in the Consumer Price Index during the same time period.

As an alternative to increasing educational funding or raising tuition costs, the report recommends that U.S. colleges and universities lower the cost per degree. It highlights five winning strategies taken from these eight U.S. institutions that appear to raise the degree of productivity by as much as 17–38 percent without reducing quality or restricting access. The schools involved in the study all offer two-year associate degrees or four-year bachelor degrees and have open-access or less competitive admissions policies.

The report authors explain that schools fitting this profile are primary educators of low-income students and account for 51 percent of enrolled students nationwide. The schools profiled in the study are Brigham Young University–Idaho, DeVry University, Indiana Wesleyan University–CAPS, Rio Salado College, Southern New Hampshire University (SNHU), Tennessee Technology Centers, Valencia Community College, and Western Governors University. *Winning by Degrees* acknowledges that this group of eight schools does not represent the full variety of higher education options available to students, but focuses on successful practices that these schools employ and their positive impacts on degree production.

The first two practices that the report identifies—systematically enabling students to reach graduation and reducing nonproductive credits—contribute to raising the rate at which students complete their degrees. According to the report, graduation rates typically range from 19 percent to 45 percent at community colleges and from 37 percent to 62 percent among four-year institutions. However, successful institutions have introduced reforms that have boosted graduation rates by up to 27 percent. These reforms fall into four categories: (1) structured pathways to graduation; (2) effective student supports and services; (3) effective developmental education; and (4) effective student acceptance, placement, and preparation programs.

For example, Valencia Community College, which has a graduation rate 15 percentage points higher than that of its peer institutions, tailors support to its different student segments and has redesigned student support services to improve their quality. It has redesigned critical student support processes, such as financial aid and registration, to ensure streamlined processes, high quality of service, and high customer satisfaction. By driving down costs in these areas, Valencia has been able to invest more in counseling and career services.

The report also recommends reducing nonproductive credits because "excess crediting may give students extra educational benefit, it adds to the cost of a degree and so diminishes degree productivity." To prevent excess crediting, the report suggests better developmental education and tutoring, policies for tracking and intervening to support student progress and completion,

transfer policies that conserve credits, and innovative delivery methods. SNHU has policies in place to prevent students from being overcredited. Consequently, none of its bachelor's degree-earning students complete more than 150 credits to graduate, compared to similar institutions where 20 percent of students complete more than 150 credits.[1]

The next three practices the report identifies—redesigning the delivery of instruction, redesigning core support services, and optimizing non-core services and other operations—contribute to reducing costs per student. On average, institutions spend $7,000 per full-time student on instructional costs, but some institutions, such as Rio Salado College and Western Governors University, are leveraging technology to redesign instruction and become more cost effective. These strategies include substituting full-time faculty with part-time faculty or providing course mentors to enhance online teaching materials. To become more efficient at core supports and services such as human resources, information technology, and finance departments, the report suggests converting from paper-based to electronic systems or using self-service online portals for administering financial aid.

To optimize noncore services and other operations, such as research or public services operations, the report recommends carefully assessing these noncore services and making sure they are critical to the school's mission. According to the report, 49 percent of all institutions report that revenue from auxiliary services is insufficient to cover the expenses that these auxiliary services incur. "Often these losses are significant—19 percent of institutions report losses greater than $500 per student, and 10 percent of institutions report losses greater than $1,000 per student," the report notes. "By maintaining only mission-critical noncore services, institutions in our sample save up to 17 percent of their peer group average cost per degree."

In addition to the five practices the report identifies, the eight institutions profiled also benefit from four other essential elements: (1) efficient and effective operational processes supported by appropriate technology and tools; (2) effective management systems to ensure progress, build capabilities, and manage implementation; (3) leaders and staff who are committed to achieving degree productivity gains alongside high-quality educational outcomes; and (4) support from state and institutional policies that allow the institutions to choose how to achieve their quality and efficiency goals.

Download the complete report at http://bit.ly/bM5yBp.

TEXAS PUBLIC SCHOOL ATTRITION STUDY: Attrition Rate in Texas Falls Below 30 Percent for the First Time in Twenty-Five-Year History of Study

Approximately three of every ten students (29 percent) from Texas's 2006–07 freshman class left school prior to graduating with a high school diploma, according to a new report from the Intercultural Development Research Association (IRDA). That's a decline of 11 percentage points over the last ten years and the first time in the twenty-five-year history of the IRDA report that the attrition rate has fallen below 30 percent. However, the report, *Texas Public School Attrition Study, 2009–10*, also finds that the gaps in the attrition rates of white students and

[1] The report notes that bachelor's degrees typically require 120–135 semester credit hours to complete, while associate degrees typically require about sixty semester credit hours.

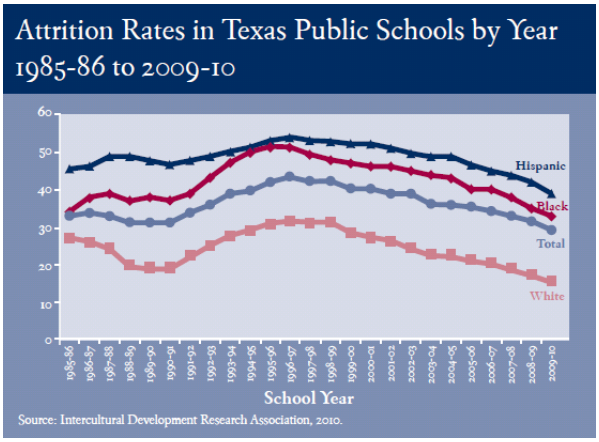
Hispanic and black students are "dramatically" higher than when the study began in the 1985–86 school year.

The IRDA attrition studies are unique in that they provide time series data, using a consistent methodology, on the numbers and percentages of Texas public school students who leave school prior to graduation from 1985–86 through 2009–10. IRDA calculates an attrition rate based on an analysis of ninth-grade enrollment figures and twelfth-grade enrollment figures three years later—a period that represents the time span during which a student would be enrolled in high school. It notes that attrition rates, along with other dropout measures, are useful in studying the magnitude of the dropout problem and the success of schools in keeping students in school.

According to the report, attrition rates among all groups of students have declined dramatically since the 1994–95 school year. However, the gap between attrition rates of white and black students remains quite large after narrowing somewhat in recent years. The gap between attrition rates of white and Hispanic students has actually grown since the 1994–95 school year.

Observers point out that the recent declines are a positive development, especially considering Texas's large population of low-income and immigrant students, but acknowledge that much more work needs to be done.

As show in the chart to the right, the overall attrition rate was 40 percent in the 1994–95 school year. Among white students, the attrition rate was 30 percent, compared to 51 percent for Hispanic students and 50 percent for black students, leaving a gap of more than 20 percentage points. In the latest study, 15 percent of white students dropped out before receiving a high school diploma, compared to 39 percent of Hispanic students and 33 percent of black students.



The report notes that both Hispanic and black students have comprised a large proportion of students lost by schools. From 1985–86 through 2009–10, students from ethnic minority groups account for nearly three quarters (71.3 percent) of the estimated three million students lost from public high school enrollment.

The complete report is available at http://www.idra.org/images/stories/IDRA_Attrition_Study_2010.pdf.

Straight A's: Public Education Policy and Progress is a biweekly newsletter that focuses on education news and events in Washington, DC and around the country. The format makes information on federal education policy accessible to everyone from elected officials and policymakers to parents and community leaders. The Alliance for Excellent Education is a national policy and advocacy organization that works to improve national and federal policy so that all students can achieve at high academic levels and graduate from high school ready for success in college, work, and citizenship in the twenty-first century. For more information about the Alliance, visit http://www.all4ed.org.