

# GRADUATING AMERICA:

MEETING THE CHALLENGE OF  
LOW GRADUATION-RATE HIGH SCHOOLS

## EXECUTIVE SUMMARY

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In his first major address to Congress, President Barack Obama envisioned a country where dropping out “is no longer an option.” He linked improving high school graduation rates to restoring the nation’s economic and political standing in the world.

Since then, federal officials and educators have focused on transforming or replacing the 2,000 high schools that produce more than half of U.S. dropouts. No longer can these failing schools, which routinely graduate fewer than two-thirds of their students, “go it alone.” Substantially increasing the number of young people who earn a high school diploma and are ready for college will require effective partnerships among the federal government, states, communities, and school districts.

The timing could hardly be better. The American Recovery and Reinvestment Act (ARRA) is pumping billions of dollars into turning around low-performing schools and has laid important groundwork for different levels and branches of government to work together.

Despite the temptation to quickly scale up interventions that have made an impact in a few places, it would be a waste of precious resources to do so without carefully analyzing the conditions that make success possible. Too often, good ideas are applied in the wrong places. And no single approach—or particular combination of federal, state, and local participation—will work for every low graduation-rate high school.

To navigate this tricky terrain, policy and practice leaders require a framework for deciding which strategies to apply where, and how each level of government should participate. This report takes the critical first step, providing analytic tools for examining the characteristics of schools, districts, and states that make certain approaches more likely to succeed in certain places. By analyzing these factors, leaders will be better able to diagnose reform opportunities and challenges and target human, financial, and knowledge resources to where they are needed most and have the potential to do the most good.

While high schools with low graduation rates have developed in every state and many communities across the country, they are concentrated in a subset of 17 states that produce approximately 70 percent of the nation’s dropouts. These states, which are the focus of this report, are by no means homogeneous. Some are densely populated; others are not. Nearly half have raised their graduation rates, while rates remain stagnant or have worsened in others. These 17 states are the “make or break” places on the road to reaching the President’s goal of making America once again first in the world in educational attainment.

### FACTORS TO CONSIDER IN MAKING STRATEGIC CHOICES

To make wise choices about effective transformation strategies for these states and others with low graduation rates, three major factors should be considered.

#### FACTOR #1: PATTERNS OF GEOGRAPHIC SPREAD AND CONCENTRATION: IMPLICATIONS FOR LOCAL, STATE, AND FEDERAL ACTION

Understanding the geographic spread and concentration of low graduation-rate high schools within a state is critical to devising strategies that are most likely to improve graduation rates. Research by the Everyone Graduates Center and Jobs for the Future reveals three distinct types of “make or break” states. Each represents a unique combination of the geographic spread and concentration of high schools with low graduation rates, with a unique combination of federal, state, and local government involvement required to make a difference.

**Big City Challenge:** *Intense concentration of low graduation-rate high schools in one or two metropolitan school districts.* In Illinois, New York, Pennsylvania, and Tennessee, low graduation-rate high schools are intensely concentrated in one or two cities. At least 60 percent of the state’s students who go to schools with low graduation rates attend school in Chicago, Memphis City, Metro Nashville, New York City, or Philadelphia. However, low graduation-rate high schools account for less than 15 percent of all high schools in these states.

In these states, transforming low graduation-rate high schools will require that local officials take a leading role. State and federal governments also have important roles to play: removing policy barriers to school reform strategies; requiring states to include graduation rates in accountability systems; developing funding opportunities; pushing for effective district-wide reforms; and using the bully pulpit to underscore the need to address the dropout crisis throughout the state.

**Statewide Spread:** *Low to modest concentration of low graduation-rate high schools spread throughout much of the state.* Low graduation-rate high schools are spread across these states. They are located in multiple urban districts, as well as in small towns and counties, including many districts with just one high school. These schools are a relatively small percentage of all the states' high schools.

Eight states share this pattern, clustered into two subgroups. California, Michigan, and Ohio have the lowest percentage of low graduation-rate high schools among the "make or break" states. However, because of their large populations, they each have nearly 100 or more of these schools. Alabama, Arizona, Mississippi, North Carolina, and Texas have somewhat higher concentrations of low graduation-rate high schools. In Alabama, Mississippi, and North Carolina, over half of the schools are in rural communities.

This category includes the states perhaps best positioned for progress. Because the relative numbers of low graduation-rate high schools are not overwhelming and spread throughout the state, a strong case can be made for state action. Federal officials should encourage states in this category to play an active role, and federal incentive funding could help develop statewide strategies, including a focus on helping impacted districts develop dropout prevention, intervention, and recovery programs and implement new school designs, especially ones tailored to students at high risk of dropping out.

**Statewide Crisis:** *High concentrations of high schools with low graduation rates that are widespread across the state.* Florida, Georgia, Nevada, New Mexico, and South Carolina have among the nation's lowest overall graduation rates. The likelihood that any student is assigned to a school where graduation is not the norm is alarmingly high.

The prevalence of low graduation-rate high schools with large proportions of dropouts argues for a substantial federal role, especially since most of these states are in dire economic straits. At the same time, state policymakers must make it clear that dramatically increasing graduation rates is a top priority.

## **FACTOR #2: DISTRICT, SCHOOL, AND STUDENT CHARACTERISTICS: ANALYSIS OF OPPORTUNITIES AND CHALLENGES**

The second step in analyzing what it will take to transform or replace low graduation-rate high schools is to look closely at the districts, schools, and students themselves. Among the most critical questions to answer are how many districts with major dropout problems have a single high school, making it the only public option available to young people, and how common low graduation-rate high schools are in districts with multiple high schools. Other important factors include school size, student-teacher ratios, the proportion of students living in poverty, and the proportion of students from minority backgrounds, as well as how these characteristics interact.

In single-high-school districts, the case for fundamental change may be strong, but reform options might be constrained because these schools typically are central to the community. Efforts to transform these high schools must engage community leaders who have the credibility and skill to galvanize parents and others about the need for change. State governments can create incentives for communities to improve their high schools, but they also must tailor approaches to the unique opportunities and challenges in rural areas and single-high-school districts.

A district with a high concentration of low graduation-rate schools often needs to transform the entire secondary education system. As a result, not only school leaders but also district leaders may need technical assistance. In addition, states may need to invest in building the capacity of school districts to manage complex change, including supporting improvements in their data systems, professional development, and human resource departments.

## **FACTOR #3: STATE AND COMMUNITY CONTEXT: BROADER FAC- TORS INFLUENCING LOCAL OPPORTUNITIES**

The broader socioeconomic, demographic, and political trends in the community and state influence and shape reform possibilities. Among the important factors to consider are the vibrancy of the local economy, the scale of population growth, and the speed with which the community is becoming multicultural. These all affect the feasibility and nature of collective action, as do the community's commitment to public education and the labor market for young people.

For example, the economic crisis has hit all 17 "make or break" states hard, and 11 were among the 15 with the nation's highest unemployment rates in 2008–09. Communities most heavily affected by economic and population trends will likely require increased federal and state resources and technical assistance in addition to community-level strategic planning.

## RECOMMENDATIONS FOR IMMEDIATE FEDERAL ACTION

The federal government has a once-in-a-generation opportunity to stimulate significant progress in solving the nation's graduation crisis. Leaders in policy and practice must seize the moment and plan thoughtful approaches to using federal ARRA and other funding to help turn around failing high schools. In particular, federal officials should rethink how they can most effectively target resources to tackle the challenges posed by the high schools that produce most of the nation's dropouts.

Immediate federal action in four areas would make a significant difference in efforts to help hundreds of thousands more high school students earn a diploma and prepare for postsecondary education:

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### 1 **Require states seeking ARRA Race to the Top funding to use analytic data on graduation rates and low graduation-rate high schools as part of their plans for turning around failing schools.**

**Recommendation:** The ARRA should require states applying for Race to the Top funding to identify their lowest graduation-rate high schools and to analyze the concentration and spread of these high schools, as well as other relevant school, student, and contextual factors in the selection of strategies.

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### 2 **Build the capacity of states, districts, and schools to implement appropriate high school reform strategies.**

**Recommendation:** No single strategy or approach will work for all states, districts, and schools. Capacity-building and technical-assistance efforts need to be flexible enough to allow those with the capacity to lead to do so, which will sometimes be the state and other times the district or school, often in concert with reform organizations. Federal and state leaders can use a variety of approaches to build capacity. For example, they can support community-led efforts to raise the graduation rate through a community investment fund, similar to a fund mandated in the 2009 Edward M. Kennedy Serve America Act.

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### 3 **Designate additional federal innovation funding for the development and replication of effective school designs to use in transforming or replacing low graduation-rate high schools.**

**Recommendation:** Transforming or replacing all of the nation's low graduation-rate high schools will require investment in new school designs, as well as growing and spreading models that are effective for the low-income students who predominate in failing schools, including the substantial percentage of students who are not on track to graduate. More is known now than ever before about what works for this group of young people.

Promising results are emerging from new small schools and programs that put them back on track to graduation. The federal government can provide incentives for states to reallocate resources and encourage innovators to expand the supply of such designs and models.

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### 4 **Target federal financing to high schools, districts, and states with the most pressing dropout problems.**

**Recommendation:** The whole nation suffers from the failure of high schools in Florida, California, and other large states. Like the financial services giant AIG, they are simply too big to fail. And many communities in states such as South Carolina and Michigan, where industry has left, may be too fragile to recover on their own. Graduation Bonds, similar to the Recovery Bonds mandated in the ARRA, could go a long way toward providing needed seed capital to enable districts to transform or replace low graduation-rate high schools and to develop new options for dropouts.

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## IN CONCLUSION

In order to make progress, our nation's leaders and the public must get beyond the myth that "nothing works," that low graduation-rate schools cannot be transformed or replaced successfully. The growing knowledge base of promising strategies, combined with a more concerted effort to match reforms to the circumstances where they are most likely to succeed, can go a long way in helping the nation reach the president's goal of once again being the first in the world in the percentage of our young people who complete high school and earn a postsecondary credential as well.