



Straight A's

Public Education Policy And Progress



TO BE CONTINUED: Congress Enacts Temporary Funding Mechanism to Keep Government Operating Until March 2013; Bill Provides Across-the-Board Increase in Funding of 0.612 Percent

With the federal Fiscal Year (FY) 2013 set to begin on October 1 and the U.S. Congress yet to pass any of the twelve annual spending bills, the U.S. House of Representatives passed a stopgap spending bill, also known as a continuing resolution (CR), on September 13 that will keep the government funded through March 27, 2013 and avoid a government shutdown.

The CR includes an across-the-board increase in funding of 0.612 percent, which translates into a \$416.8 million increase in overall funding for the U.S. Department of Education. The U.S. Senate is expected to pass the bill during the week of September 17 and President Obama [has indicated](#) that he will sign it. Within thirty days of the bill's passage, the U.S. Department of Education must submit an operating plan outlining the funding levels for each program under its jurisdiction.

The \$416.8 million increase is less than the \$1.7 billion increase recommended by President Obama in his FY 2013 budget, but it is larger than the \$400 million increase included in the Labor, Health and Human Services (HHS), and Education appropriations bill that the [Senate Appropriations Committee passed on June 14](#). It is \$1.5 billion higher than the amount included in the Labor-HHS-Education appropriations bill that [passed the House Labor-HHS-Education Appropriations Subcommittee on July 18](#), which would have cut funding for the U.S. Department of Education by \$1.1 billion compared to FY 2012.

While pleased that Republicans and Democrats could compromise on a CR that will keep the government from shutting down, very few members of either party see the CR as an ideal solution. "Let no one think that putting the government on autopilot for a full six months is a good idea," [said Senate Appropriations Committee Chairman Daniel K. Inouye \(D-HI\)](#). "Resources that could have been used for more urgent or important projects will instead be available for lower-priority items."

"This CR is a good-faith effort to provide limited but fair funding for government programs. It fulfills the responsibility of Congress to maintain the continuity of our government and its vital programs and services—for our people, nation, and for the stability of our economy," said [House Appropriations Committee Chairman Hal Rogers \(R-KY\)](#). "However it is essential that we move away from relying on these short-term funding Band-Aids. We must return to passing critical funding legislation in the way the Constitution intended—as individual, regular appropriations bills that provide oversight of government programs and respond to our national needs and financial realities."



SEQUESTRATION WOULD BE “DEEPLY DESTRUCTIVE”: OMB Report Examines Impact of \$1.2 Trillion in Spending Cuts Scheduled for January 2

On January 2, 2013, \$1.2 trillion in automatic across-the-board spending cuts will go into effect unless the U.S. Congress can come to an agreement on a mix of tax increases and spending cuts to offset them. These cuts, officially known as “sequestration,” will apply to military and domestic spending alike and were triggered when the Joint Select Committee on Deficit Reduction, aka the “supercommittee,” failed to agree on a plan to reduce the nation’s deficit late last year.

Issued last week, a new report from the Office of Management and Budget (OMB) says that sequestration would be “deeply destructive to national security, domestic investments, and core government functions.” It finds that sequestration would result in a 9.4 percent cut in defense discretionary funding and an 8.2 percent cut in nondefense discretionary funding, including education funding, for Fiscal Year (FY) 2013. That works out to an approximately \$55 billion cut from defense, \$38 billion from domestic discretionary programs, \$11 billion from Medicare, and \$5 billion from other mandatory spending.

For the U.S. Department of Education, an 8.2 percent cut would result in a \$4.1 billion decrease in funding. Among individual programs, an 8.2 percent reduction in funding would mean a \$1.2 billion cut to Title I in FY 2013, a \$973 million cut to special education, and a \$146 million cut to career and special education. In June, the Senate Labor, Health and Human Services, and Education Committee held a hearing that examined the impact sequestration would have on additional education programs. More information on the hearing is available at http://www.all4ed.org/publication_material/straight_as/08062012#4.

“On the nondefense side, sequestration would undermine investments vital to economic growth, threaten the safety and security of the American people, and cause severe harm to programs that benefit the middle-class, seniors, and children,” the report notes. “Education grants to states and local school districts supporting smaller classes, afterschool programs, and children with disabilities would suffer.”

The report makes clear that the sequestration was meant only as a “threat” to “force Congress to act on further deficit reduction,” adding that the “specter of harmful across-the-board cuts to defense and nondefense programs was intended to drive both sides to compromise.”

Congressional leaders—who passed legislation requiring OMB to prepare the report—have been eagerly anticipating the report in hopes that it could provide information on exactly how much individual programs would be cut. The report lacks that level of detail; instead it states that it was not possible within the thirty-day deadline imposed by Congress to “identify, review, and resolve issues associated with providing information at this level of detail” for the large number of programs, projects, and activities in the federal budget.

The complete report is available at http://www.whitehouse.gov/sites/default/files/omb/assets/legislative_reports/stareport.pdf.

SEQUESTRATION: Are Major Cuts to Education Around the Corner?

On September 14, the Alliance for Excellent Education, Committee for Education Funding (CEF), and Coalition for a College- and Career-Ready America cohosted a webinar that focused on how sequestration would affect federal education programs and what impact the spending cuts would have on local school districts.

The webinar featured **Phillip Lovell**, vice president of federal advocacy at the Alliance; **Joel Packer**, executive director of the CEF; and **Tom Shelton**, superintendent of Fayette County Public Schools in Lexington, Kentucky.



The webinar (1) provided an explanation of the overall budget process; (2) explained how sequestration would be implemented and its potential impact on early childhood, K–12 and higher education; and (3) discussed what advocates can do to discourage the U.S. Congress from making major cuts to education programs. Panelists also addressed questions submitted by viewers from across the country.

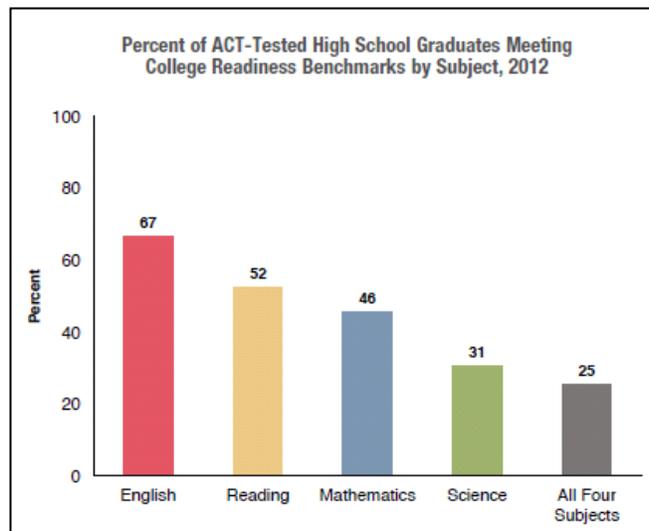
Watch video from the webinar at <http://media.all4ed.org/webinar-sep-14-2012>.



THE CONDITION OF COLLEGE AND CAREER READINESS 2012: Only 25 Percent of 2012 High School Graduates Considered “College Ready” in Four Core Subjects, According to ACT Results

Only one in four high school graduates from the Class of 2012 who took the ACT college- and career-readiness exam were considered “college ready” in English, reading, mathematics, and science, according to *The Condition of College & Career Readiness 2012*, released by ACT on August 22. That percentage was unchanged from last year.

As shown in the graph to the right, the percentages of students meeting the ACT college-readiness benchmark was highest in English, with 67 percent of graduates tested reaching the mark, compared to only 31 percent in science.¹



According to the report, 28 percent of high school graduates tested did not meet the college-readiness benchmark in any of the four subjects. Fifteen percent met only one of the benchmarks, while 17 percent met just two.

¹ ACT’s college-readiness benchmarks are based on actual grades earned in college by ACT-tested students. They specify the minimum score needed on each of the four ACT subject tests to indicate that a student has a 75 percent chance of earning a grade of C or higher or a 50 percent chance of earning a B or higher in a typical credit-bearing first-year college course in that subject area.

“Far too many high school graduates are still falling short academically,” said **ACT Chief Executive Officer Jon Whitmore**. “We need to do more to ensure that our young people improve. The advanced global economy requires American students to perform at their highest level to compete in the future job market and maintain the long-term economic security of the U.S.”

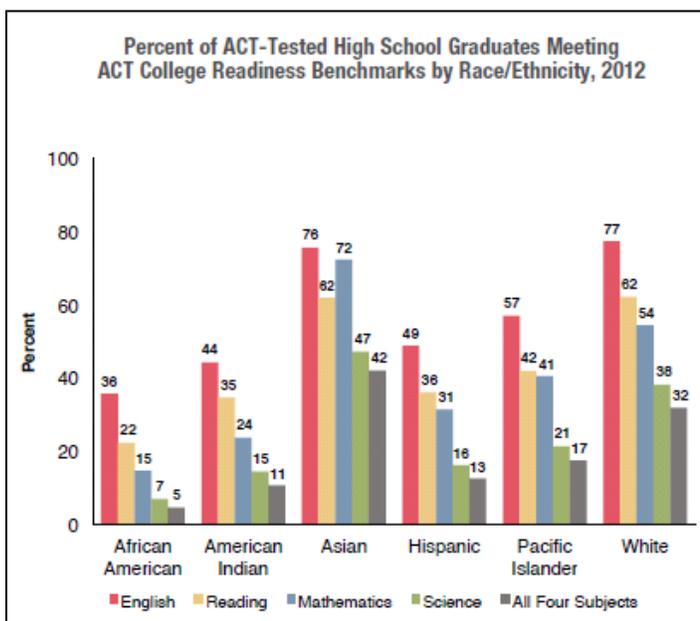
As shown in the table below, only four states (Massachusetts, Connecticut, New Hampshire, and New York) saw more than 40 percent of their 2012 high school graduates meet all four benchmarks.

States with the Highest and Lowest Percentages of Students Meeting All Four Benchmarks

State	Percentage Meeting All Four Benchmarks	State	Percentage Meeting All Four Benchmarks
Massachusetts	44%	Mississippi	11%
Connecticut	43%	Tennessee	16%
New Hampshire	42%	New Mexico	17%
New York	41%	Louisiana	17%
Maine/New Jersey	39%	Kentucky	17%

Among gender lines, 29 percent of male graduates met all four benchmarks, compared to 22 percent for females.

When broken down by race and ethnicity, the scores reveal a wide achievement gap between Asian and white students and their peers. As shown in the graph to the right, 42 percent of Asian students and 32 percent of white students met the college-readiness benchmark in all four subjects, compared to only 17 percent of Pacific Islanders, 13 percent of Hispanics, 11 percent of American Indians, and 5 percent of African Americans.



The report finds sizeable gaps between student subgroups in each of the individual subjects as well. In math, for example, 72 percent of Asian students met the benchmark—nearly 20 percentage points higher than white students and at least 30 percentage points higher than any of the other student subgroups.

“The 2012 ACT Condition report is clear: There is far too much disparity in education outcomes for our students—gaps based on income, ethnicity and race, subject area, and vast differences between those who take the core and those who do not,” said **Council of Chief State School Officers Executive Director Gene Wilhoit**. “This report is a reminder as to why we’re making

sweeping changes in state standards, among other reforms, and that we need to move even more swiftly.”

The complete report is available at

<http://media.act.org/documents/CCCR12-NationalReadinessRpt.pdf>.



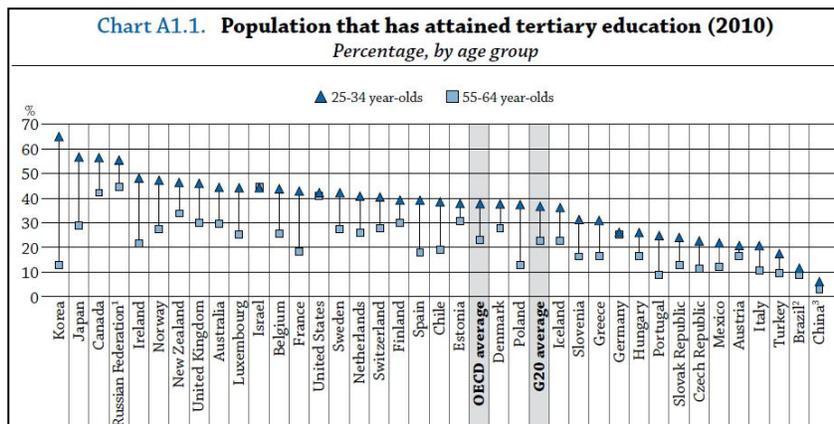
EDUCATION AT A GLANCE 2012: Annual OECD Report Ranks U.S. Educational Performance Versus International Competitors

At 69 percent, the United States ranks twenty-eighth in the percentage of four-year-olds in early childhood education, according to *Education at a Glance 2012: OECD Indicators*, released earlier this month by the Organisation for Economic Co-operation and Development (OECD). The report also finds that the odds of a young person in the United States continuing through to postsecondary education if his or her parents do not have a high school diploma are just 29 percent, ranking the United States twenty-fifth out of twenty-seven countries.

The good news is that the United States does fairly well in both high school and college graduation rates, although its ranking in each has slipped in recent years, the report finds. For number of high school graduates, the United States ranks first in the world among fifty-five- to sixty-four-year-olds, with 90 percent of the population having earned a high school diploma. Among twenty-five- to thirty-four-year-olds, however, the United States slipped to eleventh.

In higher education, 42 percent of all twenty-five- to sixty-four-year-olds in the United States have completed a university education, ranking the U.S. fifth behind only Canada (51 percent), Israel (46 percent), Japan (45 percent), and the Russian Federation (54 percent). Among younger individuals, however, those

aged twenty-five to thirty-four years old, the United States slipped to fourteenth, as shown in the graph above. Between 2000 and 2010, growth in tertiary attainment in the U.S. grew at an average of 1.3 percentage points a year, compared to an average of 3.7 percentage points for OECD countries. Based on this trend, the report warns that the United States could fall further in these rankings in the coming years.



Part of the reason higher education attainment rates have stagnated in the United States could be the increasing costs associated with getting a postsecondary degree. According to the report, the total cost for a man in the United States to pursue higher education (\$116,000) is second highest in the world.² Only the United Kingdom (\$122,155), the Netherlands (\$104,231), and Japan

² Total cost includes direct costs, as well as foregone earnings an individual could have earned while he is in school.

(\$103,965) have costs above \$100,000 and, unlike the United States, the majority of their costs consists of foregone earnings.

While the cost is high, the payoff for obtaining a higher education degree is much greater in the United States than in most OECD countries. According to the report, a tertiary-educated man in the United States can expect to earn almost \$675,000 more over his working life than a man with no more than a high school diploma or a “nontertiary education”—far more than in any other country.³ The corresponding number for an American woman is nearly \$390,000, an amount approached only by tertiary-educated women in Ireland, the Netherlands, Portugal, and the United Kingdom. Additionally, the estimated public return on a tertiary-educated man is \$232,779, which is higher than in all other countries except Hungary; for women in the United States, the return is \$84,313, which ranks seventh.

In order to reduce inequality, boost social mobility, and improve individuals’ employment prospects, the report urges governments to increase investment in early childhood programs and maintain “reasonable” costs for higher education.

“Countries need an increasingly educated and skilled workforce to succeed in today’s knowledge economy,” said **OECD Secretary-General Angel Gurría**. “Investing from an early age is crucial to lay the foundations of later success. High-quality education and skills have to be among the number-one priorities for governments, for economies, and for societies. Supporting the poorest and ensuring equal access is another important pillar in an inclusive education policy strategy.”

Education at a Glance 2012 is available at <http://bit.ly/RXqgZA>. Highlights for the United States are available at <http://bit.ly/U3C4dG>.



BACK ON TRACK: New Report Highlights Dropout Recovery Programs in the Southwest

Dropout recovery programs are gaining traction and attention in the Southwest as several flagship “back-on-track” initiatives find success through an innovative educational structure that allows students to obtain a high school diploma while taking college courses to prepare for their future, a new First Focus report details.

Back on Track Through College in the Rio Grande Valley: From Dropout Recovery to Postsecondary Success looks at the work and legacy of **Dr. Daniel King, superintendent of the Pharr–San Juan–Alamo Independent School District in Texas**, who changed the landscape of dropout recovery programs in 2007 when he launched the College, Career, and Technology Academy (CCTA). Faced with a high school dropout rate of 38 percent—nearly double the state average, in a district where 90 percent of the population is Hispanic, and one-third of those are economically disadvantaged—Dr. King set out to find a way to target that population and capitalize on their untapped potential.

³ The duration of a nontertiary education is usually the equivalent of between six months and two years of full-time study.

“I began to think about the hundreds of young people in the community who had almost made it and were ‘struck’ without a high school diploma,” Dr. King writes in the report. “The likely impact on these young people and their families hit me hard, but the probable cumulative impact on a community with hundreds of dropouts each year, resulting in thousands of young adults never completing high school, had devastating potential.”

Partnered with South Texas College, CCTA is a dual-enrollment recovery program, providing online credit recovery while also engaging students in technical and vocational college courses. CCTA targets students aged eighteen to twenty-six years old who are a mix of dropouts and high school seniors and who failed their exit tests or lacked enough credits to graduate. Since 2007, nearly 1,000 students have graduated from CCTA, and more than half have graduated with college credits, helping to prepare them for postsecondary success.

Dubbed a “back-on-track” program, the success of CCTA has inspired many others. South Texas College is looking to create a teaching center, the first step to a branch campus. High schools around the district and region have adopted recovery programs within their walls. Additionally, Jobs for the Future has created a replication network in which six communities in the Rio Grande Valley and throughout Texas participate.

“This strategy has paid off, as the high schools have developed ‘back-on-track’ solutions for their own struggling students,” Dr. King says.

The future of back-on-track programs looks bright. In 2011, the Texas state legislature passed a bill allowing community colleges to launch CCTA-like programs on their campuses, partnering with school districts that have high school dropout rates higher than 15 percent. Additionally, community colleges that participate in dropout recovery programs are eligible to receive a negotiated amount of funds per pupil for participating students from their partner school districts.

Nationally, Jobs for the Future is looking to CCTA to provide instruction and guidance to districts on how to develop similar programs for their communities. CCTA will serve as a demonstration site and launch-pad for future, similar initiatives. Look to CCTA this fall when they will host “residencies” to instruct educators on strategies and tools for college-ready success.

“It has become obvious that there is a great need for this ‘back-on-track through college’ approach throughout the country,” Dr. King notes. “To support replication and scaling, the development of CCTA into a very high-quality demonstration site capable of supporting many visitors with quality assistance is critical.”

Back on Track Through College in the Rio Grande Valley is available at <http://bit.ly/Pg5FMx>.

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. Contributors include Jason Amos, editor; Cyndi Waite; and Kate Bradley.

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>.