

The Problem with Too Many Names

High School Graduates and Dropouts in Central Texas

Prepared by E³ Alliance

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The logo for 'The Blueprint' features a stylized grid pattern to the left of the word 'Blueprint' in a blue, serif font. Above 'Blueprint' is the word 'THE' in a smaller, blue, sans-serif font. Below 'Blueprint' is the phrase 'for EDUCATIONAL CHANGE™' in a smaller, blue, sans-serif font.

About E³ Alliance and the Origins of this Paper

The E³ Alliance is a regional collaborative of school districts, corporations, and community leaders dedicated to using objective data to develop a comprehensive understanding of education in Central Texas and aligning Central Texas education efforts and institutions to maximize student outcomes from Pre-kindergarten through college and career.

E³ Alliance is compiling and analyzing data never before available for any region of the state—and perhaps the country—in order to determine what aspects of early childhood education through college graduation can and should be addressed to drive systemic change in education.

Throughout E³ Alliance's efforts, many questions have surfaced regarding on-time high school graduation and dropout rates, particularly about the definition of “high school dropout” and the challenges facing districts, schools and the state in tracking on-time graduation of high school students. The following whitepaper identifies and describes the challenges that Central Texas faces in graduating high school students on time, including effects on the economy and current education law.

Executive Summary

As states and communities strive towards a highly-educated workforce, a huge barrier is the large number of students dropping out of high school before graduation. Their reasons range from academic challenges to the need to work to support their working poor families to not believing that a high school education has much to offer.

This whitepaper explores the nature, the extent, and the consequences of a long-term, chronic issue that threatens individual and regional prosperity. The E³ Alliance organized this report based on our primary conclusions around high school graduates:

1. **Far too few Central Texans graduate from high school on time.**
2. **Dropouts hurt their own prosperity as well as the economic viability of the region and interests of the taxpaying public.**
3. **Counting graduates and dropouts is complex because the state definition of a “dropout” changes often, verification of dropout status is time-consuming, and some circumstances defy accurate recordkeeping.**

1. Far too few Central Texans graduate from high school on time.

The calls for many more Texas students to graduate from high school and go to college are yet to be fulfilled. In its report, *Closing the Gaps*, the Texas Higher Education Coordinating Board argues that Texas must, for the sake of individual and statewide prosperity, raise the college enrollment rate by adding 630,000 more college students in Texas (43,000 more in Central Texas) by 2015.^{1,2,3} A major hurdle to meeting *Closing the Gaps* goals is that many Central Texas students are not graduating from high school on time. Moreover, a considerable portion are dropping out of school altogether. Consider:

- One in five members of the Central Texas Class of 2006 *did not graduate on time*; they either continued for a fifth year of high school (8.9%), dropped out (8.4%), or earned a General Education Development certificate –GED (1.7%).⁴
- The number of Central Texas students who fail to graduate on time is over 3,000 students *each year*, more than the entire enrollment of the largest high school in Central Texas—McNeil High School in Round Rock ISD.⁵
- Texas Education Agency does not publish school or district data on the students who left school intending to be home-schooled, enroll in schools outside the Texas public school system, or return to home country. We estimate approximately 3,500 Central Texas students from the Class of 2006 fell into this category of OTHER LEAVERS (not graduates and not dropouts), and their educational outcomes are completely unknown.⁶ *Furthermore, any economic effects discussed in this paper do not include these students; thus the economic figures discussed below are conservative in the losses cited to the local economy and taxpayers.*
- In 2000, about one in six Central Texas adults did not have a high school diploma. If current population and college enrollment trends do not change, by 2040, *one in four* Central Texans will be without a high school diploma, more than the predicted number of Central Texans with a Bachelor's degree (one in five).⁷
- Texas has increased the courses required for high school graduation (e.g., increasing from 3 science and 3 mathematics courses to 4 courses each) and has more strict definitions of on-time graduation, yet there is little additional capital available to districts to ensure that higher expectations create more accomplished graduates, rather than more high school dropouts.

2. Dropouts hurt their own prosperity as well as the economic viability of the region and interests of the taxpaying public.

Negative Effects on Students: The Gates Foundation refers to high school dropouts as the “silent epidemic” because of the large number of students leaving schools (the epidemic) and how dropouts are “silenced” through lower earnings, poorer health, less voting frequency, and higher incidence of offspring leaving high school before graduation.⁸ Personal costs to the individual for dropping out include:

- **Losses to Personal Wealth:** Dropouts earn less money than their educated peers—on average, \$260,000 less in personal income over *each* dropout's lifetime⁹, which is a total of \$30.7 billion for Texas—and \$425 million for Central Texas—of missed income *from a single graduating class*.¹⁰ Dropouts are three times less likely to be employed when compared to college graduates¹¹ and are less likely to hold long-term jobs.¹² Dropouts also accumulate far less wealth than high school graduates (only 10% as much) or college graduates (only 1% as much).¹³
- **Potential for Incarceration:** Incarceration rates are substantially higher for high school dropouts. Across the nation, high school dropouts are 18% of the general population but make up, on average, almost 64% of the national prison populations.¹⁴
- **Effects on Personal Health:** Life expectancy of high school dropouts is, on average, 9.2 years less than for high school graduates. Dropouts have poorer health due to direct effects—for example, from risky behavior to misunderstanding health warnings and advice—and indirect effects, such as earning too little to live in safer neighborhoods and working in industries with high correlations to workplace accidents and chronic health problems.¹⁵
- **Reduced Involvement in Democratic Institutions:** High school dropouts vote less, are less likely to engage in civic action and have less financial influence on local, state, and national politics.¹⁶
- **Children of Dropouts Less Likely to Graduate:** Many studies have found that the education level of a parent—and, at times, the education level of the grandparent—is a substantial factor in a student's education level.¹⁷ In other words, if a parent is not a high school graduate, then the child is likely to not finish high school either.

Negative Effects on Central Texas: High school dropouts make the region less competitive and the Central Texas economy less sound. Consider:

- **Losses to the Local Economy:** Each dropout represents less earned income (on average, \$9,000 per year) and, therefore, less money spent and local sales taxes collected.¹⁸
- **Effect on the Local Workforce:** Each dropout reduces the pool of trainable and career-ready workers for Central Texas employers¹⁹, creating shortages of competent workers and adding company cost to import, use off-shore, or remediate employees.
- **Health and Well-Being of the Region:** Secondary effects of regional dropouts include higher crime rates, poorer health, and greater use of public assistance programs, all which make Central Texas look less attractive to new businesses and national companies looking to invest in the region.²⁰

Negative Effects on Taxpaying Public: Dropouts cost the taxpaying public in unrealized tax contributions and the cost to the public in their oversubscription of emergency rooms, public clinics, public housing, food stamps, unemployment offices, and jails. The public's costs from high school dropouts are many. Consider:

- **Unrealized Tax Contributions:** Each high school dropout contributes \$60,000 less in lifetime federal and state income taxes on average than a high school graduate.²¹ The estimated loss in lifetime taxes from Texas dropouts of a single statewide graduating class is over \$7 billion; \$98 million for Central Texas.^{22,23}
- **Costs to the Public Health System:** High school dropouts have a higher incidence of diabetes, heart conditions, and emergency care and are more likely to have no health insurance, limited insurance, or erratic coverage.²⁴ Overall, almost 25% of high school dropouts are Medicaid recipients and 28% are uninsured, compared to 1% of college graduates on Medicaid and 6% uninsured.²⁵ For the state of Texas, the estimated lifetime savings in health costs from Medicaid and uninsured—if all students in the Class of 2005–2006 graduated from high school—is \$1.5 billion.²⁶
- **Costs to Public Safety:** An estimate of arrest rates found that for a 10% increase in male high school graduates, there would be 20% fewer arrests for murder and assault, 13% fewer arrests for car theft, and 8% fewer arrests for arson.²⁷ The estimated annual crime-related savings (prisons, police enforcement, probation programs and so on) for the state of Texas for a 10% increase in male high school graduates is \$860 million.²⁸
- **Rates of Public Assistance:** High school dropouts are far more likely to subscribe to Temporary Assistance to Needy Families (TANF), food stamps and housing assistance. Economic models estimate that graduating almost all public school students—rather than only three-fourths of all public school students²⁹—would save between \$7.9 billion to \$10.8 billion in public funds.³⁰

3) Counting dropouts is complex because the state definition of a “dropout” changes often, verification of dropout status is time-consuming, and some circumstances defy accurate record-keeping.

A school dropout rate is a crucial indicator of a school's success, yet this measure has been called the “slippery eel of educational statistics”³¹ due to the difficulty in counting people exiting a part of society, difficulty in capturing a broad range of circumstances into one discreet number, and delays in reporting graduating class data.³² Knowing how dropouts are defined and counted is fundamental to working towards all students graduating high school on time.

Defining “Dropout” in Texas: Many people believe that any student who leaves high school before graduation is a dropout. Since 1987, the state of Texas has documented the reasons secondary students (grades 7 through 12) leave the Texas public school system, with “dropouts” meeting a very specific definition. As the definitions change, so does the dropout rate.

Starting with the 2006 graduating year, Texas adopted the definition and methods of counting dropouts from the National Center for Educational Statistics (NCES), a move that provides greater accuracy and accounting of the true number of dropouts than before. While this adoption enabled Texas to be compared to other states more easily, it also rendered comparisons between classes before and after the Class of 2006 difficult. The NCES standard is stricter than the previous Texas definition, with only 11 “leaver codes” allowed for non-dropout status rather than 19 leaver codes allowed previously.³³ Table 1 shows that the Class of 2006 (the first class under the NCES standard) had over twice the dropout rate of the Class of 2005—8.4% versus 3.6%. (The statewide dropout rate for the Class of 2006 was 8.8%.)

Table 1. Central Texas Public High School Longitudinal Outcomes, Classes of 2004, 2005, and 2006 ³⁴

Graduating Class	9 th Grade Cohort	Graduated On Time		Continued		Received GED		Dropped Out		Total	
		#	%	#	%	#	%	#	%	#	%
Class of 2004	2000-01	12,833	84.5%	1,294	8.5%	556	3.7%	510	3.4%	15,193	100%
Class of 2005	2001-02	13,044	84.7%	1,304	8.5%	490	3.2%	560	3.6%	15,398	100%
Class of 2006	2002-03	13,155	81.0%	1,444	8.9%	277	1.7%	1,359	8.4%	16,235	100%

Several aspects of the NCES standard contribute to the difference between on time graduation rates before 2006 and onwards. Starting in 2005-06:

- **Texas now uses an automated data system to track students who moved to another Texas public school.**³⁵ Previously, schools and districts had to verify for the state that a student had re-enrolled in another Texas public school manually or wait for an annual TEA report.
- **Texas now counts students in the following circumstances as dropouts:**
 - students who enroll in an alternative program not part of the Texas public education system that often offers General Development Education certificates (GEDs)
 - students who enroll in a court-ordered alternative program, and
 - students who failed exit examinations(s) and met all other graduation requirements but did not re-enroll for a fifth year of high school.

Previously, students who entered an alternative program or did not graduate because of not passing one or more exit-level examinations simply left Texas public schools with no further tracking of whether they earned a high school diploma or GED. Beginning in 2005-06, when students enroll in an alternative program, the state counts them as dropouts *unless they earn a GED by August after their graduation date*. The state gets GED data automatically, enabling more accurate tracking of student success in finishing an alternative program. For students who did not pass all of their exit-level examinations, they can avoid the label of **DROPOUT** if they enroll for an additional year of high school in the fall following their graduation date. They are then counted in the category of **CONTINUED**.

The more strict definition of a high school dropout has increased incentives among district officials, school faculty, and juvenile justice officials to urge and support students to stay in high school until they finish all graduation requirements, which included passing all four exit-level Texas Assessments of Knowledge and Skills (TAKS) examinations. Also, school and district officials more vigorously counsel students to stay in high school rather than enroll in a GED program. Some school districts have redistributed funds and personnel, deploying dropout recovery specialists into the community, actively pursuing non-graduating 12th graders to re-enroll in the following fall semester, and offering summer classes to help students pass their exit-level examinations before the final “on time” graduation date.^{36,37} Furthermore, Texas’ change in its definition of dropout also signaled juvenile justice system officials that a GED program was no longer an equal alternative to or stand-in for a high school diploma.

Other Ways to Leave Texas Schools: GRADUATES, MOVERS, and LEAVERS: With Texas’ adoption of the NCES standards in the 2005-06 school year, secondary students leaving Texas public schools are either **GRADUATES**, **MOVERS**, or **LEAVERS**, with **LEAVERS** further divided into classifications of **DROPOUTS** and **OTHER LEAVERS**. Texas automatically tracks **MOVERS**—that is, students who leave a Texas public school and then enroll in another Texas public or charter school—with a statewide system only recently implemented. For students who are not **GRADUATES** or **MOVERS**, the state requires physical documentation of a student’s reason for leaving, either documentation of a phone conversation, a parent visit, or a signed affidavit. The reason for leaving determines whether a student is a **DROPOUT** or **OTHER LEAVER**. In general, a student is an **OTHER LEAVER** when there is a stated *intention* to re-enroll in school or is under circumstances often not within their own control, such as being expelled and not allowed to return to Texas public schools.

*No entity monitors OTHER LEAVERS once they un-enroll from high school, therefore students in the category of OTHER LEAVERS “disappear” from the Texas count of high school student outcomes.*³⁸ With no monitoring, there is no way to know the educational outcome of these young people. Only if and when a student re-enrolls in a Texas public school does a school district, the tax-paying public, or the state know whether an **OTHER LEAVER** ever completes his/her high school education.

The Problem with Too Many Names: High School Graduates and Dropouts in Central Texas

Table 2 shows that the category of **OTHER LEAVERS** is not small. In fact, each year approximately one quarter (about 100,000) of all leaver records submitted by all students (grades 7 through 12) are for **OTHER LEAVERS**—a rate almost double that for records of students that dropped out. Reasons that qualify students as **OTHER LEAVERS** include “enrolled in private school” (over 10,000 records or 11.2% of records filed in 2006-07), “returned to home country” (almost 16,000 records; 16.8%), “begin home schooling” (almost 21,000 records; 21.7%), and “intend to enroll in schools outside Texas” (over 43,000 records; 45.2%).^{39,40} (Note that totaled records filed do not equal total student outcomes reported elsewhere due to multiple records filed for a single student.)

Table 2. Texas Student Leaver Records as Aligned to NCES Definitions, 2005-06 and 2006-07 ⁴¹

Leaver Category		2005-06		2006-07	
		#	%	#	%
GRADUATED	Finished all coursework and passed all exit-level examinations by August of the graduation year	240,485	61.1	241,193	61.5
OTHER LEAVER	Reasons include: enrolled in private school, returned to home country, begin home schooling, intend to enroll in schools outside Texas	100,193	25.5	95,421	24.5
DROPOUT	Not GRADUATED & not any reason coded as OTHER LEAVER	52,595	13.4	55,485	14.1

Thus, as **OTHER LEAVER** students exit Texas public schools, they also leave the Texas state accountability system. *With almost 20% of students leaving high school as OTHER LEAVERS not included in the calculation of high school outcomes, many critics assert that Texas’ on-time graduation rates are vastly overstated.* Figure 1a shows that, as currently calculated, the on-time graduation rate for the Texas Class of 2007 was 78%. But when including **OTHER LEAVER** students—who, as shown in Figure 1b, comprise over 17% of a class cohort—the on-time graduation rate declines to only 64%. Likewise, high school enrollment data of Central Texas school districts show a dramatic fall-off of high school students between 9th grade enrollment and the number of graduates four years later—32% fewer 2008 high school graduates than 2003-04 9th graders enrolled four years earlier⁴²—despite an 11% increase of 14-to-18 year olds in the same time period.⁴³

Figure 1a. Texas High School Outcomes for the Class of 2007 without OTHER LEAVERS⁴⁴

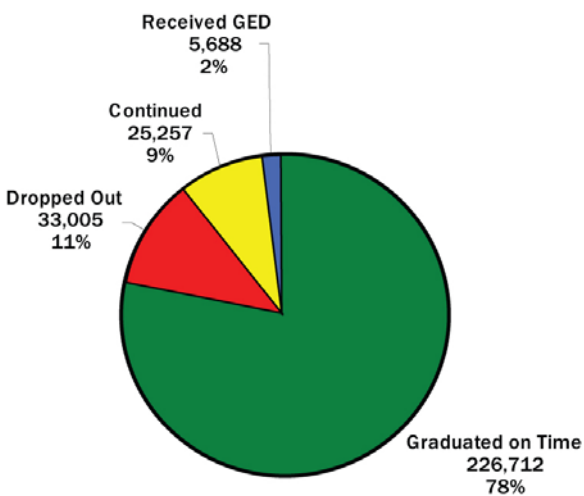
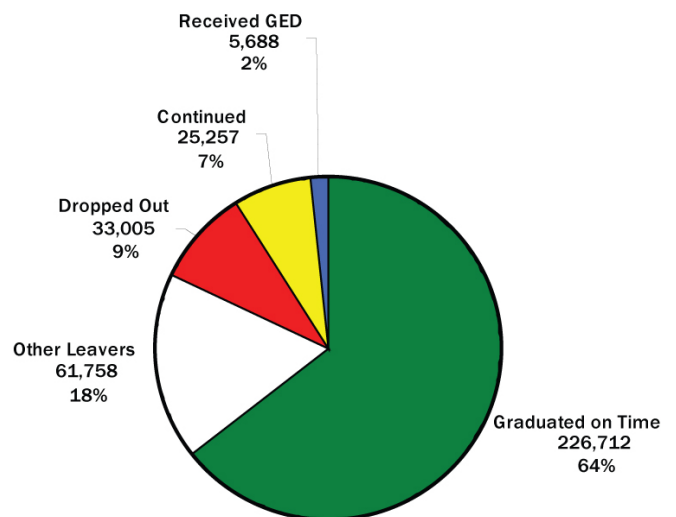


Figure 1b. Texas High School Outcomes for the Class of 2007 with OTHER LEAVERS⁴⁵



Texas' Staggered Implementation of NCES Definitions: The full effect of Texas using NCES definitions will not be known until a 9th grade cohort reaches graduation with all four years under NCES definitions. Texas first adopted the NCES standard in 2005 but staggered the implementation of NCES definitions over four school years, with each cohort adding another year under the NCES standard. In this way, the Class of 2009 will be the first graduating class with the NCES definitions applied from their first through their last day of high school.⁴⁶ From the Class of 2006 through the Class of 2009, cohort dropout rates will likely worsen as more students exit school under the stricter NCES standards.

State Accountability Standards for High School Graduation: While parents, business leaders, and community members typically think of high school graduation rates and dropout rates as ways to assess student and school success, the Texas accountability system judges schools and districts by very specific measures. These measures involve high school "completion" and middle school dropouts; more specifically:

Completion Rate⁴⁷ is the combined measure of students in a given 9th grade cohort who have **GRADUATED** or **CONTINUED** for a fifth year. The state's completion rate for the Class of 2007 was 88.6%, meaning that 7 out of every 8 students of the 2004-05 9th grade cohort either graduated on-time or continued for a fifth year of high school.⁴⁸ Schools or districts with completion rates that fall below 75.0% would be rated *Academically Unacceptable*. *Texas does not track whether CONTINUERS—about 9% of a 9th grade cohort—ever earn a high school diploma*, information that would help parents and communities understand how well schools and districts are turning out high school graduates.

Annual Dropout Rate – Grades 7 & 8⁴⁹ is the percent of students in grades 7 and 8 who leave school and do not intend to re-enroll elsewhere, return to home country, or otherwise qualify as **OTHER LEAVERS**. The statewide annual 7th and 8th grade dropout rate for the 2006-07 school year was 0.4%.⁵⁰ Schools and districts with annual dropout rates above 2.0%⁵¹ would be rated *Academically Unacceptable*.

Since 2006, no school or districts in Texas have received ratings of *Academically Unacceptable* due to the high school Completion Rate or Annual Dropout Rate – Grades 7 & 8. This is because Texas waived the state standards related to school leavers for the 2006-2007 and 2007-2008 school years. More specifically, Texas did not lower campus and district accountability ratings if their Completion Rate was less than 75.0% or their Annual Dropout Rate – Grades 7 & 8 was greater than 2.0%.⁵² An E³ Alliance analysis, however, shows that all 33 Central Texas school districts with high schools and middle schools received *Acceptable* or *Recognized* ratings in 2008, *but more than one quarter of these districts would have been rated Academically Unacceptable based on their high school Completion Rate or Annual Dropout Rate - Grades 7 & 8* if not for this particular provision in the Texas education accountability system.

Moreover, Texas has never rated schools and districts using more common measures of high school success, namely, the Annual Dropout Rate – Grades 9-12 and the 4-Year Dropout Rate—although both of these data are reported each year on the state accountability reports. Consider that in 2006-07:

- The Annual Dropout Rate – Grades 9-12 (meaning the portion of high school students who left school but not as **GRADUATES** or **OTHER LEAVERS**) was 3.9%, or about 1 out of every 25 high school students.⁵³
- The 4-Year Dropout Rate was 11.4%, meaning that Texas counted one out of every ten incoming 9th graders in 2003-04 as dropping out sometime between the first day of 9th grade and the last day of senior year.⁵⁴

Critics argue that these two measures afford greater transparency in measuring the success of a high school in graduating its students on time.^{55,56}

Closing Thoughts

As Texas adopts the more strict NCES standards, more students who were not previously counted as dropouts will now be counted as such. Indeed, we should brace ourselves for Class of 2009 data where the full effects of the more strict definitions of dropout and more accurate accountings for students enrolling in GED programs are known. Even with the NCES standard in place, the state accountability system ignores almost 20% of high school students who leave for “other” reasons, and so we never know whether these students graduate or not. So, too, we should question why possibly 5% of students who leave high school intend to be home-schooled and 2.5% intend to enter private school. Are these families voting with their feet, dissatisfied with how Texas public schools are serving their children? How can we recapture students who did not actually return to home country or enroll out of state? Quite possibly, these students are still in the state of Texas but with no high school diploma and with little chance for higher education. Finally, we should applaud that new state oversight has increased incentives for school and district personnel to act on behalf of students who do not pass all four exit examinations on the first attempt, students who are on the brink of exiting high school altogether, and students who do not seem to fit into a standard daytime, 7 classes per day model of earning high school graduation credit. If anything, *the problem with too many names*—low on-time graduation rate, high dropout rate, and tens of thousands of “other leavers”—deserves further scrutiny of why students leave high school before they graduate in hopes of finding ways to reverse the silent epidemic of students cutting their futures short.

Footnotes

- ¹ Texas Higher Education Coordinating Board. (2000). *Closing the gaps: The Texas higher education plan*. Austin, TX: Author. *Closing the Gaps Goals and Targets Summary*. Retrieved on September 29, 2008 from <http://www.theccb.state.tx.us/reports/PDF/1176.PDF>.
- ² Texas Higher Education Coordinating Board. (2000). *Institutional Targets for Closing the Gaps in Participation*. Retrieved on September 29, 2008 from http://www.theccb.state.tx.us/ClosingTheGaps/ctgtargets_pdf.cfm?Goal=1.
- ³ Greater Austin Chamber of Commerce. (2000).
- ⁴ Community Level Information on Kids (CLIKS). Retrieved on September 11, 2008 from http://www.kidscount.org/cgi-bin/cliks.cgi?action=rawdata_results&subset=TX, aggregating data from Bastrop, Blanco, Caldwell, Gillespie, Gonzales, Hays, Travis and Williamson Counties.
- ⁵ AEIS 2007-08 report shows McNeil High School, Round Rock ISD, with a total of 2807 students.
- ⁶ The percent of OTHER LEAVERS (not GRADUATES, CONTINUERS, GED RECIPIENTS or DROPOUTS) for the state of Texas is almost 19%. When scaled to Central Texas enrollment, this is approximately 3,500 students.
- ⁷ Austin Area Research Organization. (2005). *An Investment in the Education of Central Texas: Closing the Gap in Higher Education*. Austin, TX: Author. The estimate of Central Texans without a high school diploma is based on both Central Texas dropout rate and the in-migration rate of adults without diplomas into Central Texas.
- ⁸ Bridgeland, J.M., Dilulio, J.J., Morison, K.B. (2006). *The silent epidemic: Perspective of high school dropouts*. Washington, DC: Civic Enterprises.
- ⁹ Rouse, C.E. (2006). "Labor market consequences of an inadequate education." Paper prepared for the symposium on the Social Costs of Inadequate Education, Teachers College Columbia University, October 2005.
- ¹⁰ The Alliance for Excellent Education. (2008a). *The high cost of high school dropouts: What the nation pays for inadequate high schools*. Washington, DC: Author.
- ¹¹ National Center on Education Statistics. (2005). *Digest of Education Statistics 2004*. Table 378. Accessed at http://nces.ed.gov/programs/digest/d04/tables/dt04_378.asp.
- ¹² Rouse, C.E. (2006).
- ¹³ Gouskova, E. and Stafford, F. (2005). *Trends in household wealth dynamics, 2001-2003*. Ann Arbor, MI: Institute for Social Research, University of Michigan. On average, households headed by dropouts accumulate \$500 in assets versus \$5,000 for high school graduate households and \$47,000 for college graduate households.
- ¹⁴ Harlow, C. (2003). *Education and correctional populations*. Bureau of Justice Statistics Special Report. Washington, DC: U.S. Department of Justice. The numbers cited are for 1997, the latest year the data is available. This statistic includes both persons who did not finish high school and those who, after leaving school, earned a General Education Development (G.E.D.).
- ¹⁵ Muennig, P. (2005). "Health returns to education interventions." Paper prepared for the symposium on the Social Costs of Inadequate Education, Teachers College Columbia University, October 2005.
- ¹⁶ Junn, J. (2005). "The political costs of unequal education." Paper prepared for the symposium on the Social Costs of Inadequate Education, Teachers College Columbia University, October 2005.
- ¹⁷ Wolfe, B.L., and Haveman, R.H. (2002). "Social and non-market benefits from education in an advanced economy." Paper prepared for Conference Series 47, Education in the 21st Century: Meeting the Challenges of a Changing World, Federal Reserve Bank of Boston, June 2002.
- ¹⁸ Rouse, C.E. (2006).
- ¹⁹ Murnane, Willett, and Tyler (1999) found that a high school diploma is a signal to employers that the individual has skills to be an effective employee, including the ability to learn new skills (e.g., being "trainable"). The lack of a high school diploma signals the employer that the individual will not learn new skills well. Murnane, R.J.; Willet, J.B.; Tyler, J.H. (1999). *Who benefits from obtaining a GED? Evidence from high school and beyond*. Cambridge, MA : National Bureau of Economic Research.
- ²⁰ The Alliance for Excellent Education. (2008a).
- ²¹ Rouse, C.E. (2006).
- ²² The sum is calculated by taking Rouse (2006)'s estimate of unrealized lifetime taxes of \$60,000 per dropout multiplied by The Alliance for Excellent Education (2008)'s estimate of 118,091 non-graduates for the Texas Class of 2008 and E3 Alliance's estimate of over 1,300 non-graduates for the Central Texas Class of 2007.
- ²³ Muennig, P. (2005).
- ²⁴ Kaiser Commission on Medicaid and the Uninsured. (2006). *Who are the uninsured? A consistent profile across national surveys*. Washington, DC: The Henry J. Kaiser Foundation.

- ²⁵The Alliance for Excellent Education. (2006). *Healthier and wealthier: Decreasing health care costs by increasing educational attainment*. Washington, DC: Author.
- ²⁶ Ibid.
- ²⁷ Lochner, L. and Moretti, E. (2004). The effect of education on crime: Evidence from prison inmates, arrests, and self-reports. *The American Economic Review*. 94(1), pp. 155-189.
- ²⁸ The Alliance for Excellent Education. (2008b). *Saving futures, saving dollars: The impact of education on crime reduction and earnings*. Washington, DC: Author.
- ²⁹ Estimate based on Balfours, R. and Legters, N. (2004). *Locating the dropout crisis: Which high schools are producing the nation's dropouts? Where are they located? Who attends them?* Baltimore, MD: The Johns Hopkins University.
- ³⁰ Waldfoegel, Jane, Irwin Garfinkel, and Brendan Kelly (2007). Public Assistance Programs: How Much Could Be Saved with Improved Education? In Clive R. Belfield and Henry M. Levin (eds). *The Price We Pay: The Economic and Political Consequences of Inadequate Education*. Washington, DC: Brookings Institution Press.
- ³¹ Sacchetti, M. (2004). Why do students drop out of school? *Orange County Register*. October 31, 2004. Retrieved on September 16, 2008 from http://www.ocregister.com/ocr/sections/news/news/article_294717.php.
- ³² The Alliance for Excellent Education. (2008c). *Every student counts: The case for graduation rate accountability*. Washington, DC: Author.
- ³³ 11 ways Texas students leave school as non-dropouts (since the adoption of the NCES definitions in 2005): graduated; died; return to home country; college, pursue degree; home schooling; removed by Child Protection Services; expelled, cannot return; enroll in Texas private school; enroll in school outside Texas; administrative withdrawal; graduated outside Texas; returned, left again; received GED outside Texas.
- Source: Texas Education Agency. (2008). *Secondary School Completion and Dropouts, 2006-07, Table 5*. Austin, TX: Author.
- ³⁴ Source: CLIKS: Community Level Information on Kids: Raw data from Texas. Retrieved on September 16, 2008 from http://www.kidscount.org/cgi-bin/cliiks.cgi?action=rawdata_results&subset=TX. These data are sums of student outcomes for 8 counties in the Austin-Round Rock Municipal Statistical Area and the Austin Community College Service area combined (Bastrop, Blanco, Caldwell, Gillespie, Gonzalez, Hays, Travis and Williamson Counties).
- ³⁵ Called "PID-PET", which stands for Person Identification Database (PID) Enrollment Tracking (PET).
- ³⁶ August 31 of their graduation year.
- ³⁷ For example, see Bloom. M. (2008). Reagan feeling pressure as dropout deadline looms. *Austin American-Statesman*. September 25, 2008, p. A1.
- ³⁸ The Alliance for Excellent Education. (2008c).
- ³⁹ Texas Education Agency. (2008). *Secondary School Completion and Dropouts, 2006-07, Table 6*. Austin, TX: Author.
- ⁴⁰ Additional OTHER LEAVER circumstances include:

OTHER LEAVER Reasons	# Records	% OTHER LEAVERS
Removed by Child Protective Services	287	<0.1
Expelled, cannot return	585	<0.1
Enrolled in college	712	<0.1
Deceased	733	<0.1
Administrative withdrawal	2,536	2.7

- ⁴¹ Sources: Texas Education Agency. (2008). *Secondary School Completion and Dropouts, 2006-07, Table 6*. Austin, TX: Author; Texas Education Agency. (2007). *Secondary School Completion and Dropouts, 2005-06, Table 5*. Austin, TX: Author.
- ⁴² Texas Education Agency. (2008). Academic Excellence Indicator System (AEIS) Report, 2007-08 and 2003-04. Retrieved on December 5, 2008 from <http://www.tea.state.tx.us/perfreport/aeis/2008/index.html> and <http://www.tea.state.tx.us/perfreport/aeis/2004/index.html>. There were 20,289 9th graders in 2003-04 and 13,753 high school graduates 2008 in 33 Central Texas school districts and 17 charter schools, a difference of 32%. (Two Central Texas school districts do not have middle or high school students.)
- ⁴³ Murdock, S. (2006). http://txsdc.utsa.edu/tpepp/2006projections/csv_county.php The state demographic estimates 97,258 14-to-18 year olds in the 8 counties of Central Texas in 2004 and 108,002 14-to-18 year olds in 2008, an increase of 11%.
- ⁴⁴ Source: Texas Education Agency. (2008). *Secondary School Completion and Dropouts, 2006-07, Table 30*. Austin, TX: Author.
- ⁴⁵ Ibid.

- ⁴⁶ Texas Education Agency. (2008). *Secondary School Completion and Dropouts, 2006-07, Table 2*. Austin, TX: Author.
- ⁴⁷ *Completion Rate I* is the measure for regular schools; it includes the on-time graduates and the students enrolled for a fifth year. *Completion Rate II* is the measure for Juvenile Justice Alternative Education Program and Disciplinary Alternative Education Program schools and it includes on-time graduates, students enrolled for a fifth year, and students who received their G.E.D.
- ⁴⁸ Texas Education Agency. (2008). Academic Excellence Indicator System (AEIS) Report, 2007-08. Retrieved on November 24, 2008 from <http://www.tea.state.tx.us/perfreport/aeis/2008/state.html>.
- ⁴⁹ *Annual Dropout Rate, Grades 7&8* is the measure for regular education schools, while *Annual Dropout Rate, Grades 7-12* is the measure for Juvenile Justice Alternative Education Program and Disciplinary Alternative Education Program schools.
- ⁵⁰ Texas Education Agency. (2008). Academic Excellence Indicator System (AEIS) Report, 2007-08. Retrieved on November 24, 2008 from <http://www.tea.state.tx.us/perfreport/aeis/2008/state.html>.
- ⁵¹ 2.0% in 2007-08. 1.0% in 2006-07.
- ⁵² 2.0% in 2007-08. 1.0% in 2006-07. Texas Education Agency. (2008). *2008 Accountability Manual*. Austin, TX: Author. Retrieved on November 24, 2008 from <http://www.tea.state.tx.us/perfreport/account/2008/manual/ch02.pdf>.
- ⁵³ Texas Education Agency. (2008). Academic Excellence Indicator System (AEIS) Report, 2007-08. Retrieved on November 24, 2008 from <http://www.tea.state.tx.us/perfreport/aeis/2008/state.html>.
- ⁵⁴ Ibid.
- ⁵⁵ The Alliance for Excellent Education. (2008c).
- ⁵⁶ Important to note and understand is that the 4-Year Dropout Rate cannot be calculated from the Annual Dropout Rate – Grades 9-12 because of the difference in the pool of students counted in each measure. In calculating the 4-Year Dropout Rate, the students counted are strictly those who started in a school or district *at 9th grade* and then either persisted until or dropped out before graduation four years later. In calculating the Annual Dropout Rate – Grades 9-12, the students counted are all students, grades 9-12, enrolled in a school or district *at any time during the school year* and then persisted for or dropped out during the school year. Counting students enrolled at anytime during the school year is a way to account for student mobility.