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StraightA's

Public Education Policy And Progress



PAYING DOUBLE: United States Spends Over \$1.4 Billion Annually on Remedial Education for Recent High School Graduates

For every 100 students who enter ninth grade, only about 70 receive a high school diploma 4 years later, and only half of those who graduate are actually academically prepared for postsecondary education. Nevertheless, approximately 80% of American high school students expect to attend college, according to the 2005 High School Survey of Student Engagement.

It is perhaps not surprising, then, that 42% of community college freshmen and 20% of freshmen in 4-year institutions enroll in at least one remedial course. In total, approximately 1 in every 3 college freshmen takes a remedial course in college. For these students, “relearning” material that they should have learned in college costs both time and money. For the United States as a whole, the costs are even greater.

According to *Paying Double: Inadequate High Schools and Community College Remediation*, a new issue brief from the Alliance for Excellent Education, the United States spends over \$1.4 billion each year to provide community college remediation education for recent high school graduates who did not acquire the basic skills necessary to succeed in college or at work. The brief, which was produced with support from MetLife Foundation, also finds that the nation loses almost \$2.3 billion annually in wages as a result of the significantly reduced earnings potential of students whose need for remedial reading make them more likely to drop out of college without a degree. Therefore, by increasing the number of students graduating from high school prepared to succeed in college, an additional \$3.7 billion annually would flow into the nation’s economy.

For individual states, additional economic benefit ranges from a high of \$689 million in California to a low of \$672,000 in Alaska. The additional benefits to selected other states can be found in the chart below. (A state-by-state breakdown is included in the brief; a link is provided at the end of this article.)

Reduced Need for Community College Remediation Translates into Economic Gains

State	Annual Remediation Savings	Additional Annual Earnings	Total Benefit to State Economy
Arizona	\$32,949,507	\$70,778,193	\$103,727,700
Florida	\$70,920,812	\$122,832,024	\$193,752,835
Ohio	\$69,286,395	\$62,795,190	\$132,081,585
Pennsylvania	\$81,846,059	\$43,113,116	\$124,959,175
Wyoming	\$3,564,487	\$6,550,822	\$10,115,309

Paying Double (Continued from p. 1)

“When high school graduates require remediation, they lose a year and taxpayers are paying twice for the same education,” said **Bob Wise, president of the Alliance for Excellent Education and former governor of West Virginia**. “Raising academic standards benefits all students and promotes a healthy economy. It’s not enough to increase the number of high school graduates. We must also make sure the diploma they’ve earned has truly readied them with essential skills and knowledge. We can no longer afford to play high school catch-up at the college level.”

The brief notes that the vast majority of these students take remedial courses to gain the skills and knowledge that they should have received in high school and which are necessary for them to succeed in “regular” college classes. Most students view the time, effort, and resources dedicated to remedial classes to be an additional investment into their academic futures.

Instead, however, students who take remedial courses in college are far more likely to leave school without the degree that they seek. In fact, according to the brief, the *leading predictor* that a student will drop out of college is the need for remedial reading. “While 58% of students who take no remedial education courses earn a bachelor’s degree within 8 years, only 17% of students who enroll in a remedial reading course receive a BA or BS within the same time period,” it notes.

At the end of the day, individual students, states, and the nation as a whole not only pay to remediate thousands of young adults, but they also face future financial loss because students who need remediation are more likely to leave college without a degree. The brief notes that the wages of individuals with some college education average about \$20,171 less each year than those of college graduates. “Therefore,” it reads, “when students enter but do not complete college, not only do they lose future income, but governments take in less tax revenue, and state and national economies are deprived of the additional earnings that would make them stronger and more robust.”

The brief offers no simple solutions but does point out that improving the nation’s high schools could certainly reduce the number of students who need remediation in college. It points to “weak curricula, vague standards, and lack of alignment between high school content and the expectations of colleges and employers” as reasons for the need for remediation. It adds that students who take a rigorous high school curriculum are less likely to need remedial courses than students whose course load is less demanding. Finally, it suggests that statewide performance standards for college admission would enable educators to assess student progress toward readiness for college.

The complete issue brief, which includes a breakdown of state-by-state costs, is available at <http://www.all4ed.org/publications/remediation.pdf>.



ACT SCORES ON THE RISE: Class of 2006 Shows Improvement, but Majority of High School Graduates Still Unprepared for Success in College

Average scores on the ACT Assessment rose by the largest margin in 20 years, and the average score was the highest since 1991, but the majority of ACT-tested high school graduates are still likely to struggle in first-year college courses, according to the latest data from ACT, the

organization that administers the test. An all-time high of more than 1.2 million students (40%) of the Class of 2006 took the ACT at some point during their high school career.

“The growth in the average ACT composite score is encouraging, particularly given the increase in the number of students taking the test,” said **Richard L. Ferguson, ACT’s chief executive officer**. “The results suggest that student academic achievement and college readiness are on the rise.”

In fact, the percentage of students who scored at or above the ACT College Readiness Benchmark score increased in all four subjects (English, math, reading, and science) over last year, but the majority of test takers continued to fall short. In reading, just over half (53%) of test takers met or exceeded the ACT benchmark score, an increase of 2% over 2005. Based on past ACT scores, students who receive at least a 21 on the ACT Reading Test are very likely to “succeed” (defined as earning a C grade or higher) in college-level courses such as history, sociology, literature, and others that require extensive reading. Nearly 7 in 10 (69%) met or exceeded the benchmark score in English, indicating that they are likely to succeed in college composition.

The results were not as positive in math and science. In math, only 42% of test takers met or exceeded the ACT benchmark, while only 27% met or exceeded the ACT benchmark in science. In total, only 21% of test takers met or exceeded the college readiness benchmark on all four ACT exams.

“[The] ACT results show a nation that is on the right track and moving forward, but far too slowly for the 21st Century,” said **U.S. Secretary of Education Margaret Spellings**. “Less than half of all test-takers met the college readiness benchmark in math; for science, the number was one in four. This is too low. The ACT findings clearly point to the need for high schools to require a rigorous, four-year core curriculum and offer advanced coursework so that our graduates are prepared to compete and succeed in both college and the workforce.”

Slightly more than half (54%) of test takers reported taking ACT’s recommended core curriculum in high schools—4 years of English and 3 years of math (algebra and higher), science, and social studies. Students who took that core curriculum earned an average composite score (the average score from all four subjects) of 22.0. Students who took less than the recommended curriculum scored 19.7—more than 2 points lower. In spite of this positive correlation between a rigorous curriculum and a higher average ACT score, the test data reveal that the percentage of students taking the core curriculum has declined—56% of test takers reported taking a rigorous curriculum in 2005.

With the exception of Hispanic students, whose average composite score remained the same, students in all racial/ethnic groups saw an increase in their average ACT composite score. However, significant achievement gaps continue to exist, with Asian Americans (22.3) and white students (22.0) scoring higher than their American-Indian (18.8), Hispanic (18.8), and African-American (17.1) classmates.

The ACT website, <http://www.act.org>, features complete score information for each state and for the nation as a whole.



PRESIDENT SIGNS PERKINS REAUTHORIZATION INTO LAW: New Law Boasts Greater Focus on College and Work Preparation

On Monday, August 14, President Bush signed S. 250, the Carl D. Perkins Career and Technical Education Improvement Act of 2006 (Perkins), which reauthorized the U.S. Department of Education's vocational and technical education programs. Perkins represents the largest single source of federal funding for middle and high schools.

This is a tremendously popular program among Congressional legislators, as demonstrated by the near unanimous support for it in both chambers of Congress (it passed by a 399–1 margin in the House and a 99–1 margin in the Senate). President Bush, however, proposed to eliminate the program in his last two budget requests. Instead, he would have used Perkins money to pay for a new high school reform initiative. However, because Perkins enjoys such broad bipartisan support in Congress, it received \$1.3 billion in FY 2006 and is expected to receive a similar amount during this year's appropriations process.

Perkins provides funding to states to improve career and technical education through subgrants to local educational agencies or postsecondary institutions. It also supports consortia of secondary and postsecondary institutions to implement Tech Prep programs,—a planned sequence of study in a technical field that includes at least 2 years of secondary school, 2 years of postsecondary occupational education or an apprenticeship program of at least 2 years following secondary instruction, and culminates in an associate's degree or certificate.

“Improving and strengthening the academic focus of the Perkins Act is part of a much larger effort to ensure that today's students will be ready for tomorrow's reality, whether it is in college or the workforce,” said **Senator Mike Enzi (R-WY), chairman of the Senate Health, Education, Labor, and Pensions Committee.**

An important part of ensuring that students are prepared for college and the workforce is making sure that students take the proper courses in high school. One change of particular importance to this goal is that, for the first time, both basic grantees and Tech Prep grantees can use Perkins funds to develop personal graduation and career plans for students participating in career and technical education programs. Personal graduation plans are designed to improve high school graduation rates and to provide information on postsecondary and career options for high school students. They are being used to tie together key elements of high school reform (such as personalization, rigorous curriculum, and academic interventions) in many states.

Additionally, Tech Prep grantees are required to provide professional development programs for counselors that are designed to enable them to more effectively “support student progress in completing tech prep programs, which may include the use of graduation and career plans.”

To respond to the concerns of legislators who sought more accountability for federal funding, the new law requires stronger transitions between secondary and postsecondary programs, adds a local accountability requirement, and grants states greater flexibility in how they spend funds.

“This legislation makes significant reforms to academic achievement and accountability to ensure students have the skills necessary to enter the workforce or continue to an institution of higher learning,” said **Representative Mike Castle (R-DE), chairman of the House Education Reform subcommittee.**



OPEN WIDE AND SAY “AHH”: NGA Annual Checkup Finds Some States Making Progress in Implementing Graduation Rate Reporting Agreement

In 2006, all 50 governors and 12 national organizations, including the Alliance for Excellent Education, signed a “Compact on State High School Graduation Data”, agreeing to take a variety of steps to improve the reliability of the graduation rates they report. One year later, the NGA issued *Implementing Graduation Counts: State Progress to Date*, a report that will serve as an annual checkup on states’ progress toward implementing the compact.

By signing the compact, governors agreed to begin improving state data collection and to implement a standard 4-year graduation rate that reports the percentage of students who graduated within 4 years of their initial enrollment in ninth grade, with adjustments for transfers in and out of the system. Under the formula agreed to, states will divide the number of on-time diploma recipients in a given year by the number of first-time students entering ninth grade 4 years earlier.

According to the report, two states, Maryland and Colorado, took separate paths to codify the governors’ agreement for calculating a high school graduation rate, with Maryland passing legislation and Colorado acting through state board regulations. Codification is especially important because the compact is neither a binding agreement nor a self-executing document. On its face, the compact is simply an agreement between a governor and his colleagues. Without an act from the legislature to recognize the agreement, there is no legal obligation for a subsequent governor to honor the compact after his predecessor leaves office. Nor does a governor’s signature guarantee that other state officials, including the chief state school officer, will buy into the compact or work to achieve its goals.

However, as the report notes, even without codification, many states have made progress in their efforts to honor the agreement. In 2006, 13 states will report their graduation rates publicly according to the compact formula; 2 states will use the compact formula, but with local data; and 1 state will report a sophisticated estimate that is consistent with the NGA’s recommendations. By 2010, 39 states expect to report a graduation rate using the compact’s definition. Two states, North Dakota and South Dakota, do not plan to report graduation rates according to the compact formula.

The delay in reporting the compact graduation rate stems from a states’ lack of longitudinal data systems that are capable of tracking students’ progress from ninth grade through graduation. “State data systems take time to construct and become fully operational,” the report reads. “Once unique student identifiers are assigned and a state starts collecting data, it will be 4 years before the ninth graders in that year reach their expected graduation date.”

The good news is that 19 states have longitudinal data systems with unique student identifiers and at least 4 years of student data. The remaining 31 states are developing their data systems but are at very different points in the process, according to the report. In the interim, the U.S. Department of

Open Wide and Say “Ahh” (Continued from p. 5)

Education has begun publishing states’ Averaged Freshman Graduation Rate (AFGR) alongside the graduation rates that states currently report under the No Child Left Behind Act. In addition, Congress has allocated \$49.3 million over the last 2 years for states to use in setting up these data systems, with additional funds expected later this year.

The report acknowledges that much more work needs to be done. It offers additional guidance to states about how to implement the graduation rate in the compact, as well as short-term solutions for improving state data while data systems are in development. It adds that once a state has the data necessary to calculate the compact rate, states must provide guidance and training to school and district personnel who collect and enter student information. Finally, state leaders should enact and enforce policies that promote accurate data collection and analysis, “such as one requiring students whose status is unknown be coded as dropouts.”

The complete report, which includes additional information on the progress of each individual state, is available at <http://www.nga.org/Files/pdf/0608GRADPROGRESS.PDF>.

Flush With Cash, State Budgets Spend More Money on Education

States finished FY 2006 with nearly 25% more money in year-end balances than they did at the end of FY 2005, according to *State Budget and Tax Actions 2006: Preliminary Report*. The report, issued by the National Conference of State Legislatures (NCSL), also finds that for the first time in 6 years, states spent more money on K–12 education than they did on Medicaid, a mandated health care program for the poor and disabled.

According to the report, in states where legislators used the new revenue to increase support for programs, education was the most common beneficiary, with 24 states boosting K–12 education funding, and 20 putting more money toward higher education. In total, 24 states spent more on K–12 education funding in 2006 than they did in 2005. On average, states are expected to increase their spending on K–12 by 7.9%. Of the 49 states that reported information to the NCSL, 12 reported double-digit increases, with Texas (27.7%), Wyoming (14.5%), and Alabama (14%) among the largest. Only Indiana, Kansas, and Minnesota planned to spend less on education in 2007.

States also used the surplus funds to cut taxes and to make payments to rainy-day funds. Altogether, 25 states increased reserve funds, with 18 of those making deposits specifically to rainy-day accounts. Although states’ bottom lines are currently healthy, experts predict higher spending and lower revenues in the near future. In fact, state balances are expected to fall by 29% by the end of FY 2007.

More information on the report is available at <http://www.ncsl.org/programs/press/2006/pr060815fiscalreport.htm>.



“LITERACY SUSTAINS DEVELOPMENT”: International Literacy Day Draws Attention to 1 in 5 People Worldwide Who Cannot Read or Write

Each year, on September 8, the United States and the world observe International Literacy Day, a day to focus attention on worldwide literacy issues and needs. According to estimates, 1 in 5—771 million of the world’s adults (nearly two thirds of whom are women)—do not know how to read or write. In addition, more than 100 million children lack access to education. This year’s theme, “Literacy Sustains Development” emphasizes that literacy can be a lever of change and an instrument for achieving further social progress.

“Literacy is not merely a cognitive skill of reading, writing and arithmetic, for literacy helps in the acquisition of learning and life skills that, when strengthened by usage and application throughout people’s lives, lead to forms of individual, community and societal development that are sustainable,” said **Mr. Koïchiro Matsuura, director-general of the United Nations Educational, Scientific and Cultural Organization (UNESCO)**.

The United States faces its own literacy challenges. According to the National Assessment of Adult Literacy (NAAL) released earlier this year, 12% of American adults had below basic document literacy, indicating that they would struggle using a television guide to find out what time a program aired, or in identifying a specific location on a map. In addition, 14% lacked prose literacy, indicating that they could not find how people were selected for a jury pool from a pamphlet for prospective jurors. According to the report, adults without a high school degree or a GED comprised 55% of the adults in this category, even though high school dropouts only represent 15% of the total NAAL population.

Based on scores from the *Nation’s Report Card*, more than two thirds of middle school students fail to read at grade level, and 28% read significantly below grade level, making them likely candidates to drop out of school.

Even more highly educated individuals struggle with literacy skills. For example, ACT has determined that roughly 23% of high school graduates are not ready to succeed in an introductory-level college writing course. Achieve, Inc. has found that about 40% of high school graduates lack the literacy skills that employers seek. According to the NAAL report, only 31% of college graduates have “proficient” prose literacy, indicating that they can compare two viewpoints in an editorial.

More information on International Literacy Day is available at <http://www.unesco.org/education>.

Register for the Alliance’s Third Annual High School Policy Conference: *Early Bird*
Registration Deadline: Sept. 10!

Seats are filling up at the Alliance for Excellent Education’s Third Annual High School Policy Conference, “Taking the Next Step—Defining a Shared Federal Agenda for High School Reform.” The conference will take place on **October 12-13, 2006 at the Washington Court Hotel in Washington, DC.**

If you want to guarantee your seat in the room, go to <http://www.all4ed.org/register> and register. **After September 10, the conference fee will increase from \$75.00 to \$100.00.** The Alliance has added several new & exciting speakers to the agenda; a complete list of speakers and the agenda can be viewed at http://www.all4ed.org/events/2006HSConference/conf_agenda.html.

For additional information, please contact the Alliance for Excellent Education at (202) 828-0828 ext. 871; or conference@all4ed.org.

Straight A’s: Public Education Policy and Progress is a biweekly newsletter that focuses on education news and events both 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 nonprofit organization working to make it possible for America’s secondary school students to achieve high standards.



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In this issue:

- Paying Double: United States Spends Over \$1.4 Billion Annually on Remedial Education for Recent High School Graduates
- ACT Scores on the Rise: Class of 2006 Shows Improvement, but Majority of High School Graduates Still Unprepared for Success in College
- President Signs Perkins Reauthorization into Law: New Law Boasts Greater Focus on College and Work Preparation
- Open Wide and Say "Ahh": NGA Annual Checkup Finds Some States Making Progress in Implementing Graduation Rate Reporting Agreement
- "Literacy Sustains Development": International Literacy Day Draws Attention to 1 in 5 People Worldwide Who Cannot Read or Write



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