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BUILDING A GRAD NATION: Alternative, Charter, and Virtual High Schools “Disproportionately Represented” Among Low-Graduation-Rate High Schools, According to New Report

The national high school graduation rate (82.3 percent) is at an all-time high, but the United States is no longer on track to post a 90 percent graduation rate by 2020, according to the *2016 Building a Grad Nation* report. The report, by Civic Enterprises and the Everyone Graduates Center at the Johns Hopkins University, in partnership with America’s Promise Alliance and the Alliance for Excellent Education is the seventh annual update on the progress and challenges in raising high school graduation rates.

“When it comes to increasing high school graduation rates nationwide, it is clear that important progress has been made and there is genuine cause to celebrate,” the report notes. “At the same time, it is evident that in pockets across the country, there is a need to re-examine whether the decisions being made are ultimately in the best interest of students.”

One subset of schools that the report specifically calls out is comprised of alternative, charter, and virtual high schools, which only account for about 14 percent of high schools nationwide but make up 52 percent of the high schools with graduation rates at or below 67 percent.

“Many of these schools exist to serve a vulnerable student population, and therefore deal with significant challenges,” said **Robert Balfanz, research scientist and codirector of the Everyone Graduates Center at the Johns Hopkins University School of Education**. “That’s why it’s so important that educators identify struggling students at the beginning of their high school careers and provide the things all students need to be successful, including the chance to build relationships with caring adults, strong and tailored instruction, and opportunities to engage in learning experiences that connect school to life.”

As shown in the table to the right from the report, “regular” district high schools—those that are operated by a public school district and are neither a charter nor a virtual school—fare very well overall. They have an average adjusted cohort graduation rate (ACGR) of 85 percent and make up only 7 percent of the nation’s “low-graduation-rate high schools,” which are high schools with a graduation rate of 67 percent or less.

School Type	Percent of Schools 67% and Below	Percent of High Schools 85% and Above	Average ACGR
Regular	7%	64%	85%
Alternative	57%	8%	52%
Charter	30%	44%	70%
Virtual	87%	4%	40%

Note. The high schools in the above table have a total enrollment of 100 students or more. “Regular” includes only district-run public schools that are non-charter and non-virtual. “Alternative” includes only district-operated alternative high schools. “Charter” includes only regular (non-alternative), non-virtual charter schools. “Virtual” includes only regular (non-alternative) virtual schools.

“This puts a laser-like focus on the roughly 1,000 regular district high schools that have low graduation rates,” the report notes. “And in states where the percentage of these schools [is] 33

percent [or less], it provides a clear road map of where state resources should be focused for improvement.”

Alternative high schools—85 percent of which are operated by the school district in which they are located—fare far worse, with an average graduation rate of 52 percent. According to the report, these high schools often serve as temporary or permanent facilities for students with discipline problems, chronic absenteeism, and other personal and/or academic issues who are either sent to or choose to continue at a non-traditional high school.

At the same time, the report also questions whether these high schools, which act as the “last best hope” for students who have struggled to stay on track to graduation, sometimes serve as a dumping ground for students who are “inappropriately pushed” into alternative high schools, especially because these schools enroll a disproportionate percentage of students from low-income families and students of color. It notes that 56 percent of students attending alternative high schools were from low-income families, compared to 48 percent of students attending regular schools. Additionally, 60 percent of students at alternative schools were of color, compared to 40 percent of students at regular schools.

Of the seventeen states with more than ten district-run alternative high schools, only two had significant percentages of these schools with graduation rates above 67 percent: California, where 86 percent of district-run alternative high schools have a graduation rate above 67 percent, and North Carolina, where 57 percent met this criterion. In Minnesota, 100 percent of the state’s twenty-eight alternative district high schools had a graduation rate of 67 percent or less. “In Florida, New York, Idaho, and Michigan, at least nine out of ten alternative high schools fail to graduate one-third or more of students in four years,” the report notes.

Acknowledging that there are charter high schools “with strong outcomes for low-income and minority students,” the report finds that these schools have “mixed results” regarding graduation rates. Overall, 30 percent of charter schools have graduation rates at or below 67 percent, but 44 percent have graduation rates of 85 percent or higher.

“More than any other school type, charter high schools tend to either do every well or very poorly in graduating their students,” the report notes. “Thus, the challenge is to keep and spread the successful models while finding means to reform or replace the struggling ones.”

On virtual schools, however, the report finds few signs of success. Of the 178 regular virtual schools in twenty-four states that enroll 100 students or more and report graduation rates, only 4 percent have a graduation rate of 85 percent or higher while 87 percent report a graduation rate at or below 67 percent. These schools—where instruction is carried out completely online—represent just 1 percent of all high schools but 7 percent of low-graduation-rate high schools.

The report is careful to note that the data for alternative, charter, and virtual schools only represents those schools that report a graduation rate. In many instances, these schools “fall through the cracks” in district and state accountability systems because they are authorized by entities other than the school district in which they are located or from which they draw students.

“In these cases, it can be harder to hold these schools accountable for outcomes and may also provide a tempting means for school districts seeking to raise graduation rates to meet their own

accountability pressures,” the report notes. “In most states, students who transfer from district schools to alternative, charter, or virtual schools that are not authorized by the school district ... are not only removed from the cohort of their initial school (where, in fact, they may have fallen off track to graduation), but they are also removed from the school district’s cohort as well.”

For this reason, the report recommends that states not be permitted to exclude alternative, charter, and virtual schools from the statewide accountability and improvement systems that are required under the Every Student Succeeds Act, the nation’s new education law that replaced the No Child Left Behind Act. “Effective alternative schools serving vulnerable student populations should be praised,” the report notes, stating that “ineffective alternative schools should be held accountable.”

Overall, the report finds that there are nearly 2,400 high schools, or 13 percent of high schools nationwide, that enroll 100 or more students that have graduation rates at or below 67 percent. Of that total, 54 percent are in cities, while 26 percent exist in suburbs, 12 percent are in rural areas, and 8 percent exist in towns.¹ On the bright side, more than 11,000 high schools (60.7 percent) have graduation rates of 85 percent or higher. “For every low-graduation-rate high school in the nation, there are more than four high-graduation-rate high schools,” the report notes.

As shown in the image to the right taken from the report, Alaska (43 percent) and New Mexico (40 percent) have the highest percentage of low-graduation-rate high schools in the nation.

In addition to the slowing increases in the overall high school graduation rate, the report flags persistent graduation rate gaps between white students and African American and Latino students, as well as those between low-income and non-low-income students, and students with and without disabilities. The report also notes that increasing graduation rates “are not always translating into more students who are well prepared for postsecondary education and careers.”

States with the Highest Percentage of Low-Graduation-Rate High Schools, 2014

STATE	High Schools 67% and Below	Total High Schools	Percentage of Low-Grad-Rate High Schools
Alaska	53	122	43%
New Mexico*	62	154	40%
Florida	203	687	30%
Arizona	110	375	29%
Georgia	121	432	28%
Nevada	32	117	27%
Colorado	94	357	26%
Oregon	63	257	25%
New York	276	1,165	24%
Delaware	10	44	23%
Washington	98	430	23%
Idaho	35	172	20%

Note: The above calculations are based on counts of high schools enrolling 100 or more students.
*New Mexico did not federally report school-level data in 2013-14, so 2012-13 data was used.

For more information on the *2016 Building a Grad Nation* report, including state data tables and interactive maps and charts, visit <http://www.gradnation.org/report/2016-building-grad-nation-report>.



ZEROING IN ON ACHIEVEMENT: New Data Provides Insight into Racial and Socioeconomic Achievement Gaps in U.S. Schools

Glaring academic achievement gaps in communities across the nation are revealed in the Stanford Education Data Archive (SEDA), a new data set from the Stanford Graduate School of Education that provides evidence of racial and socioeconomic disparities to inform policy and practice to improve educational opportunities for all children.

¹ See http://nces.ed.gov/ccd/rural_locales.asp for an explanation of the different locales.

The data set was created from more than 200 million test scores of third- to eighth-grade students, from 2009–13, and includes scores from every public school district in the country, along with school district characteristics including racial and socioeconomic composition, and racial and socioeconomic segregation patterns. SEDA includes data on educational conditions, contexts, and outcomes at both institutional and geographic levels, including schools, districts, metropolitan areas, and states.

“We don’t administer a single standardized exam to all U.S. students, so a clear picture of the differences in academic performance across schools and districts has been elusive up until now,” said **Sean Reardon, professor of poverty and inequality in education at Stanford and the project director**. “It’s now much easier to identify school districts and communities where performance is high, compare them with demographically similar ones that do less well, and try to determine what’s behind the differences.”

The findings show that nearly every school district with large numbers of students from low-income families has an average academic performance significantly below the national grade-level average. The research also shows that in almost all school districts where students are predominantly students of color, there are large achievement gaps between white and African American students and white and Latino students.

A Stanford [article on the findings](#) identifies other key patterns of educational inequities determined by the data, including that

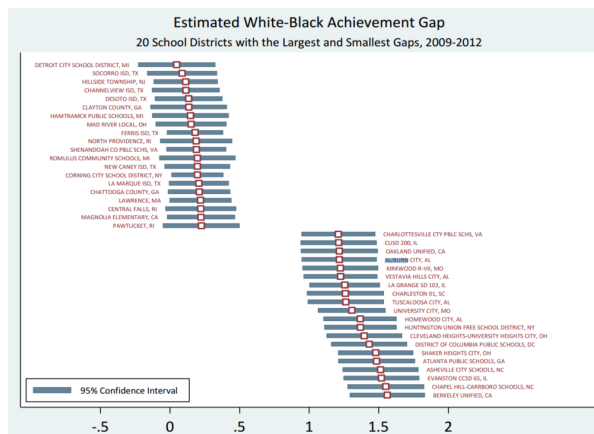
- one-sixth of all students attend public school in school districts where average test scores are more than a grade level below the national average; one-sixth are in districts where test scores are more than a grade level above the national average;
- the most and least socioeconomically advantaged districts have average performance levels more than four grade levels apart;
- average test scores of black students are, on average, roughly two grade levels lower than those of white students in the same district; the Hispanic-white difference is roughly one-and-a-half grade levels; and
- achievement gaps are larger in districts where black and Hispanic students attend higher-poverty schools than their white peers; where parents on average have high levels of educational attainment; and where large racial/ethnic gaps exist in parents’ educational attainment.

The release of SEDA was accompanied by two reports focusing on specific areas informed by the data, including the geography of racial and ethnic test score gaps, a closer look at school district socioeconomic status, race, and academic achievement.

The first paper, *The Geography of Racial/Ethnic Test Score Gaps*, is the first to explore racial achievement gaps across the country at such a fine geographic scale, allowing comparison to be drawn between and within states. Using the test scores from several thousands school districts across the country, the Stanford researchers find substantial geographic variation in the magnitude of gaps and also identifying the significant variables contributing to these gaps.

In some areas, achievement gaps were nearly zero, others, however, were larger than 1.2 standard deviations, as shown in the image to the right. (Click on the image for a larger version.)

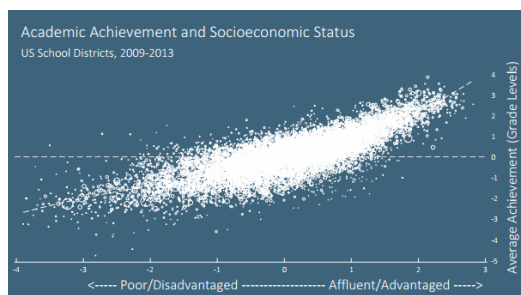
“Many of the districts with the largest white-black achievement gaps also appear on the list of place with the largest white-Hispanic gaps (Atlanta; Washington, DC; Chapel Hill, NC; Berkeley, CA), suggesting that the local forces producing racial/ethnic inequality are not specific to one race/ethnic group,” the report notes.



Almost three-quarters of this geographic variation is due to economic, demographic, segregation, and schooling characteristics, the study finds. It also shows that the achievement gaps are related to racial differences in parental income, parental education, and racial or ethnic segregation. The findings also show that wealthier school districts have the greatest inequities, despite the fact that they have more resources to serve students. “But even when students share similar socioeconomic backgrounds and attend similar schools, white students fare better,” notes an article in the [Atlantic](#) on the data.

School District Socioeconomic Status, Race, and Academic Achievement, the other report that accompanied the SEDA release, examines the strong relationship between academic achievement and socioeconomic status of school districts.

As shown in the graph to the right from the report, students in the most advantaged school districts (those on the right side of the graph) have test scores that are more than four grade levels above those of students in the most disadvantaged districts.



Finding that only 6.8 percent of the 1,000 poorest districts in the United States have mean test scores at or above the national average, the report notes that “we have little evidence that we know how to provide adequate educational opportunities for children growing up in low-income communities.”

Even among students of different race/ethnicities who attend schools with similar socioeconomic conditions, the achievement gaps are large. According to the paper, white students score, on average, one-and-a-half or more grade levels higher than black and Hispanic students enrolled in socioeconomically similar school districts. More disheartening, the paper finds that black students score, on average, at or above the national average in only 1.9 percent of the 946 school districts with at least 100 black students per grade.

More information on the SEDA, including accompanying reports, can be found at <https://cepa.stanford.edu/seda/overview>.



HIGHER EDUCATION, HIGHER REMEDIATION: Nearly Half of Students in College Remedial Courses Come from Middle- and Upper-Income Families, According to New Report

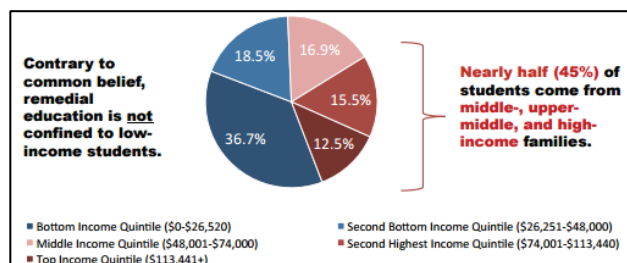
More than a half million rising college freshmen enrolled in remedial courses during their first year of college in 2011, collectively spending \$1.5 billion in direct college expenses for educational content they should have learned in high school. Furthermore, remedial education impacts students at all income levels and affects students at public and private two-year and four-year colleges.

Those findings come from *Out of Pocket: The High Cost of Inadequate High Schools and High School Student Achievement on College Affordability*, a new report from Education Reform Now (ERN), a progressive nonprofit think tank and advocacy organization. Using data from the U.S. Department of Education, researchers identified trends in first-year remedial course enrollment among students who started college in 2011, the most recent year available. Then they estimated the costs associated with taking remedial classes, which typically review basic skills and do not count toward the credits students need to complete a college degree.

“We have long studied how our country’s elementary and secondary schools have underserved low-income students and students of color, but inadequate academic preparation does not end with students and schools from low-income communities,” says **Mary Nguyen Barry, senior policy analyst at ERN and coauthor of the report**, in a [statement](#).

“Contrary to common belief, remedial education is *not* a phenomenon confined to low-income students or community colleges,” the report notes. “It affects students from a broad range of incomes, including those from middle-class, upper-middle-class, and high-income families, and from a broad range of college sectors.”

As shown in the image from the report to the right, 45 percent of students in first-year remedial college classes came from middle-, upper-middle-, and high-income families, those that earned between \$48,000 and \$113,440 per year or more. Roughly 55 percent came from families earning \$48,000 a year or less.



Similarly, 43 percent of students in remedial classes attended public four-year colleges and private nonprofit and for-profit two- and four-year colleges, while 57 percent attended public two-year colleges.

In some cases, students from high-income families took *more* remedial classes than did students from low-income families. Across all postsecondary institutions and income levels, students averaged two remedial courses each during their first year of college, the report says. But at private nonprofit four-year colleges, students from the highest income quintile took one class more than students from the lowest income quintile (2.7 versus 1.6 remedial classes). “In other words, in the most expensive colleges and universities, the wealthiest students need more remedial education than the poorest ones,” the report says.

The costs associated with those extra noncredit classes accumulate quickly, especially at expensive private colleges. The average net price² for one remedial class was \$1,500 in 2011, the report says. Of that total, students financed, on average, \$380 per course with federal and private student loans, amounting to more than \$380 million in additional student loan debt nationally just for remedial course work, according to the ERN report.

Students from high-income families who attended private nonprofit four-year colleges spent the most on remedial courses, averaging more than \$12,000 to study content they should have learned in high school. Net tuition and fees for classes at private four-year colleges are three times higher than those at public four-year colleges and more than ten times higher than those at community colleges. Meanwhile, the net cost, which is the all-inclusive cost of attending a college, of attending a private four-year college is twice the cost of attending a public four-year college and three times the cost of attending a community college, the report says.

Students who take remedial classes also face “indirect opportunity costs,” including a higher likelihood of lost earnings, the ERN report says. Among full-time students seeking a bachelor’s degree, those who took a remedial course during their first year were 74 percent more likely to drop out of college, significantly reducing their earning potential. Meanwhile, students who took remedial courses but stayed in college took eleven months longer to earn their bachelor’s degree, time they were not working and earning as much as they could have with a degree, the report says. Among full-time students seeking an associate’s degree, those who took a remedial course were 12 percent more likely to drop out of college, while those who persisted took an extra six months to complete their degree. An [analysis](#) by the Alliance for Excellent Education finds that college remediation costs students an estimated \$2 billion in lost lifetime wages.

“By shifting the expenses of a public K–12 education system into the more privatized higher education market, students and families are left to assume an unnecessary financial burden that can have damaging consequences—including long-term opportunity costs,” the ERN reports says. “[T]he college affordability issue—a ‘crisis’ some call it—is linked to the fate of high school reform and student achievement. Upgrade standards and learning for all students now or pay more out of pocket for college later.”

Out of Pocket: The High Cost of Inadequate High Schools and High School Student Achievement on College Affordability is available at <http://bit.ly/1R3b7il>.

Straight A’s: Public Education Policy and Progress is a free 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. Contributors include Jason Amos, editor; Kristen Loschert; Caroline Waldman; and Kate Bradley.

The Alliance for Excellent Education is a Washington, DC–based national policy and advocacy organization dedicated to ensuring that all students, particularly those traditionally underserved, graduate from high school ready for success in college, work, and citizenship. For more information, visit www.all4ed.org. Follow the Alliance on Twitter ([www.twitter.com/all4ed](https://twitter.com/all4ed)), Facebook (www.facebook.com/all4ed), and the Alliance’s “High School Soup” blog (www.all4ed.org/blog).

² The net price reflects the *total* cost of attending college after deducting grant and scholarship aid and includes costs for tuition, fees, room, board, textbooks, and other personal expenses. The average out-of-pocket cost for one remedial course based on average net tuition and fees alone is about \$400, notes the ERN report.