



The Good, the Bad, and the Ugly in Texas Academic Outcomes

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Recommendations

- Require all curriculums approved for use in Texas classrooms to go through a State Board of Education recommended vetting process, to ensure that all Texas public school students have quality materials in their classroom.
- Provide local school districts with the flexibility needed to reward and incentivize great teaching by doing away with unnecessary state mandates like the 22:1 K-4 student/teacher ratio law and the state minimum salary schedule.
- Create more flexibility in the state's school finance system make funding the student a priority, either via traditional school choice, improved online learning options, or education savings accounts.

A Need for Improvement

In many respects, Texas has a strong public education system. We are starting to see gradual improvements in a number of metrics, including our high school graduation rate and SAT participation. Our dropout rate, a consistent and serious problem for our public schools, also has started to decrease, if only slightly.

These improvements occurred during a tumultuous few years as the implementation of a new statewide testing system (STAAR) geared toward improving college readiness and academic accountability for local independent school districts encountered significant resistance. Further, Texas is undergoing another round of school finance litigation centered on the question of whether Texas adequately funds its public schools, particularly in light of the new, rigorous testing system the state has put in place.

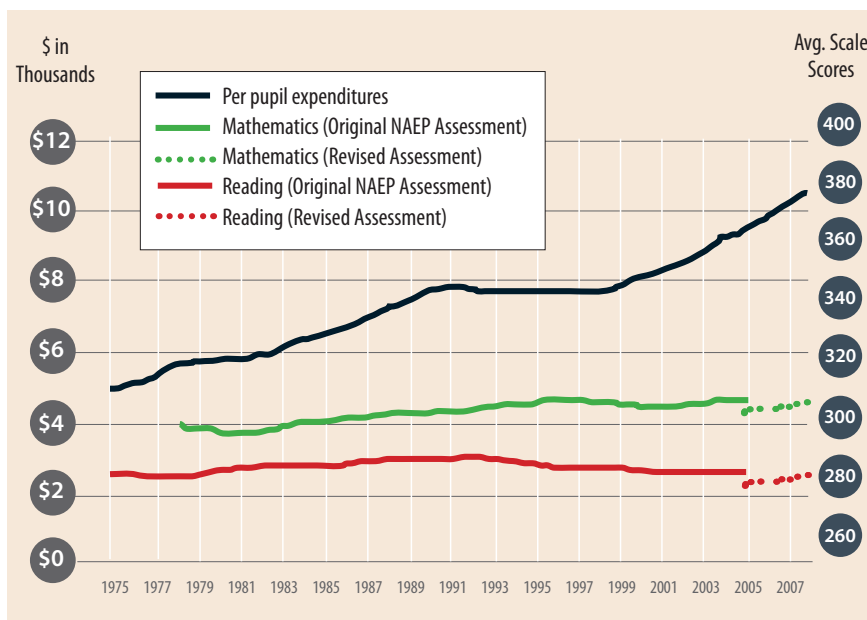
However, the bigger questions are what we should be paying for and if we are getting the kind of outcomes we should expect for our money. Because the reality is that, despite some of the improvements outlined above, we still have a long way to go in Texas education, particularly in the areas of college readiness, dropout prevention, and increased education spending that has yielded few positive outcomes.

Spending: A Rising Trend

Significant increases in education spending are not trends unique to Texas. Indeed, our national per pupil average cost has risen significantly over the last several decades—with very little to show for it (*see Figure 1*).

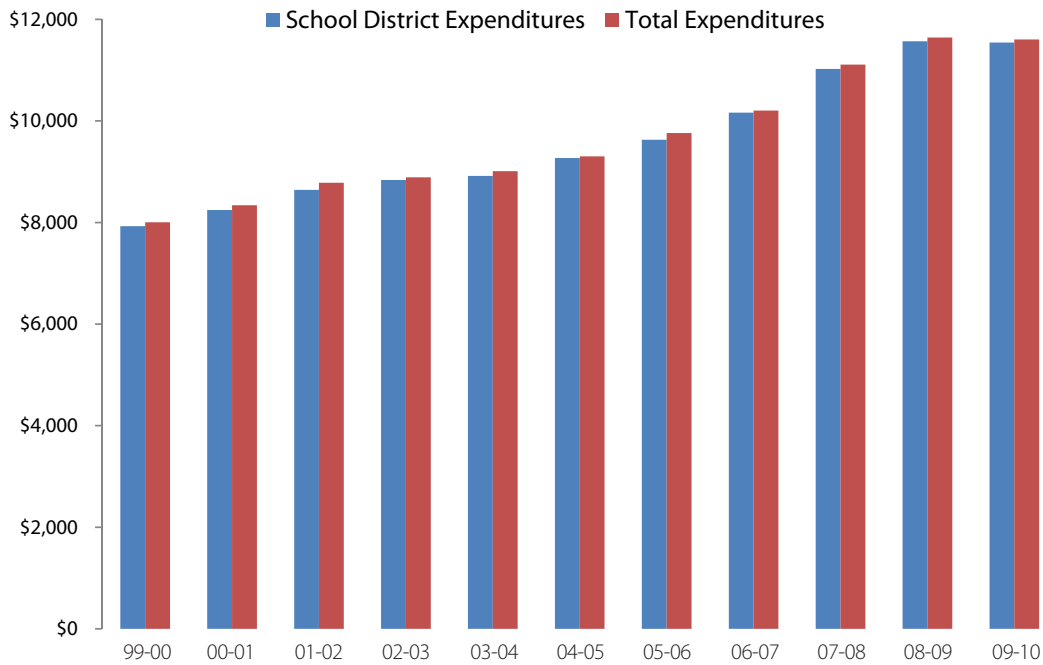
In Texas, we have experienced a similar trend. National Assessment for Education Progress *continued*

Figure 1: Education Spending vs. Education Outcomes



Source: Huffington Post

Figure 2: Total Public School Spending Per Pupil



Source: Office of the Texas Comptroller

(NAEP) scores in Texas have been virtually static since the late 90s.¹ Our education spending has not. According to the Office of the Comptroller, Texas’ collective education spending over the last decade has been steadily rising.

The question that should stem from our underwhelming academic outputs in the face of rising spending, is not “Are we spending enough?” but rather “How are we spending the money we have?” Because the grim reality is that flat performance on the NAEP exam is far from the only problem in Texas education.

College Readiness

College readiness is perhaps the most glaring academic weakness in the Texas public school system. In 2008, the Texas Higher Education Coordinating Board’s P-16 initiative established a set of college and career readiness standards designed to prepare as many students as possible for higher education and the workforce immediately following high school graduation.² Thus far, the results have not been encouraging:

Fewer than one in two students met the state’s “college readiness” standards in math and verbal skills on ACT, SAT, and TAKS scores in 2010. Though average SAT scores in both verbal and math dropped between 2007 and 2010—a trend that state education officials have attributed to an increase in students taking the test—more students in the same period of time have met the state’s standards for college-ready graduates, largely because of improvements on their state standardized tests and the ACT. But that increase is only a slim silver lining in what appears to be a large storm cloud.³

There are other troubling trends as well. The majority of students who choose to attend a community college (69 percent) receive no degree at all. Only 15 percent manage to graduate with a four-year degree within six years, and even fewer—11 percent—achieve a professional certificate or similar two-year degree.⁴

Overall, Texas students seeking associates degrees are among the nation’s lowest performers in the pursuit of that degree. Between 2004 and 2007, the U.S. Education Depart-

ment tracked students seeking such degrees. Texas ranked 42nd in the nation and next to last among southern and western states.⁵

As high schools are the final step before post-secondary education, it would be easy to pin this low collegiate readiness trend on the education our students are receiving there. The truth is, however, that the problems in Texas' K-12 academic outcomes run deeper.

Trouble in the Early Grades

For the most part, the previous decade has not treated Texas well when it comes to academic performance in the pre-high school ranks. Though we did experience some gain at the 8th grade level, Texas has slipped significantly relative to other states in multiple academic arenas.

One of the few ways to compare states' performance to one another in the early grades—not many standardized metrics exist at that level—is the National Assessment for Education Progress, or NAEP. The NAEP tests students across a wide range of subject areas, tracking over-all student performance as well as performance by demographic.

In 2012, the Institute for Urban Policy Research and Analysis at the University of Texas at Austin performed an extensive study on Texas education outcomes, in an attempt to determine how well we truly were performing against our peers, particularly against similarly large states. The results, particularly those that focused on the use of NAEP data, were not encouraging.

Historically, Texas has been among the nation's performance leaders on the NAEP math exam, especially when the test results are broken out demographically. Trends suggest that, although we still perform relatively well, we have failed to improve upon those results:

On the 4th grade NAEP math, all of three {most} populous states saw their relative standing to other states drop over the past decade. While New York and California had modest drops, Texas saw its ranking drop the most—21 spots between 2000 and 2009. Texas went from 6th to 27th in the nation during the decade.⁶

Our drop in 4th grade NAEP reading was not nearly as drastic, but unfortunately, our performance in that arena has never been as strong. In 2000, Texas ranked 29th in the nation in NAEP reading; in 2009, we dropped to 33rd.⁷

On a brighter note, we have had relatively outstanding success where 8th grade math is concerned:

Texas outscored California in 2000 and 2009, and surpassed New York during the decade. Notably, New York had the lowest level of overall 8th grade math growth (6.3 points) over the past decade relative to California and Texas.⁸

Overall we improved our national ranking by four positions (22nd to 18th), due to a jump in average test scores by nearly 12 points.

Unfortunately, our reading tests failed to show similar success. Our national ranking in that area slid from 26th to 34th overall in 8th grade reading.⁹

The takeaway from these results should be that from a purely academic standpoint, Texas has not seen a return on its investment. Increased spending has not led to increased scholastic performance. Slipping test results and poor outcomes at the post-secondary level equate to our not meeting the needs of our students. That means we are not preparing our high school students adequately for college, and in turn, are not preparing our post-secondary students for the workforce.

Dropouts: Competing Data Sets

There are two ways to look at Texas dropout rates: pure dropout rates, as measured by the Texas Education Agency, and the more comprehensive total attrition rate. On the one hand, we have improved. Texas has seen its dropout rate inching down and its graduation rate inching up over the last few years. From the Texas Education Agency:

- The 9th grade longitudinal dropout rate decreased from 9.4 percent for the class of 2009 to 7.3 percent for the class of 2010, and the actual number of dropouts declined by more than 5,800.

- Out of 314,079 students in the class of 2010, 84.3 percent graduated, 7.2 percent continued in high school the year following their anticipated graduation, and 1.3 percent received General Educational Development (GED) certificates.
- In less than two years, almost 1,300 previous dropouts have completed the requirements for graduation through innovative recovery strategies.¹⁰

These are encouraging numbers. The TEA touts that Texas currently ranks 7th nationally in four-year graduation rates “among 26 states that were reported to use the National Governors Association four-year, on-time graduation rate formula, which emphasizes using actual student data over estimates.”¹¹ The improvements are attributable to increased academic support for struggling students, personalized learning environments that attempt to address the individual needs of all Texas students, and substantial investment from both the state of Texas and the federal government to address the problem.

The problem with these numbers is that they may not accurately represent how many students Texas actually loses per year. The Intercultural Development Research Association (IDRA) paints a very different picture when it comes to Texas dropouts.

IDRA focuses on attrition rates rather than graduation rates to attempt a more complete encapsulation of how many students the Texas public school system actually loses on a per year basis. Attrition rates, per IDRA, are defined as follows:

Attrition rates are an indicator of a school’s holding power or ability to keep students enrolled in school and learning until they graduate. Along with other dropout measures, attrition rates are useful in studying the magnitude of the dropout problem and the success of schools keeping students in school. Attrition, in its simplest form, is the rate of shrinkage in size or number. Therefore, an attrition rate is the percentage change in grade level enrollment between a base year and an end year.

Using this formula, the situation in Texas looks decidedly bleaker:

- The statewide attrition rate was 26 percent for 2011-12.
- Twelve students per hour leave before graduating high school.
- At this rate, Texas will not reach universal high school education for another quarter of a century in 2037.
- Numerically, 103,140 students were lost from our public high schools in 2011-12.
- The racial-ethnic gaps are dramatically higher than 27 years ago. The gap between the attrition rates of White students and Black students has doubled from 7 percentage points to 14. The gap between the rates of White students and Hispanic students has increased from 18 percentage points to 21.
- Black students and Hispanic students are about two times more likely to leave school without graduating with a diploma than White students.
- Students from ethnic minority groups account for nearly three-fourths (72.2 percent) of the estimated 3.2 million students lost from public high school enrollment.¹²

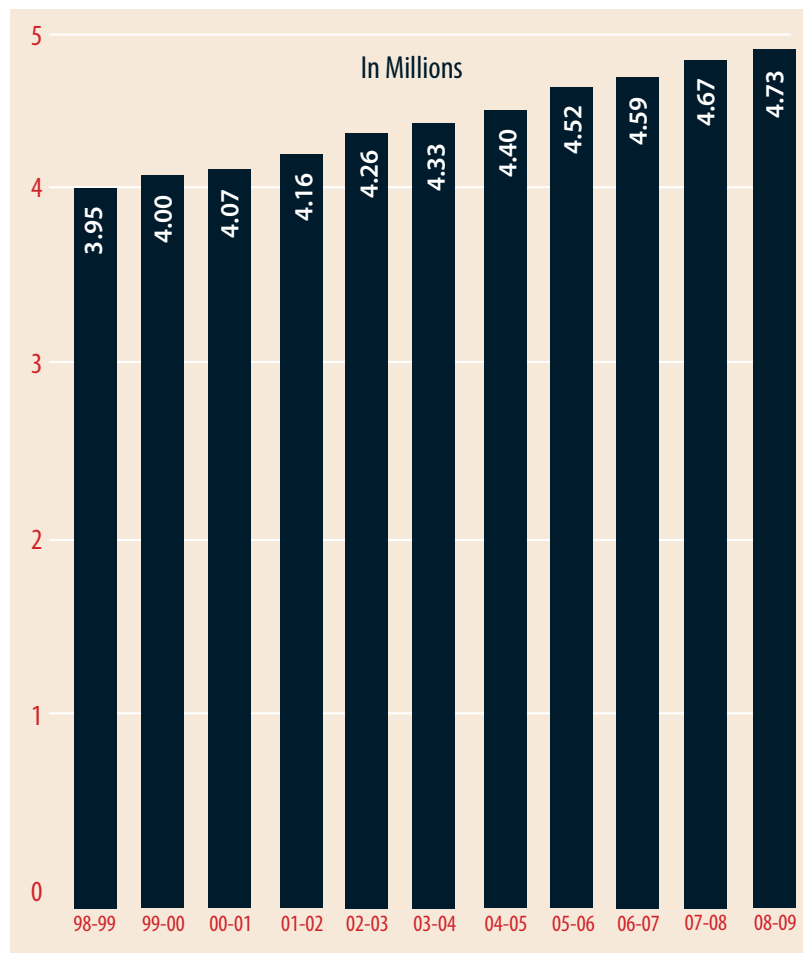
It should be noted that this represents an improvement, even per IDRA’s own formula. When the first of their studies was collected, from the 1986-1987 school year, Texas’ attrition rate was right at 33 percent.¹³ Just the same, our over-all attrition rate looks very different than TEA’s dropout assessment. Texas public schools are still losing a substantial number of students every year.

Enrollment Growth

One fact that should be kept in mind in examining the above factors is that, every year, Texas public schools serve an increasing number of students. Figure 3 illustrates the population growth that Texas has experienced in the previous decade:

In recent years, our growth has actually accelerated. Since 2005, Texas has been adding an average of 80,000 new students per year.¹⁴ Put another way, that’s a student body roughly the size of that which the state of Wyoming possesses in total. Texas has one of the largest, most diverse stu-

Figure 3: Texas' Population Growth Over Past Decade
(1998-99 through 2008-09 School Years)



Source: Office of the Texas Comptroller

dent bodies in the country, and it is becoming more so with each passing year.

Barring drastic changes in Texas' school finance structure, this rapid rate of growth will drive up the cost of education in Texas substantially over the next several years. A model that endlessly increases spending is not sustainable, and particularly uninviting given the academic outputs it is producing. Increased efficiency in our public education system is not only desirable, but necessary, especially when potential increases in health care spending over the next decade are factored in.

Putting it all Together: Recommendations

In the coming months, it is highly likely that Texas will see some sort of reworking of its school finance system. It is yet too early to say what that will look like, but a number of factors should be considered going forward when a means for best funding our public school system is determined.

Improve Curriculum Quality

The 83rd Texas Legislature took substantial interest in and action towards shaping classroom learning in Texas over the next decade. It rewrote a major part of Texas' testing and graduation standards in the form of House Bill 5.

This interest was shared by several grassroots activists, who concentrated their concerns on the controversial curriculum program called CSCOPE. CSCOPE development was a collaborative curriculum development effort across all 20 of the state's Regional Educational Service Centers. Theoretically designed as a cost effective way for school districts to cover all the TEKS (Texas Essential Knowledge and Skills), at its peak, CSCOPE was being used in 877 schools, reaching about 35 percent of Texas' five million students.¹⁵

CSCOPE has proven controversial for two primary reasons. The first is a series of early lesson plans that many Texas parents found objectionable, including one depicting the Boston Tea Party as an act of terror. The second was a lack of transparency. During CSCOPE's early years, many of the lesson plans were not available to the public.¹⁶

The controversy surrounding CSCOPE highlights a larger problem with Texas curriculums and textbooks, a recent lack of quality control. Prior to 2011, all Texas textbooks, and therefore all implementations of available curriculum, were vetted by the State Board of Education. The process, which is both open to the public and thorough, is outlined below:

- Appointed work panels (teachers, business people, parents, etc.) review textbooks;
- Samples are available to the public for review;
- Review period lasts 6-8 months to ensure TEKS coverage and discovery of errors;
- Time is given for online input and public testimony at State Board of Education (SBOE) meetings;
- Strict rules are in place regarding publisher contact with work panels and SBOE; and
- Fines are given for publisher errors that are not corrected before purchase.¹⁷

Unfortunately, this process was undermined by Senate Bill 6 in 2011, which gave school districts the ability to adopt curriculum standards without going through the Board's adoption process. While local control is important within our public school system, quality of content is also important. The SBOE has highlighted some of the more question-

able impacts of Senate Bill 6:

- Most school districts don't have the resources or time to thoroughly vet textbooks for Texas standards regarding coverage or errors;
- New vendors have sprung up, offering to certify TEKS coverage for a fee, something the SBOE does transparently and at no cost; and
- In most cases, publishers will simply self-certify that they cover all the TEKS by creating internally produced documents without the benefit of public access or input.¹⁸

The solution to these problems is not to strip away the local control element of Senate Bill 6, but rather to ensure that local control is not being exploited by textbook vendors. The Texas Legislature should authorize SBOE to develop rules for implementing a local adoption process very similar to the one above, thereby providing greater transparency and public access. This will ensure that students continue to receive the highest-quality, error-free textbooks available.

Provide Local School Districts Flexibility to Meet the Needs of Students and Instructors

One way to ensure that the state finances school districts in a manner that allows them to best meet the needs of their student body is to allow school districts greater flexibility with that funding. School districts are tightly regulated along these lines, which limit, among other things, the manner in which it compensates employees, as well as the day-to-day classroom management of its students.

For example, Texas state law prevents schools from shifting to a performance based pay system that would help inspire teachers to continuously improve their teaching methods. No single in-the-classroom element of an education is more important than a high quality teacher. Fortunately, we have a great many high quality educators in Texas. What we don't have is a means to incentivize those educators to continue improving and, moreover, a means to incentivize new and struggling educators to improve.

As it stands now, Texas still compensates its teachers on a minimum salary schedule model. Salary schedules mean that educators are paid based on how long they've been

teaching, rather than their performance in the classroom. A move towards a performance based pay system, which would incentivize and reward excellence in the classroom, would compensate our strongest educators in a manner befitting their skill set, and give our educators with room to improve a reason to do exactly that.

The K-4 class size cap, which mandates a 22:1 student/teacher ratio in those grade levels, is another example of a state mandate that drives inefficiency at the local level. Though legislation passed in the 82nd Texas Legislature made it easier for school districts to get around that rule, that regulation still impacts local staffing decisions.

These regulations are only a small slice of the fiscal mandates that the state places on school districts. It is unreasonable to expect those ISDs to deliver their highest quality product if they do not have local flexibility to meet the needs of their student body.

Fund the Student, not the System

In any education system, particularly one as large as Texas, meeting the education needs of every single student equally will be difficult. Just the same, it is imperative going forward to think of our school finance system in terms of whether it is doing the best it can to meet the needs of every student within the system. An efficient means to do this would be to remove the state from the education funding process as much as possible, allowing parents and students to make the choices on how to spend the money.

Traditional school choice programs are one option. Texas currently has no statewide education scholarship or tax credit programs in effect. Implementing one or both would give many parents, especially parents of low and middle income students, more options for putting their student into a learning environment that best prepares them for college or the workforce.

Historically, implementing such a program has proven to be extremely difficult in Texas. In the modern era, only one such program has existed in Texas. The Horizon Scholarship Program, a privately funded education scholarship program, operated within the confines of Edgewood ISD from 1998-2008.¹⁹ However, due to the private nature of its funding (it received no state funding), it cannot count as “Texas” private school choice.

Other options would include mechanisms like the “Education Debit Card,” a recently implemented reform in Arizona. Formally known as the Empowerment Scholarship Account (ESA), this program allows parents to withdraw their student from a traditional public or private school and use 90 percent of the money that their child would have been educated with in the public school system for any of the following:

- private school tuition and fees;
- education therapy services and aides;
- textbooks;
- private online learning courses;
- Advanced Placement (AP) exams, norm-referenced;
- achievement tests, and college admission exams;
- tutoring;
- curriculum;
- contributions to a 529 college savings plan;
- college tuition;
- college textbooks;
- ESA management fees; or
- individual public school classes and programs.²⁰

The ESA is one of, if not the *most* flexible parental choice program in the country. It removes the state almost entirely from the decision making process in regards to funding a student’s education, and allows them to construct an education that best suits their individual needs. Although still a relatively new program, the ESA and its kind represent the latest in reforms that truly put the student first.

Clearly Defined State Responsibility

One means by which Texas could drive efficiency in the public education system is to specifically define, in statute, what the state of Texas is responsible for funding in our schools. This would make clear to school districts how their state dollars are to be spent, as well as why they are receiving their given funding level. School districts could then shape the rest of their available revenue, generated at the local level, around designing a curriculum that best suited the needs of students in their area. As industries such as oil and gas and technology continue to grow in Texas, it is vital that our schools provide the foundation our students need for a career in our consistently growing job market. A clear outline of what the state should fund coupled with greater local discretion with locally generated dollars would be a strong step in this direction.

Conclusion

While Texas public education has made some significant strides in recent years, we still have a great deal of room to improve. Progress from losing one in three students to one in four students to dropouts is a positive step, but far too many students still fall out of the system. Similarly, our troubling remediation rates for students entering college, as well as our continuing struggles on some portions of the NAEP exam, make a strong case that Texas education still needs reform.

Moreover, legislators must consider certain questions when discussing what that reform should look like. Namely, legislators must ask what type of funding system will deliver the highest quality product. The answer is a funding sys-

tem that emphasizes the student above all else. That means not only giving parents and students flexibility to attend a school of their choice, but also ensuring that we're delivering a top quality product within our public schools. A high quality curriculum as well as local flexibility to deliver that curriculum in the most effective manner possible represent strong steps in that direction.

Most important, Texas legislators cannot operate under the assumption that the status quo in Texas education is satisfactory. There is much work to do in preparing our next generation of students for higher education and, in turn, for the workforce. We've been improving slowly. Now is the time to make changes to our education system to speed that process up. ★

Endnotes

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² Texas Higher Education Coordinating Board.

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⁵ Ibid.

⁶ Julian Vasquez Heilig, Su Jin Jez, and Richard J. Reddick, "Is Texas Leading Its Peers and the Nation? A Decadal Analysis of Educational Data," University of Texas at Austin (Sept. 2012).

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¹⁰ Texas Education Agency.

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¹² Intercultural Development Research Association.

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¹⁴ Texas Education Agency.

¹⁵ Will Weissert, "Debate again thrusts CSCOPE into Texas spotlight," *Austin American-Statesman* (24 Aug. 2013).

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¹⁷ State Board of Education.

¹⁸ Ibid.

¹⁹ John Merrifield, "San Antonio's Edgewood Voucher Program Shows Benefits of Choice," The Heartland Institute (28 Feb. 2011)

²⁰ Lindsay M. Burke, "The Education Debit Card: What Arizona Parents Purchase with Education Savings Accounts," Heritage Foundation (Aug. 2013).

