



# StraightA's

Public Education Policy And Progress



## **OBAMA'S EDUCATION BUDGET MAKES SECONDARY SCHOOLS A PRIORITY: Education Secretary Says a Focus on Middle and High Schools is "Hugely Important to Us"**

Earlier this year, President Obama released a broad outline of his Fiscal Year (FY) 2010 budget proposal for the U.S. Department of Education. The [three-page document](#), released on February 26, offered a summary of the president's educational priorities but contained relatively little in terms of actual dollar figures. On May 7, Obama made it clear that significant reform around the nation's middle and high schools will be a big issue in 2009 when he made public his detailed funding proposals, which included new investments in adolescent literacy, a high school graduation initiative, and a focus on turning around low-performing middle and high schools.

The president's most significant proposal for middle and high schools is the \$1.5 billion he seeks for Title I School Improvement Grants. Not only does the amount represent an increase of \$1 billion over FY 2009, it also requires states to ensure that 40 percent of these funds are spent on improvement activities in middle and high schools. According to an FY 2010 [budget summary provided by the U.S. Department of Education \(ED\)](#), the targeting request "reflects the administration's determination to take immediate action to begin addressing the factors that contribute to the high school dropout crisis in American education."

In a May 7 [conference call with education reporters](#), **U.S. Secretary of Education Arne Duncan** said that Title I is not focused enough on "fundamentally reducing the dropout rate and challenging the status quo and those dropout factors." He said a priority was making sure that middle and high schools get their "fair share of these desperately needed resources," adding that "focusing not just on the younger children, but on middle school and high school is hugely important to us."

"For the first time we are focusing a significant portion of money in the Title I program to give state and local officials the resources they need to make changes in the schools that aren't putting children on the track for academic success," Secretary Duncan told reporters. "With \$1.5 billion available in this budget and the \$3 billion already in the pipeline under the American Recovery and Reinvestment Act (ARRA), states and districts will have money to fix schools or shut them down with schools that deliver poor students."

A chief example of schools that are not serving their students are the nation's "dropout factories," the approximately two thousand high schools—identified by Johns Hopkins University researchers—that graduate 60 percent or fewer of each entering ninth-grade class.

“These schools enroll an estimated 2.6 million students and account for nearly all of the roughly one million young people who drop out of high school each year,” the budget summary reads. ED believes that one third or more of dropout factories are Title I schools that are “virtually certain” to be identified for improvement, corrective action, or restructuring.

The school improvement funds would help states and school districts expand their capacity to identify and implement effective strategies to turn around dropout factories, as well as elementary and middle schools that have been identified for improvement corrective action, and restructuring. According to the 2007–2008 Consolidated State Performance Reports, the number of schools identified for all stages of improvement grew from 11,511 in the 2007–08 school year to 12,737 in the 2008–09 school year.

The president’s budget also includes an additional \$100 million for the “What Works and Innovation Fund,” which would help identify, evaluate, and scale up proven strategies for improving student achievement and closing achievement gaps in low-performing schools.

To further curb the dropout crisis, the president’s budget also proposes \$370.4 million for the Striving Readers program, which previously focused on improving the skills of adolescents who read below grade level. Under Obama’s proposal, the program would be expanded into a comprehensive literacy program serving children in all grades. Of the total, \$300 million would go toward early literacy grants while \$70.4 million would be devoted to adolescent literacy grants. Because poor reading skills affect students’ performance in all subject areas, students who struggle to read at grade level are often at risk of dropping out of school. The \$70.4 million request, which would double the funding devoted to adolescent literacy, would fund up to eighty-seven competitive awards for 1) the development, implementation, and testing of research-based reading interventions designed to improve the reading skills of students reading significantly below grade level; and 2) rigorous evaluations of reading interventions being implemented in the nation’s secondary schools including evaluations that use experimental research designs.

President Obama’s budget request also includes \$50 million for a new High School Graduation Initiative, a program designed to identify promising practices around dropout prevention. It would provide grants to local educational agencies to support effective, sustainable, and coordinated strategies that would increase high school graduation rates, particularly in dropout factories and the schools that feed into them. Funds would also provide ED with the opportunity to evaluate approaches to dropout prevention and high school completion to determine those most effective and to identify and disseminate information on best practices. ED has indicated that it would focus on using data to identify students who are at risk of dropping out as early as possible as well as identify promising practices to intervene with respect to those students.

“By focusing on higher standards, a comprehensive literacy program, and strategies to turn around low-performing middle and high schools—including the nation’s ‘dropout factories’—the president made clear that the nation needs all students to be graduating from high school truly ready for college or the modern workforce if it is to get the economy truly back on track,” said **Bob Wise, president of the Alliance for Excellent Education and former governor of West Virginia**. “Such strong presidential emphasis on taking major action on high school reform hopefully will be reflected in an early reauthorization of the Elementary and Secondary Education Act.”

In total, the president’s budget would provide \$46.7 billion for the U.S. Department of Education, an increase of \$1.3 billion over the comparable amount for FY 2009. It proposes to save an estimated \$24.3 billion over five years by making all new postsecondary student loans through the Direct Loans program and by restructuring the Perkins Loan program. It would also eliminate funding for twelve programs for a total of \$551 million and 702 earmarked projects that total an estimated \$196.3 million. Among programs slated for elimination are Safe and Drug-Free Schools and Communities State Grants (\$294.8 million), Even Start (\$66.5 million), and the College Access Challenge Grant program. Of the twelve programs Obama would eliminate, eight were unsuccessfully targeted for elimination by President George W. Bush.

“This budget makes tough decisions, investing in the programs that will deliver results in student learning while ending ones that aren’t working,” said Secretary Duncan. “It will give educators the resources they need to turn around the schools in the most trouble and it will build a foundation for success in school for our youngest citizens.”

For Title I, the president’s budget would provide \$13 billion, a decrease of \$1.49 billion. The cut to Title I has drawn criticism from some education groups, but ED made it clear that the FY 2010 budget was meant to build upon the investments made in ARRA, which provides \$98.2 billion in funding for ED over the next two years, including \$10 billion for Title I.

**Comparable Department of Education Appropriations (Billions of Dollars)**

	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010 (Proposed)</b>
Discretionary (Without Pell Grants)	\$45.0	\$45.4	\$46.7
Pell Grants (Mandatory only in 2010)	\$14.2	\$25.4	\$28.7
ARRA Funds (Non-Pell Discretionary)	N/A	\$81.1	N/A
Other Mandatory	\$8.1	(\$11.4)	(\$16.9)
Total	\$67.4	\$140.5	\$58.5

More information on the president’s budget proposal is available at <http://www.ed.gov/about/overview/budget/budget10/summary/index.html>.

A table of funding levels for programs benefiting middle and high schools is available at <http://all4ed.org/files/Fiscal10ProgramChart.pdf>.



**“STRENGTHENING AMERICA’S COMPETITIVENESS THROUGH HIGH SCHOOL REFORM”:** Alliance President Among Witnesses to Appear Before Congressional Committee

On May 12, the House Committee on Education and Labor held a hearing to examine how policies for addressing the high school dropout crisis and improving graduation rates can strengthen America’s economic competitiveness. During the hearing, “Strengthening America’s Competitiveness through High School Reform,” it became apparent—through statements by committee members and witness testimony—that the No Child Left Behind Act (NCLB) has done little to reform middle and high schools.

“We should be producing the most qualified and talented workforce possible,” said **House Committee on Education and Labor Chairman George Miller (D-CA)**. “Instead, businesses say high school graduates are not ready for the workplace, and colleges say high school graduates are not ready for the rigors of college. It’s become increasingly clear that addressing

this dropout crisis is one of the most important things we can do to turn our economy around for good.”

During his opening statement, Miller said that NCLB does not do enough to turn around low-performing middle and high schools, nor does it improve graduation rates. He attributed this failure to the fact that states lack common standards and currently use different data and calculations to determine their graduation rates. “We need to hold schools responsible for their graduation rates so they can improve student performance,” Miller said. “We also need to discourage schools from pushing out students who aren’t making the grade and ask schools to keep their doors open to students who leave and want to return.”

The hearing featured two panels. The first was composed of **Representatives Mike Castle (R-DE), Chaka Fattah (D-PA), Raúl Grijalva (D-AZ), and Phil Roe (R-TN)**—all of whom, except for Fattah, serve on the Education and Labor Committee.

During his testimony, Castle, who is the highest-ranking Republican on the Subcommittee on Early Childhood, Elementary and Secondary Education, said that NCLB has resulted in improvement at the elementary and middle school levels, but not in high schools. He pointed to recent results from the National Assessment of Educational Progress (NAEP) Long-Term Trend report that showed no improvement in the performance of seventeen-year-olds in math and reading since the 1970s. “As Congress works to reauthorize the No Child Left Behind Act this year, it is clear that we must work at the federal, state, and local levels to ensure students are prepared for college or the workforce when they graduate high school,” he said. Castle added that Congress should look for ways to support state and school district efforts to improve state academic standards.

Fattah focused his comments on the resource gap between high schools with large percentages of poor and minority students, which tend to be low-performing, and those without. He said that low-performing high schools typically have fewer effective teachers and lack a rigorous, college preparatory curriculum, adding that he will reintroduce his Student Bill of Rights Act this spring to address these disparities in educational resources and students’ lack of ability to learn.

Grijalva, who is also Chairman of the Congressional Hispanic Caucus’ Education and Work Force Task Force, discussed the low high school graduation rates among Latino students. He called on Congress to make states accountable for accurately counting students who drop out and assist the high schools that are “most critically in need of intervention to staunch the loss of students to dropping out.” He said that the [Graduation Promise Act](#), which will soon be reintroduced, would help provide the “implements of aid” to schools with low graduation rates and “help roll back the dropout crisis.”

During Roe’s testimony, he discussed how students’ long-term gains result in staying longer in school; he also reminded the committee not to forget about students who had already dropped out. Roe asked the committee to look at the role that the Carl D. Perkins Career and Technical Education Act plays in reducing the dropout rate. “Some students are at high risk of not finishing school because they don’t think that school has any relevance for them,” he said. “They want a job and a pay-check right away, and a career-focused education can help them achieve this goal and make sure they get their high school diploma.”

The second panel featured six education experts who discussed the startlingly high dropout rates that plague the nation and the economic impact that they have on the nation's economy. In his testimony, Alliance for Excellent Education President Bob Wise said that a failure of federal policy to address the needs of high schools would lead to an economic crisis that would be greater than the combined cost of bailing out banks, financial institutions, the auto industry, and AIG.

“Given the state of high schools in the United States, it is imperative that we focus attention on the six million students most at risk of dropping out if we want long-term economic stability,” Wise said. “Addressing the crisis in high schools is a civil rights and economic imperative. In an Information Age economy, education is the main currency.”

Wise outlined several reasons why NCLB has done little to reform the nation's high schools. He noted that the law was written mainly with elementary schools in mind and that very few of the law's improvement and accountability provisions affect high schools. Moving forward, Wise asked the committee to consider several fixes as it begins the reauthorization of the law. Specifically, he cited the need for high, common standards that are tied to college- and work-readiness and are internationally benchmarked and resources that are targeted to help the lowest-performing high schools implement evidence-based interventions.

Wise expressed support for several pieces of legislation currently under consideration in Congress including the [Every Student Counts Act](#), the Graduation Promise Act, and the [Secondary School Innovation Fund Act](#), as well as upcoming legislation on a comprehensive literacy program that would address the reading and writing needs of students from pre-kindergarten through high school.

**Dr. Robert Balfanz, a research scientist at the Johns Hopkins University**, challenged Congress to address the nation's two thousand “dropout factories,” which represent 12 percent of high schools but produce more than half of the nation's dropouts.

“In these high schools, graduation is not the norm and is often at best a 50/50 proposition,” he said. “These high schools are found in every state and 77 percent of congressional districts but are concentrated within them in a sub-set of urban and rural low-wealth communities. In these locales, dropout factories are often the predominant or only public high school. This puts the entire community at risk of being cut off from a modern economy, which is driven by human capital or know-how.”

The fact that the nation's dropout factories are in a limited number of locales across the nation makes addressing them a solvable problem, Balfanz argued. He said that efforts can be targeted to the most challenged schools and their students most in need, while early-warning and on-track indicator systems can provide a powerful accountability tool to make sure schools are getting the right intervention to the right student at the right time.

Balfanz noted that the majority of students served by dropout factories routinely enter the ninth grade with math and reading skills two or more years below grade level. Additionally, these schools do not have the human (effective teachers) or financial resources needed to meet the educational challenges they face. He noted that close to half of the nation's dropout factories

receive no federal Title I support even though they almost exclusively educate poor and minority students.

Balfanz outlined several steps that the federal government could take to turn around dropout factories and the middle schools that feed into them. For example, he said that a high school's graduation rate and achievement levels need to have coequal weight in federal accountability frameworks. He also called on "full and fair" Title I funding for secondary schools and pointed to the [Success in the Middle](#) and Graduation Promise Acts as pieces of legislation that would target funds based on the needs and capacity of each dropout factory and its primary feeder middle schools.

"We can identify most of the students in your districts and across the nation, who—absent effective interventions—will not graduate in the next seven years," he said. "We know which schools they attend and, with a little attention and effort, we see the signals they are sending—signals that clearly say 'help.' We also know how to do something about it. ... The federal government must play a key role in this effort."

**Scott Gordon, CEO of Mastery Charter Schools in Philadelphia**, painted a dismal picture of the current educational experience in Philadelphia where 20,000 first graders enter the city's public schools, but only 3,500 have a shot at graduating from college. He also discussed the success that Mastery Charter Schools was having in turning around the city's lowest-performing high schools by focusing on accountability, high standards, performance pay for teachers, and closing failing schools to turn them around.

**Marguerite Kondracke, president and CEO of America's Promise Alliance**, discussed a recent report finding that only 53 percent of all young people in the nation's largest cities graduate on time (see box below). She also talked about the series of dropout summits that America's Promise has or will hold in all fifty states and the fifty-five cities with the largest dropout rates. After each summit, states and communities develop action plans to address the crisis that include a cross section of stakeholders. She also argued that there must be a federal role and called on Congress to pass several pieces of legislation, including the Graduation Promise Act, the Secondary School Innovation Fund Act, and the Every Student Counts Act.

**Dr. Vicki Phillips, director of education for the Bill & Melinda Gates Foundation**, discussed the lessons that the Gates Foundation has learned in its nine years of working to turn around high schools. Specifically, she mentioned the primacy of effective teaching, the importance of a common core of standards that are fewer, clearer, and higher, and the pursuit of innovative approaches that would lead to breakthrough performance. To these elements, she added data systems and assessment that tell which students in which classrooms are making gains. "Today, despite hundreds of millions invested in data systems and assessments, we do not have the most crucial information we need: which teachers already are effective, which teachers are not, and which teachers are becoming more effective," she said.

**Michael Wotorson, executive director of the Campaign for High School Equity**, discussed the two different school systems in America. "On the one hand, we have a system that emphasizes high academic quality and serves the nation's privileged students," he said. "Yet another system exists that emphasizes academic mediocrity and largely serves low-income

students and students of color. The one consistency in our education system is in our high schools that fail to provide students of color and youth from low-income neighborhoods with the high-quality education they need to succeed in college and in the modern workplace.”

Wotorson outlined several policy solutions for this crisis, including a focus on making all students proficient and prepared for college and work, holding high schools accountable for student success, and redesigning the American high school.

Complete witness testimony and video of the hearing are available at <http://edlabor.house.gov/hearings/2009/05/americas-competitiveness-throu.shtml>.

**Cities in Crisis 2009: Report Pegs Average Graduation Rate in Nation’s Largest Cities at 53 Percent**

Although the nation’s largest cities showed some progress in increasing their graduation rates from 1995–2005, their average graduation rate of 53 percent is well below the national average of 71 percent. So says [Cities in Crisis 2009: Closing the Graduation Gap](#), a report released last month by Editorial Projects in Education, Inc. with support from the America’s Promise Alliance and the Bill & Melinda Gates Foundation.

“The ten-year graduation rates show that progress is being made in some of America’s largest cities, but significant work remains,” said **Alma Powell, chair of America’s Promise Alliance**. “In order to continue to move forward and make the U.S. competitive in today’s global economy, we must work together like never before to provide the supports that young people need in order to graduate high school ready for college, work, and life.”

According to the report, sixteen cities have high school graduation rates of less than 50 percent while only three (Mesa, AZ, San Jose, CA, and Tucson, AZ) had rates higher than the national average.

**Cities with the Highest and Lowest Graduation Rates**

City	Graduation Rate	City	Graduation Rate
Mesa, AZ	76.6%	Indianapolis, IN	30.5%
San Jose, CA	73.3%	Cleveland, OH	34.4%
Tucson, AZ	71.6%	Detroit, MI	37.5%
Seattle, WA	68.9%	Milwaukee, WI	41.0%
Colorado Springs, CO	68.8%	Baltimore, MD	41.5%

The report tracked cities that made the greatest improvement over the ten-year period. Philadelphia, PA, Tuscon, AZ, and Kansas City, MO all saw their graduation rates increase by twenty percentage points or more. An additional eleven cities saw their graduation rates increase by at least ten percentage points. Conversely, nineteen cities experienced a decline in their graduation rates. Las Vegas, NV, Wichita, KS, and Omaha, NE saw double-digit declines.

The report also examines the connection between education and employment, finding that individuals without a high school diploma are less likely to be steadily employed, and earn less income when they are employed, than high school graduates. According to the report, the median income for high school dropouts is \$14,000—significantly lower than the median income of \$24,000 for high school graduates and \$48,000 for college graduates. It adds that high school dropouts were the only group of workers who saw income levels decline over the last thirty years.

**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 six million at-risk middle and high school students to achieve high standards and graduate prepared for college and success in life.