

Overlooked and Underpaid: How Title I Shortchanges High Schools, and What ESEA Can Do About It

Introduction

At no point in our nation's history has a student's performance in high school had such an influence on his or her ability to succeed in college and careers. Over the past ten years, most low-skill jobs have disappeared or become low wage. In the new global economy, the consequence of emerging from high school with low skills will have a profound impact on students' ability to achieve self-sufficiency and stability in society.

Unfortunately, high schools are an afterthought in Title I, the federal government's primary source of support for educating low-income students.¹ Only 10 percent of Title I funding supports high school students, while high schools educate almost one-fourth of the nation's low-income students.² Nearly 1,300 high-poverty high schools are not even eligible for Title I.³ In fact, the amount of funding per student that elementary schools receive is 40 percent higher than the amount received by high schools.⁴

Approximately one-fourth of the nation's students fail to graduate on time, costing the nation \$337 billion in lost lifetime earnings for each year of dropouts.⁵ There are nearly 1,900 high schools across the country, often referred to as "dropout factories," in which 60 percent or fewer high school freshmen progress to senior year on time.⁶ Research shows that by 2018, two-thirds of the nation's jobs will require some postsecondary education.⁷ It is clear that the nation can no longer afford to ignore these schools and their students and just hope that the problem gets better on its own.

Policymakers have known for some time that Title I places high schools at a disadvantage and have proposed improvements to better serve low-income high schools. For example, in its blueprint for the reauthorization of the No Child Left Behind Act, the Bush administration proposed to increase the share of Title I funding given to high schools.⁸

As Congress reauthorizes the Elementary and Secondary Education Act (ESEA), it should seize the opportunity to strengthen the reform mechanism within Title I to better meet the needs of the nation's high schools, without causing harm to elementary schools. Pending legislation and other written proposals have outlined the key elements that need to be included in federally supported high school reform efforts.⁹ The purpose of this paper is to explain the disadvantages that low-income/high-poverty high schools face within the existing Title I program and to present options for strengthening the distribution of Title I funds to high schools, without harming elementary schools, so that they will receive the attention and resources necessary to graduate students on time and ready for college and careers.

Opening the Black Box ... How Title I Is Distributed to Schools

Title I is the largest funding stream within ESEA supporting the education of low-income students. All states and 90 percent of school districts¹⁰ receive allocations from Title I based on four separate formulas.¹¹ Once the funding reaches school districts, each district determines which schools receive funding and how much they receive, based on statutory requirements and guidance from the U.S. Department of Education (ED).

Inaccurate Measure of Poverty in High Schools

The first thing school districts do when determining which schools will receive Title I funding is to rank their schools in order of the percentage of students from low-income families.¹² The statute allows school districts to choose from among several methods for determining the poverty level in schools; 87 percent of school districts use the percentage of students eligible for free or reduced-price lunch.¹³

It is well recognized that free and reduced-price lunch eligibility provides an inaccurate and low count of poverty at the high school level because older students are less likely than younger ones to submit free and reduced-price lunch forms.¹⁴ Because of this, guidance from ED allows districts to determine the poverty level in high schools using a “feeder pattern.”¹⁵ A feeder pattern takes the average poverty rate of the elementary schools that feed into the high school, and applies that average to the high school. Despite the fact that this method produces a more accurate measure of poverty than the use of free and reduced-price lunch eligibility, only 4 percent of districts choose to use feeder patterns to calculate poverty in secondary schools.¹⁶

Districts are then required to first fund those schools with more than 75 percent poor students in rank order of poverty, from highest to lowest, regardless of their grade level.¹⁷ After funding all of these schools, districts may then fund schools with a poverty rate of less than 75 percent in rank order or they can choose to fund by “grade span,” that is, choose to fund elementary schools, middle schools, or high schools. Schools within the grade span are then funded in rank order. Unfortunately, districts can—and many do—choose to serve their elementary schools first, then their middle schools, and then their high schools, even if the high schools have higher poverty rates than the elementary and middle schools.¹⁸

Numerous examples exist where high-poverty high schools are skipped over for middle and elementary schools with lower poverty rates (several specific examples are illustrated in the “Skipping Over High Schools” box, below).

Eligible or Not Eligible? ... That Is the Question

How a school is designated as eligible under Title I puts high schools, especially low-income high schools, at a distinct disadvantage.

Schools are automatically eligible for Title I only if their poverty rate is greater than or equal to the poverty rate of the school district.¹⁹ Districts have the ability to designate schools as eligible for Title I if the schools have a poverty rate of at least 35 percent—but they are not required to do so. Numerous high-poverty high schools have been classified in ED’s Common Core of Data as “ineligible.” In fact, nearly 1,300 high schools with 50 percent or more students from low-income families are not eligible for Title I (see Appendix A).²⁰



Skipping Over High Schools

Chicago Public Schools, Illinois

School	Grade Level	Enrollment	Percentage of Low-Income Students	Title I Eligible*
Von Steuben	High	1629	66.2%	No
Coonley	Elementary	413	55.0%	Yes
Drummond	Elementary	285	44.2%	Yes
Audubon	Elementary	480	44.2%	Yes

Jefferson County Public Schools, Colorado

School	Grade Level	Enrollment	Percentage of Low-Income Students	Title I Eligible*
Jefferson	High	619	78.0	No
Pleasant View	Elementary	264	58.3	Yes
Wilmore Davis	Elementary	283	57.2	Yes
Welchster	Elementary	319	53.9	Yes

Miami-Dade County Public Schools, Florida

School	Grade Level	Enrollment	Percentage of Low-Income Students	Title I Eligible*
Hialeah Gardens	High	968	72.9%	No
Mater Gardens Academy	Elementary	339	38.3%	Yes
Calusa	Elementary	833	37.0%	Yes
Kendale	Elementary	552	35.7%	Yes

*The National Center for Education Statistics Common Core of Data database states whether or not schools are eligible for Title I, but not whether or not they receive Title I. Regardless of whether or not these schools receive Title I, it is noteworthy that each high school has a significantly higher poverty rate and larger student population than the selected elementary schools; however, the high schools are not Title I eligible, and the lower-poverty elementary schools are Title I eligible.

Source: Unpublished analysis of data from the National Center for Education Statistics Common Core of Data database conducted by Wayne Riddle for the Alliance for Excellent Education (December, 2010). Data included in this chart are for the 2008–2009 school year.

Importance of Title I Eligibility Goes Beyond Title I

Until now, there has been very little reason for districts to classify schools as “Title I eligible” unless the school is going to receive Title I funding. Few federal programs have required schools to be Title I eligible in order to receive funds. But increasing numbers of federal programs are either requiring Title I eligibility or creating a funding priority for Title I–eligible schools. Because of the increased importance of some of these programs, there are new reasons to classify schools as Title I eligible even if they have not traditionally received Title I money from the district. For example, a school must receive or be eligible for Title I in order to be eligible for a School Improvement Grant (SIG).²¹ Additionally, in discretionary grant priorities recently established by ED, the term “persistently low-achieving school” is limited to those schools that receive or are eligible for Title I funds.²² So Title I eligibility is becoming increasingly important for the high schools that need the most federal support.

Nearly one-third of the nation’s dropout factories are not Title I eligible and therefore may be left out of SIG or other federal education programs that contain a Title I eligibility requirement or a priority to serve Title I–eligible schools (see Appendix B). These high-poverty high schools would likely benefit from access to these important federal programs that are intended to help struggling schools improve student achievement. Clearly, it is problematic that so many high-poverty schools are not classified as eligible for Title I.



Low-Income Dropouts Add More Fuel to the Fire

A full 84 percent of the nation’s dropout factories are schools with poverty rates of 40 percent or higher. In these schools, nearly half of freshmen drop out before senior year—and are therefore not included in their school’s count of low-income students. This drives down the school’s poverty rate substantially, making it less likely that it will receive Title I funding, since Title I in general is given to schools with the highest percentages of poor students.

Mathematical Disadvantage

High schools are substantially larger than middle and elementary schools. They have larger numbers of low-income and upper-income students, but because they serve larger numbers of students in total, they are likely to have lower *percentages* of low-income students than feeder middle and elementary schools—even though they may actually serve substantially higher numbers of poor students (see box below for a hypothetical scenario illustrating this problem).

The Mathematical Disadvantage of High Schools

Scenario 1: A story of national averages*

Imagine a scenario in which a school district has an elementary school, a middle school, and a high school, each with a student population equal to the national average enrollment size and the national average poverty rates. This would mean that the elementary school serves 444 students, 49 percent of whom would be low income. The middle school would serve 578 students, 44 percent of whom would be low income. The high school would serve 874 students, 36 percent of whom would be low income.

Placing these schools in rank order of poverty, as required under Title I, the elementary school has the highest poverty rate (49 percent), followed by the middle school (44 percent), and then the high school (36 percent). Therefore, the elementary school is the most likely school to receive Title I funding.

However, the high school serves a much larger number of low-income students than the elementary school. Specifically, the high school serves 318 low-income students, the middle school serves 253 low-income students, and the elementary school serves 220 low-income students. This means that the high school serves 45 percent more low-income students than the elementary school. However, under current Title I policy, it is the least likely to receive Title I funds.

Scenario 2: Losing Title I on the path to high school

A low-income student may attend a Title I–receiving elementary school, but by the time the student reaches high school, he or she is unlikely to receive Title I services. This is not because the student’s family won the lottery; it is because of the math behind Title I policy.

Consider a district with four elementary schools, two middle schools, and one high school, with the enrollments and poverty rates outlined below. Students in Elementary I, II, and III would likely receive Title I services. However, by the time they reach high school, they would be unlikely to receive Title I funds, even though the high school serves nearly three times the number of poor students than any of its feeder elementary schools.

<u>Elementary I</u> 75% poverty 75 out of 100	<u>Elementary II</u> 50% poverty 50 out of 100	<u>Elementary III</u> 75% poverty 75 out of 100	<u>Elementary IV</u> 25% poverty 25 out of 100
<u>Middle I</u> 63% poverty 125 out of 200		<u>Middle II</u> 50% poverty 100 out of 200	
		<u>High School</u> 56% poverty 225 out of 400	

*Source: Riddle, *Title I and High Schools*.



Fixing Title I in ESEA Reauthorization

As Congress advances the reauthorization of ESEA, several changes should be made to level the playing field for high schools within Title I.

- **Use a more accurate indicator of poverty for high schools.**

Current law and guidance from ED provide school districts with several options for measuring poverty within schools in order to focus Title I resources on schools with the greatest need. As discussed above, approximately nine out of ten school districts (87 percent) use free and reduced-price lunch eligibility as their indicator of poverty, and only 4 percent of districts use the more accurate feeder pattern.

In ESEA, require districts to use feeder-pattern projections to calculate high schools' poverty rates, and use this projection in allocating Title I funds if it is higher than the data provided by free and reduced-price lunch eligibility.

The feeder-pattern projection, calculated by averaging the poverty rate of a high school's feeder elementary schools, is likely to provide a more accurate measure of poverty in high schools than free and reduced-price lunch eligibility. This is because older students are less likely to turn in their eligibility forms than elementary school students are, and because the free and reduced-price lunch count excludes low-income students who have dropped out.

The feeder-pattern projection is easy to calculate in districts with a single high school, and data systems now in place in many districts should allow for feeder-pattern calculations to be made in districts with multiple high schools and/or school choice without a significant administrative burden to districts.

- **Strengthen and clarify Title I eligibility.**

As described above, a large number of high-poverty high schools are not classified as eligible for Title I, including 1,300 high schools with poverty rates at or above 50 percent, and 14 percent of the nation's dropout factories with poverty rates at or above 75 percent.

Current law allows districts to designate schools with a poverty rate of 35 percent or higher as eligible for Title I. Because the designation is not automatic, numerous high-poverty high schools are not classified as Title I eligible. **Therefore, ESEA reauthorization should grant automatic Title I eligibility to high schools that have a poverty rate of 35 percent or above as determined by the feeder-pattern projection described above.**²³ This would resolve any confusion regarding Title I eligibility requirements and would ensure that high-poverty high schools are eligible for Title I and other federal funds that are linked to Title I eligibility, such as SIGs.

- **Reduce or eliminate the 75 percent threshold.**

Under current law, districts fund schools in rank order of concentration of poverty, from highest to lowest, down to 75 percent. If Title I dollars are left over after funding all schools with greater than 75 percent poverty, districts may choose to fund their elementary schools and/or their middle schools before funding their high schools even if those schools have lower poverty rates than the high schools.



This reduces the number of high schools receiving Title I funds, and results in higher-poverty high schools being skipped over in favor of lower-poverty elementary schools.

High schools are also disadvantaged by this policy because the large number of students served by high schools drives down the *percentage* of students in poverty. Since high schools are larger than elementary schools, they are less likely to have poverty rates at or above 75 percent even though a high school may have significantly more poor students than its feeder elementary and middle schools. These problems could be addressed in one of two ways.

Option 1: Add high schools with a poverty rate above 50 (or 55) percent to the pool of schools funded first by Title I (i.e., schools with a poverty rate above 75 percent). Fund all of these schools in rank order from highest to lowest, and include a “hold harmless” provision to prevent existing funds from being shifted from elementary and middle schools to newly Title I–receiving high schools.

Option 2: Require all Title I funds to be distributed in rank order of concentration of poverty, preventing school districts from being able to fund their elementary or middle schools before their high schools if the elementary and middle schools have lower poverty rates than the high schools.

Option 1 would likely result in more high schools being funded than option 2. Further, if adequate funds were available, option 1 would result in roughly equal percentages of elementary, middle, and high schools receiving Title I funds. Specifically, 24 percent of elementary schools have poverty rates of 75 percent or above, and 24 percent of high schools have poverty rates of 55 percent or above.

- **Target Title I funds to high schools.**

The three policy recommendations outlined above would level the Title I playing field for high schools, but would not guarantee that high schools receive Title I funding. The most efficient way to ensure that high schools receive funding is to require them to do so.

High schools should receive at least a proportionate share of Title I funding. In other words, **high schools should receive a share of Title I funding that is at least equal to the percentage of low-income students attending high schools in the district.**²⁴ Nationwide, high schools receive far less than their proportional share of Title I; they receive only 10 percent of Title I funding while serving nearly one quarter of the nation’s low-income students.

The goal of proportional funding for high schools could be accomplished, without adversely impacting elementary and middle schools, by requiring all new Title I funds received by a school district to be used in high schools until the high schools in the district receive at least a proportionate share of Title I funding. Alternatively, districts could be required to use a specific portion of their Title I funds in high schools. For example, since traditional high schools serve 33 percent of grades (grades 9–12, or four grades out of grades 1–12), high schools should receive 33 percent of a district’s Title I allocation.



Appendix A: High Poverty High Schools Not Eligible for Title I

State	High Schools with 50 Percent or More Low-Income Students Eligible for Title I	High Schools with 50 percent or More Low-Income Students Not Eligible for Title I
Alabama	65	70
Alaska	9	0
Arizona	130	23
Arkansas	113	45
California	402	126
Colorado	16	55
Connecticut	14	14
Delaware	0	2
District of Columbia	18	0
Florida	122	6
Georgia	86	115
Hawaii	9	0
Idaho	28	2
Illinois	110	7
Indiana	41	3
Iowa	8	1
Kansas	63	1
Kentucky	102	1
Louisiana	131	5
Maine*	N/A	N/A
Maryland	0	31
Massachusetts	45	18
Michigan	166	6
Minnesota	49	25
Mississippi	99	59
Missouri	20	109



State	High Schools with 50 Percent or More Low-Income Students Eligible for Title I	High Schools with 50 percent or More Low-Income Students Not Eligible for Title I
Montana	32	2
Nebraska	20	21
Nevada	5	3
New Hampshire	0	1
New Jersey	31	32
New Mexico	79	3
New York	303	5
North Carolina	4	74
North Dakota	18	8
Ohio	150	58
Oklahoma	90	182
Oregon	17	58
Pennsylvania	97	12
Rhode Island	14	0
South Carolina	96	1
South Dakota	23	0
Tennessee	106	0
Texas	383	10
Utah	7	11
Vermont	2	0
Virginia	1	39
Washington	62	11
West Virginia	0	31
Wisconsin	70	7
Wyoming	2	1
Total	3,458	1,294

* The Title I-A eligibility variable is blank for all schools in Maine in the Common Core of Data file used for this analysis.
Source: Riddle, *Title I and High Schools*.



Appendix B: Dropout Factories NOT Eligible for Title I

State	Number of Dropout Factories	Number of Dropout Factories Not Eligible for Title I
Alabama	40	14
Alaska	22	2
Arizona	46	3
Arkansas	10	6
California	153	11
Colorado	25	20
Connecticut	13	5
Delaware	11	0
District of Columbia	5	0
Florida	164	48
Georgia	120	73
Hawaii	13	4
Idaho	4	2
Illinois	70	2
Indiana	16	10
Iowa	3	1
Kansas	12	3
Kentucky	22	1
Louisiana	46	2
Maine	2	1
Maryland	24	24
Massachusetts	33	11
Michigan	82	1
Minnesota	11	3
Mississippi	37	11
Missouri	24	23



State	Number of Dropout Factories	Number of Dropout Factories Not Eligible for Title I
Montana	4	0
Nebraska	6	5
Nevada	38	37
New Hampshire	2	2
New Jersey	15	8
New Mexico	41	22
New York	133	29
North Carolina	81	81
North Dakota	4	1
Ohio	80	3
Oklahoma	22	12
Oregon	4	3
Pennsylvania	54	3
Rhode Island	8	0
South Carolina	87	9
South Dakota	4	2
Tennessee	29	0
Texas	183	53
Utah	4	1
Vermont	1	0
Virginia	24	24
Washington	19	7
West Virginia	2	2
Wisconsin	28	1
Wyoming	2	1
Grand Total	1883	587

Source: Based on Alliance for Excellent Education analysis of both the National Center for Education Statistics Common Core of Data for the 2007–08 school year and promoting power data provided by the Everyone Graduates Center at Johns Hopkins University for school years 2005–06 through 2007–08.



Endnotes

¹ In this paper, references to “Title I” are specifically references to Title I, Part A, of the Elementary and Secondary Education Act.

² Jay Chambers et al., *State and Local Implementation of the No Child Left Behind Act, Volume VI—Targeting and Uses of Federal Education Funds* (Washington, DC: U.S. Department of Education, 2009).

³ Wayne Riddle, *Title I and High Schools: Addressing the Needs of Disadvantaged Students at All Grade Levels* (Washington, DC: Alliance for Excellent Education, 2011).

⁴ Chambers et al., *State and Local Implementation of the No Child Left Behind Act, Volume VI*.

⁵ Alliance for Excellent Education, “The High Cost of High School Dropouts: What the Nation Pays for Inadequate High Schools” (Washington, DC: Author, unpublished update).

⁶ T. Tucci, “Prioritizing the Nation’s Lowest-Performing Schools” (Washington, DC: Alliance for Excellent Education, 2010).

⁷ A. Carnevale, N. Smith, and J. Strohl, *Help Wanted: Projections of Jobs and Education Requirements Through 2018* (Washington, DC: Georgetown Center for Education and the Workforce, 2010).

⁸ U.S. Department of Education, *Building on Results: A Blueprint for Strengthening the No Child Left Behind Act* (Washington, DC: Author, 2007).

⁹ See, for example, the Graduation Promise Act (H.R.778), introduced by Representative Ruben Hinojosa. Senate introduction is pending.

¹⁰ Chambers et al., *State and Local Implementation of the No Child Left Behind Act, Volume VI*.

¹¹ For a complete discussion of the allocation of Title I, Part A, funds to states and school districts, see Riddle, *Title I and High Schools*.

¹² School districts with fewer than one thousand students are not required to rank their schools in order of poverty rates. See Title I, Part A, Section 1113(a)(6).

¹³ Chambers et al., *State and Local Implementation of the No Child Left Behind Act, Volume VI*. In addition to using eligibility for free and reduced-priced lunch, districts may also determine poverty levels using the number of children ages 5–17 in poverty according to the census, receiving Temporary Assistance for Needy Families, eligible to receive Medicaid, receiving federal child welfare assistance, or a composite of these indicators. See Title I, Part A, Section 1113(a)(5).

¹⁴ Riddle, *Title I and High Schools*.

¹⁵ U.S. Department of Education, *Non-Regulatory Guidance: Local Educational Agency Identification and Selection of School Attendance Areas and School and Allocation of Title I Funds to Those Areas and Schools* (Washington, DC: Author, 2003).

¹⁶ Chambers et al., *State and Local Implementation of the No Child Left Behind Act, Volume VI*.

¹⁷ Title I, Part A, Section 1113(a)(3).

¹⁸ Title I, Part A, Section 1113(a)(4).

¹⁹ Title I, Part A, Section 1113(a)(2).

²⁰ Riddle, *Title I and High Schools*.

²¹ See Federal Register, Vol. 75, No. 208, Thursday, October 28, 2010, available at www2.ed.gov/programs/sif/2010-27313.pdf (accessed February 20, 2011). The Alliance understands that the U.S. Department of Education (ED) would accept a state’s inclusion of a high school with a poverty rate of 35 percent, irrespective of whether the local educational agency had deemed the school eligible for Title I. However, that interpretation is not clear in ED regulations or guidelines.

²² See 75 Fed. Reg. 78509 (December 15, 2010): “Persistently lowest-achieving schools means, as determined by the State: (i) Any Title I school in improvement, corrective action, or restructuring that (a) is among the lowest-achieving five percent of Title I schools in improvement, corrective action, or restructuring or the lowest-achieving five Title I schools in improvement, corrective action, or restructuring in the State, whichever number of schools is greater; or (b) is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years; and (ii) any secondary school that is eligible for, but does not receive, Title I funds that: (a) Is among the lowest-achieving five percent of secondary schools or the lowest-achieving five secondary schools in the State that are eligible for, but do not receive, Title I funds, whichever number of schools is greater; or (b) is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years.”

²³ See footnote 11 for a description of the indicators of poverty allowed under current law.

²⁴ For example, if 30 percent of a school district’s low-income student population is comprised of high school students, then high schools in the district should receive no less than 30 percent of the district’s Title I allocation.

