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**Beyond the Numbers:
Improving Postsecondary Success through a
Central Texas High School Data Center**

Project directed by

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Policy Research Project on Improving Postsecondary Education and Labor Market
Transitions for Central Texas High School Students
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List of Acronyms

ACC	Austin Community College
ACT	American College Testing
ADA	Average Daily Attendance
ADN	Associate Degrees in Nursing
AEFLA	Adult Education and Family Literacy Act
AEIS	Academic Excellence Indicator System
AFDC	Aid to Families with Dependent Children
AISD	Austin Independent School District
AP	Advanced Placement
ARM	Accountability, Research, and Measurement
ASALFS	Automated Student and Adult Learner Follow-Up System
AVID	Advancement Via Individual Determination
AYP	Adequate Yearly Progress
CDC	Centers for Disease Control
CDE	California Department of Education
CIS	Communities In Schools
CLMS	Center for Labor and Market Studies
CTC	Community and Technical Colleges
CTE	Career and Technical Education
CTHSGDC	Central Texas High School Graduate Data Center
DHS	Department of Health Services
EMIS	Education Management Information System
ESC	Educational Service Center

ESEA	Elementary and Secondary Education Act
FCRA	Fair Credit Reporting Act
FERPA	Family Educational Rights and Privacy Act
FETPIP	Florida Education and Training Program Improvement Program
FOIA	Freedom of Information Act
FPCO	Family Policy Compliance Office
FY	Fiscal Year
GEAR-UP	Gaining Early Awareness and Readiness for Undergraduate Programs
GED	General Education Development
HB	House Bill
HEA	Higher Education Act
IDEA	Individuals with Disabilities Education Act
IDRA	Intercultural Development Research Association
IEP	Individual Education Plan
IPEDS	Integrated Postsecondary Education Data System
IRB	Institutional Review Board
IRS	Internal Revenue Service
ISD	Independent School District
JROTC	Junior Reserve Officers' Training Corps
JTPA	Job Training Partnership Act
LBJ	Lyndon Baines Johnson
LEA	Local Education Agency
LEP	Limited English Proficient
MOU	Memorandum of Understanding

MSA	Metropolitan Statistical Area
NAVE	National Assessment of Vocational Education
NBER	National Bureau of Economic Research
NCES	National Center for Education Statistics
NCLB	No Child Left Behind
NGA	National Governors Association
ORSC	Office of Research Support and Compliance
PDE	Pennsylvania Department of Education
PEIMS	Public Education Information Management System
PIC	Private Industry Council
PRIDE	Prison Industries program
PRP	Policy Research Project
PRWORA	Personal Responsibility and Work Opportunity Reconciliation Act
RMC	Ray Marshall Center for the Study of Human Resources (University of Texas at Austin)
SAS	Statistical Analysis Software
SAT	Scholastic Aptitude Test
SAVERR	System for Application, Verification, Eligibility, Referral, and Reporting
SCH	Semester Credit Hours
SEA	State Education Agency
SOICC	State Occupational Information Coordinating Committee
SREB	Southern Regional Education Board
SSI	Social Security Income
SSN	Social Security Number

TAAS	Texas Assessment of Academic Skills
TACC	Texas Association of Community Colleges
TAKS	Texas Assessment of Knowledge and Skills
TANF	Temporary Assistance for Needy Families
TDHS	Texas Department of Human Services
TEA	Texas Education Agency
TEC	Texas Education Code
TEG	Tuition Equalization Grant
TEXAS	Towards Excellence, Access and Success
TGSLC	Texas Guaranteed Student Loan Corporation
THECB	Texas Higher Education Coordinating Board
TSP	Texas Schools Project
TSU	Texas State University (formerly Southwest Texas State University)
TWC	Texas Workforce Commission
TX DOJ	Texas Department of Justice
TX HHSC	Texas Health and Human Services Commission
UI	Unemployment Insurance
USDOE	U.S. Department of Education
USDOLETA	U.S. Department of Labor Employment and Training Administration
UT	The University of Texas
UTD	The University of Texas at Dallas
WADA	Weighted Average Daily Attendance
WIA	Workforce Investment Act
WIASRD	Workforce Investment Act Standardized Record Data

WIC Special Supplemental Nutrition Program for Women, Infants,
and Children

WVDE West Virginia Department of Education

Foreword

The Lyndon B. Johnson School of Public Affairs has established interdisciplinary research on policy problems as the core of its educational program. A major part of this program is the nine-month policy research project (PRP), in the course of which two or more faculty members from different disciplines direct the research of ten to thirty graduate students of diverse backgrounds on a policy issue of concern to a foundation, government agency, nonprofit agency, private organization or other sponsor. This “client orientation” brings the students face to face with administrators, legislators, and other officials active in the policy process and demonstrates that research in a policy environment demands special talents. It also illuminates the occasional difficulties of relating research findings to the world of political realities.

This report culminated from the 2004-2005 academic year Policy Research Project on improving labor market and postsecondary transition patterns of Central Texas high school students. The research conducted was intended to inform and give shape to the creation of a Central Texas High School Graduate Data Center, the purpose of which is to identify key trends in the postsecondary behavior of high school graduates from Austin and the surrounding counties in the Central Texas region. The project was supported by the Greater Austin Chamber of Commerce and the Texas Education Agency.

The curriculum of the LBJ School is intended not only to develop effective public servants but also to produce research that will enlighten and inform those already engaged in the policy process. The project that resulted in this report has helped to accomplish the first task; it is our hope that the report itself will contribute to the second. I am happy to report that this project has also been successful in launching the Central Texas High School Graduate Data Center, which has been working directly with four major independent school districts to pilot test the approach outlined in this report. Other districts are expected to join the project in the near future.

Finally, it should be noted that neither the LBJ School nor The University of Texas at Austin necessarily endorses the views or findings of this report.

James Steinberg
Dean

Acknowledgments and Disclaimer

This report is a product of the first phase of a multi-year project being conducted jointly by the Ray Marshall Center for the Study of Human Resources at The University of Texas at Austin and Skillpoint Alliance (formerly the Capital Area Training Foundation). The Greater Austin Chamber of Commerce's *Opportunity Austin* initiative, which seeks to increase the number of good jobs in the greater Austin area and to improve its education and workforce systems, provided financing, as did the Texas Education Agency's Office of Education Initiatives. Collaborations between chambers and education agencies are sadly unusual, even though both employers and government have a shared interest in improving the postsecondary success of young people over time. We were fortunate to have their support for this pilot phase of the project.

Many community members also lent support that was essential in getting this project off the ground, including John Fitzpatrick (Austin Independent School District Board Trustee and Executive Director of the Texas High School Project, and formerly Executive Director of the Capital Area Training Foundation, now Skillpoint Alliance); Jeffrey Richard (Austin Community College Board Trustee and Executive Director of the Austin Area Urban League, formerly Workforce and Education Vice-President of the Greater Austin Chamber of Commerce); Dr. Pascal D. Forgione (Superintendent of the Austin Independent School District); and Dr. Don Brown (Executive Director of the College For Texans Campaign and formerly Executive Director of the Texas Higher Education Coordinating Board).

We also want to acknowledge and thank numerous individuals who generously shared their time, energy and expertise with us. A number of these individuals met with and advised us and made presentations to our class, including Dr. Daniel O'Brien (Assistant Professor of Economics, School of Social Science, University of Texas at Dallas); Dr. W. Lee Holcombe (Assistant Director, The Texas Schools Project, The Green Center for the Study of Science and Society, University of Texas at Dallas); Marc Anderberg (Director of Applied Research, Career Development Resources, Texas Workforce Commission); Milt Wright (President Emeritus of Texas Guaranteed Student Loan Corporation, recently retired Board Member of College for All Texans Foundation, and Board Member of Skillpoint Alliance); Robin McMillion and Jeff Webster (of Texas Guaranteed); Charles Barnett (CEO of Seton Health Care Network and Greater Austin Chamber of Commerce Chair); Suzanna Shenk-Tiffany (Guidance Counselor at Austin's Johnston High School); Dr. Holly Williams (Director of Program Evaluation, Austin Independent School District); Lisa Schmitt (Evaluation Analyst II, Program Evaluation, Austin Independent School District); Rosemary Alexander (Department of Special Education Parent and School Support Team, Austin Independent School District); Yvonne Ovalle (College Counselor at Austin's LBJ High School); Christina Ponce (Texas Scholars and College for Texans); T.J. Dilworth (Principal of Stony Point High School in Round Rock, Texas);

and Barbara Knaggs, Christi Martin and Dr. Tammy Kreuz (Office of Education Initiatives, Texas Education Agency).

Finally, we want to thank all who shared their knowledge, ideas, suggestions, and comments on our research in the initial phase of this exciting and important project. At the same time, we want to remind the reader that any errors remaining in this report are the sole responsibility of the authors.

This report was edited by the directors and students in the Policy Research Project at the LBJ School of Public Affairs, with editorial assistance from Tara Carter Smith and publication assistance from Susie Riley with the Ray Marshall Center, as well as and Lucy Neighbors and Kevin Hendryx with the LBJ School. Doug Marshall with the LBJ School's Publications Office again created an outstanding cover design.

Executive Summary

In 2004, the LBJ School's Ray Marshall Center for the Study of Human Resources and Skillpoint Alliance began collaborating to design and implement an approach to documenting the experiences of Central Texas high school graduates over time and to using this information to help the region's education, civic and business leaders improve postsecondary education and labor market outcomes. The Greater Austin Chamber of Commerce both initiated and served as a major funder of this effort. The Texas Education Agency provided financial support as well. This policy research project report presents the results of the first phase of this effort, making the case for a Central Texas High School Graduate Data Center, describing best practices from around the country, and outlining immediate plans and next steps for the Data Center.

The Education Landscape: A Supply Argument

The education policy and program landscape at both the secondary and postsecondary level has changed substantially in recent years, as has the demographic makeup of the student body and its performance. This is true nationally and statewide, as well as in Central Texas.

The three counties at the core of the Central Texas region—Hays, Travis and Williamson—are home to 21 independent school districts and 223,308 students (2004-2005). The eight ISDs that are the focus of this report—Austin, Del Valle, Georgetown, Hays Consolidated, Leander, Manor, Pflugerville and Round Rock—account for about four of every five high school graduates in the region. They vary widely in size—from Austin ISD with 80,000 to Manor with 3,828 students—and are experiencing rapid growth while becoming more diverse, especially in terms of Hispanic representation.

ISD performance—as measured by the Texas Assessment of Knowledge and Skills (or TAKS) test, graduation and attrition rates and an array of college and college preparation indicators—varies widely as well: performance among Whites and Asians typically exceeds that of African Americans and Hispanics, while higher-income communities (e.g., Round Rock, Leander) outperform lower-income ones. Despite improvement over time, with few exceptions, women are more likely to graduate in four years than men across all ISDs, and they are more likely to enroll in and graduate from college.

About half of area high school graduates attend postsecondary institutions, most of them entering through 2-year colleges, but many of these enrollees are under-prepared for the rigor of college curricula and must enroll in remedial courses. Rates of retention and persistence in postsecondary education vary widely among area institutions, as do graduation rates. Only one-third of Central Texas 7th graders eventually enroll in postsecondary programs.

Identifying the sources of achievement gaps and poor transition rates in Texas education is the first step to developing possible solutions. Disparities in the quality

of public education are one of the greatest contributors to achievement gaps. The causes of these disparities are variations in teacher quality, school funding and curriculum rigor, as well as in the amount and type of guidance and transition counseling, the absence of integrated academic and vocational curricula in public schools, and social capital, the social bonds that students and their families have in school and the wider community.

Two policies influencing postsecondary transitions, stand out: first, the Top Ten Percent Rule that was enacted by the Texas legislature in 1999, guaranteeing any high school student graduating in the top ten percent of his or her class admission to any of the state's public colleges or universities; and second, financial aid. The Top Ten Percent Rule remains the centerpiece of the state's postsecondary transition policies despite evidence that it has failed to yield a more diverse student body.

Students have many postsecondary education options in Central Texas, including Austin Community College, the University of Texas at Austin, Texas State University and Huston-Tillotson University, among others. The costs associated with attending public universities in Texas have risen in recent years, largely due to the 2003 deregulation of tuition-setting by the legislature.

College students receive financial aid from the federal and state governments and from colleges and universities. The federal government provided 83 percent of direct financial aid to Texas postsecondary students, greatly exceeding the national average of 70 percent. Pell Grants account for over half of all grant aid in the state. While Pell Grant funding has increased in recent years, it has not kept pace with the increased numbers of recipients or increased costs of postsecondary education. Eligibility for grants has been tightened.

While Texas has several grant aid programs—e.g., TEXAS Grant and TEXAS Grant II, B-on-Time Student Loans, Texas Guaranteed Tuition Plan—most, if not all, are threatened by funding shortfalls and/or related concerns. New enrollments in the Texas Guaranteed Tuition Plan were closed by the legislature in 2003. The major grant aid programs in Texas are all based on financial need.

Federal and state commitments to providing grant aid have decreased over time, replaced with student and parent loans. Fully 62 percent of aid in Texas came from loans and 37 percent came from grants, well below the national averages. When students cannot get adequate grant aid and are faced with taking out increasingly large loans to finance their postsecondary educations, not surprisingly, they work more often and more hours.

Texas is striving to improve student achievement and college readiness and to address public and postsecondary financing and enrollment problems, as are Central Texas actors including the ISDs, ACC and others. But, much remains to be done.

The Labor Market: Demand and Supply Arguments

The knowledge-based, entrepreneurial New Economy significantly alters many aspects of work and labor market experiences for today's workers, including those

living and working in Central Texas. They now work in highly dynamic, networked environments in positions. They labor under flexible production conditions with far less job security and must secure and rely on broad rather than job-specific skills. Career ladders are less prevalent, and those that do exist are flatter and shorter. Employers hire better-educated and skilled workers from the outside at the upper reaches of their payroll. Education commands a premium in the marketplace, in part by providing workers access to good jobs and career opportunities. Those lacking the requisite skills and education cannot expect to do well in the New Economy, now or in the future.

Austin and the Central Texas region are widely regarded as having economies and labor markets that are even more dynamic and entrepreneurial than others around the country. It is no accident that Austin is recognized as one of a number of “cities of ideas,” known for its highly skilled “creative class” workforce. The Greater Austin Chamber boasts that Austin is the “human capital.” Austin’s leadership—collectively including its elected officials, business, workforce, community and other leaders—understands the importance of education and skills for economic and workforce development.

Government and manufacturing—notably semiconductor chip making—continue to have a strong presence in the regional economy and labor market, but other sectors such as construction, wholesale and retail trade and professional and business services have been the source of recent expansion. More importantly, civic and business leaders envision the Central Texas economy being built upon such factors as a skilled workforce, innovation, entrepreneurship and knowledge-based clusters. The Chamber’s *Opportunity Austin Initiative* is fostering economic development in nine clusters, e.g., automotive manufacturing, biosciences, wireless technology, semiconductors, digital media. If the region is going to provide the foundation for growth in these areas, it is going to take renewed efforts to strengthen the secondary/postsecondary pipeline to ensure that its growing minority populations—especially Hispanics who are the fastest growing and who have the lowest participation in postsecondary education—“close the gaps” in postsecondary enrollment, persistence and completion.

Best Practices for Documenting Postsecondary Outcomes

Several states and university-based centers around the country have developed innovative, best-practice approaches for tracking the postsecondary success of high school students and graduates, as well as for using the results from their efforts to improve performance. These efforts typically rely on a combination of linked administrative records and student surveys, with the latter often a mix of quantitative and qualitative data. Four such efforts were examined for this report, including: the Texas Schools Project (TSP) at the University of Texas at Dallas; the Texas Workforce Commission’s Automated Student and Adult Learner Follow-up System (ASALFS) that was based in Austin; the Florida Employment and Training Placement Information Program (FETPIP); and Northeastern University’s Center for Labor Market Studies (CLMS) efforts to track Boston high school students.

Several points are worth noting about these efforts. First, none adopted a mixed-method approach combining administrative and survey data to more fully understand *why* students were or were not following their particular pathways. Second, these efforts mainly examined short-term postsecondary outcomes for high school students/graduates. Third, only one of the efforts (i.e., FETPIP) appears firmly established for the long term in terms of political support, funding and access to the requisite data.

The Central Texas High School Graduate Data Center will benefit considerably from these practices in important ways, including both productive avenues to pursue in the future and unproductive ones to avoid.

Barriers to Documenting Postsecondary Outcomes

The Family Educational Rights and Privacy Act (FERPA) and the recent shift, at both the federal and state level, toward restricting access to identified, student-level data is far and away the greatest single obstacle to creating and running the Data Center. The FERPA legislation provided for just the type of working relationships between state education program staff and education researchers that are envisioned in the Data Center. State education entities and local ISDs can engage university education researchers under either of two legislatively specified exceptions—a “study exception” or an “authorized representatives exception”—for research designed to improve instruction and outcomes for students. A survey of all states and the District of Columbia reveals that a number of states are pursuing and supporting such data sharing approaches. Decision makers in the two major education agencies in Texas—TEA and the Coordinating Board—have adopted restrictive policies on FERPA at least for the time being. Unless this situation changes, FERPA will continue to be the single largest barrier to the Data Center.

Immediate Plans and Next Steps

The Central Texas High School Graduate Data Center is designed to serve as a comprehensive, centralized source of information about the region’s high school graduates, offering both quantitative and qualitative data about students’ educational and labor market experiences, as well as the factors influencing them. Initial plans for rolling out the Central Texas Data Center and conducting analyses of Central Texas high school graduates over a five-year period, include developing memoranda of understanding with local ISDs; conducting exit surveys and one-year follow-up surveys of graduating seniors to determine their immediate and subsequent plans for further education and work; accessing administrative data for participating graduates to obtain key information about their secondary school performance in grades 7-12 and to track their participation and progress in postsecondary education, the labor force and activities (e.g., the military, prison, welfare) up to four years after graduation; analyzing the resulting data sets for each graduating class and reporting this information to key stakeholders; and working with Central Texas stakeholders—especially leaders and decision makers in ISDs and in the business community—to

understand and use the results to improve curriculum, instruction, counseling and related practices for postsecondary success.

Immediate next steps for implementing the Central Texas Data Center include completing the first year of operations working closely with the four pilot ISDs (i.e., Austin, Del Valle, Pflugerville and Round Rock); securing funding to support future operations; recruiting additional ISDs to participate; and working out the logistics of administrative data access with the Texas Higher Education Coordinating Board, the National Student Clearinghouse (for out-of-state postsecondary records) and others.

Only by capturing students' experiences, achievements and challenges, both in the working world and in education, can the success of schools in preparing students for a promising future be accurately measured and fully understood. Over the next few years, the Data Center will provide policy makers, corporate and community leaders, and educators with key findings and create an ongoing dialogue to improve the quality of education in Central Texas.

Chapter 1. Introduction

Globalization, technological innovation, the ongoing restructuring of work and changing demographics have combined to create a “skills premium” for well-educated and trained workers and a dearth of jobs at decent wages for those lacking education and skills, a phenomenon which several recent books and reports describe. For example, Tom Friedman’s 2005 book, *The World Is Flat*, discusses ten forces that “flattened the world,” putting a large share of U.S. jobs directly or indirectly in global competition. The Aspen Institute’s 2003 report, *Grow Faster Together, or Grow More Slowly Apart*, asserts that the United States is facing three important gaps over the next two decades: a worker gap, a skills gap and a wage gap. Though even better-educated workers are feeling the effects of these powerful forces, they are in a very enviable position relative to their less-educated counterparts.

However, a substantial share of both college-bound and non-college-bound students is leaving American high schools unable to take advantage of this situation. Too few students are pursuing postsecondary education and training, and those who do are all too often inadequately prepared to succeed. Among other things, this has forced many 2- and 4-year colleges and universities to devote substantial resources to remedial course offerings so that entering college students can learn the kinds of skills that they should have acquired in secondary school or before. Likewise, too few students who enter the workforce right after high school have the job readiness and occupational skills that they need to gain access to more stable, higher-paying jobs.

While Central Texas is widely recognized as one of the most creative, tech-savvy markets in the world, it is not yet doing enough to meet the current challenge. According to the Texas Higher Education Coordinating Board’s *Closing the Gaps by 2015* report, the well-being of the region and its most precious resource—its people—are in serious jeopardy.¹ If the region does not add more than 20,000 new college graduates annually for the next several years, it could easily lose its competitive edge to other regions, both here and in other parts of the world. Central Texas workers are no longer simply competing with those in other regions of the United States, but are in direct or indirect competition with those in many other parts of the world, including the former Soviet Union, India and China. As Friedman points out, since the year 2000, these three alone contributed 1.5 billion new “plug-and-play” workers to the global labor market, doubling the workforce (Friedman, 2005, p. 182). Central Texas workers are definitely affected by this.

According to the 2000 Census, Texas has the highest percentage of adults without high school diplomas of any state. Texas is also experiencing major demographic shifts, such that that Texas will soon be a minority-majority state, with Hispanics the largest and fastest growing race/ethnic group. The state’s minority populations enroll in higher education at very low rates. In addition to the economic and demographic

changes, education policy changes such as the No Child Left Behind (NCLB) Act of 2001 are increasing the spotlight on the academic achievement of all students, particularly students of color. Texas now requires all of its independent school districts to enroll high school students in a more rigorous core curriculum, the Recommended Graduation Plan. While test scores provide one window into school performance, more and better information about students is needed if we are to address the problem of preparedness for successfully transitioning from high school to postsecondary education and the workforce. This is especially important in Central Texas, where the demands of a high-tech economy and labor market are pressing on a public education system that is already minority-majority, as well as a young, increasingly Hispanic workforce.

In addition, both No Child Left Behind and the State of Texas require increasingly detailed data and analyses for educational accountability and decision-making at all levels. Meeting these requirements poses challenges to school districts and education stakeholders who may lack access to the student-level data needed to meet these detailed reporting and analytical needs. Most school districts have limited staff resources and struggle to address multiple, often simultaneous requests for data from federal, state and other stakeholders. Smaller rural school districts typically lack the technology to respond to the information and analytic needs of their stakeholders.

A longitudinal data system is one key means of addressing the growing information needs and makes it possible to conduct value-added research² that utilizes linked, longitudinal data—both quantitative and qualitative—on high school students, as well as programs/initiatives/interventions that affect them. Such research can help national and state education agencies, districts and schools identify the most cost-effective responses, eliminate performance gaps between important student groups and contribute substantially to improving the achievement of all students in the region over time. There has never been a greater need for business and education to collaborate in preparing both current and emerging workers for postsecondary success in education and their careers.

In the spring of 2004, the Greater Austin Chamber of Commerce (GACC) approached Skillpoint Alliance and the Ray Marshall Center for the Study of Human Resources (the Ray Marshall Center) at The University of Texas at Austin's LBJ School of Public Affairs about conducting research that would allow local business and education decision-makers to meet these needs more effectively. The GACC not only expressed their interest in this work, they provided an initial financial commitment to ensure that it would become a reality. Leaders from Skillpoint Alliance and the Ray Marshall Center then sought additional support from the Texas Education Agency's Office of Education Initiatives. The Central Texas High School Graduate Data Center has been developed with the support of both the Greater Austin Chamber and TEA. It is now in its pilot implementation phase with the continuing support of GACC.

The Central Texas High School Graduate Data Center—referred to simply as the Data Center—is designed to serve as a comprehensive, centralized source of information about the region’s high school graduates.³ It offers both quantitative and qualitative data about students’ educational and labor market experiences as well as the factors influencing them. With more complete information, the performance of high schools in regard to transitions will be better understood and ultimately benefit students and their families, schools, taxpayers and society as a whole.

Organization of the Report

This report is organized to review the factors contributing to trends in postsecondary transitions toward education and work, the consequences of what is an expanding achievement gap in both secondary and postsecondary education, current and proposed measures to address that gap and recommendations for further action, including the creation and implementation of the Central Texas High School Graduate Data Center. Although these chapters have been assembled into a single report and essentially “make the case” for the Data Center, each has been written by a different author or set of authors drawn from the Policy Research Project (PRP) team, and thus has a somewhat different “feel.”

The first three chapters offer arguments for improving our knowledge about high school graduates’ postsecondary education and work experiences from several perspectives. Later chapters offer an overview of the data collected by this LBJ School Policy Research Project and proposed for subsequent use by the Data Center. These chapters provide a considerable resource for those interested in Central Texas demographic and workforce trends and the activities of the Data Center.

Chapter 2 provides a portrait of education in the region, outlining current trends in Central Texas public schools, particularly high schools. Demographic trends at the secondary and postsecondary level reveal the potential threat to the region’s economy and quality of life posed by a growing achievement gap. Factors explored in this chapter include disparities in educational quality, guidance counseling and social capital. These variables inform the Data Center’s approach to assessing the strengths and weaknesses of Central Texas secondary schools. The principal authors of Chapter 2 were Erica Beltran, Brian Hartman, Esmeralda García, Sarah Kirby and Kelvey Stewart.

Chapter 3 characterizes the public policy environment relevant to this project. It reviews federal, state, and local programs designed to improve transition rates into postsecondary education and the labor market. Both public and private sources can affect student transitions through policies, programs, and organizations. This chapter reviews the most important of these efforts in the Central Texas region as well as the unmet needs of students. Principal authors of Chapter 3 were Charles Brown, Rebecca Moses, John Jacobs and Greg Cumpton.

Chapter 4 examines relevant trends in the region’s labor market. Changes in the economic and demographic environment of Central Texas present schools,

employers, and students with a shifting set of challenges. Understanding how and how well schools prepare students for successful transitions into the labor market is important for the Data Center's research. Principal authors of Chapter 4 were Phillip Battle, Amy Loar, Emily Randel, Brent Robins, Joe Siedlecki and Sandra Wegmann.

Chapter 5 provides a guide to best practices in organizations across the U.S. engaged in similar longitudinal student outcomes research and the nature of their studies. This chapter helps to inform and shape the work of the Central Texas Data Center. The primary researchers for Chapter 5 were Sarah Kirby, Elizabeth Puthoff and Sandra Wegmann. Elizabeth Puthoff was the chapter's sole author.

The Family Educational Rights and Privacy Act—widely known as FERPA—and its regulations and interpretations by states and local school districts have had a major impact on this and similar efforts and will need to be considered by anyone proposing to work with public student data. So, two additional chapters are included on this important topic. Chapter 6 reviews FERPA provisions and their implications and presents legal arguments for granting access to FERPA-protected data to researchers engaged in cooperative research intended for the benefit of public education, particularly those aimed at improving education curricula. Ben Siegel, a joint LBJ/Law student, was the sole author of Chapter 6, which necessarily has a more legal format than the other chapters.

Chapter 7 presents the results of a survey of FERPA approaches in many of the fifty states and the District of Columbia. This 2005 snapshot of state activity illustrates the wide variation in FERPA interpretations and approaches among the states. Esmeralda García, Brian Hartman, Nicole Porter, Elizabeth Puthoff, Ben Siegel, Kelvey Stewart and Sandra Wegmann were the principal researchers for Chapter 7. Esmeralda García was the sole author of the chapter.

Chapter 8 briefly outlines the plan for data collection, including variables to be used in tracking student outcomes longitudinally as well as key deliverables to be produced by the Data Center. Brendan Hill was the sole author of Chapter 8.

Chapter 9 offers concluding observations and outlines immediate next steps for the Central Texas High School Data Center, some of which are already underway as the Data Center moves ahead with its pilot implementation phase. PRP director Chris King was the sole author of this concluding chapter.

The appendices that follow these chapters contain student demographics and other data referred to in the text of the report. Primary researchers and authors for these data appendices were Heidi Gerbracht, Nicole Porter and Brent Robins.

This report constitutes a comprehensive background document for the Central Texas High School Graduate Data Center as proposed by the LBJ School's Policy Research Project, the Ray Marshall Center and Skillpoint Alliance, with funding from both the Texas Education Agency and the Greater Austin Chamber of Commerce.

Notes

¹ Texas Higher Education Coordinating Board, *Closing the Gaps by 2015* (Austin, TX: October 2000), p. 5.

² Measuring academic achievement growth of individual students over time, as measured by test scores.

³ The Data Center is expected to address nongraduates as well over time, in recognition of the fact that many students drop out of high school before they graduate, often in the 8th or 9th grade. This topic will be the focus of subsequent work.

Chapter 2. Education Portrait

Introduction

One important function of education is preparing citizens to be successful and effective participants in society. Additionally, it must also prepare an often demographically diverse student body for an economy that is itself continually changing. Education plays the same roles in Central Texas, where the greater Austin metropolitan area and its schools display an increasingly diverse population. Mandated achievement tests at these schools often highlight the disparities among groups, both among and within the schools. Test scores and attrition rates show continued disparity between White students and Black and Hispanic students, and between economically advantaged students and disadvantaged students. Schools continue to reform their strategies to improve the standing of minority and disadvantaged students but experience varying rates of success. Are graduates of our public schools more successful participants in our society because of these reforms? What data are there that link education initiatives with the desired postsecondary outcomes?

Schools need to know what they can do to better prepare students for their postsecondary experiences, whether in education or in the labor market. Because of a lack of accurate and clear measures of the postsecondary choices of our high school graduates, educators know much less than they would like about the effects of the numerous programs and initiatives in place to foster better transitions of students into the postsecondary world. Schools, businesses, and policymakers in Central Texas need clear answers to two key questions, namely:

- What are high school graduates doing after graduation?
- How are current practices in schools affecting the postsecondary experiences of students?

Unless we collect and report data that follow our graduates past high school, our education, business and civic leaders cannot make fully informed decisions about the best directions for educational reforms.

This chapter begins to build the case for the Central Texas High School Graduate Data Center. In the first part, we profile the three counties that lie at the core of Central Texas, examine a group of school districts within these counties and profile some of the major postsecondary institutions that serve the region. Then, we analyze possible reasons for the achievement gap in Texas, including disparities in quality of high school education in teacher training, guidance and transition counseling and issues of social capital, all of which affect students' postsecondary transitions.

Part A: Demographics of the Central Texas Region

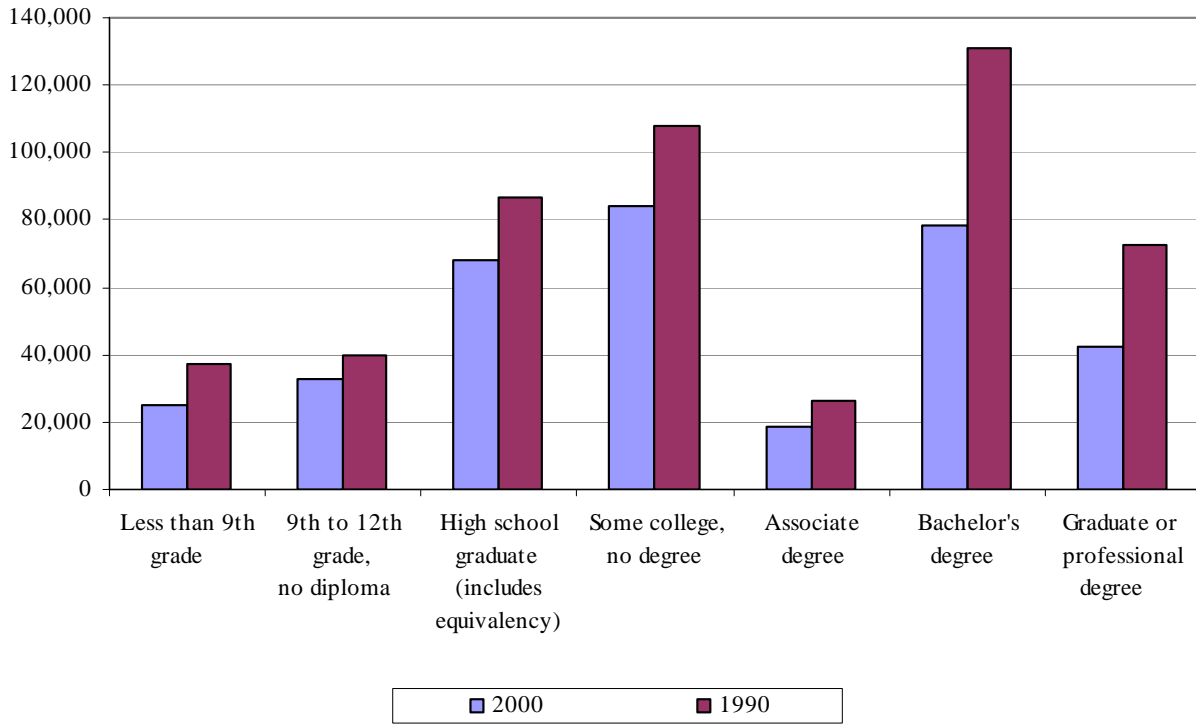
The three counties in Central Texas examined for this report are Hays, Travis, and Williamson. These counties constitute the core counties within the region, and all have quite different demographic patterns. Educational attainment rates vary across Central Texas, as do school dropout rates. Median household income has been increasing in Central Texas and is currently highest in Williamson County. Travis County has the most children living below the poverty level, but also has the highest number of adults with bachelor degrees, most likely because of the presence of the University of Texas at Austin and other institutions of higher education. The changing environment in which Central Texas schools operate presents many challenges to these school systems.

Counties

According to 2000 Census data analyzed by the Texas State Data Center and the Office of the State Demographer, Travis County is the largest county in Central Texas with a population of approximately 857,204, comprising more than two-thirds of the population of the three counties combined. The county's population is 68 percent White, 9 percent Black, 5 percent Asian, while 14 percent claim to be of a race not listed in the Census questionnaire. Of all residents in Travis County, 28 percent claim Hispanic heritage. Travis County includes seven Independent School Districts: Austin, Del Valle, Eanes, Lago Vista, Lake Travis, Manor and Pflugerville. The county's average household income is about \$45,000. The largest percentage of Travis County residents aged 25 years and older have at least a bachelor's degree, while the most of its residents have more than a high school diploma (Figure 2.1).

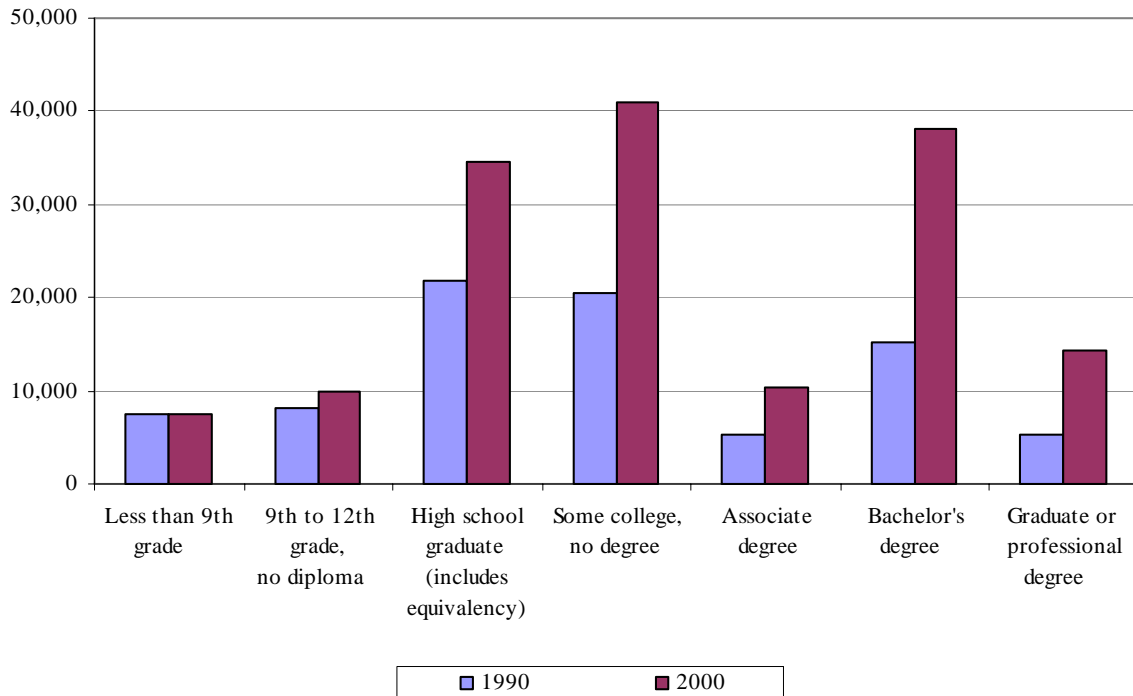
In 2000, Williamson County, the second-largest county in the Central Texas region with somewhat less than one-quarter of its residents, has a total population of 303,587. The Williamson County population is 82 percent White, 5 percent Black and 3 percent Asian. Hispanic residents make up 17 percent of residents. Williamson County is home to eleven Independent School Districts: Coupland, Florence, Georgetown, Granger, Hutto, Jarrell, Leander, Liberty Hill, Round Rock, Taylor and Thrall. Average household income for families in Williamson County exceeds that of Travis County, approximately \$58,000. The majority of its residents possess at least a high school diploma. From 1990 to 2000, the number of residents with a bachelor's degree has more than doubled in Williamson County (Figure 2.2).

**Figure 2.1.
Travis County Educational Attainment for
Population 25 Years of Age or Older, 1990-2000**



Source: "Educational Attainment by Level of Education Among Population 25 Years of Age or Older with Numeric and Percent Change, 1990 and 2000," by "County", under "Subjects A-Z", Texas State Data Center and Office of the State Demographer Homepage. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/county/tab-002.txt. Accessed: 04/28/2005.

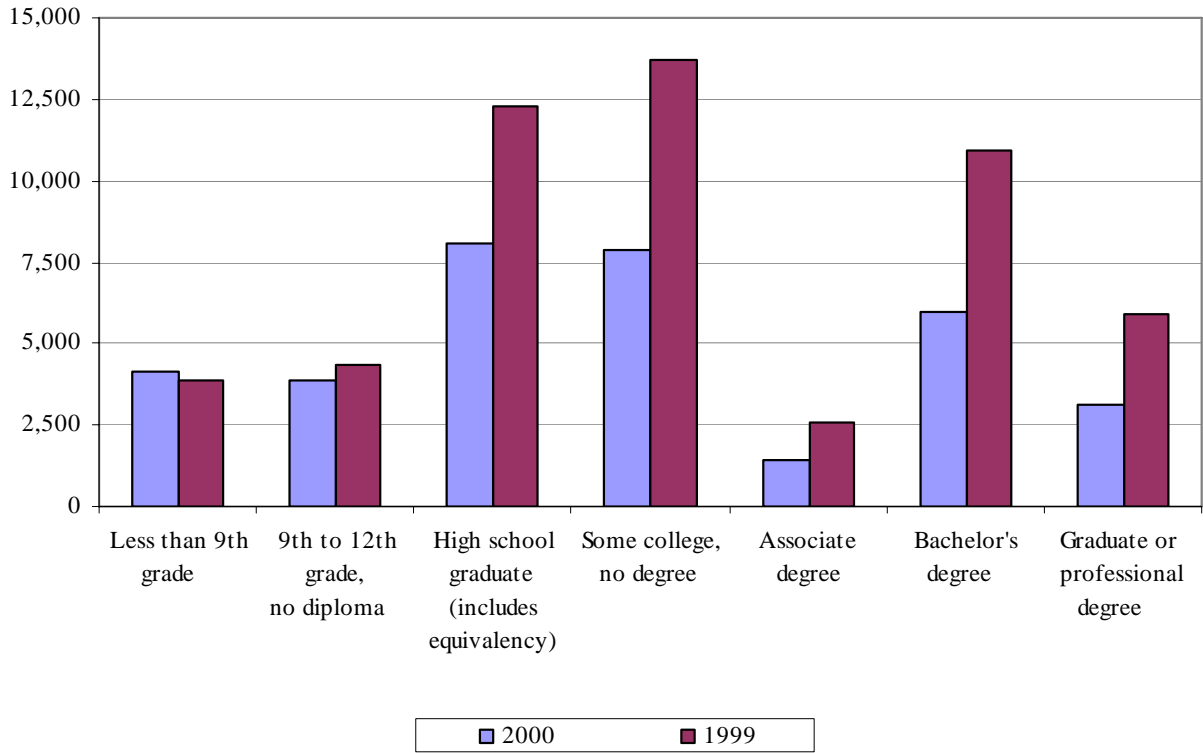
Figure 2.2.
Williamson County Educational Attainment for
Population 25 Years of Age or Older, 1990-2000



Source: "Educational Attainment by Level of Education Among Population 25 Years of Age or Older with Numeric and Percent Change, 1990 and 2000," by "County", under "Subjects A-Z", Texas State Data Center and Office of the State Demographer Homepage. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/county/tab-002.txt. Accessed: 04/28/2005.

Hays County has a total population of 114,193, which is 79 percent White, 4 percent Black, 1 percent Asian, while 13 percent classify themselves as some other race. Among all races, 30 percent claim Hispanic heritage. Hays County contains three school districts: Dripping Springs, Hays Consolidated and Wimberley ISDs. Average household income for residents of Hays County is slightly less than that for Travis County, at \$43,000. The educational profile of its residents is similar to that for Williamson County, in that most Hays County residents have some college but no degree (Figure 2.3). However, from 1990 to 2000 Hays County saw a decline in the number of residents who have less than a 9th grade education, while the county's population increased substantially.

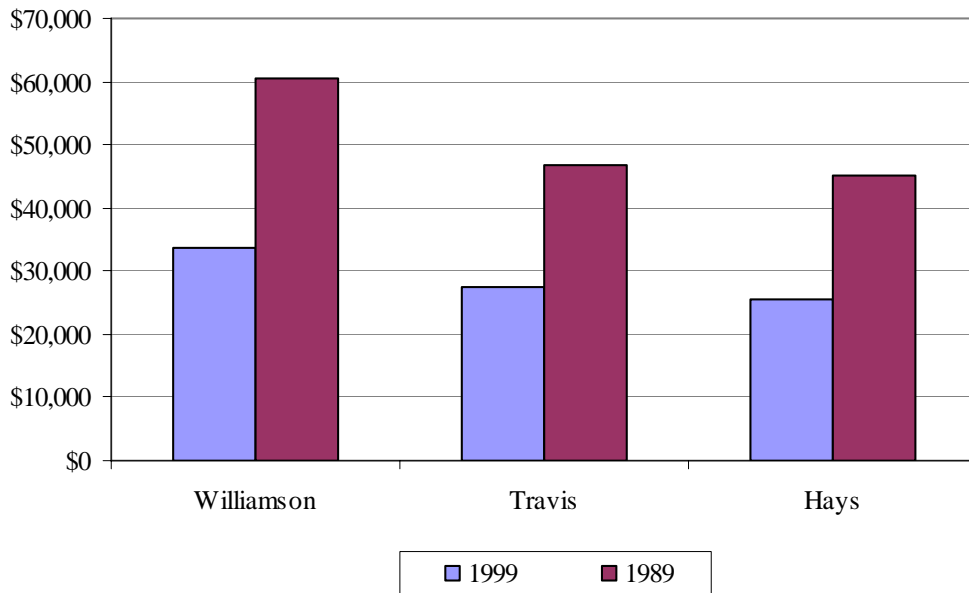
**Figure 2.3.
Hays County Educational Attainment for Population 25 Years of Age or Older, 1990-2000**



Source: "Educational Attainment by Level of Education Among Population 25 Years of Age or Older with Numeric and Percent Change, 1990 and 2000," by "County," under "Subjects A-Z", Texas State Data Center and Office of the State Demographer Homepage. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/county/tab-002.txt. Accessed: 04/28/2005.

Of the three counties, Williamson County has the highest median household income, followed by Travis and then Hays County (Figure 2.4).

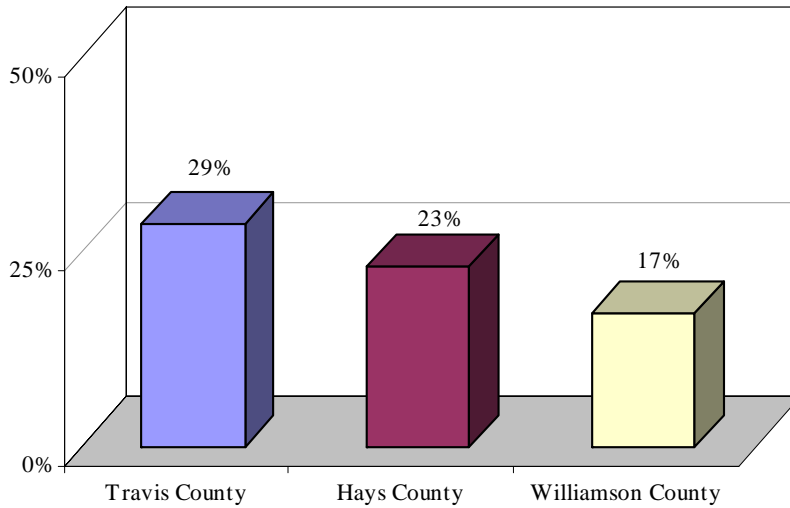
Figure 2.4.
Median Income in Central Texas Counties



Source: "Table 138: Median, Mean, and Per Capita Earnings and Income by Source for the State of Texas and Counties in Texas, 1989 and 1999, in Current Dollars and in constant 1999 Dollars with Change and Percent Change," under "Income" from the Texas State Data Center and Office of the State Demographer Homepage. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/county/tab-002.txt. Accessed: 04/28/2005.

Largely reflecting the substantial increase in the region's Hispanic population region over the last decade, close to a quarter of families speak languages other than English at home. Non-English speaking at home is most pronounced in Travis county, where nearly 30 percent of families do so. Spanish-speaking has been and is increasingly prominent for households in the region and in local schools.

Figure 2.5.
Language Other Than English Spoken at Home



Source: "Table Number 14: Number and Percent Speaking English Only and Speaking a Language Other Than English at Home Among the Population 5 Years of Age and Over, 1990 and 2000 ," under "Subjects A-Z" and "Language" by "County" from the Texas State Data Center and Office of the State Demographer Homepage. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/county/tab-014.txt. Accessed: 04/12/2006.

School Districts

Central Texas school districts range widely in size and together serve approximately 223,308 primary and secondary school students.¹ Although there are 21 independent school districts (ISDs) in the tri-county Central Texas region, this analysis focuses on eight ISDs that were chosen because of their size, their demographic make-up and their potential involvement in the first or second year of the Central Texas High School Graduate Data Center. ISDs discussed here are: Austin, Del Valle, Georgetown, Hays Consolidated, Leander, Manor, Pflugerville and Round Rock. High schools from these ISDs accounted for fully 81 percent of the region's graduates in 2004.² As can be seen in Table 2.1, Austin ISD is the largest school district in the region; Austin has a total of 12 high schools. Manor ISD is the smallest district examined and has only a single high school.

Table 2.1.
Student Enrollment in Central Texas
School Districts, 2004-2005

Independent School Districts (ISDs)	Number of Students
Austin	79,950
Del Valle	7,732
Georgetown	8,902
Hays Consolidated	9,797
Leander	19,945
Manor	3,828
Pflugerville	17,591
Round Rock	36,648

Source: "Student Reports- Enrollment Reports- 2004-2005," under Standard Reports, TEA Homepage. Online. Available: <http://www.tea.state.tx.us/adhocrpt/>. Accessed: 01/09/2005.

High schools in Central Texas are changing as the region experiences increasing levels of diversity among its population. For example, the Hispanic population in Travis County is expected to exceed the white population over the next several years. Additionally, all school districts in Central Texas have a larger share of Hispanics at the 3rd grade level than at the 12th grade level, indicating that demographic changes for future high school graduate cohorts will continue for the foreseeable future (see Table 2.10). The share of African Americans enrolled in Central Texas high schools from 1998 to 2004 increased in suburban school districts such as Pflugerville and Del Valle, while declining modestly in Austin.³

The high school student population within each school district also varies widely in terms of ethnic diversity. Hispanic students make up the majority or close to a majority of the student populations in Austin ISD, Del Valle ISD, Hays ISD, and Manor ISD. Hispanic students also constitute a large percentage of the remaining four school districts discussed in this report.

Socioeconomic Status

Socioeconomic status has a powerful influence on the educational progress of students, strongly affecting the level of parental involvement and playing a pivotal role in determining what students do after graduation. Economically disadvantaged students—defined here as students in families getting free or reduced lunch or receiving other public assistance⁴—are unevenly distributed throughout the Central Texas region. The share of economically disadvantaged students varies not only between districts but also between high schools within the same district. For example, in Austin ISD, Johnston High School’s student body was 80

percent economically disadvantaged, while only 7 percent of Bowie High School's student body was similarly classified.

Portrait of Secondary and Postsecondary Education

In 1983, a report, entitled *A Nation at Risk: The Imperative for Education Reform*,⁵ shocked the nation with statistics showing U.S. children falling behind the nation's global competitors in academic achievement. The report emphasized the impact this achievement gap could have on the nation's economy and future. Other influential reports, such as *A Nation Prepared* (1984) and *America's Choice: high skills or low wages?* (1990), addressing the subject followed. Partly due to these reports and partly due to the need for effectively evaluating the educational levels of their children, many states, including Texas, adopted achievement tests to determine the knowledge students retained from specific courses. These tests added to a repertoire of statistics already collected on students and their schools, including high school course performance and graduation rates. Achievement disparities exist based on students' racial/ethnic characteristics and income, where minorities and low-income students tend to under-perform compared to their peers. This is of particular concern considering that in another decade Hispanics will comprise the majority of the region's student body as well as a substantial share of its workforce.

High School Achievement Gap Measures

In Texas high schools, student performance is measured by two main indicators: Texas Assessment of Knowledge and Skills (TAKS) test scores, and high school graduation rates.⁶ Both are examined here. In addition, it is also helpful to look at indicators of college preparedness. While taking Advanced Placement (AP) courses or the College Board's Scholastic Aptitude Test (SAT) are not mandatory components of a high school education, they are standard, nationally recognized indicators of how well Central Texas students are prepared to meet the challenges of postsecondary education. Even with these data, however, it is difficult to make conclusive statements about student achievement levels in high school and how these relate to their postsecondary education and employment choices and experiences. There is currently very little available data linking students from their high school academic, labor and personal experiences and their post-high school lives.

TAKS Test Scores

The Texas Assessment of Knowledge and Skills (TAKS), the state-standardized test given at each grade level beginning in the third grade, is currently the most widely used indicator by which student and school performance are measured in Texas.⁷ High School students throughout Texas are required to take a series of subject-based exams during the 11th grade. Students who do not pass these exams must successfully retake them in order to graduate from high school. Table 2.2 shows these results by race/ethnicity and school district for two of the key TAKS exams: language arts and mathematics.

As the scores shown in Table 2.2 indicate, there are performance discrepancies in TAKS scores between White or Asian students and African American or Hispanic students. There is also a discrepancy associated with differences in the share of economically disadvantaged students by district: students in higher-income communities, such as Round Rock, Leander

and Georgetown, exhibit considerably higher TAKS scores than those districts that possess a higher ratio of lower-income households, such as Austin, Del Valle and Manor ISDs. Except for Leander ISD, Hispanics and African Americans passed at a lower rate on both tests than either Asians or Whites, regardless of school district. In a region and a state whose share of Hispanics has grown considerably over the last decade, it is troubling that such large academic performance discrepancies exist.

Graduation Rates

Over the past few years, the accuracy of reported high school graduation rates has become a controversial topic, in Texas and other states, as reports of data falsification have emerged.⁸ One of the issues is that there are a variety of definitions of “graduation” that affect the computation of the rates. Increasingly, researchers and policymakers agree that what counts are how many students who start out in ninth grade classes actually graduate from high school in four years.⁹ In other words, four-year high school completion rates for cohorts of students present a more accurate picture than current graduation rates of those enrolling at the start of the twelfth grade. This also better reflects how many high school students fall through the cracks without obtaining a high school diploma.

Table 2.2.
11th Grade TAKS Test Scores 2004-2005

School district	Language Arts (Percent Passing)	Math (Percent Passing)
Austin ISD – All students	88	80
African American	83	60
Hispanic	82	69
White	95	94
Asian	92	93
Del Valle ISD – All students	76	65
African American	81	51
Hispanic	71	65
White	89	80
Asian	*	*
Georgetown ISD – All students	93	89
African American	50	67
Hispanic	84	75
White	96	93
Asian	*	*
Hays ISD – All students	90	81
African American	86	56
Hispanic	89	74
White	93	90
Asian	*	*
Leander ISD – All students	95	89
African American	90	71
Hispanic	94	81
White	96	91
Asian	94	88
Manor ISD – All students	81	73
African American	82	68
Hispanic	72	70
White	90	81
Asian	>99	80
Pflugerville – All students	89	81
African American	84	62
Hispanic	83	76
White	94	89
Asian	94	95
Round Rock – All students	92	91
African American	86	81
Hispanic	85	82
White	95	94
Asian	91	98

Source: AEIS District Reports 2004-2005 from the TEA Homepage. Online. Available:
<http://www.tea.state.tx.us/perfreport/aeis/2005/district.srch.html>. Accessed: 1/5/2006.

This manner of estimating dropouts produces higher indications of dropouts than the reported TEA figures. ISDs currently only count students who are “official” dropouts; they are not

responsible or are unable to track those students who leave school citing a move to another school or district. The reality is that many of these students who claim to be moving to another school or district never show up in any school again, yet the district they moved from is no longer tracking them. Attrition rates that follow a recent four-year cohort through to graduation but also remove from consideration those students who have transferred out of and into the county can be seen in Table 2.3, disaggregated by county and race/ethnicity.

Table 2.3.
Attrition Rates by County, 2003-2004

<u>Hays County</u>	<u>Percent Not Graduated After Four Years</u>
African American	17
Hispanic	24
White	9
<u>Travis County</u>	
African American	24
Hispanic	29
White	12
<u>Williamson County</u>	
African American	13
Hispanic	25
White	10

Source: "Secondary School Completion and Dropouts in Texas Public Schools, 2003-04," report from TEA (August 2005). Online. Available: http://www.tea.state.tx.us/research/pdfs/dropcomp_county_supp_2003-04.pdf. Accessed: 01/06/2005.

To clarify the difference between attrition figures of students progressing from 9th grade to graduation and figures which contain information on transferring students, it is helpful to examine the raw enrollment numbers for Region 13, a collection of fourteen Central Texas counties including the three counties examined above. This larger region is used to compensate for students who transfer out of and re-enroll in another school in that area; the raw numbers for this larger area should balance out these various transfers as long as students remain within these fourteen counties. However, students may move outside these fourteen counties; for example, their parents may move to another metropolitan area inside Texas for employment. Thus, a similar comparison of the raw numbers of students enrolled in high schools is performed for the entire state in Table 2.4.

Table 2.4.
Enrollments for the Class of 2004,
by Grade and Graduation Status

Class of 2004	Region 13	Texas
Freshmen (2000-01)	24,146	360,704
Sophomores (2001-02)	20,820	292,223
Juniors (2002-03)	18,902	265,349
Seniors (2003-04)	17,395	242,771
Graduates (2004)*	17,339	244,165

*Note: Graduates include all students from any grade who graduated in the spring or summer of 2004.

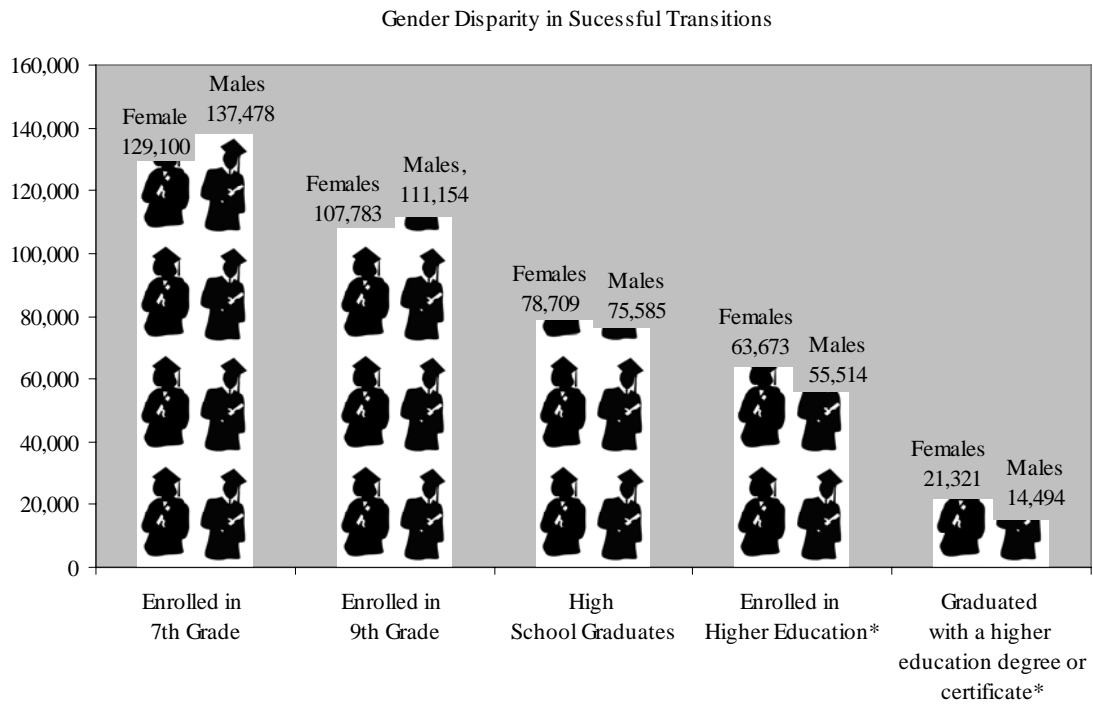
Source: AEIS.

This demonstrates that, out of a ninth grade class size of 24,146 students in the fourteen counties around Austin at least 6,807, or 28 percent, of students starting high school in the region in 2000 did not graduate on time. More than 32 percent of students who enrolled in Texas schools in 2000 as freshman were not found in any graduating class in the state of Texas in the spring of 2004.

Transferring to schools outside the state, or transfers to private schools and home schools, may explain a small percentage of this difference. However, based on demographic data for the region, there should be an *increase* in net enrollment each year, not a decrease: the region has been experiencing net population growth, not decline. Additionally, the school system has no accurate way to track transfer students whom they code as having left the country, for which they typically lack verification.¹⁰

Disparities in the attrition rates of students are not confined to being between racial or ethnic groups of students but also exist between males and females. A longitudinal study by the Texas Higher Education Coordinating Board of a cohort of 1992 7th graders as they progressed from junior high through high school and eventually college demonstrated the attrition mentioned above while highlighting that males are more susceptible to it. Of the original student cohort group, nearly 17 percent of females completed a higher education degree or certificate program by 2003, while for males this figure is nearly 11 percent.¹¹ Information in Figure 2.6 indicates that the original make-up of this cohort was majority-male, but by the time college degrees were awarded this group was majority-female.

Figure 2.6.
Gender Disparity in Attrition Rates of Students



Source: Texas Higher Education Coordinating Board.

* Students who enroll in and/or complete a 2-year degree are included in these numbers

Unfortunately, the Academic Excellence Indicator System (AEIS) that provides publicly available aggregated data does not report the male-to-female ratio of each cohort of students in Texas public schools; this prevents development of a year-by-year gender analysis of another cohort group of Texas students. However, AEIS does provide figures on the percent of females and males who were part of a freshman class cohort and subsequently graduated four years later. Examining these figures for each district listed in this study shows that women were more likely to graduate in four years than men across all districts, with only a few, rare, exceptions as can be seen in Table 2.5.

Table 2.5.
Percent of 9th Grade Cohort Graduating
From High School within 4 Years, by Gender

District	Gender	1997	1998	1999	2000	2001	2002	2003	2004
Austin	Females	69	73	76	76	77	81	83	84
	Males	60	64	69	66	67	71	75	76
Del Valle	Females	68	76	74	85	86	88	88	90
	Males	54	58	77	73	72	74	77	77
Georgetown	Females	89	88	91	87	87	90	93	89
	Males	78	81	76	81	77	86	79	83
Hays Consolidated	Females	84	81	82	85	87	89	91	89
	Males	85	71	78	80	80	88	79	85
Leander	Females	83	82	87	84	88	89	93	89
	Males	76	72	78	77	80	84	83	83
Manor	Females	90	88	85	86	89	80	81	83
	Males	78	69	87	70	71	74	62	61
Pflugerville	Females	87	82	87	86	91	91	90	92
	Males	76	74	76	81	83	84	85	84
Round Rock	Females	90	91	93	91	91	92	94	92
	Males	85	85	85	85	86	88	88	86

Source: Texas State Data Center and Office of the State Demographer. Census 2000 Demographic Profiles. Online. Available: http://txsdc.utsa.edu/data/census/2000/dp2_4/pdf/. Accessed: 3/10/2006

As with any subgroup of underperforming students, researchers seek to determine the reasons behind these differences. Though racial, ethnic, and income disparities may be blamed in part on discrepancies between districts and schools, reasons behind gender inequalities may prove more difficult to extrapolate. In particular, the lack of available data in the AEIS system on the number of males and females in each grade in every school prevents a more detailed analysis. Is this trend of females outperforming males more pronounced in low-income or high-income schools? What factors contribute to the relatively high attrition rate of males? These questions and others provide impetus for additional longitudinal cohort studies to provide, if not answers, perhaps directions for future research.

College Preparedness

A U.S. Department of Education study indicates that 25-to-34-year-olds who dropped out of high school were three times as likely to receive public assistance as high school graduates, and 30 times more likely than their peers with a bachelor's degree.¹² Moreover, the U.S. Department of Labor projects that by 2008, 70 percent of the 30 fastest-growing jobs will require education beyond high school, and 40 percent of new jobs will require at least an associate's degree.¹³ Finally, equalizing access to college among blacks, Latinos and Whites would add as much as \$230 billion to the gross domestic product and generate \$80 billion in

new tax revenues.¹⁴ Thus, the college preparedness of Central Texas students should be looked at as a vital economic issue.

One of the ways Texas has worked to address this issue is through the institution of both a *Recommended High School Plan* to better align high school coursework to college entrance requirements and a *Distinguished Achievement Plan*, which recognizes those students who have taken particularly challenging college-prep coursework. Although in 2003-2004, Hispanics made up nearly 28 percent of all high school graduates in Region 13, they made up only 9 percent of those students graduating with Distinguished Achievement and 26 percent of those students graduating under the Recommended High School Plan. African American students are similarly underrepresented in both of these plans. White students, on the other hand, constituted 61 percent of the high school graduates that year, yet made up 79 percent of students graduating with Distinguished Achievement and 64 percent of students graduating under the Recommended High School Plan.¹⁵ However, some progress has been made according to the same data. Of Region 13's class of 2000, 63 percent of Hispanic graduates and nearly 70 percent of African Americans graduated on the Minimum Graduation Plan. By the class of 2004, 57 percent of Hispanic and 55 percent of African Americans graduated on the Recommended High School Plan. Students who graduate on the Minimum Plan and pass their TAKS exams may still not be very well prepared for enrollment or success in postsecondary education or employment.

AP Enrollments and Test Scores

Advanced Placement (AP) course enrollments and test scores are yet another measure of how well a school is serving its students and preparing them for post-high school college and career options. Region 13 is enrolling a smaller percentage of African Americans and Hispanics in advanced courses, and even those students who do enroll are not faring well on the AP examinations that are required for college credit. Unfortunately, publicly available data from TEA combines AP statistics with those taking International Baccalaureate (IB) courses and exams. Thus, the figures in Table 2.6 represent those students taking both IB and AP courses and exams.

Table 2.6.
Student AP/IB Exams in Region 13, 2004

REGION 13	Percent of 11th and 12th Grade Students Tested*	Percent of Test Takers that Passed
All students	25	62
African American	11	35
Hispanic	14	48
Asian	51	74
White	30	65

* Out of non-special education students enrolled at that school for the grades identified.

Source: "2004-05 Region AEIS," from the TEA Homepage. Online. Available:
<http://www.tea.state.tx.us/perfreport/aeis/>. Accessed: 01/06/2006.

Because AP courses help students prepare for postsecondary education and because minority populations continue to grow rapidly in Texas, these data indicate that a substantial proportion of students in the region may be less than fully prepared to meet the demands of college-level work and today’s jobs.

SAT/ACT Scores

SAT and ACT scores are another measure used to gauge the preparedness of students for college-level work. Texas currently ranks 47th nationwide in average SAT scores for its high school students.¹⁶ Region 13 SAT and ACT scores are provided in Table 2.7.

**Table 2.7.
Region 13 Graduates
Taking the SAT and ACT, 2004**

REGION 13 – SAT/ACT	Percent of Students Taking Either or Both the SAT and ACT*	Average Score (SAT/ACT)
All Graduates	69	1032 / 21.2
African American	69	861 / 17.2
Hispanic	45	932 / 19.0
Asian	87	1112 / 23.6
White	73	1063 / 22.2

* Out of non-special education students enrolled at that school for the grades identified.

Source: “2004 Region AEIS,” from the TEA Homepage. Online. Available: <http://www.tea.state.tx.us/cgi/>. Accessed: 01/09/2006.

To put these scores in context, it should be noted that the average SAT score of an incoming freshman at the University of Texas at Austin in 2003 was 1230.¹⁷ Stephen F. Austin University in Nacogdoches has a minimum entrance requirement of 1050, and the University of Texas at San Antonio has a minimum requirement of 920.

Clearly, there is cause for concern in Central Texas about the preparedness of its students and future labor force. These achievement gap data are only useful to a point, however, in determining how best to deal with the preparedness issue. Although test scores and other achievement measures currently assist in identifying areas of weakness in the educational system, they do not provide the type of insight needed to determine what is going on in these schools and their communities that is associated with the performance discrepancies.

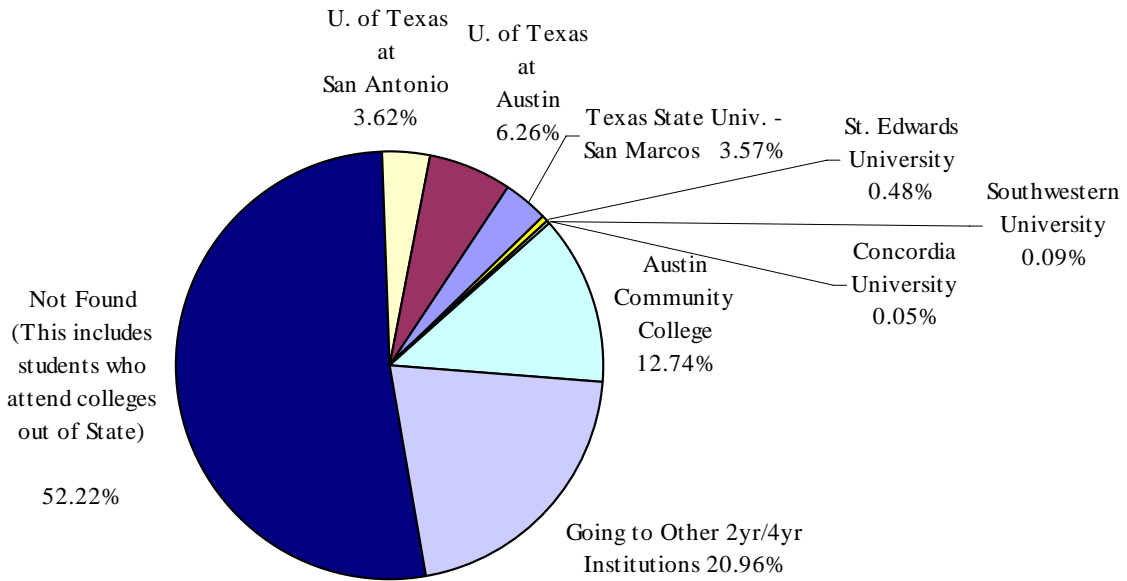
Postsecondary Education

With such disparities in high school achievement, it is no surprise that there is “leakage” in the educational pipeline’s next link, postsecondary education, which is defined as formal two or four year education programs that result in degrees beyond a GED or high school diploma. While this is not always the subsequent progression in an individual student’s life, this analysis considers indicators related to the gaps in successfully transitioning to postsecondary education. The Texas Higher Education Coordinating Board (THECB) report, *Closing the Gaps*, outlined a plan to stem the decline of postsecondary education achievement and improve the future well-being of the state. The Coordinating Board uses the term “higher education” in describing their initiatives, but their purview also includes two-year postsecondary degree programs. According to *Closing the Gaps*, the state will address four postsecondary education gaps in participation, success, excellence and research; however, its top-priority gaps are participation and success in postsecondary education.¹⁸ While research implies shortcomings for students postsecondary transition in Central Texas, consistent, longitudinal data to document the problem are lacking. Next, we look at postsecondary education transition success by examining the major postsecondary options open to Central Texas students and then the following indicators: recruitment, developmental education, retention/persistence and graduation rates.

Major Postsecondary Institutions

The *Shared Agenda: A Leadership Challenge to Improve College Access and Success* report by the Pathways to College Network sums up the national dilemma by stating, “[a]fter more than three decades of effort and investment to create equal educational opportunity for all, substantial progress has been made in increasing educational attainment of young people in the United States. But, large gaps in college-going and completion persist for many low-income, minority, and students with disabilities.”¹⁹ While the plans of the *Closing the Gaps* report might indicate the success of Texas, its relative infancy of its implementation precludes any significant impact on college enrollment levels. The Austin metropolitan area is home to seven colleges and universities with more than 97,486 students, including: The University of Texas at Austin, The University of Texas at San Antonio, Austin Community College, Texas State University, St. Edwards University, Southwestern University, Concordia University and Huston-Tillotson College (see Figure 2.7).²⁰

Figure 2.7.
Percentage of 2004 Central Texas High School Graduates Enrolled in
Selected Postsecondary Institutions in the Fall of 2004



Source: "Texas High School Graduates From FY 2004 Enrolled in Texas Higher Education Fall 2004," from Texas Higher Education Coordinating Board Homepage. Online. Available: "<http://www.thecb.state.tx.us/DataAndStatistics/>." Accessed: 01/09/2006.

According to the National Center for Educational Statistics as reported in the Integrated Postsecondary Education Data System (IPEDS), the makeup of these seven major private and public colleges and universities in the metropolitan Austin area is quite varied.²¹ The graduating class of 2004 sought entry into these local colleges facing both the entry requirements and the potential costs incurred as listed in Table 2.8.

Postsecondary Recruitment

To comprehend the pervasiveness of the issue of college access, we must assess key contributing factors. The *Access & Persistence: 10 Year Longitudinal Research* report by the American Council on Education identifies several factors relating to college access including: intention, parent's education, residency characteristics, high school course rigor, family income, and social support from parents, peers, and school personnel.²²

Table 2.8.
Entry Requirements and Costs Associated with Area Colleges and Universities,
2004-2005 School Year

<u>College or University</u>	<u>Total Admissions</u>	<u>SAT Verbal +Math 25th Percentile Score</u>	<u>ACT Composite 25th Percentile Score</u>	<u>Published In-State Tuition and Fees</u>	<u>Books and Supplies</u>	<u>Total Cost for In-state Students Living on Campus</u>
Austin Community College	*	*	*	2,902	750	*
Concordia University, Austin	424	900	18	16,160	1,000	\$25,460
Houston-Tillotson College	405	670	14	8,190	500	\$16,348
Southwester University	1,333	1,010	21	15,960	870	\$26,000
St. Edwards University	1,238	1,150	24	20,220	700	\$29,180
Texas State University, San Marcos	6,479	970	20	4,550	950	\$15,310
University of Texas at Austin	11,788	1,110	23	5,735	762	\$15,533
University of Texas at San Antonio	10,260	890	18	2,976	800	\$13,215

Source: THECB “Higher Education Accountability System.” Online. Available:

http://www.thecb.texas.gov/InteractiveTools/Accountability_2004/. Accessed: 1/5/2006

Aside from college access issues, institutional efforts also play a major role via recruitment. Education researcher Dr. Amaury Nora found that those institutional factors include the following: costs (tuition, living expenses, and transportation); financial aid; special academic and nonacademic programs; institutional reputation; location; social atmosphere; and size (institutional and class size).²³ Dr. Nora recommended college recruitment and retention programs concentrate on creating positive personal and social connections, acceptance, belonging, fit, encouragement, and comfort to facilitate student contentment and reenrollment.²⁴ Given these multiple factors related to improving postsecondary access, the State of Texas has recently attempted to implement a broader educational outreach campaign targeted toward students and their families based on the findings of their *Closing the Gaps* report.

“[T]he 77th Texas Legislature provided funding to establish the College for Texans Campaign to develop a statewide marketing and outreach effort to reverse college enrollment trends. ‘Education. Go Get It,’ that’s the message of the new College for Texans statewide

campaign launched in the fall of 2002 by the Texas Higher Education Coordinating Board (THECB) in an aggressive new effort to send more Texans to college.”²⁵

As a part of this campaign, the THECB incorporated a strong grassroots effort with Go Centers serving as the primary point of coordination between campaign efforts and local communities and assisting the campaign in mobilizing local resources. The Go Centers are a grassroots network of community-managed college recruiting centers located in communities across the state of Texas. Go Centers include the following activities aimed at improving access:

- Align with the College for Texans “Education. Go Get It” slogan, logo and marketing efforts
- Operate as a statewide network of community level recruiting centers
- Operate as high school and college student-led centers with adult and higher education support
- Have physical facilities and computer connectivity linking them to on-line resources
- Are organizational hubs for local marketing and outreach efforts
- Serve as a local coordination point for resources supporting the College for Texans Campaign
- Facilitate and extend existing partnerships and develop new partnerships among K-12 schools, institutions of higher education, and business and other groups in the community.²⁶

Thus, the THECB has encouraged state postsecondary institutions to adopt the College for Texans Campaign’s Activities, such as College Enrollment Workshops, GO Theater, GO Centers or the GO train-the-trainer and also place a special emphasis on under-represented populations and/or first generation low-income students. Central Texas postsecondary education institutions participating in College for Texans and GO activities have a variety of other recruitment strategies as well; however, the THECB only requires reporting of such plans by public colleges and universities.

As part of the 78th Legislature’s mandate, uniform recruitment and retention plans are developed, reported and updated to “identify, attract, and retain students that reflect populations of the State.”²⁷ From the compilation of the “uniform recruitment and retention plans,” the THECB provides its list of best practices. THECB best practices for higher education institutions include: institutional financial commitment to enrollment management; trained and talented professional and support staff, support services to students, pre-college programs, community and business involvement, and articulation agreements with other postsecondary institutions. Since the legislature and THECB have not been able to provide significant financial support to this recruitment effort, the postsecondary institutions in the area must depend on new and existing grant support to promote these efforts.

While these enrollment strategies look to improve the poor enrollment rates, they also underscore the need for the Central Texas Graduate Data Center. The 2003 *Betraying the College Dream* report by Andrea Venezia et al. (2003) explains the need for a longitudinal K-16 student data tracking system, greater accountability and improved governance mechanisms.²⁸ “Helping students to transition through the Texas education system is important for increasing retention and graduation. Transitions between all levels of education need to be examined to make certain that every student wishing to continue his or her education is assisted from one level to the next.”²⁹ The Central Texas Data Center would be able to play a key role in facilitating the state’s intentions to ensure students are transitioning through the educational system and successfully graduating from postsecondary institutions.

Postsecondary Developmental Education

Another aspect affecting the higher education pipeline is remediation or developmental education. In 1996 and 2000, the THECB conducted a study of developmental education and its impact on Texas postsecondary education. This study by Boylan and Saxton found that a variety of instruments are used by Texas public colleges and universities to assess and place incoming students. A large percentage of students obtain low scores on these instruments and are therefore placed in developmental courses, which may include: reading, English/writing, or mathematics. While approximately 50 percent of the local student population from our school districts attends postsecondary institutions, THECB reports that the majority remains in the Central Texas region, entering higher education through the two-year community college versus a four-year university. Unfortunately even students who are entering a community college or university are largely under-prepared according to the THECB.³⁰

According to the National Center for Educational Statistics, Texas is significantly above the national average of 30 percent for incoming college students placed in developmental courses. The educational research regarding the correlation between developmental education and degree completion is not conclusive. While there is a consistency of successful developmental education between two- and four-year institutions, the THECB developmental evaluation reports found a positive relationship between success in developmental courses and retention.

The inconsistency of the data on developmental education and its impact on postsecondary education provides another example of the need for the Central Texas High School Graduate Data Center. The Data Center can include the capacity to measure this factor and its relationship to student educational outcomes and employment. This need also ties in to an improved analysis of retention figures for postsecondary education.

Postsecondary Retention and Persistence

Retention is a serious concern in Central Texas postsecondary institutions. The University of Texas at Austin and Texas State University reported the following figures for retention rates. The University of Texas at Austin reported that it retained 90.6 percent of students enrolled in 2000 after one year, while Texas State reportedly retained 74.3 percent of students enrolled in 2000 after one year. The Texas Guaranteed Student Loan Corporation compiled a report of various retention strategies as best practices, including: encourage school participation, activities promoting academic and social integration, and management guidelines.³¹

A number of researchers have found multiple predictors for retention and student withdrawal. “Academic performance as affected by students’ study skills and habits (Al-Hilawani & Saratawi, 1997), metacognition (Romanville, 1994), and motivation.”³² “Exercising metacognition is, in essence, thinking about one’s thinking and one’s learning and thereby controlling, regulating and taking responsibility for how one goes about learning (Devlin, 1995; McCormack and Pancini, 1991; Romainville, 1994).”³³ These researchers imply that a student’s poor academic performance can be linked to poor study skills and habits, poor metacognition or lack of comprehension and control of their learning, and poor motivation to perform academically.

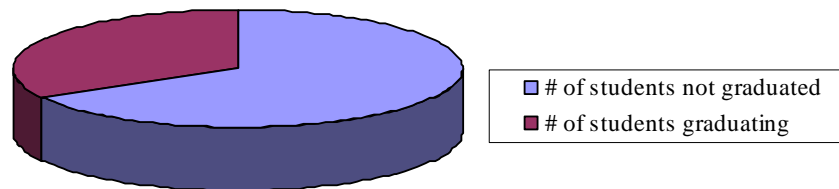
The Texas Guaranteed Student Loan Corporation reported that E. P. St. John’s 1990 study showed various factors affect student college persistence behavior, including: postsecondary plans, full-time enrollment, high school academic experience, family income, attending a four-year college, the first two years’ grades, receiving loans and grants, mothers’ educational level, achievement test scores, attending a private college, and tuition costs.³⁴

Postsecondary Graduation Rates

Finally, there is the issue of college graduation rates. The Education Trust’s 2004 report, *A Matter of Degrees*, emphasizes that only six of every ten full-time college freshman in four-year colleges and universities on average get a bachelors of arts degree within six years.³⁵ This problem is further amplified for low-income and underrepresented students.

Institutional graduation rates also vary widely across the nation. According to the Texas Higher Education Coordinating Board’s Regional Plan for Texas Higher Education, figures reflected a 33 percent graduation rate in the Central Texas region; this figure tracked a 1992 7th grade cohort to degree attainment, showing 3,615 graduates out of the 10,911 enrolled for a higher education degree or certificate as can be seen in Figure 2.8.³⁶

Figure 2.8.
Central Texas Seventh Grade Cohort Students
Postsecondary Enrollment vs. Graduation



Source: Texas Higher Education Coordinating Board, *Regional Plan for Texas Higher Education* (Austin, Texas, November, 2004), p. 25.

The tracking capabilities of schools and THECB were limited because they could not account for students who left Texas to attend college or had been home-schooled. Additionally, causative or correlated factors behind attrition are not always clear, but would be useful to know. A majority of researchers have found the following linkages to successful college graduation rates: higher student SAT or ACT score; strong institutional support and programming for students; sufficient financial aid, especially for economically disadvantaged students; higher incidence of students in two-year degree programs; smaller institution size with individualized attention; and locations where students have a strong interpersonal support system.

The achievement gap and the disconnect between secondary and postsecondary institutions are clearly referenced in studies regarding high school graduation and transition to postsecondary. Our education pipeline from secondary and postsecondary has several leaks that would be more accurately accounted for through a longitudinal K-16 tracking system, such as the Central Texas High School Graduate Data Center. We need to look not only at measures of the achievement gap in postsecondary outcomes, but also seek to assess causality so that we can determine where and how to effectively “plug” these leaks.

Part B: What Is Causing the Achievement Gap and Poor Transition Rates?

Identifying the sources of achievement gaps and poor transition rates in Texas education is the first step to developing possible solutions. Researchers have written extensively about what is causing achievement gaps in education and how schools should address them. Researchers generally agree that the quality of education is affected by factors such as teacher quality, resource availability, and the rigor of the curriculum. However, studies often fail to link the characteristics of a quality education to postsecondary transition and completion patterns of students. Guidance programs in high schools are also a key factor in more appropriately addressing the educational pipeline gap, yet few researchers have studied their impact. Lastly, a student's social capital or social resources, which are probably the most difficult factors to measure, also contribute significantly to academic and postsecondary success. Through the collection of longitudinal data and surveys, the Central Texas Data Center will allow us to better understand these possible causes of the achievement gap and systematically link these causes to postsecondary transition and graduation rates.

Quality-of-Education Disparities

Many factors contribute to the achievement gaps in today's schools. One of the most apparent contributors is the disparity in the quality of education in schools serving low-income and high-minority populations when compared to the quality of the education in schools serving higher-income and low-minority populations. While it is difficult to define all of the characteristics that make up a "quality education," several necessary components can be identified. The components of a quality education include, but are not limited to the quality of the classroom teachers, the quantity and use of school resources, and the rigor of the school's curriculum.

Many education policy theorists and researchers believe that *teacher quality* is the single most important factor in student achievement. In "Teachers, Schools, and Academic Achievement," economists and education researchers Eric A. Hanushek, John F. Kain and Steven G. Rivkin state: "While schools are seen to have powerful effects on achievement differences, these effects appear to derive most importantly from variations in teacher quality."³⁷ In earlier research, Hanushek also discusses the magnitude of difference that teacher quality can have on a student's achievement. He states: "The difference between a good teacher and a bad teacher can be a full level of achievement in a single school year."³⁸ A 1998 study by The Education Trust supports Hanushek's assertions. Kati Haycock of the Education Trust states:

Students who have several effective teachers in a row make dramatic gains in achievement while those who have even two ineffective teachers in a row lose significant ground, which they may never recover. Indeed, students who achieve at similar levels in the third grade may be separated by as many as 50 percentile points three years later, depending on the quality of teachers to whom they were assigned.³⁹

Although there is no definitive way to measure what makes a good teacher, there are several indicators of teacher quality that can be measured, including years of experience, scores on teaching exams and in-field teaching credentials. However, on all three of these quality

measures, schools that serve a higher percentage of poor and minority students do not employ the same quality of teachers as schools in other communities.⁴⁰ One example of the disparity in teacher quality can be seen in the 2003 data from the Texas State Board for Educator Certification, which shows that as the percentage of low-income students in a school district increases, the percentage of teachers with in-field certification decreases and the percentage of teachers with out-of-field or no certification increases.⁴¹

This pattern of schools with higher percentages of low-income students employing lower percentages of teachers with the necessary teaching credentials exists across all classes. A similar pattern exists as the percentage of minority students increases in a school district.

A second component of education quality that is dispersed inequitably in Texas schools is *school funding*. The school finance system in Texas has been intensely scrutinized and was recently found unconstitutional by Travis County Judge John Dietz. The *Funding Gap 2005 Report* by the Education Trust released in the fall of 2005 states that a national funding gap exists between per student funds in low-income schools and high-income schools, as well as between low-minority enrollment schools and high-minority enrollment schools. The report also found that the gap has actually increased since the agency began collecting data in 1997. In the report, The Education Trust states, “that most states continue to shortchange the districts educating the greatest numbers of poor students and students of color.”⁴² The Texas data provided in this report shows that in 2002-2003 the gap between revenues available per student in the highest- and lowest-poverty districts was \$588, and that the gap between revenues available per student in the highest- and lowest-minority districts was \$1,171.⁴³

Another often-analyzed area of school resources is the distribution and use of technology resources. TEA’s statewide survey of the Technology Integration Initiative found that “schools serving greater percentages of low-income students show the strongest gains in computer resources over the past five years.”⁴⁴ However, the report shows disparities between schools in the support provided by district and school administrators for the technology resources, how students rate their personal technology proficiency and how the technology is being used in the classroom. The study reports that “campuses enrolling 25 percent or less low-income students are significantly more likely to report support from a district instructional specialist as well as on-site technology support compared to teachers in school with more economically disadvantaged students.”⁴⁵ Also, as the percentage of minority students in a school increases, fewer students provide “good” ratings for their computer abilities.⁴⁶ The report suggests that technology may be used differently at schools serving higher percentages of economically disadvantaged students because of how teachers view the impact of technology on their students. In these schools teachers more frequently identify that technology’s greatest impact is on standardized test scores, while teachers in schools serving lower percentages of economically disadvantaged students state that technology’s greatest impact is on students’ motivation to learn and an enhanced global perspective.⁴⁷ This report demonstrates the difficulty of connecting resource allocation with student achievement because of differences in teacher use and administrator support of the resources.

Many studies have attempted to analyze the relationship between school resources and student achievement. In “The Failure of Input-based Schooling Policies,” Hanushek calls

into question the link between school resources and student achievement.⁴⁸ However, Southwestern Educational Development Laboratory's 2003 report finds a strong relationship between resources and student success. This study is careful to take into account not only the quantity of resources available at a school site, but also to consider how the resources are allocated and used. Further research on the impact of in-kind funding on the achievement gap and student transition rates is needed.

The third component of education quality is the *rigor of the curriculum*. Patte Barth and Kati Haycock claim that the quality and intensity of a student's high school curriculum is the best predictor of college success.⁴⁹ According to 1999 U.S. Department of Education statistics, students who complete Algebra II or higher earn a college degree at twice the rate of those whose high school math curriculum was less rigorous.⁵⁰ Student success in Advanced Placement classes can be another predictor of a rigorous curriculum that can lead to postsecondary success. According to Chrys Dougherty's longitudinal research on the impact of advance placement exams, "for every 100 *additional* low-income or minority students that take and then pass an academic AP exam, 65 *additional* students will be prepared for college-level work."⁵¹

Curriculum rigor is a difficult component to measure because of the varying levels of rigor within classes with the same name at different schools, as well as differences in classes at the same school with different teachers. Regardless, many studies have found alarming disparities between the types of classes completed by disadvantaged students when compared with the classes completed by other students. Based on 2001-2002 data, the Southern Regional Education Board's (SREB) audit of Austin ISD found that a minority student or a student from a poor family is at least twice as likely to complete the Minimum Program and five to eight times less likely to complete the Distinguished Achievement Program when compared to students who are neither ethnic minorities nor low-income.⁵² The SREB audit also found that minority student enrollments in AP classes in Austin ISD are disproportionately low and that two-thirds or more of the students at the five high schools in Austin ISD with larger populations of minority and low-income students failed to pass their AP exams.⁵³

This discussion of education research on teacher quality, school resources and curriculum rigor is by no means exhaustive, but these examples demonstrate that there is still a large disparity in the quality of education received by different groups of students and that these components of educational quality are associated with student achievement. The Data Center can help to identify the most salient aspects of education quality to the successful postsecondary transitions of students. However, the research above only explains what is happening to a student *inside* the classroom. High schools often provide many services outside of the classroom that can contribute to improved postsecondary transition rates. Guidance and transition counseling play a critical role in equipping students with postsecondary options. The following section examines the types of guidance and postsecondary transitional tools students often have available to them.

Guidance and Transition Counseling

An important component of postsecondary preparation for high school students is guidance and transition counseling. No matter what curricular or program initiatives schools put in place, unless students are made aware of their options, many would find themselves ill-equipped to make goals or informed decisions about their postsecondary lives.

Postsecondary education and career guidance has long been a major role of high school counselors. However, in recent decades, the amount of time counselors have had available to spend in this role gradually decreased as public school populations became increasingly diverse and needy.

The main role of guidance counselors before 1960 was to help students identify job skills and work opportunities after graduation. Since then new roles have been added to counselors' job descriptions with each new educational reform effort. By the end of the 1990s that list had grown to include mental health counseling, college placement and financial aid assistance, student dropout prevention, drug and child abuse prevention, dealing with divorce and death, and suicide prevention, among others.⁵⁴

Not only are counselors trying to fill more roles, but there are also too few counselors to perform them. The American School Counselor Association recommends a minimum counselor-to-student ratio in high schools of 1 to 250.⁵⁵ The National Association of College Admissions Counselors reports that the national average is somewhere around 1 to 490, but as high as 1 to 994 in California.⁵⁶ The counselor-student ratio among Austin high schools in 2004 ranged from 1 to 199 at Johnston High School to 1 to 481 at Anderson High School, with a district-wide average of 1 to 390.⁵⁷

Austin ISD breaks down its guidance program into four key areas: classroom guidance (classroom lessons related to responsible behavior, conflict resolution, goal setting, and career planning), individual planning (helping students choose courses, plan for transitions, and plan for careers and postsecondary education), responsive services (mental health issues related to achievement), and system support (referral services and staff training).⁵⁸

Austin ISD's guidance program plans for high school counselors to spend 35 percent of their time with the individual planning component, and the remaining 65 percent of their time split among the other three components.⁵⁹ Individual planning is perhaps most important at the high school level, because every student has choices to make about his or her postsecondary path.

High schools commonly use curriculum tracks known as career pathways to help students explore career options and get pre-graduation training in fields of interest. Austin ISD, through its twelve high schools, offers more than 30 majors within eight tracks, including agricultural science, business, family and consumer science, health science, marketing, technology, trade and industry and military science.⁶⁰

Traditionally, these career pathways have been considered a component of vocational or technical education, which was generally limited to students who wanted job skill training for the purpose of direct entry into the labor market postgraduation. However, in recent decades,

as more jobs have required some form of postsecondary education and the number of students choosing some form of post-high school training has increased, the role of vocational education is shifting.

With this change in postsecondary education patterns the need for a job-training based vocational curriculum separate from college preparatory curricula has changed. Increased diversity of student needs has brought about the suggestion of integrating traditional vocational curricula into academic college prep curricula. The Carl D. Perkins Vocational and Technical Act of 1990 was the national legislation that first suggested integrating vocational and academic curricula for better outcomes. The 1998 Perkins Act reiterated the need for such integration.⁶¹

According to a 2004 report by the congressionally mandated National Assessment of Vocational Education (NAVE), students who take courses from both a vocational curriculum and an academic curriculum fare better in the long run than students who take courses from only one or the other.⁶² Despite this realization, few schools have integrated vocational and academic curricula successfully.

As mentioned above, TEA has established three standard curriculum options for high schools to offer their students: Minimum, Recommended and Distinguished Achievement. In Austin ISD high schools, vocational courses are taken as the elective portion of the curriculum, and students are encouraged to choose a career pathway in which to concentrate.⁶³ Students who choose the academically rigorous Distinguished Achievement curriculum may have fewer elective possibilities because they are concentrating on higher level academic courses, such as languages other than English or upper level sciences.

Opportunities for students to be exposed to career and technical education appear to exist within the Austin ISD curricula, and dual-credit and AP programs allow students to earn college credit while in high school, but only to a limited extent. The 1990 Perkins Act encouraged schools to develop Tech-Prep programs linking two years of high school coursework with two years of related coursework at a local community college (in the so-called “two-plus-two” approach).⁶⁴ Attempts to develop Tech-Prep seem to have been set aside by the strict standards required by the No Child Left Behind Act of 2001.⁶⁵ The accountability and the value of this type of programming would be more effectively measured and tied to secondary and postsecondary graduation and gainful employment with a longitudinal student tracking through the Central Texas High School Graduate Data Center.

Military science is a career pathway offered by many schools, including Austin ISD high schools. The pathway often incorporates the Junior Reserve Officers’ Training Corps (JROTC) program, which places retired Army officers in high schools teaching classes related to civic responsibility and service to country. The JROTC is a program of the U.S. Army originally used as a recruitment tool. While critics contend that the program still uses its high school courses to recruit students for enlistment,⁶⁶ the JROTC asserts that its main purpose is to “instill in students...the value of citizenship, service to the United States, personal responsibility, and a sense of accomplishment.”⁶⁷

Other evidence suggests that the Army is doing everything it can to recruit public high school graduates. The No Child Left Behind Act includes a little-known provision that mandates that high schools provide contact information for all juniors and seniors to U.S. military recruiters. Schools that refuse to comply risk losing all federal aid. Parents are allowed to opt out of having their child's name included on the list, but few schools have adequately informed parents of the mandate, let alone their right to opt out.⁶⁸

Students receiving special education services are often treated as a separate group when it comes to postsecondary transitions. Under guidelines set out in the Individuals with Disabilities Education Act (IDEA) of 1997, students identified as in need of special education services are entitled to an Individual Education Plan (IEP), a part of which is postsecondary planning. The IEP process involves teachers, counselors, specialists and parents, all of whom have a part in helping the student plan for the postsecondary phase. However, there are no streamlined processes, and special education students are often left to fend for themselves.

The ever-changing make-up of the U.S. population, also evident in Central Texas, is a challenge that current education reform movements cannot holistically address. Traditional guidance models have failed to keep pace with increasingly complex student needs. Traditional one-on-one counseling has become impossible considering the current national average ratio of 1 counselor for 490 students. (The National Association of College Admissions Counselors states that in order for students to get the attention they need the ratio needs to be 1 to 100.)⁶⁹

Pat Martin, a vice president of the College Board, suggests that the new role of high school counselors is to build the "scaffolding" that creates an intricate framework to help students succeed, working among the adults in the system instead of dealing with individual students. Under the current educational system, doing so should produce more effective results.⁷⁰

Much of the gap in student achievement and successful transitions can be traced to issues surrounding the quality of education and guidance counseling, but there are also many factors outside of the classroom that can enhance successful transitions to postsecondary education and work. These are the subject of the next section's discussion.

Social Capital

Social capital is a term that has long been used in education to refer to the social bonds which students and families have in schools and communities that positively affect student progress. It refers to the networks of community engagement that foster reciprocity, trustworthiness and loyalty within groups and among individuals.⁷¹ Given that schools, communities and families each differ in levels of social capital, it is an important characteristic in examining disparities in student success.

In his book *Bowling Alone*, Robert Putnam states that the level of informal social capital in communities is the strongest indicator of student success; that is, the frequency with which people connect informally with one another is closely correlated with educational performance.⁷² This presents an interesting case for families who live in high-risk

neighborhoods, where residents are far less likely to ask for help from a neighbor due to high levels of mistrust. In these settings, young people have fewer contacts and less positive relationships with non-kin adults, and they have dramatically restricted social networks.

Although not all forms of social capital require human or financial capital to be effective, research shows that privileged families have greater access to specific forms of social capital, such as schools, recreational facilities or youth organizations.⁷³ Low-income families have more restrictions on the kinds of experiences they can provide for their children, and therefore have different structures for social capital. However, there are no formal methods that reflect the extent of social capital in Central Texas communities, and it is difficult to identify differing social networks. The impact of social capital is understood as an important influence on educational success for students, yet there is very limited research correlating aspects of social capital with academic achievement. More qualitative data is needed to effectively address the needs of students. By using a tracking system such as the Central Texas Data Center, researchers will be able to identify qualitative information that is typically left unknown. This analysis examines four aspects of social capital: parent involvement, language acquisition, extracurricular participation and student employment. Each is examined by studying the extent to which it influences academic success and postsecondary outcomes.

Parent Involvement

Parent involvement is a fundamental means through which families can create networks with school administrators, teachers and other parents. There have been many studies examining the role of parent involvement in student success. Two themes present themselves in the studies. The first is the concept that strongly emphasizes the physical and human capital efforts that are innately included with parent participation, such as making time to visit schools and providing a safe, quiet place to study in the home. The second concept focuses on cultural conflicts that exist between institutions (schools) and families. Schools typically have middle-class values that frequently come into conflict with the values of poor or working class communities. This conflict makes parent involvement a more difficult task for those families who may not easily relate to middle-class ideals.

Studies find that regardless of socioeconomic status, the degree to which family practices and structures support learning and education significantly affects achievement. A study done by Clark shows that parents who sponsor independence, set clear and consistent limits, have high expectations, encourage academic achievement and engage in activities that teach skills needed for school success generally have children who experience higher levels of achievement.⁷⁴ Parents of high-achieving students are also more likely to periodically interact with the school to check on the progress of their child. Parents of low-achieving students tend to practice loose supervision and interactions at home that do not support academic achievement. These parents are typically only involved in school for negative reasons. The study explains that aspects of the home environment, such as having a place to study, established routines, and children's engagement with adults who read, write and discuss also have been found to positively affect achievement.⁷⁵ Home environment directly affects a student's academic performance, as do the structures of schools and classrooms.

Lisa Delpit, author of “Other People’s Children: Cultural Conflict in the Classroom,” states that schools inherently have a “culture of power” and asserts that there are codes or rules for participating in that culture relating to “linguistic forms, communicative strategies, and presentation of self; that is, ways of talking, ways of writing, ways of dressing, and ways of interacting.”⁷⁶ She concludes that children from middle-class homes tend to do better in school than those from non-middle-class homes because the culture of the school is based on the culture of the upper and middle classes.

Parent involvement is a combination of balancing human and physical capital – providing the material necessities for their children – and balancing the cohesion, or disconnect, between the middle-class norms enforced in schools and one’s own culture. The changing demographics demand that schools create culturally responsive programs of parental involvement to assure that all can equally participate and that families feel comfortable participating in school activities. Expanding the social networks to all populations should strongly and positively affect student achievement.

Language Acquisition/Diversity

Language is a necessary condition for relationships. It has the potential to produce shared understandings, foster relationships and can be socially inclusive or exclusive.⁷⁷ The most acceptable language used in schools is Standard English, which is defined as “the variety of English that is generally acknowledged as the model for the speech and writing of educated speakers.”⁷⁸ As the populations of schools continue to change rapidly, the languages spoken by students are becoming more and more diverse. Languages of students and families can range from Spanish to Vietnamese, but may include non-standard forms of English as well.

Language can frequently be a barrier for student achievement in school. Although a student may be fluent in English, the inability of non-English-speaking parents to communicate with their child’s teacher or school administrators can also negatively affect the student’s success. According to TEA data, 13 percent of Texas students are Limited English Proficient (LEP) and another 16 percent are in Bilingual or English as a Second Language programs, totaling about one-third of the overall student population. Of these students, 87 percent in each category are also identified as disadvantaged.⁷⁹ In Texas schools, LEP students were retained (i.e., held back for one or more grades) more than non-LEP students, with the highest rates of retention at the first- and ninth-grade levels.⁸⁰ Language-minority students, those whose native language is not English and who are not fluent in English, have serious disadvantages that prevent academic success and deter the expansion of positive social interactions.

Although many students are ultimately successful at mastering the English language, it is a very difficult process. Language acquisition is both conscious and unconscious according to Delpit, who states:

Learning to orally produce an alternate form is not principally a function of cognitive analysis, thereby not ideally learned from protracted rule-based instruction and correction. Rather it comes with exposure, comfort level, motivation, familiarity, and practice in real communicative contexts.⁸¹

Students who undergo high levels of speech correction often find oral proficiency to be much more difficult. Forcing students to monitor their language typically makes students raise what Stephen Krashen has labeled the “affective filter.” The filter operates “when the student is not motivated, does not identify with the speakers of the second language, or is overanxious about his performance causing a mental block which will prevent input from reaching the part of the brain that is responsible for language acquisition.”⁸²

Linguistic performance and linguistic competence also play an interesting role in language acquisition. Many times teachers believe that students fail in an academic setting because they speak non-standard dialects. Students may be competent in Standard English, but because they choose to identify with their own culture and not the schools’, their linguistic performance may be poor. Some students may find it necessary to “choose a linguistic camp,” meaning that they have to choose between the language of their home and the language of their school.⁸³

Delpit states: “Standard English is the language of economic success.”⁸⁴ In order for language-minority students to be successful, schools must develop the knowledge and skills students already possess and add others to their knowledge base. The political and economic repercussions of not gaining access to standard forms of English are critical for language-minority students.

Extracurricular Activities

Extracurricular experiences also positively affect students’ educational success. Studies have found a strong correlation between extracurricular participation and each of the following success indicators: better attendance, higher academic achievement and aspirations to higher levels of education.⁸⁵ The National Center for Education Statistics (NCES) reports that virtually all students in public schools have a core of extracurricular activities available to them and that there were no important differences in availability between relatively less affluent and more affluent schools.

In order to gain a different perspective, NCES researchers studied the types of students who took advantage of extracurricular activities and found that the participation of low socioeconomic status students was consistently lower than that of high-SES students in each type of activity, with the exception of vocational or professional clubs, in which low-SES students were twice as likely to participate.⁸⁶ Researchers have identified several barriers to participation, including family or work responsibilities, limited resources for equipment or other expenses and transportation or other logistical difficulties as well as more complex barriers such as lack of interest in or alienation from school activities.⁸⁷

According to a 1997 study done by John Mahoney and Robert Cairns, engagement in school extracurricular activities is linked to decreasing rates of early school dropouts in both males and females. Extracurricular participation provides marginal students an opportunity to create a positive and voluntary connection to their school. The researchers strongly believe that involvement in extracurricular activities may support the at-risk student by maintaining, enhancing and strengthening the student school-connection.⁸⁸ Extracurricular activities can, in effect, expand social resources for students.

Student Employment

Another element affecting student achievement is student employment. According to the U.S. Department of Labor, over a quarter of high school students were employed in 1994, including 42 percent of seniors, 30 percent of juniors and 15 percent of sophomores. Age directly affected the likelihood of having a job.⁸⁹ In a more recent study conducted by the Bureau of Labor Statistics in November 2000, males and females were about equally likely to have worked during high school, but in different sectors. Males were more likely to have formal jobs, while females were more likely to do freelance work, such as babysitting. In contrast, race and ethnicity played a significant role in the likelihood of students working, showing that White high school students were about twice as likely to have worked as Black or Hispanic students. A significant difference occurred at the age of 15, where the data show that 66 percent of Blacks worked 15 hours or more per week during the school year, compared with 44 percent of working Whites and 46 percent of working Hispanics.⁹⁰

The November 2000 BLS report also considered household income and reports the information for 15-year-old working students shown in Table 2.9.

Table 2.9.
Hours Worked per Week for Students by Income Level,
for Students Working More than
50 Percent of School Weeks

<u>Household Income</u>	<u>Percent Averaged 14 hours or fewer/week</u>	<u>Percent Averaged 15 hours or more/week</u>
Less than \$25,000	4.1	7.9
\$25,000 - \$44,999	5.6	11.2
\$45,000 – \$69,999	9.4	10.3
\$70,000 and over	10.2	7.5

Source: U.S. Department of Labor, *Report on the Youth Labor Force* (Washington, D.C., 2000).

Similar results were found when looking at freelance type jobs with respect to household income: those with higher household income also had a higher percentage of working in the informal economy. Overall, more students with higher incomes tend to be employed and a larger percentage of them tend to work more than 15 hours. Because employment when young develops responsibility and work ethic, it may be linked to better academic achievement as well.

Numerous studies have examined the long-term effects of working while young. In 1998, the National Research Council found that “[l]ow-intensity employment may support postsecondary educational outcomes, while high-intensity employment may hinder them.” Again, according the U.S. Department of Labor’s *Report on the Youth Labor Force*, “individuals who worked but averaged 20 hours or fewer per school week while aged 16 and 17 were more likely than other youths to have at least some college education.”⁹¹ In contrast,

the report also found that fewer than half of those who did not work or worked more than 20 hours per school week had achieved similar education levels by age 30. The report goes on to state, “this does not necessarily imply that early work experience causes these later outcomes. For example, it may be that those who work while young are also those with higher motivation or more economic opportunities.”⁹²

Parent involvement, language acquisition, extracurricular participation and student employment are each aspects of social capital. Each can serve to expand access networks and connections with people outside of the home or community. Various factors contribute to limited or extended abilities to capitalize on each of the four aspects for communities and families. The impacts each has on student achievement are detailed above.

Implications for the Data Center

This chapter has demonstrated the need for a Central Texas High School Graduate Data Center through examining a number of achievement gap measures and postsecondary patterns among Central Texas high school students and the factors that affect these outcomes. Disparities in the quality of education among our schools, inadequate guidance and transition counseling in high schools, and the impact of insufficient social capital are concerns that need to be addressed in order to improve postsecondary outcomes, but policymakers often have difficulty developing, prioritizing and funding effective solutions. However, Texas lacks a longitudinal tracking system to capture student progression through to the ultimate goal of gainful employment. Analysis of Central Texas educational data, along with the numerous indicators linked to education attainment, further substantiates the need for the Data Center. The Data Center will:

- Obtain and manage longitudinal academic and employment records on students throughout the Central Texas region;
- Administer surveys to both outgoing high school seniors and one year later to determine reasons for individual choices;
- Analyze the administrative and survey data and draw conclusions both as to the current status of Central Texas students’ transitions to college and the labor market;
- Develop in conjunction with local stakeholders means by which to effect these transitions; and
- Analyze trends in student transitions to college and the labor market in the region from year to year in an effort to measure the progress of educational reforms designed to improve the rate of students going to college and the rate of their retention.

These processes are designed to provide thorough and complete information where formerly little existed. This information will equip policymakers with comprehensive information, resources and tools to affect student transitions from high school to colleges and employers. It is vital to students and to the economic viability of the region that policymakers better understand the choices students make at this critical juncture in their own lives and how best to influence these decisions. The next chapter builds upon this portrait by discussing current and proposed educational policies, including issues around student financial aid and public

school funding, which affect student outcomes at the high school level and their transitions to college and the workforce.

Table 2.10.
Racial Demography in the 3rd, 6th, 9th
and 12th Grades in Central Texas

District Name	Native American	Asian/Pac. Islander	African American	Hispanic	White
3rd Grade					
Hays Cons ISD	0	4	23	342	271
Austin ISD	11	177	877	3,272	1,799
Del Valle ISD	1	7	85	414	84
Manor ISD	0	6	37	105	64
Pflugerville ISD	7	93	224	351	531
Georgetown ISD	4	5	25	168	414
Leander ISD	3	41	49	213	999
Round Rock ISD	9	207	245	556	1,614
6th Grade					
Hays Cons ISD	2	7	28	331	304
Austin ISD	12	133	816	2,886	1,760
Del Valle ISD	1	7	82	379	99
Manor ISD	1	5	52	105	71
Pflugerville ISD	6	66	305	338	571
Georgetown ISD	2	2	18	151	453
Leander ISD	9	40	79	222	979
Round Rock ISD	8	192	256	557	1,636
9th Grade					
Hays Cons ISD	1	3	29	350	330
Austin ISD	11	153	1,027	3,442	2,209
Del Valle ISD	1	8	97	369	104
Manor ISD	0	5	60	147	78
Pflugerville ISD	7	114	261	382	575
Georgetown ISD	1	5	23	174	520
Leander ISD	6	42	52	202	980
Round Rock ISD	11	190	274	574	1,799
12th Grade					
Hays Cons ISD	0	4	18	196	252
Austin ISD	8	120	632	1,589	1,907
Del Valle ISD	2	5	49	150	63
Manor ISD	0	1	15	51	42
Pflugerville ISD	1	85	161	199	473
Georgetown ISD	2	3	12	98	414
Leander ISD	7	30	31	128	760
Round Rock ISD	7	136	163	277	1,479

Source: Source: "Student Reports- Enrollment Reports- 2002-2003," under Standard Reports, TEA Homepage. Online. Available: <http://www.tea.state.tx.us/adhocrpt/>. Accessed: April 28, 2005.

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Chapter 3. Public Policy Environment

Introduction

As students complete their secondary education, any number of policies, organizations and programs influence their post-graduation transitions to the labor market and/or college. The blend of these policies and organizational efforts drives educational experiences and sets the stage for students' decisions about their future. So great are the amount and diversity of these policies and programs that a comprehensive list would prove prohibitively complex. However, there are a number of policies and programs whose prevalence and effects do require consideration, as they determine how academically and socially prepared public education has made students for life beyond high school.

A discussion of the key policies determining and influencing academic preparation makes up the first part of this chapter. Part B examines federal and state policies affecting student transitions to post-secondary education and the labor market. Part C examines policies affecting college access and student financial aid. The chapter concludes with a look at recent policy developments and how the public policy environment relates to the new Central Texas High School Graduate Data Center.

Part A: Policies and Programs in Central Texas Secondary Schools

Many policies govern students' academic experiences in Central Texas schools. Academic policies determine what classes and assessment tests must be taken in order to receive a high school diploma. Attendance policies dictate how many days a year students must attend school and the consequences of truancy. Alternative education policies delineate other public and non-public school options for students. It is important to note that no single organization determines these policies, and that policies are created across the federal, state, district and school level. Few studies have been done to determine the influence many of these policies have on student achievement, comprehension, and behavior, either in the short or long term.

The policies discussed below include those with the widest range of influence. As the policies are introduced, a brief discussion of the organization or legislation responsible for them is given. The part also profiles organizations in Central Texas that work to influence student academics, behavior, and attendance but do not implement or enforce policy, though they may advocate for certain policy options. Finally, this part focuses on the critical issue of public school finance. Financing policies directly and indirectly influence student academic preparation and are central to the effective functioning of schools and school districts across the state.

Secondary Academic Preparation Policies

From the point of view of the student, there are two fundamental features of current academic policies. The first is the nationally mandated state assessment tests based on requirements that students demonstrate knowledge of various subjects. The second is state and district graduation requirements for obtaining a diploma. In order to understand the policies influencing these two fundamental features, a preface on the main ideas behind the No Child Left Behind (NCLB) Act of 2001 will be given. A discussion of the state-developed and managed Texas Assessment of Knowledge and Skills (TAKS) tests, along with some pertinent policy implications for districts, schools and students follows. These secondary academic preparation policies should help to provide a basis for this chapter on the public policy environment.

No Child Left Behind

NCLB is one of the most dramatic revisions to federal education policy since the Elementary and Secondary Education Act (ESEA) of 1965. While ESEA sought access to public education for low-income students through the disbursement of federal funds to the states, NCLB requires quantification of academic achievement rates in both individual schools and student subgroups in order to “close the achievement gap.”

Individual states began by establishing their own benchmarks of what is deemed “proficient” in terms of a public K-12 education, while also considering how their definition of “proficient” compares nationally. NCLB requires states to define Adequate Yearly Progress (AYP) performance objectives for all high schools that must rise in specified increments for 12 years until all students in all subgroups are proficient in math and reading by the end of the 2013-2014 school year. Part of the AYP measure is participation, which holds schools accountable for testing at least 95 percent of students in each sub-group enrolled in the school. Any school that meets the performance objective, but fails to have appropriate attendance levels for any demographic group, is not considered to have met the standard. States create separate AYP objectives for students from low-income families, racial and ethnic minority students, students with disabilities, and students with limited English proficiency. In summer 2002, the federal government found that, based on states’ definitions of “proficient,” one state had 1,513 low-performing schools, while others had none.¹

NCLB establishes an environment of high-stakes testing for both students and educators by not allowing students to graduate from high school unless they have passed the final assessment tests, no matter how they performed in classrooms throughout high school. States must assess students relative to math and reading or language arts standards in grades three through eight, as well as at least once in grades 10 through 12 by the 2005-2006 school year. States are required to administer science assessments at least once in elementary, middle, and high school by the 2007-08 school year.² Texas currently uses the TAKS test in grade levels 3-11 to quantify student academic achievement; high school students take math and language arts or reading tests in 9th, 10th and 11th grades, science tests in 10th and 11th grades and social studies tests in 10th and 11th grades.³

Testing results must be provided in the format of individual student reports. Statewide report cards on how individual schools meet their adequate yearly progress (AYP) objectives are also required. These scorecards include the quality of teachers and high school graduation rates as additional measures in meeting a school's AYP objectives. According to TEA's *2004 District Accountability Summary*, Austin ISD is the only local school district that has six campuses currently in Stage 1 of School Improvement, i.e., is deemed Academically Unacceptable, though Austin ISD remains an Academically Acceptable district overall.⁴

Through this process, NCLB attempts to enhance transparency, providing individual student/school and statewide assessment data as an evaluation tool to monitor educational performance. These data are expected to give parents and the community more accountability for the schools in their district, its educators, and even other possible educational options. For example, if schools do not meet AYP objectives for two or more consecutive years, students must be offered the choice of transferring to another public school in the district, even if the school performs well overall. This option might include a public charter school that has met its AYP objective. Schools that do not consistently meet their AYP objectives must eventually reorganize and/or surrender to state control.

NCLB explicitly promotes a data-driven approach to public education. This approach strongly recommends that states and districts implement data collection strategies to inform decision-making and coordinate longitudinal data collection and reporting for individual students. NCLB also embodies the idea that states and districts need to set high standards for high schools that are clearly aligned with both elementary and postsecondary requirements. Efforts to align these systems have the goal of assisting in the development of curriculum and assessments to ease students in the transition from elementary school to high school and high school to postsecondary education.

State of Texas Achievement Exams

Although these academic policies were only authorized at the federal level in 2001, mandatory statewide achievement tests were administered in Texas long before the NCLB was enacted.⁵ These tests have changed names and difficulty levels several times over the past several years. Recent changes in achievement standards, incorporating more in-depth subject material and critical reasoning skills, transformed the previous version of these tests into the TAKS tests. The TAKS test examines student mastery of state-defined elements of essential knowledge and skills. Student performance on the TAKS test is also used to measure school and district performance in meeting the mandates of No Child Left Behind.

TAKS tests were first administered in 2002-2003 as determined by the 1999 Texas Legislature.⁶ The class of 2005 was the first cohort required to pass the 11th grade TAKS tests in order to secure graduation. Note that the score on the TAKS tests considered to be "acceptable" has changed since first being implemented. For example, an 11th grader was required to receive a scaled score of 215 on the math TAKS test in order to rate as acceptable in 2002-2003; this required the student to correctly answer just 25 of 60 questions correctly, or 41.67 percent. In 2003-2004, the requirement increased to 48.33 percent and in the spring of 2005, an 11th grade student had to answer 55 percent of the questions on the math TAKS test correctly in order to be eligible for graduation in 2006.⁷

TEA is the primary state educational organization responsible for developing the TAKS tests. Its responsibilities are to develop curriculum, coordinate state-level grant funding with various school districts, and rate school districts, though it has other responsibilities as well. TEA has implemented several policy changes to deal with the TAKS test and in response to NCLB.

To ensure a more complete level of student knowledge in order to be successful on the TAKS tests, TEA determined that, with the freshman class of 2004-2005, students were automatically enrolled in the Recommended Graduation Plan. This policy change is intended to force students to take courses that had previously been optional, such as Algebra II, in order to better prepare students for the TAKS test and to improve college readiness. Two other graduation options are available to students in Texas, the Minimum Plan and the Distinguished Achievement Plan. The Distinguished Achievement Plan requires students to undertake the same sequence of courses as the Recommended Plan, but also requires an additional year of foreign language as well as advanced measures such as dual enrollment in college courses, passing AP exams and/or conducting original research projects. The Minimum Plan, which offers students the opportunity to take more elective courses in exchange for fewer required math, science, and foreign language credits, is only available to students whose parents and school officials have determined will benefit from the less rigorous requirements.

Central Texas school districts responded to this policy change in different ways. Some prepared for the future curriculum changes, but allowed students in all cohorts up to the freshman cohort of 2004-2005 to graduate on the Minimum Plan. Other school districts, including Austin ISD, opted to implement this standard for the freshman cohort of 2001-2002. In those ISDs, the class graduating in 2005 will be the first to have faced these new, more stringent requirements. The tougher requirements laid out in the TAKS test have provided the impetus for schools and districts to target students that have failed any section of a TAKS test. One of these methods has been to place these students into remedial classes designed to improve the student's score on that particular TAKS test; students should get the help they need, and will receive a local credit for attending.⁸ These local credit remedial courses are required at the district level, but only count as an elective course towards a high school diploma.

Attendance/Tardy Policies

Another policy related to student achievement and behavior is school attendance/tardy policies. In order to receive credit for a class, a student must be in attendance at least 90 percent of the time the class is offered.⁹ Each district determines the number of instructional school days per year; however TEA requires a minimum of 180 days.¹⁰ "Any student who fails to attend school on 10 or more days or parts of days within a six-month period in the same school year or on three or more days or parts of days within a four-week period,"¹¹ is subject to prosecution for non-attendance. This can include fines and jail time for either or both guardians and students. Enforcement of this statute varies from district to district and school to school; however, advances in electronic attendance-taking and processing have recently aided many Central Texas school districts in quickly identifying truant students.

One reason that enforcement varies is that a requirement for prosecution is the appearance in court of a school-level official, usually a principal or assistant principal, requiring them to spend time off campus during the regular school day.

There is no state statute dealing directly with students who do not arrive to class on time. Districts and schools deal with this issue independently. In one school in the Austin area, over a three-year period, three separate tardy policies were developed and implemented in rapid succession. In the third year, teachers were to develop, implement and enforce their individual tardy policies; some students with seven teachers now dealt with seven different tardy policies.¹² Though this is an extreme example, it is not unusual for there to be great discrepancies within schools and districts regarding development and enforcement of many school-level policies. Few studies have been done to gauge the impact of these disparities. This next section reviews a number of alternative secondary school policies in the Central Texas region.

Alternative Education Policies

Students in Texas have several education options available to them. As mentioned earlier, under NCLB if a school fails to make Adequate Yearly Progress (AYP) within any two consecutive years, students must be offered the option of transferring to another school within the district or to an eligible charter school. Many districts in Central Texas actually offered students the option to transfer within the district prior to NCLB. Students who fail to maintain adequate attendance or perform up to academic standards, or who engage in unacceptable behavior can have their transfer revoked. Attending a private or parochial school is also an alternative available to students, as is home schooling. If a parent attests that their child will receive home schooling, he or she may withdraw the student from any non-correctional, public education institution. Once a student reaches the age of 16 years, he or she may opt to apply to Job Corps, where the student may prepare for a high school equivalency test. A 17-year-old student has the option of preparing for and then taking the equivalency exam without enrollment in Job Corps.

Advanced Placement

College transition and dual enrollment programs can play an important role in easing postsecondary transitions. For example, the AP program, which is run by the College Board, allows high school students to take college-level instruction, giving them the opportunity not only to take challenging coursework, but also to reduce the time and money spent on a postsecondary degree. High school instructors teach AP courses using curriculum material provided by the College Board. Fully 80,240 students in Texas public and private schools took 144,060 AP examinations in 2002.¹³ Many schools and districts in the Central Texas area have chosen to adopt pre-AP and AP curricula as the standard for all honors classes in the hope of increasing college awareness. The Advanced Placement Initiative established by NCLB supports states and school districts in the effort to provide this opportunity to low-income and minority students by providing funds to pay AP test fees on their behalf.¹⁴

Non-Policymaking Organizations Affecting Student Academics and Behavior

NCLB mandates that all test data be disaggregated by race and ethnicity, as well as economic status, in an effort to ensure that academic progress achieved at a school is not masking an underclass of underperforming students. Since the measurement of AYP is dependent on the percentage of students in each sub-group showing improvement, the scores of individuals in any minority group in a school are statistically more important than those of the majority. Hence, students who have performed poorly on these tests or who are part of groups that have historically underperformed are often targeted at schools and in districts using programs funded by grants from the U.S. Department of Education, private organizations, and the State of Texas. A myriad of school- and district-based initiatives fulfill this role; however, their presence does not necessarily indicate measurable success. Many of these programs serve the same population, but have separate offices in the school, separate funding streams and separate goals. Often the success of one or another program may not be adequately determined due to overlapping services.

Communities In Schools (CIS) is a non-profit, dropout prevention organization. CIS campus coordinators orchestrate a set of employees and volunteers counseling, tutoring and referring students to better enable them to stay in school and graduate. Of the students referred to CIS, fully 97 percent graduate.¹⁵ The more complete list of services provided by CIS includes:

- Counseling and Supportive Guidance (individual, group, family and crisis counseling)
- Health and Human Services (referrals for basic needs, medical clinics, nutrition, prenatal education, WIC cards, community health fairs)
- Parental Involvement (home visits, family counseling, parenting classes)
- Pre-Employment/Employment (resume building, workforce training and development, computer skills, mentoring, math and science activities)
- Enrichment (field trips, celebrations, community festivals)
- Educational Enhancement (tutoring, homework clubs, mentoring, reading groups, book clubs)¹⁶

Just for the Kids is an Austin-based non-profit organization that evaluates schools and determines best practices for educators and administrators by comparing differences between high-performing schools and average-performing schools around the state. Just for the Kids performs research and educates teachers and administrators on identified best practices. Just for the Kids researchers select schools based on information provided by TEA. However the accuracy of this information on certain topics, such as dropout rate, is inconsistent. Thus, the information used to select a school for a more in-depth study may be faulty. They also conduct interviews on campuses “with district leaders, the campus principal, and teachers,” which aids in the information-gathering process, but does not address students directly.

The Charles A. Dana Center, a research center affiliated with the University of Texas at Austin, provides a number of effective support programs for teachers and administrators in specific educational fields. The Dana Center examines the effectiveness of these programs and conducts research for policymakers, curriculum specialists and teachers to better educate all those that have an impact on the education of students in the Central Texas area. The Dana Center is an example of an organization that combines research with the instruction of best practices.

Advancement Via Individual Determination (AVID) is a program developed by a former teacher to target students who perform close to average but, with a little extra guidance and support, could take more advanced courses and better prepare for college. AVID does this by providing an elective class to the student where study aids, counseling, and tutoring are available. AVID programs are now operating in many area high schools.

Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) is a partially federally funded organization that targets cohorts of students, following them from at least the 7th grade through high school graduation. During this time students are encouraged to explore and prepare for college by visiting colleges and taking classes with rigorous curriculum. Tutors are provided for these students to help them reach their goals. GEAR-UP programs are also operating in many Central Texas high schools presently.

Funding of Public Schools

The way that public schools are funded in Texas has important implications for understanding student achievement. The amount of money received by school districts and schools often directly affects instructional practices. A school with abundant funding may choose, for example, to hire more teachers to ensure smaller class sizes, while a school with limited funding may have to choose between hiring additional faculty and providing access to AP courses. Public education in Texas is primarily funded by private property taxes. In 2001-2002, Texas schools received more than \$15 billion from local property tax revenue. Texas' school finance system derives more revenue from local property taxation than any other state in the country.¹⁷ Local taxes fund almost half of the costs of public primary and secondary education in Texas, a share that has increased markedly over the past several decades.¹⁸ As Table 3.1 shows, in 2001-2002 Texas spent \$6,746 per pupil, compared to the U.S. average, which is nearly \$1,000 greater.

Texas public schools are financed through a complex mechanism where school districts tax the property within their district at a rate voted by their ISD's boards of trustees. School boards set the rates used to generate revenue to fund regular maintenance and operations; however, their tax rate must remain under a maximum cap, currently \$1.50 per \$100 of property value, set by the Texas Legislature. School boards are allowed to levy an additional tax to finance debt payments on bonds that they have issued. School districts often receive additional funding from TEA in the form of grants for which they must apply.¹⁹

Table 3.1.
Spending per Pupil on Education
in the U.S. and Selected States, 2001-2002

<u>U.S. Average</u>	<u>Texas</u>	<u>New York</u>	<u>Utah</u>	<u>Oklahoma</u>
\$7,701	\$6,746	\$11,546	\$4,890	\$6,256

Source: United States Census Bureau, "Public Education Finances: 2002," *2002 Census of Governments*, Volume 4: Government Finances (Washington, D.C.: United States Department of Commerce, 2003).

The Texas Constitution prohibits a statewide property tax.²⁰ Because of this prohibition and because different areas of the state have distinct variations in total property value, there are large disparities in the amount of funding school districts receive. Because of these disparities, Edgewood ISD in San Antonio sued the State of Texas in 1989, 1991, 1992, and 1995, arguing that it was unable to provide an adequate education for its students because their property tax base was so low.²¹ The Texas Supreme Court ruled against the state and instructed the Texas Legislature to resolve the problem. In response, then-senator Bill Ratliff led the effort to create a system in which property-rich school districts were required to give funds to property-poor school districts. The system, which was signed into law in 1993, became commonly known by the pejorative term "Robin Hood."

Under this system, school districts are guaranteed funding at the state-determined level needed to provide an adequate education based on Weighted Average Daily Attendance (WADA). This guarantee is currently set at \$27.14 per weighted student per day.²² School districts where property is valued at less than \$305,000 per WADA are classified as Chapter 42 school districts and those whose property is valued at more than \$305,000 per WADA are classified as Chapter 41 school districts because of the section of the Education Code they are regulated under. Chapter 41 school districts are subject to "recapture" of tax revenues above the \$305,000 level. Chapter 41 districts may meet the recapture requirements by voluntarily consolidating with another district, detaching or annexing property, purchasing attendance credits from the state, educating non-resident students, or consolidating their tax base.²³ The majority purchase attendance credits, which are then used by the state to supplement other school districts, or educate non-resident students.²⁴

TEA calculates Average Daily Attendance (ADA) for school districts by averaging the number of students in school over the course of the year on a daily basis. This gives school districts an incentive to keep attendance high so that they can get more funding. In order to provide the necessary funding for districts to serve students participating in special programs, however, TEA bases funding on WADA. This measure takes into consideration the ADA

and then adjusts it by giving additional weight to the number of students in groups that have been identified as more costly to educate. These groups include at-risk students, bilingual/English as Second Language students, students with learning disabilities, gifted and talented students, and students receiving vocational training.²⁵ School districts also receive additional weights for transportation costs if they are geographically disperse.²⁶

Recapture does not create equity of funding in Texas school districts despite the redistributive mechanisms that have been described above. This continued inequity largely stems from the way in which the amount that Chapter 41 districts must redistribute is calculated. Many property-rich school districts are not forced to give all of their revenue above \$305,000 per weighted student to the state or other school districts. There is a hold-harmless provision that allows them to retain a larger percentage of their tax base if, when they tax at the current maximum cap of \$1.50, they receive less revenue than they did prior to the creation of Robin Hood. They are guaranteed at least as much per WADA as they received prior to 1992-1993.²⁷ Austin ISD is subject to recapture but does not benefit from the hold-harmless provision because its property values rose after the *Edgewood* court decisions.²⁸ Chapter 41 school districts and some Chapter 42 school districts—known as "gap districts" because they have more value than the guaranteed yield, but less than \$305,000 per weighted student—are also not subject to recapture on all of their wealth above the guaranteed yield.²⁹

The school finance system in Texas was slated for revision during the 79th Legislative Session that began in January 2005, and subsequently in the two special sessions that Governor Rick Perry called in the summer of 2005. Unfortunately, legislators were unable to come to a consensus on a new financing plan, leaving the matter unresolved. This latest round of reform is a result of a lawsuit filed by West-Orange Cove ISD in 2003. On September 16, 2004, State District Judge John Dietz ruled against the State of Texas, saying that it had to revise its school finance system. Judge Dietz ruled that the state's education system needed more funding to provide students with an adequate education and that the current financing system essentially created an unconstitutional statewide property tax.³⁰ The state appealed the decision.

On November 22, 2005, the Texas Supreme Court ruled (7 to 1) that local school district property taxes capped at \$1.50 per \$100 valuation constitute a state property tax, which is prohibited by the constitution, but that public school financing does not yet violate the "general diffusion of knowledge" mandate of adequacy, efficiency, or suitability. It did not rule that Robin Hood or "recapture" is unconstitutional. The Court extended the trial court's October 1, 2005, deadline for a legislative solution to June 1, 2006.³¹ The Court's ruling essentially gave state lawmakers until mid-2006 to institute a new public school finance system. If a new funding system is not in place at that time, the Court intends to freeze state support for K-12 education.

In conclusion, many policies and programs at the school, district and state level influence student secondary academic performance, which in turn affects student transitions from high school to college and the labor market. It is hoped that the Central Texas Data Center, by performing a longitudinal study of high school graduates as they transition to college and the

labor market, may provide critical information regarding the evaluation of these policies, programs and organizations.

Part B: State and Federal Policies Influencing Postsecondary Transitions

Once students graduate from high school, they have generally two options. They may choose to continue their education by enrolling in a community college, university or vocational education program, or they may choose to enter the labor market. An increasing number of students try to offset the rising costs of college by deciding to work *and* pursue postsecondary education concurrently. If incentives related to attending college are offered to students, they may choose to delay their entry into the full-time labor market. Several of the most prominent policies that can affect a student's decision are discussed below.

A 2003 National Governors Association report cited the need for increased capacity on the part of states to collect data on educational outcomes for individuals and the institutions they attend. Such an ability to track students and enhance a state's ability to provide longitudinal data on its school districts is widely considered to be crucial to the creation and implementation of policies geared towards the ability of youths to make sound transitions from secondary education to postsecondary options.³² Researchers have also found that effective transition-oriented policies could increase the productivity of Texas's human capital. Between academic years 1985-86 and 2001-2002, some 2 million students *were lost* from Texas high schools. These high school dropouts have cost society an estimated \$488 billion through foregone income, lost tax revenues, and increased burdens on the job training, unemployment, welfare, and criminal justice systems.³³

Top Ten Percent Rule

Currently, federal and state policies have a significant impact on the transition Texas youth make from secondary education to postsecondary education and career options. Among Texas state policies, the Top Ten Percent Rule has gained the most attention with respect to encouraging secondary students in Texas to enter the state's universities. Passed by the 75th Texas Legislature in the wake of the 1996 *Hopwood v. University of Texas* U.S. Supreme Court decision, this law guaranteed any high school student graduating in the top ten percent of their class admission to any of the state's public universities or colleges.³⁴ The policy aimed to achieve diversity at selective Texas college campuses without considering race in admissions decisions.

The Top Ten Percent Rule has yielded varying results at diversifying the student body at different Texas universities. In addition, many detractors point to the controversy that now surrounds its methodology. Wealthy parents whose children attend high-performing schools believe that their children are unfairly excluded from admissions under this system due to the automatic acceptance of top students from low-performing schools. However, Princeton professor Marta Tienda and other researchers found that the Top Ten Percent Rule has had a negligible impact on admissions of students in the top ten percent of their class and that the policy fails to achieve its goal of building a more diverse student body for a couple of

reasons. First, the policy is not an affirmative action policy, but rather a merit policy that simply codified a long-standing practice of the two state flagship universities. Prior to 1995 students in the top ten percent of their class were admitted to UT and A&M without regard to test scores, a practice that supported admissions for minority students who tend to perform below White and Asian peers on standardized exams. As such, there was no change in rates of admission for these students. Second, the *Hopwood* ruling in fact has had a much greater impact on the admissions of students performing below the 79th percentile of their respective classes. This disproportionately affects African American and Hispanic students, who have a greater likelihood of rejection due to their relative under-representation in extracurricular activities and lower test scores, factors that are used as the basis for admissions decisions for students with class rankings below the top decile of graduates. These findings are supported by the data, which show that, despite the overall growth in the college-age Hispanic population in Texas, Hispanic representation at UT and A&M has remained relatively flat over the last decade.³⁵ Despite this evidence that the Top Ten Percent policy has failed to yield a more diverse student body, it remains the centerpiece of the state's postsecondary transition policies.

Higher Education Act

On the federal level, several programs address secondary students' transitions to postsecondary options. The Higher Education Act (HEA) of 1965 supports institutional higher education development and expanded access to institutions of higher learning for low and middle-income families by providing federal financial resources. Title IV of HEA assists students by funding undergraduate scholarships, loans with reduced interest rates and work-study programs, including the Pell Grant and the Stafford Loan programs. Two-thirds of the \$105.1 billion spent on direct student financial aid was provided by the federal government through the HEA in 2002-2003.³⁶ HEA has been amended several times, most recently when congress reauthorized the act in 1992 to include a major revision of the need analysis formula. Many middle-income students who were previously ineligible for student aid were able to qualify for need-based support, primarily in the form of subsidized student loans. HEA-92 also increased the amounts students were permitted to borrow and for the first time allowed non-needy dependent students to take out federally guaranteed unsubsidized loans.³⁷

Individuals with Disabilities in Education Act

The Individuals with Disabilities Education Act (IDEA) requires all states receiving federal funds for education to provide individuals with disabilities between the ages of three and 21 a free, appropriate public education designed to meet each student's unique needs and prepare them for employment and independent living.³⁸ IDEA establishes procedural safeguards that protect the rights of students with disabilities and their parents. The most significant safeguard is the requirement that the school district, with the assistance of parents, prepares an Individualized Education Plan (IEP) for each student with a disability. Austin ISD statistics indicate that 12.3% of its current student population is served in some way by Special Education.³⁹ This category includes students who have both learning and/or physical disabilities.

Other Federal Policies

Governmental policies also affect immigrants' abilities to obtain secondary education and transition successfully to postsecondary options. The decision in the 1982 U.S. Supreme Court case *Plyler v. Doe* guarantees that all children regardless of immigration status are eligible for free primary and secondary school education. Justices cited the fear that restricting undocumented immigrants' access would create a permanent underclass.⁴⁰ However, the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 prohibits states from providing a postsecondary education benefit to "an alien not lawfully present unless any citizen or national is eligible for such benefit."⁴¹ The 1996 welfare reforms, especially The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), removed many immigrants from federal means-tested welfare rolls and made them the responsibility of the states. Several of these benefits had educational components. Congress restored most of the benefits in the following years. Such benefits include Social Security Income (SSI), Medicaid and Food Stamps.⁴²

Additionally, some federal policies contribute to the transition that Texas youth make into the workforce, particularly youth from low-income families. National trends indicate that low-income secondary students are less likely than other secondary students to have access to a college preparatory curriculum. With this trend in mind, one must ask to what extent governmental policies may encourage or prepare secondary students for movement into the labor force rather than postsecondary education. Two such policies are the Workforce Investment Act (WIA) and Temporary Assistance for Needy Families (TANF).

Workforce Investment Act

- Signed into law on August 7, 1998, the Workforce Investment Act (WIA) reformed federal employment, adult education and vocational rehabilitation programs, creating an integrated "one-stop" system of workforce investment and education for adults and youth. Replacing the Job Training Partnership Act (JTPA) system, WIA stressed accountability and state responsibility along with coordination of services.⁴³ To many, WIA represents the nation's most comprehensive effort at simplifying and transforming public job training, education programs and agencies into a system that meets the skill demands of today's economy.⁴⁴ With respect to services geared toward youth and young adults, Youth Councils were established to focus strategic attention on youth programming. The legislation mandated the inclusion of 10 youth development activities that have proven most effective in preparing youth for the labor market, and it calls for case management and post-program follow-up to assure successful labor market transition.⁴⁵ While the JTPA system had dedicated most of its funds to summer employment programs for secondary students, WIA's approach to youth programs prioritizes services for "disconnected youth" or those who may be secondary school aged but neither currently attending school nor actively engaged in the labor market. To be eligible, a young person must be low-income, aged 14 to 21, and must have at least one of these listed barriers that include being:
 - Deficient in basic literacy skills

- A school dropout
- Homeless, a runaway, or a foster child
- Pregnant or a parent
- An offender
- An individual who requires additional assistance to complete an education program or to secure and hold employment.⁴⁶

The *Workforce Investment Act Annual Program Report for 2003* indicates the levels of WIA utilization and performance among younger youth (ages 14-18) and older youth (ages 18-21) throughout the state of Texas. With respect to the counties that would be encompassed by the Central Texas High School Graduate Data Center, *WorkSource-The Greater Austin Area Workforce Board* serves Travis County, while the Rural Capital Area Workforce Development Board serves the nine Central Texas counties that surround Travis County.⁴⁷ Table 3.2 provides utilization and performance information for both of these Workforce Boards. It is important to note that the performance information for WIA participants is somewhat limited because in most cases local workforce boards record the data from program “exiters” rather than all participants. This process allows boards to only document results for participants who are successful in the program.

Table 3.2.
WIA Participation and Performance in Central Texas, 2003

<u>Measure</u>	<u>Capital Area</u>	<u>Rural Capital Area</u>
Older Youth Participants	77	38
Older Youth Exiters	13	11
Older Youth Entered Employment	66.67%	90.91%
Older Youth Retention	66.67%	94.44%
Average Earnings Change/Replacement After 6 Months	\$4,630.46	\$4,290.37
Employment and Credential Rate	85.71%	64.29%
Younger Youth Participants	346	195
Younger Youth Exiters	158	47
Younger Youth Diploma or Equivalent Rate	61.11%	61.29%
Younger Youth Skill Attainment Rate	84.21%	86.53%
Younger Youth Retention Rate	72.73%	77.78%

Source: Texas Workforce Commission, *Workforce Investment Act Title I-B Program Year 2003 Annual Report*. Online. Available: <http://www.twc.state.tx.us/boards/wia/wiaannualrpt03.pdf>.

Temporary Assistance for Needy Families

Temporary Assistance for Needy Families, or TANF, was the centerpiece of the Clinton administration's welfare reform efforts. In 1996, the PRWROA legislation transformed Aid to Families with Dependent Children (AFDC)—the previous cash assistance program—into a block grant that time-limited the receipt of welfare payments and forced most recipients to satisfy a work requirement. Some programs included education and workforce training options. In many states, including Texas, TANF education and work-related services are accessed through WIA one-stop centers. Despite the fact that a primary goal of TANF is to provide temporary support to adult recipients, TANF can connect with secondary school-age youth in two key ways. It can reach those youth on its caseloads—either parenting youth receiving benefits themselves or youth in families headed by adults receiving cash grants. TANF also can offer services to youth outside its caseload under the condition that the services meet a TANF purpose and adhere to other TANF requirements.⁴⁸

Part C: Policies and Programs Affecting College Access and Funding

Once students make the decision to attend college, they have many options in the Central Texas region, ranging from attending community and technical colleges to enrolling at the University of Texas at Austin, Texas State University or Huston-Tillotson University, among others. The policies and organizations dealing with higher education can have a broad impact on students. Among other influential factors is how universities are funded. A larger portion of state and private funding can mean lower tuition costs for students, implying a greater propensity to include students who traditionally may not have been able to attend college. A discussion of key organizations and policies follows.

Higher Education Organizations

The Texas Legislature established the Texas Higher Education Coordinating Board (THECB) in 1965 to “provide leadership and coordination for the Texas higher education system to achieve excellence for the college education of Texas students.”⁴⁹ The Coordinating Board makes broad policy recommendations regarding higher education to the governor and legislature as part of its mandate. The Coordinating Board develops long-range strategies for the State of Texas and its students, most recently in a high-profile plan entitled *Closing the Gaps by 2015*. This plan seeks to close the educational gaps within Texas as well as between Texas and other states. The plan outlines the following goal: “to close the gaps in student participation, student success, excellence and research.”⁵⁰ The state's progress on these measures is reviewed annually. Adopted in October 2000, this plan received widespread support from the state's educational, business, and political communities.

Based on the Coordinating Board's *2004 Progress Report*, while 2005 targets have been reached in many areas, Hispanic postsecondary enrollment is not yet on track. According to the Plan, Texas must increase Hispanic college enrollment by an additional 48,041 students to reach the 2005 target. In addition, while the number of high school graduates entering college has grown, the percentage of those high school graduates going straight to college

has not, indicating that more needs to be done to enhance college preparation efforts for high school students.⁵¹

Community Colleges

Community colleges are one of the first and most important avenues to higher education. They typically provide a variety of technical as well as academic coursework with minimal admission requirements, providing educational access to the communities they serve. Community colleges in Texas were historically linked to school districts; until 1929, they did not have official recognition independent of these districts.⁵²

Community colleges balance their total cost of education with state funding, property taxes, and revenues from tuition and fees. Community colleges used to receive lump sum funds payments from the state that were distributed equally based on fall enrollment. However, in 1973, the Texas Legislature changed this policy and began to fund community colleges individually based on the number of instructional hours (contact hours) that were generated during a previous year.⁵³ The state's share of funding for Texas community colleges has declined markedly in recent years, mirroring the fall in the share of state funding for public education. The formula for state appropriation has led to decreased funding of 0.9 percent since 1994. Taking inflation into account, tuition and fees have increased 73.7 percent and property tax revenue to fund community colleges has increased 86.9 percent over the same period.⁵⁴

Community colleges are immediately responsible for expenses not directly related to instruction. Examples include administration, new building construction and building maintenance.⁵⁵ To meet their financial needs for functions and activities not funded by the state, community colleges created taxing districts where they receive revenue from property taxes.⁵⁶ Taxing districts are based on school districts that hold elections on whether they want to pay additional property taxes in order to join the community college's taxing district. For example, San Marcos ISD voters will decide in 2005 if they wish to join the Austin Community College taxing district,⁵⁷ and Del Valle ISD voters approved joining the ACC District in May 2004.⁵⁸ Students who reside within the community college taxing district then pay in-district tuition at a discounted rate in comparison to students not residing within the taxing district. In 1995, the legislature created designated service districts to increase access to community colleges throughout the state. Residing in a community college's service district, but not its taxing district, does not entitle a student to pay in-district tuition and fees.⁵⁹

Like K-12 school districts, there are disparities in property values that affect community college funding. Twenty percent of community college taxing districts are taxing at or near the tax cap set by the Texas Legislature.⁶⁰ The property tax levy for community colleges in the state increased 42.8 percent over the past five years. It is estimated that the average community college tax bill that residents living in community college taxing districts received increased 10.5 percent in FY04.⁶¹ If there is inadequate funding from the state or there are shortfalls in local property tax revenues, costs are then passed on to students and their families in the form of increased tuition and fees, especially to those within the service area, but outside the taxing district as well, as shown in Table 3.3.

Table 3.3.
Fall 2004 Tuition and Fees
at Central Texas Community Colleges
for 12 Semester Credit Hours (SCH)

Community College	In-District Residence		Out-of-District Residence		Out-of-State Residence	
	Tuition & Fees	Total/SCH	Tuition & Fees	Total/SCH	Tuition & Fees	Total/SCH
State Average	\$576	\$48	\$823	\$69	\$1,271	\$106
Austin Community College	\$660	\$55	\$1,356	\$113	\$2,400	\$200
Temple College	\$720	\$60	\$1,080	\$90	\$1,824	\$152
Blinn College	\$632	\$53	\$884	\$74	\$1,976	\$165
Central Texas College	\$480	\$40	\$540	\$45	\$1,445	\$120

Source: Texas Association of Community Colleges, Fall 2004 Tuition and Fees: Texas Community Colleges. Online. Available: www.tacc.org/pdf/tuition04.pdf. Accessed: November 14, 2004.

Public Universities

The costs associated with attending public universities in Texas have risen in recent years, largely due to the deregulation of tuition that occurred following the 78th Legislative Session. Twenty-one public institutions increased their designated tuition between the fall semester, 2003, and the spring semester, 2004. This resulted in a 14.94 percent statewide average increase in what students with Texas residency pay for tuition each semester.⁶² Between the 2004 spring and fall semesters, 29 Texas institutions of higher education increased their designated tuition, with an average increase of 19.97 percent. Institutions were mandated to set aside at least 15 percent of the increased tuition to subsidize low-income students. Texas A&M set aside 44 percent and The University of Texas at Austin set aside 28 percent.⁶³ Table 3.4 provides an itemized description of designated tuition increases at major Texas universities and Central Texas regional postsecondary institutions.

Table 3.4.
Public University Tuition Increases from
Fall 2003 to Fall 2004

<u>University</u>	<u>Designated Tuition, Fall 2003</u>	<u>Rate/ SCH</u>	<u>Designated Tuition, Spring 2004</u>	<u>Rate/ SCH</u>	<u>% Change, Fall 03 - Spring 04</u>	<u>Designated Tuition, Fall 2004</u>	<u>Rate/ SCH</u>	<u>% Change, Spring 04 - Fall 03</u>
University of Texas, Austin	\$690	\$46	\$1,050	\$70*	52.17	\$1,410	\$94**	34.29
Texas A&M University	\$690	\$46	\$825	\$55	19.57	\$1,117.50	\$74.50	35.45
Texas Tech University	\$690	\$46	\$840	\$56	21.74	\$1,140	\$76	35.71
Texas State University, San Marcos	\$690	\$46	\$840	\$56	21.74	\$1,140	\$76	8.93
University of Texas, San Antonio	\$690	\$46	\$915	\$61	40.92	\$915	\$61	24.59
University of Houston	\$690	\$46	\$975	\$65	41.3	\$1,125	\$75	15.38

Source: Senate Subcommittee on Higher Education, *Report to the 79th Legislature*, December 2004. Online. Available: www.senate.state.tx.us/75r/senate/commit/c535/downloads/rpt_c535_dec2004.pdf. Accessed: January 7, 2005.

* Note: for Spring 04 actual charge is \$46/SCH plus a flat amount for \$360 for students taking 12 SCH or more. This translates to an additional \$24/SCH ($\$46 + \$24 = \70 SCH).

* Note: for Fall 04, actual charge is \$46 SCH plus a flat amount of \$720 for students taking 12 SCH or more. This translates to an additional \$48/SCH ($\$46 + \$48 = \94 SCH).

Prior to the spring of 2004 when institutions were allowed to raise their tuition above \$46 per semester credit hour, educational institutions generally relied on mandatory fees as the instrument for keeping up with rising costs. The deregulation of tuition gave institutions an alternative revenue creator to mandatory fees, and for that reason only six institutions increased their mandatory fees between the fall 2003 and spring 2004 semesters. Between

the spring and fall 2004 semesters, however, all but seven universities raised their mandatory fees, with an average increase of 7.32 percent. Table 3.5 provides more detail.⁶⁴

Table 3.5.
Public University
Mandatory Fee Increases,
Fall 2003 to Fall 2004

<u>University</u>	<u>Fall 2003</u>	<u>Spring 2004</u>	<u>% Change</u>	<u>Fall 2004</u>	<u>% Change</u>
University of Texas, Austin*	\$713.80	\$715.80	0.28	\$737.26	3.0
Texas A&M University	\$1,069.82	\$1,069.82	0.0	\$1,136.25	6.21
Texas Tech University	\$992.50	\$992.50	0.0	\$1,064.00	7.2
Texas State University, San Marcos	\$628.00	\$628.00	0.0	\$705.00	12.26
University of Texas, San Antonio	\$649.30	\$649.30	0.0	\$776.20	19.54
University of Houston	\$594.00	\$594.00	0.0	\$641.50	8.0

Source: Senate Subcommittee on Higher Education, *Report to the 79th Legislature*, December 2004. Online. Available: www.senate.state.tx.us/75r/senate/commit/c535/downloads/rpt_c535_dec2004.pdf. Accessed: January 7, 2005.

The legislative requirement that institutions increasing their tuition designate a percentage of those increases for low-income students helped to alleviate the burden that some students felt from tuition increases; however, the number of students who are affected by tuition increases is significant. The increasing cost of attending a public university in Texas has an effect on a student's ability to transition to higher education.

Student Financial Aid

College students receive financial aid from three major sources: the federal government, the state government, and the colleges and universities they attend. Of these three sources, the federal government's contribution is the greatest. Texas students depend heavily on the federal government for student aid. In Award Year 2002-2003, the federal government provided 83 percent of generally available, direct financial aid to Texas students, which exceeded the national average of 70 percent.⁶⁵

All of the major grant programs in Texas are based on the financial need of the student, with the exception of private institutional aid, for which data are not available.⁶⁶ The largest grant

program is the federal Pell Grant, which provides over half of all grant aid in Texas. The second largest source of grant aid in Texas is private institutional aid rather than state grant aid.⁶⁷ Overall, Pell funding has increased in recent years, but because the number of recipients has also increased, the average grant per student has not kept up with rising costs. The average Pell grant in the U.S. rose by just \$123 in 2002-2003. In contrast, total costs at four-year public universities rose by \$755 in the U.S. and \$831 in Texas.⁶⁸ Reduced student eligibility for the Pell Grant is also a concern. In 2004, congress mandated that the U.S. Department of Education change the formula used to calculate student eligibility for Pell Grants, resulting in an estimated 90,000 low-income students losing their grants in the 2005-2006 school year. Over 1 million others faced Pell Grant reductions that same year.⁶⁹

The largest state grant program is the *Towards Excellence, Access and Success (TEXAS) Grant*. In 2002-2003, \$164.5 million in TEXAS Grants was awarded.⁷⁰ State lawmakers developed the grant program in 1999 as a “free” college tuition incentive, similar to the Georgia Hope Scholarship, for those high school students who completed the state’s more challenging “recommended” or “distinguished achievement” high school graduation plans and whose families could not pay more than \$4,000 for their education.⁷¹ Students had to meet certain minimum-hour, degree-completion and GPA requirements while in college in order to continue receiving the grant.

A funding shortage for the TEXAS Grant now threatens this source of student financial assistance, in part due to deregulated state tuition prices. High school students who qualify for the TEXAS Grant cannot necessarily expect to receive any funds from the program. State and college officials are suggesting changes to the program’s rules and structure that impact college students currently in the program. Grant monies are proposed for only two years, making the last two years of funding subject to the conditions of the B-On-Time Loan (see below). Monies received under these terms must be repaid back to the state as a loan if a B average and in most cases graduation within four years does not occur. The Coordinating Board estimates that the “state could save \$1 billion over four years by combining the programs because approximately three-quarters of the loan recipients likely won’t graduate on time with a B average and will have to pay the state back.”⁷²

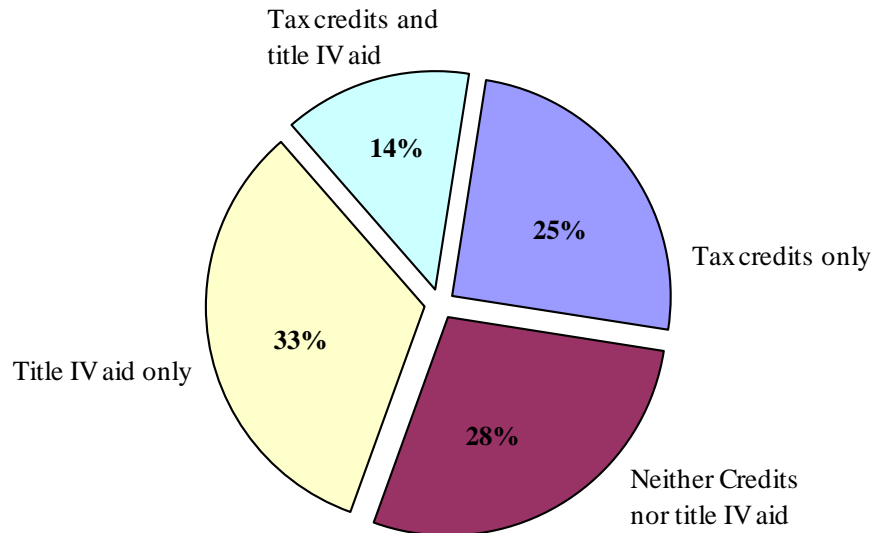
TEXAS Grant II, a similar program, provides resources for students to attend community colleges in order to obtain an Associate’s Degree.⁷³ In 2002-2003, \$5 million was awarded under the TEXAS Grant II program.⁷⁴ Texas also offers *Tuition Equalization Grants (TEG)* for students attending private colleges in Texas. In 2002-2003, \$82 million was awarded under this program.⁷⁵

In addition to the grants funded by the State of Texas, there is also a student loan program with the potential to become a grant called the *B-On-Time Student Loan Program*. If the student is successful in completing a bachelor’s degree in four years or an associate’s degree in two years with a B average, they are eligible to have their loan forgiven. This program, unlike the others, does not require demonstrated financial need for a student to be eligible.⁷⁶

The *Texas Guaranteed Tuition Plan*, formerly known as the Texas Tomorrow Fund, is a distinctly different program that offers families the ability to save for a child’s future college education. Parents can prepay tuition now for their children at about what college would cost

today, and their children are guaranteed to be able to attend college in the future at today’s tuition prices. The Texas Guaranteed Tuition Plan invests these payments and will use the investment earnings to cover the full cost of college tuition and required fees at Texas public colleges and universities or the estimated average private tuition and required fees at Texas private colleges and universities. Future tuition and fee payments are backed by the full faith and credit of the State of Texas.⁷⁷ Further enrollments in the Texas Guaranteed Tuition Plan unfortunately were stopped by the legislature in 2003 due to funding concerns.

Figure 3.1.
Estimated Use of Higher Education
Tax Credits and Title IV Student Aid



Source: U.S. GAO, “Student Aid and Tax Benefits: Better Research and Guidance Will Facilitate Comparison of Effectiveness and Student Use” (Washington, D.C.: GAO-02-751, September, 2002), p. 4.

Federal and state commitments to providing grant funds for higher education have decreased over time, replaced with expanded student and parent loan opportunities. College access has been most affected by financial-need based grants, yet by 2002-2003 nearly 70 percent of federal student financial aid was comprised of loans.⁷⁸ As of 2000, the average cumulative educational debt for undergraduate students had reached approximately \$18,000 per student. Research by the Texas Guaranteed Student Loan Corporation indicates that Texas students now and in the past are even more dependent on loans than students in the rest of the nation. In 2002-2003, 62 percent of aid in Texas came from loans and 37 percent came from grants, including state and institutional grants, contrasted to the national average of 57 percent of aid from loans and 42 percent from grants.⁷⁹ Borrowing serves as the primary mechanism for

increasing educational access in today's world of financial aid, but not all students and their families are equally comfortable borrowing or can afford to take on additional loan payments.

Almost all federal/state financial aid is based on completion of a federal tax return each year in order to verify and project household income. If a dependent student's parents do not file taxes, the student cannot use a primary funding mechanism for college. The *Hope Tax Credit* and *Lifetime Learning Credit* were created to assist families with the cost of education. These credits, however, are inaccessible to students in the absence of a tax return. Texas House Bill 1403 provides a partial solution to this situation for some Texas students. As of September 1, 2001, non-citizen, Texas high school graduates who have resided in Texas for the three years leading up to high school graduation can enroll at state universities and pay in-state tuition. This legislation also allows the same students the right to receive state financial aid.⁸⁰

In 1999, 6.4 million tax filers obtained approximately \$4.8 billion dollars in higher education tax credits, while the Pell grant program, the federal government's largest Title IV student aid program, provided 3.7 million students with \$7.2 billion dollars in grants during the 1999-2000 academic year.⁸¹ Educational tax credits continue to grow in popularity, but there has been minimal analysis of how these tax credits alone or with Title IV funds affect college attendance, choice, and completion of a degree. This problem at least in part stems from the two educational benefits being managed by separate agencies. The Treasury Department has not examined the HOPE or Lifetime Learning credits since their inception in 1998 nor do they possess data on Title IV aid for tax filers. Likewise, although the Education Department has Title IV data, it can only receive taxpayer data on possible educational tax credits from the IRS with congressional authority.⁸²

Thus, students who are interested in pursuing their education but cannot afford full-time tuition frequently turn to part-time enrollment, usually combined with full-time work. Unfortunately, the federal financial aid system does not permit students enrolled less than half time to participate in the Stafford loan program or utilize the Hope Scholarship tax credit. In 2002, a student working at minimum wage would have had to work 55 hours per week every week of the year in order to pay the tuition, fees, and living expenses associated with two semesters at a public university.⁸³

Work also affects school choice. Research indicates that the more students work, the less likely they are to attend a school from which they can obtain a bachelor's degree. At two-year schools, more than half of all students work full-time and 30 percent work part-time, which is almost the reverse at four-year public educational institutions.⁸⁴ Retention for part-time students is also a concern. The more hours a student works while attending college is negatively correlated with completion of a degree. When a student works so many hours that he or she cannot carry a full-time school load, then the student is less likely to earn a college degree.⁸⁵

Recent Developments

There were several developments in the fall of 2005 that affect public and postsecondary education in Texas and have implications for the Central Texas Data Center. These developments, which range from state Supreme Court rulings on finance to state and federal initiatives to improve accountability and transitions to postsecondary education, are discussed briefly below.

In November 2005, the Texas Supreme Court delivered its ruling in the *Neeley v. West Orange-Cove* case, which charged that the state is inadequately funding public schools and that the current financing system amounts to an unconstitutional statewide property tax. The Supreme Court found that “school districts have lost meaningful discretion to tax below maximum rates and still provide an accredited education.”⁸⁶ Therefore, the public school financing system is effectively an illegal statewide property tax under the Texas Constitution. The Court did not find that public school funding was insufficient to provide an adequate education, however. As a result of this decision, legislators have been given until June 1, 2006, to reform the public school financing system or risk the loss of state funding for education. Governor Perry has appointed a commission to study the issue and he is widely expected to call a special session of the legislature in spring 2006 to address school finance reform.

The State of Texas is also seeking to improve student achievement and college readiness. In a November 2005 summit hosted by the Texas Higher Education Coordinating Board, Higher Education Commissioner Raymund Paredes and Education Commissioner Shirley Neeley called on school districts and institutions of higher education to work together with community leaders to form P-16 councils. These councils will focus on improving student achievement from pre-kindergarten through attainment of a college degree. By better preparing students in elementary and secondary school for postsecondary educational opportunities, the state hopes to build the skills of its workforce and increase economic opportunities for all. These councils will also serve to help their regions achieve the goals of the *Closing the Gaps by 2015* initiative. Several regions, including El Paso and Houston, have already formed P-16 councils and are working to improve access, transitions, and achievement in their communities. In Central Texas, this work is just getting started. The Data Center can be a resource for the Central Texas P-16 Council, and it is hoped that as the initiative moves forward, the entities will work closely together to develop data-driven policies.

At the federal level, Secretary of Education Margaret Spellings has formed a commission to study accountability in higher education. The Commission on the Future of Higher Education held its first meeting in October 2005. The commission is charged with ensuring that America’s system of higher education remains the best in the world, focusing particularly on four areas: accessibility, accountability, affordability, and quality.⁸⁷ This mandate involves ensuring that more of America’s youth have access to and participate in postsecondary education, that colleges and universities are helping students develop the skills they need to work in a high-tech, information-based economy, and that higher education institutions become accountable for their results. The commission is expected to deliver its

final report in August 2006. Over the next several months, the national dialogue around these issues will be very important. Projects like the Data Center will be critical to developing an understanding of what happens to students as they transition from high school into postsecondary education.

The Policy Environment and the Data Center

As evidenced by the review of policies and organizations in this chapter, multiple factors are involved in a successful student transition from high school to postsecondary education and/or the labor market. Though many of these factors have been investigated as single issues in aiding student postsecondary transitions, their interactions and combined effects require further investigation. The full exploration of policy interactions and their impact on the transition process is intended to be the work of the Central Texas High School Graduate Data Center.

One advantage of the longitudinal study planned by the Data Center is the identification of those policies which, though perhaps not previously identified as a strong influence on student decisions during this transition, produce unpredicted but measurable results. The Data Center research will also identify policies and organizational processes that create barriers to students' postsecondary transitions and future academic or career success. This process of identifying influential and barrier factors will enable Data Center researchers to help Central Texas high schools create meaningful reforms.

As a culture of accountability grows in secondary and postsecondary education, projects like the Data Center will be critical. Another benefit of the Data Center's longitudinal research is that it will allow schools, districts, and other educational organizations to examine how prepared local graduates were to meet the challenges of postsecondary education and the labor market. This information will form part of a feedback loop that administrators and teachers can use to support a continuous improvement process in secondary education. Data-driven decision making, particularly in policy development and regulation, will help to ensure that education reforms and new initiatives are focused on helping students achieve their best—whether that is in a college classroom or in the workplace.

Notes

¹ National Governors Association (NGA) Center for Best Practices, *A Primer on No Child Left Behind*, Washington, DC (brochure) p. 3.

² Ibid.

³ Texas Education Agency (TEA), *Texas Assessment of Knowledge and Skills Spring 2004 Performance Standards*. Online. Available: <http://www.tea.state.tx.us/student.assessment/scoring/pstandards/perfst04.pdf>. Accessed: November 14, 2004.

⁴ TEA, *2004 District Accountability Summary*. Online. Available: <http://www.tea.state.tx.us/cgi/sas/broker>. Accessed: November 13, 2004.

⁵ Texas began the education reform process in the mid-1980s with passage of its No-Pass, No-Play legislation.

⁶ TEA, *TAKS Spring 2004 Performance Standards*, p. 1.

⁷ TEA, *TAKS Raw Score Conversion Table, Mathematics, October 2004*. Online. Available: http://www.tea.state.tx.us/student.assessment/scoring/convtables/2004/exit/exit_math.pdf and *TAKS Scale Score Standards*. Online. Available: <http://www.tea.state.tx.us/student.assessment/taks/standards/scalescorecuts0305.pdf>. Accessed: January 1, 2005.

⁸ Interview by Greg Cumpton with Julie Welch, Teacher, Crockett High School, Austin Independent School District, January 1, 2004.

⁹ Texas Education Code. Online. Available: <http://www.capitol.state.tx.us/statutes/ed.toc.htm>. Accessed: November 19, 2004.

¹⁰ Ibid.

¹¹ Ibid., Sec. 25.094.

¹² Welch interview.

¹³ Paul R. Gesn, et al., *Advanced Placement and International Baccalaureate Examination Results in Texas 2001-02* (Austin, TX: Texas Education Agency, August 2003).

¹⁴ Ibid.

¹⁵ Communities In Schools – Central Texas, Inc., *Drop Out Facts*. Online. Available: <http://www.cisaustin.org/page-drop-out-facts.cfm>. Accessed: November 10, 2004.

¹⁶ Ibid.

¹⁷ United States Census Bureau, "Public Education Finances: 2002," *2002 Census of Governments*, Volume 4: Government Finances (Washington D.C.: United States Department of Commerce, 2002).

¹⁸ Joe Wisnoski and David Anderson, *Public School Finance Seminar*. Online. Available: http://www.tea.state.tx.us/school.finance/sf2004_2.pdf. Accessed: November 12, 2004.

¹⁹ Ibid.

²⁰ Texas Constitution, art. VIII, Section 1-E.

²¹ Wisnoski and Anderson, *Public School Finance Seminar* (online).

²² Ibid.

²³ Ibid.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

²⁸ Presentation by John Hubbard, The Equity Center, to the Office of Senator Judith Zaffirini. Austin, Texas, November 16, 2004.

²⁹ Ibid.

³⁰ Clay Robison, "Court Order in School Financing Suit Delayed," *Houston Chronicle* (October 27, 2004), p. A-2.

³¹ "Statement by F. Scott McCown on the Texas Supreme Court's School Finance Ruling," Center for Public Policy Priorities, November 22, 2005 (news release).

³² The National Governors Association, "Ready for Tomorrow: Helping All Students Achieve Secondary and Post Secondary Success: A Guide for Governors," (2003). Online. Available: http://www.nga.org/center/divisions/1,1188,C_ISSUE_BRIEF^D_6143,00.html. Accessed: January 4, 2005.

³³ Roy L. Johnson, "Texas Schools Have Weak Holding Power: Texas Public School Attrition Study: 2001-02," *The Intercultural Development Research Association Newsletter (IDRA)* (October 2002). Online. Available: <http://www.idra.org/Newsltr/2002/Oct/Roy.htm>. Accessed: January 4, 2005.

³⁴ Marta Tienda, et al. *Closing the Gap?: Admissions & Enrollments at the Texas Public Flagships Before and After Affirmative Action*. Online. Available: http://www.texastop10.princeton.edu/reports/wp/closing_the_gap.pdf. Accessed: November 14, 2004.

³⁵ Ibid.

³⁶ Melissa Clinedinst, *Investing in America's Future-Why Student Aid Pays Off for Society and Individuals* (Washington, DC: The Institute for Higher Education Policy, April 2004), p. 9.

³⁷ Ibid.

³⁸ Ruth Colker, "Individuals with Disabilities Education Act (1975)," in *Major Acts of Congress*, ed. Brian K. Landsberg (New York: Macmillan Reference USA), vol. 2, pp. 200-203.

³⁹ Austin Independent School District, *Austin Independent School District, Special Education Department*. Online. Available: www.austin.isd.tenet.edu/k12/studentsupport/specialeduc/index.phtml. Accessed: November 13, 2004.

⁴⁰ *Plyler v. Doe*, 457 U.S. 202 (1982) Online. Available: <http://caselaw.lp.findlaw.com/scripts/getcase.pl?court=US&vol=457&invol=202>. Accessed: January 4, 2005.

⁴¹ Ron Haskins, et al., "Federal Policy for Immigrant Children: Room for Common Ground?" *Future of Children's Policy Brief* (Washington, DC: The Brookings Institution, Summer 2004).

⁴² Ibid.

⁴³ See Burt S. Barnow and Christopher T. King, *The Workforce Investment Act in Eight States: Final Report*, Washington, D.C.: U.S. Department of Labor, Employment and Training Administration Occasional Paper 2005-01, May 2005; and "Carl D. Perkins, "Vocational and Technical Education Act of 1998," Archived Information, U.S. Department of Education, Online. Available: <http://www.ed.gov/offices/OVAE/CTE/legis.html>. Accessed: October 10, 2004.

⁴⁴ Burt S. Barnow and Daniel B. Gubits, "Review of Recent Pilot, Demonstration, Research, and Evaluation Initiatives to Assist in the Implementation of Programs under the Workforce Investment Act—Executive Summary." U.S. Department of Labor, Employment and Training Administration (Washington, DC, 2002).

⁴⁵ Linda Harris, *WIA Reauthorization and Recommendations on Title I Youth Provisions*, The Center for Law and Social Policy website (August 28, 2003). Online. Available: <http://www.clasp.org/publications.php?id=14>. Accessed: January 5, 2005.

These 10 activities may include: adult mentoring, leadership development, paid and unpaid work experiences, summer jobs linked to academic and occupational learning, tutoring, occupational skills training, and follow-up services, which must be available in each local area for inclusion in a participant's plan, as appropriate.

⁴⁶ Jodie Levin-Epstein and Mark H. Greenberg, *Leave No Youth Behind: Opportunities for Congress to Reach Disconnected Youth*, The Center for Law and Social Policy website (July 2003), p. 75. Online. Available: <http://www.clasp.org/publications.php?id=14>. Accessed: January 5, 2005.

⁴⁷ Workforce Investment Act, Title I-B, Program Year 2003: Annual Report,” Texas Workforce Commission website (2003). Online. Available: <http://www.twc.state.tx.us/boards/wia/txwia.html>. Accessed: January 5, 2005.

⁴⁸ Levin-Epstein and Greenberg, *Leave No Youth Behind*, p. 68.

⁴⁹ Texas Higher Education Coordinating Board (THECB), p.1 (informational pamphlet). Online. Available: <http://www.thecb.state.tx.us/reports/pdf/0446.pdf>. Accessed: November 17,2004.

⁵⁰THECB, *Closing the Gaps by 2015: 2004 Progress Report- July 2004* (Revised October 18, 2004), p. 4. Online. Available: <http://www.thecb.state.tx.us/reports/pdf/0740.pdf>. Accessed: December 17,2004.

⁵¹ Ibid., p. 5.

⁵² Texas Association of Community Colleges (TACC), *History Resource Guide*. Online. Available: <http://www.tacc.org/resguide/history.html>. Accessed: November 17, 2004.

⁵³ Ibid.

⁵⁴ TACC, “Legislative Priorities 2005,” p. 12. Online. Available: http://www.tacc.org/pdf/lpd05_final.pdf. Accessed: January 7, 2005.

⁵⁵ Ibid.

⁵⁶ TACC, *Funding Resource Guide*. Online. Available: <http://www.tacc.org/resguide/funding.html>. Accessed: November 17, 2004.

⁵⁷ Austin Community College, “San Marcos Group Petitions to Join ACC District” ACC Public Information and Media Relations (news release). Online. Available: <http://www.austincc.edu/pubinfo/releases/80504.htm>. Accessed: September 13, 2004.

⁵⁸ Del Valle Affordable College Coalition, *Final Election Results*. Online. Available: <http://www.delvalleacc.org/>. Accessed: September 13, 2004.

⁵⁹ TACC, *Funding Resource Guide*.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Senate Subcommittee on Higher Education, *Report to the 79th Legislature*, December 2004. Online. Available: http://www.senate.state.tx.us/75r/senate/commit/c535/downloads/rpt_c535_dec2004.pdf. Accessed: January 7, 2005.

⁶³ Ibid.

⁶⁴ Ibid., pp. 98-99.

⁶⁵ TGSLC, *State of Student Aid in Texas* (April 2004), p. 32. Online. Available: <http://www.tgslc.org>. Accessed: December 17, 2004.

⁶⁶ TGSLC, "More than Half of Grant Aid in Texas Comes from the Federal Government," *State of Student Aid in Texas* (April 2004). Online. Available: <http://www.tgslc.org>. Accessed: December 17, 2004.

⁶⁷ Ibid., p. 41.

⁶⁸ TGSLC, *State of Student Aid in Texas* (April 2004), p.34. Online. Available: <http://www.tgslc.org>. Accessed: December 17, 2004.

⁶⁹ "Pell Grants Subject to New Reductions," *The Stanford Daily*. (December 2, 2004). Online. Available: Lexis-Nexis Academic Universe, <http://web.lexis-nexis.com/universe/>. Accessed: December 17, 2004.

⁷⁰ TGSLC, *State of Student Aid in Texas*, p. 41.

⁷¹ "State needs to keep its end of the bargain by funding grants," *Austin-American Statesman*. (December 3, 2004). Online. Available: Lexis-Nexis Academic Universe, <http://lexis-nexis.com/universe/>. Accessed: December 17, 2004.

⁷² "Promise of college aid turns empty; TEXAS grant program short; 22,880 qualify but won't get money," *Austin-American Statesman*. (November 26, 2004), p. A-1. Online. Available: <http://web.lexis-nexis.com/universe/>. Accessed: December 17, 2004.

⁷³ HH Loans, *Texas Educational Opportunity Grant Program (formerly TEXAS Grant II) (TEOG)*. Online. Available: <http://www.hhloans.com/cfbin/tofa2.cfm?ID=93>. Accessed: November 12, 2004. And, HH Loans, *Texas Equalization Grant Program (TEG)*. Online. Available: <http://www.hhloans.com/cfbin/tofa2.cfm?ID=6>. Accessed: November 12, 2004.

⁷⁴ TGSLC, *State of Student Aid in Texas*, p. 41.

⁷⁵ Ibid.

⁷⁶ Texas B-On-Time Loan Program, *Program Fact Sheet*. Online. Available: <http://www.hhloans.com/borrowers/BOTfactsheet.cfm>. Accessed: November 12, 2004.

⁷⁷ Texas Guaranteed Tuition Plan, *Plan Overview*. Online. Available: <http://www.tgtp.org/overview.html>. Accessed: December 17, 2004.

⁷⁸ Melissa Clinedinst, *Investing in America's Future-Why Student Aid Pays Off for Society and Individuals* (May 2004), p. 9.

⁷⁹ TGSLC, *State of Student Aid in Texas*, p. 33.

⁸⁰ ACC, *International Student Tuition & Fees-House Bill 1403*. Online. Available: www.austincc.edu/internat/tuition.htm. Accessed: November 16, 2004.

⁸¹ U.S. GAO Report (GAO-02-751), “Student Aid and Tax Benefits: Better Research and Guidance Will Facilitate Comparison of Effectiveness and Student Use,” (Washington, DC, September 2002), p. 2.

⁸² *Ibid.*, p 29.

⁸³ TGS LC, *State of Student Aid in Texas* (April 2004), p. 39. Online. Available: <http://www.tgslc.org>. Accessed: December 17, 2004.

⁸⁴ TGS LC, *State of Student Aid in Texas* (April 2004), p. 36. Online. Available: <http://www.tgslc.org>. Accessed: December 17, 2004.

⁸⁵ J. A. Naretto. “Adult student retention: The influence of internal and external community.” *NASPA Journal*, vol. 32, no.2, (1995) pp.90-97. Quoted in Texas Guaranteed Student Loan Corporation. *Retention and Persistence in Postsecondary Education*. Online. Available: <http://www.tgslc.org/publications/reports/persistence/persistence.cfm>. Accessed: July 7, 2005.

⁸⁶ *Shirley Neeley, Texas Commissioner of Education, et al v. West Orange-Cove Consolidated Independent School District et al*. Online. Available: <http://www.supreme.courts.state.tx.us/Historical/2005/nov/041144.htm>. Accessed: December 2, 2005.

⁸⁷ Speech by Secretary Margaret Spellings, Secretary of U.S. Department of Education at the inaugural meeting of the Commission on the Future of Higher Education, Washington, DC, October 17, 2005. Online. Available: <http://www.ed.gov/print/news/pressreleases/2005/10/10172005.html>. Accessed: November 28, 2005.

Chapter 4. The Importance of Education in the Central Texas Labor Market

Introduction

Students leaving high school in the Central Texas region encounter a labor market that is dramatically different from the one their parents and even their older siblings faced a few short years before. The New Economy is shaped by different forces and offers opportunities for work in a set of industries and occupations and under pay and working conditions that are markedly different from those that were evident in earlier periods. Understanding the New Economy, the resulting labor market and what they mean for area high school students is critical for policymakers, employers, students and their parents.

This chapter begins with a brief description of the New Economy and the forces currently shaping it. It then explores key labor market trends at the national level before turning to the state and local level. The labor market in the greater Austin area, with its heavy emphasis on dynamic technology sectors, entrepreneurial activity and creative workers, has a number of unique features that distinguish it from other areas. Finally, it identifies key information that is now lacking from existing data sources, information that could be captured by the Data Center as it emerges.

The Emergence of the New Economy

The U.S. economy has been through a number of important transformations over the course of its history. According to Rob Atkinson of the Progressive Policy Institute, it transformed from a mercantilist/craft economy during the period from the 1840s to the 1890s, to a factory-based industrial economy from the 1890s to the 1940s, to a corporate, mass-production economy up through the 1970s and then into what he refers to as the “turbulent transition” up until about 1994.¹ But, since the mid-1990s, the nation has been transformed into an entrepreneurial, knowledge-based economy, often simply termed the New Economy, a phrase that has been attributed to Atkinson.

This New Economy has been shaped by a number of important forces, including:

- Globalization, which is leading to growing interdependence in an increasing array of sectors, both industrial and service based;
- Technological advance in computerization, telecommunications and many other fields, both across and within sectors;
- Changes in financial markets, encompassing both new institutions (e.g., large institutional investors) and financing mechanisms (e.g., fund indexing);

- New management practices and forms of work organization; and
- New business strategies, stressing niche markets and greater flexibility.

New York Times columnist Thomas Friedman has offered his own take on the New Economy, discussing ten forces that “flattened the world” and put a large share of U.S. jobs directly or indirectly in global competition; briefly, these forces are:

1. *11/9/89, the Fall of the Berlin Wall and Microsoft’s Release of Windows.* Coming on the heels of massive digitization of content, these events together created single, interoperable systems for communications and tipped the world toward more open, democratic, market-oriented approaches.
2. *8/9/95, the date of Netscape’s Initial Public Offering.* Netscape, the first commercial Web browser, ensured “open protocol” on the Internet and fostered the dot.com boom (and later its bust).
3. *Work Flow Software.* Work flow software supports seamless application-to-application connections that allow 24/7/365 work, anywhere and everywhere in the world economy.
4. *Open-sourcing.* Open-sourcing with free software/products supports “self-organizing collaborative communities,” allowing for greater economic participation worldwide.
5. *Outsourcing.* Outsourcing of work globally was greatly facilitated by India’s investment in a skilled technical knowledge workforce and the virtually “free” fiber optic cable that resulted from intense IT investment in the 1990s.
6. *Offshoring.* Having joined the World Trade Organization and gained international legal protection in the early 1990s, China emerged as the major global manufacturing platform (e.g., electronics, textiles, etc.).
7. *Supply-chaining.* With Wal-Mart as the principal innovator and practitioner, supply-chaining—featuring direct outlet control over manufacturers, instant sales and inventory monitoring, etc.—spreads rapidly.
8. *Insourcing.* With Federal Express as a prime example, outside firms have taken over back-office and major “inside” operations within companies such as Kinkos.
9. *In-forming.* Essentially personal supply-chaining relying on Web search engines (e.g., Google, Yahoo), in-forming is a force for self-direction and empowerment
10. *The Steroids.* Four “steroids”—i.e., digital, mobile, personal and virtual—“power-up” all of the other flattening forces.²

According to Friedman, these forces ultimately led to “the triple convergence” in the post-2000 period, that is:

- The *complementary convergence* of these ten forces creating a new global playing field for multiple forms of collaboration;
- The *convergence of new business organizations and practices*, horizontal and vertical, as well as *employee skills* that are essential to taking advantage of them; and
- The *convergence of new global “plug-and-players”* including some one and a half million new workers from China, India and the former Soviet republics, doubling the global workforce with stay-at-home workers.

The New Economy differs from the Mass Production Economy that preceded it in important ways, as shown in Table 4.1. It features quite different economy-wide traits, has varying implications for the workforce and calls for new roles for government.

Changing demographics—especially the aging and increasing diversity of the population, as well as a large wave of immigration since 1970, half of whom are Latinos—have combined with these other forces to create a “skills premium” for well-educated and trained U.S. workers and a dearth of jobs at decent wages for those lacking the requisite education and skills. In its 2003 report, *Grow Faster Together, or Grow More Slowly Apart*, the Aspen Institute asserts that the United States faces three major gaps over the next two decades:

- *Worker Gap*—While the native-born workforce aged 25-54 years grew by 44 percent over the last twenty years, it will not grow at all over the next twenty years.
- *Skills Gap*—The share of workers aged 25 and over with more than a high school education grew by 19 percent over the last twenty years, but it is projected to increase by only 4 percent over the next twenty years.
- *Wage Gap*—Since 1970, real, inflation-adjusted wage and salary earnings for full-time, full-year working males aged 18-64 years in the top decile of the earnings distribution grew by more than 30 percent, while that for similar workers in the bottom decile actually shrunk by 20 percent.³

Though even better-educated workers are feeling the effects of these powerful forces, they are in a very enviable position relative to their less-educated counterparts.

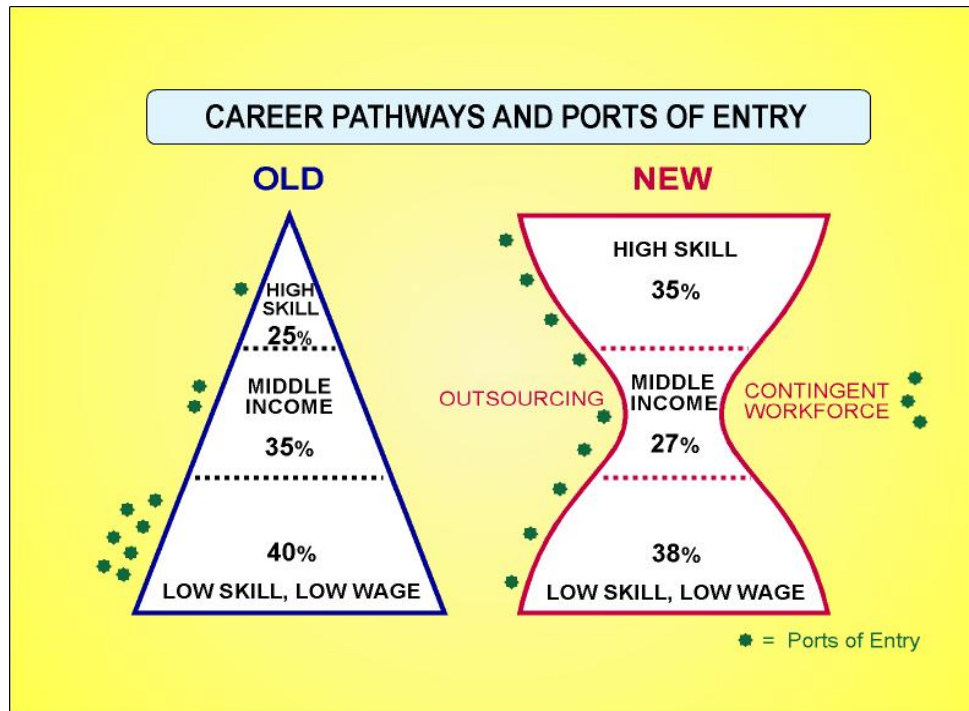
Table 4.1.
Comparing the Features of the
Mass Production and New Economies

Issue	Mass Production Economy	Entrepreneurial, Knowledge Economy
Economy-wide Traits		
Markets	Stable	Dynamic
Competition Scope	National	Global
Organization Form	Hierarchical	Networked
Production System	Mass	Flexible
Key Production Factor	Capital, labor	Innovation, knowledge
Key Technology Driver	Mechanization	Digitization
Competitive Advantage	Economies of scale	Innovation/quality
Importance of Research	Moderate	High
Firm Relations	Got It Alone	Collaborative
Workforce		
Policy Goal	Full employment	High incomes
Skills	Job-specific	Broad, sustained
Nature of Employment	Stable	Dynamic
Government		
Business/Government Relations	Impose requirements	Assist firm growth
Regulation	Command & control	Market tools, flexibility

Source: Robert D. Atkinson, *The Past and Future of America's Economy* (Northampton, Massachusetts: Edward Elgar Publishing, Inc., 2004), p. 96.

In terms of employer hiring and workplace practices, it is important to note that, compared to patterns that prevailed in the earlier era, there are many fewer entry “ports” that employers hire workers into, and the career ladders once they are hired are much flatter. In addition, whereas less-educated and less-skilled workers could gain access to many high-paying jobs within employers’ lower ranks and work their way up, now it takes higher levels of education and skills to access better jobs, often entering from the outside. Figure 4.1. contrasts these patterns.

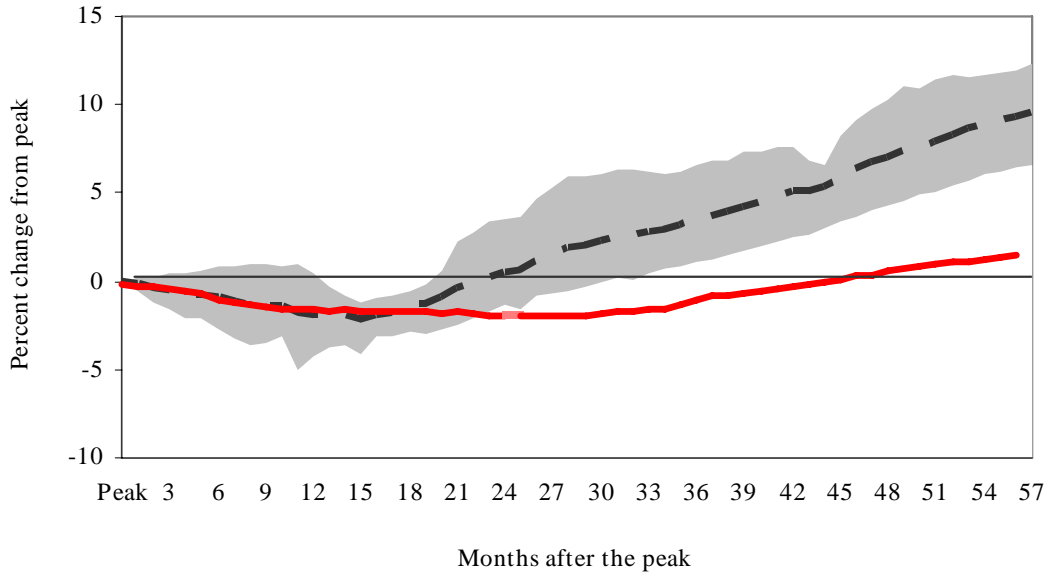
Figure 4.1.
Career Pathways and Ports of Entry, Old and New



Source: Richard Froeschle, “The Impact of Demographics on Training and Education,” presentation to the International Foundation of Employee Benefit Plans, Annual Trustees’ Conference (Honolulu, Hawaii: July 2005).

The U.S. economy experienced a significant downturn in 2000-2001 and has had real difficulty rebounding in the ensuing recovery by most indicators. Overall job growth in the months since the rebound began has been the worst of any of the post-World War II recoveries by far; without the jobs that have been generated within the public sector, the picture is much worse. Figure 4.2 illustrates the job recovery experiences with total payrolls in the postwar period. Despite the poor labor market performance in this “jobless recovery,” the New Economy remains firmly in place.

Figure 4.2.
Total Payroll Experience in U.S. Postwar Recoveries



Source: Lee Price, “The Boom That Wasn’t,” Washington, D.C.: Economic Policy Institute (2005).

Over recent decades, Americans have witnessed a shift from a manufacturing-based economy to a service-based economy. The United States Department of Labor (DOL) predicts that from 2002-2012, fully 21.6 million new jobs will be generated, of which over 95 percent will be in service-providing industries.⁴ In addition to making up the vast majority of new jobs, service occupations are projected to account for the largest number of job openings, 13 million. The shift from goods-producing to service-providing occupations has important implications for the skill sets that employers are looking for in their workers. Manning a large machine in a factory, working construction, or conducting manual labor is much different than serving food, assisting shoppers or working in a healthcare/hospital environment. Educational and technical institutions must shift the focus of their instruction and training accordingly.

Texas and Austin Area Labor Markets

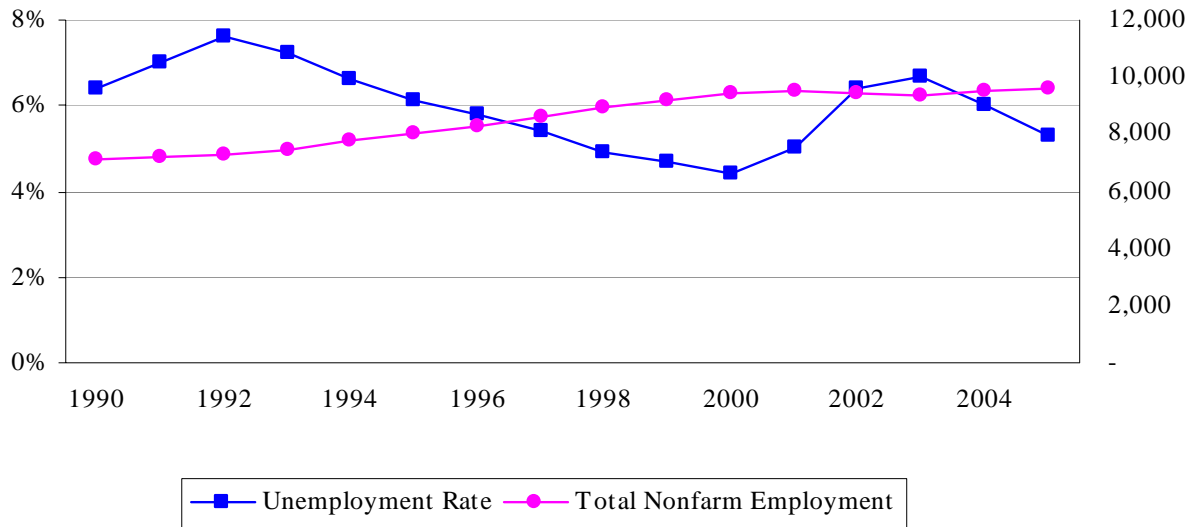
Labor markets in Texas and in the greater Austin area—generally the Austin-Round Rock Metropolitan Statistical Area (MSA) here—do not operate in a vacuum but are shaped by the forces described above. This section describes the Texas and regional labor market in more detail, providing data on employers, jobs and job growth, worker earnings, and unemployment rates and trends. It draws upon reports prepared on the greater Austin area economy as part of recent efforts to study the local labor market, as well as on data

that is collected and reported by employers to the Bureau of Labor Statistics and the Texas Workforce Commission.

Trends in Employment and Unemployment

In recent decades, Texas has undergone a remarkable and somewhat painful transformation from an economy based largely on agriculture, ranching, natural resources (e.g., timber) and extraction (e.g., oil and gas) to one based much more on knowledge and skills and more interconnected to national and international markets.⁵ Overall employment levels in Texas have continued to expand, though the rate of increase tapered off somewhat during national downturns (Figure 4.3). But Texas has not been immune from recessions. The state unemployment rate has reflected these periods of recession and recovery, also as shown in Figure 4.3. The overall rate of unemployment in Texas peaked at 7.7 percent in mid-1992, then fell steadily throughout the 1990s, bottoming out at 4.3 percent in early 2001. The state unemployment rate shot up sharply in the 2001 recession, remaining at peak levels of 6.5-6.8 percent for most of 2003, before falling to just above 5 percent in mid-to-late 2005.

Figure 4.3.
Texas Nonfarm Employment and Unemployment Rate, 1990-2005 (not seasonally adjusted)

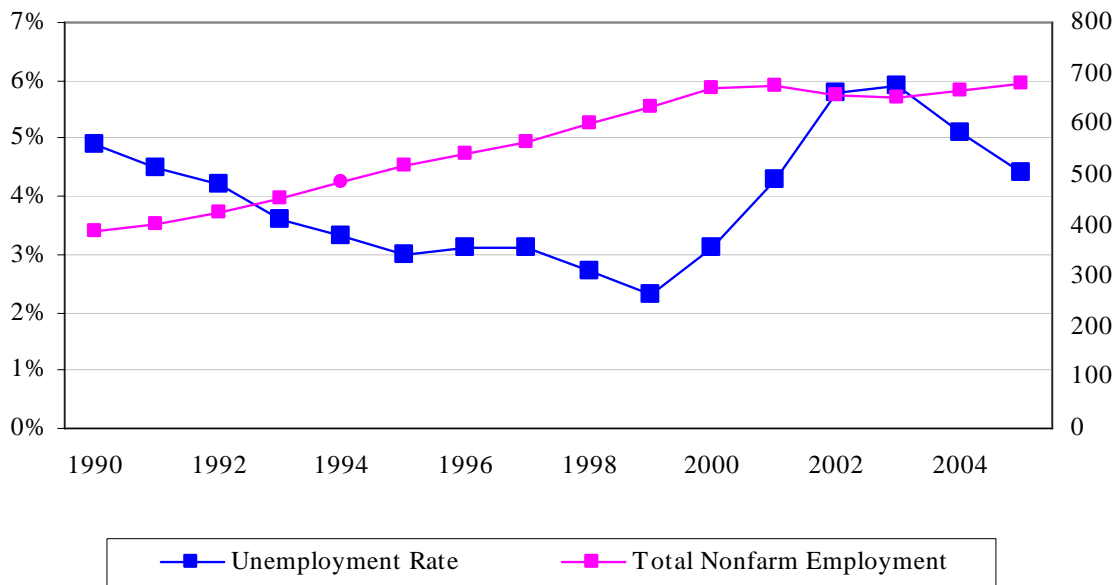


Source: Bureau of Labor Statistics. Online. Available: <http://www.bls.gov/cps/home.htm>. Accessed: March 8, 2006.

The employment and unemployment experience in the Austin-Round Rock MSA labor market has been somewhat different from Texas as a whole as shown in Figure 4.4. Employment in the regional labor market was largely unaffected during the 1991

recession and grew dramatically throughout the 1990s up through early 2001 when it peaked at almost 725,000. It took the local labor market nearly two and a half years to regain this level after experiencing a substantial decline in 2001. Austin’s position as a technology-oriented market when such industries were disproportionately hit by this recession explains this pattern; details are provided in the next subsection.

Figure 4.4.
Austin-Round Rock MSA
Nonfarm Employment and Unemployment Rate,
1990-2005 (not seasonally adjusted)



Source: Bureau of Labor Statistics. Online. Available: <http://www.bls.gov/cps/home.htm>. Accessed: March 8, 2006.

The area unemployment rate bottomed out at around 2 percent in late 2000, as Austin staked out its claim as one of the hottest labor markets in the nation during this period. The seasonally adjusted rate fell below 2 percent for many months. But as the area lost thousands of high-paying semiconductor manufacturing and other jobs in 2001-2003, the unemployment rate shot up to over 6.5 percent in mid-2003 before settling back to the more desirable 4-5 percent range in 2004-2005.

Detailed Employment Trends

Industry Sectors and Clusters

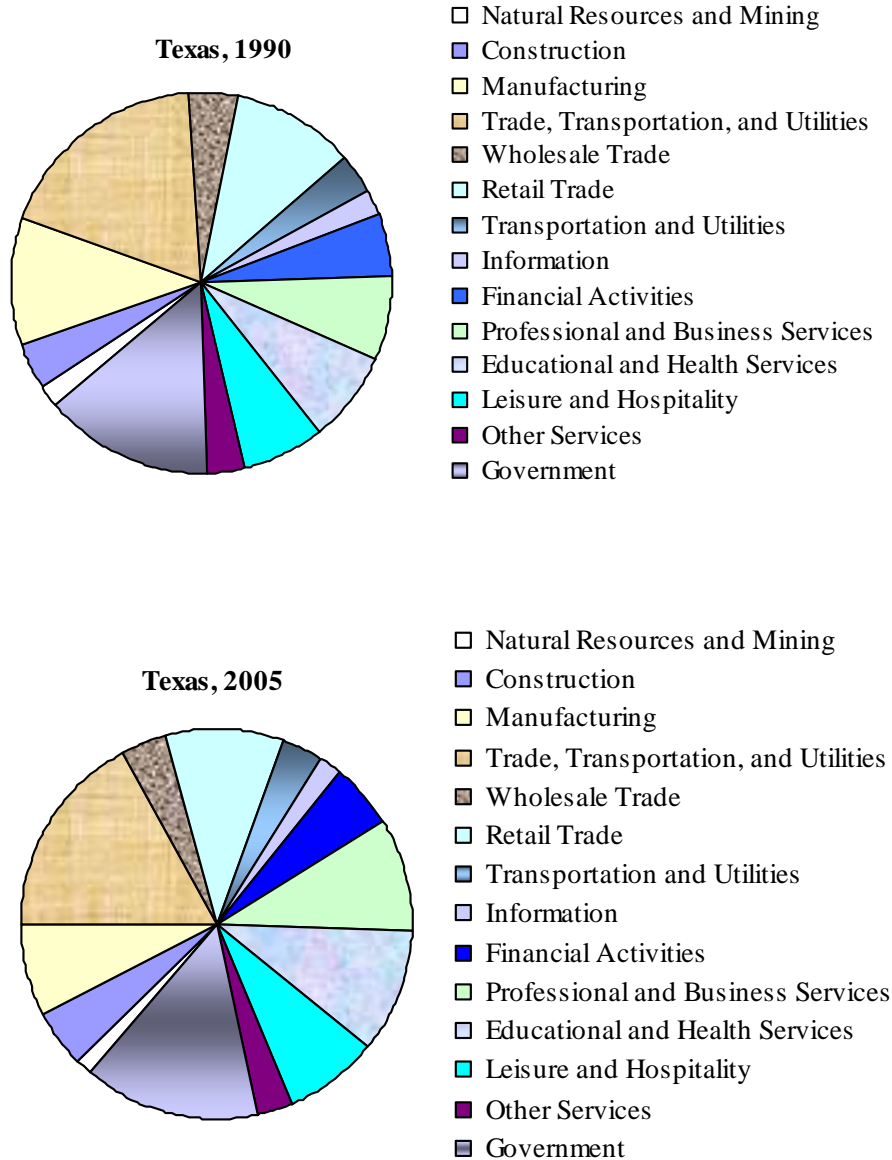
The state and regional economies have undergone notable shifts in recent decades. As Figure 4.5 shows, while employment in Texas has grown reasonably steadily over the past 15 or so years, as in the nation as a whole the employment mix has shifted away from manufacturing and towards various service sectors. Success in the typical workplace in Texas increasingly depends on a person's knowledge and skills rather than on their ability to raise, wrangle, cut or mine things.

Beyond these industry sectors, leading economic analysts also stress that in order to be successful, economic and workforce development efforts should focus on economic "clusters," where a cluster is defined as "a concentration of businesses and industries in a geographic region that are interconnected by the markets they serve, the products they produce, their suppliers, the trade associations to which their employees belong, and the educational institutions from which their employees or prospective employees receive training" (Texas Industry Cluster Initiative, 2004). Texas has actively embraced a cluster-based policy approach, based largely on the 2001 Cluster Mapping Initiative of Michael Porter at Harvard University and more recent 2002 analysis by economist Ray Perryman (Perryman, 2002).

The Texas Legislature in 2003 enacted Senate Bill 275 that called for the development of strategies to identify and strengthen the competitiveness of key industry clusters to foster job creation and economic development across the state. It also directed the state to "coordinate state efforts to attract, develop, or retain technology industries in this state in certain sectors": the semiconductor industry, information and computer technology, microelectromechanical systems, manufactured energy systems, nanotechnology and biotechnology. In October 2004, Governor Perry announced his commitment to building the economic future of the state around these six industry clusters.

Texas seems committed to pressing forward on a cluster-based approach to economic and workforce development stressing a number of strategic industry groupings that have the potential for adding value to the state's economy. It will also continue to see growth in several other sectors—especially education and health care. The latter has been the target of substantial investments in the recent past and continues to expand steadily, driven by demographic changes that have been widely reported (e.g., Murdock et al., 1997, Froeschle, 2005).

Figure 4.5.
Texas Employment by Industry Sector,
1990 and 2005

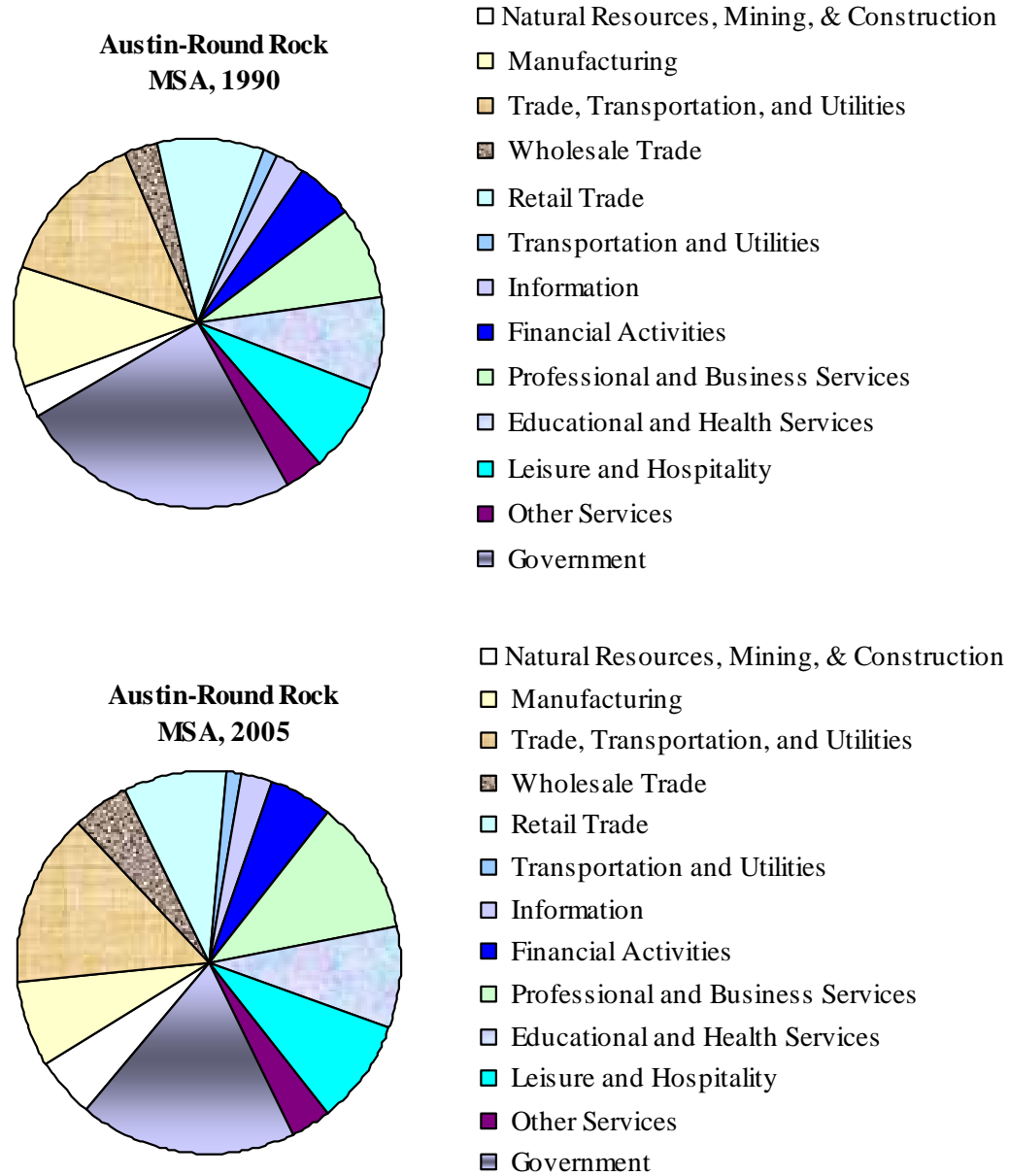


Source: Bureau of Labor Statistics. Online. Available: <http://www.bls.gov/cps/home.htm>. Accessed: March 8, 2006.

The employment mix in the dynamic Austin-Round Rock MSA has also been shifting noticeably over the past 15 years, as shown in Figure 4.6. Employment overall has grown since 1990, but by 2005 government and manufacturing had become a smaller

share of the area's overall employment base, even as construction, wholesale and retail trade and professional and business services have expanded.

Figure 4.6.
Austin-Round Rock MSA
Employment by Industry Sector,
1990 and 2005



Source: Bureau of Labor Statistics. Online. Available: <http://www.bls.gov/cps/home.htm>. Accessed: March 8, 2006.

The Mayor's Taskforce on the Economy, echoing the views of Richard Florida (2002) and others, concluded that the Austin area's future would depend on the same factors that had yielded enormous success in the recent past, namely "a highly capable workforce, innovation and entrepreneurship, clusters in the knowledge industries, the presence of a world-class research university and several other institutions of higher learning, strong community assets, and superior quality of life" (Texas Perspectives, 2003, p. 6). In addition to the strong presence of state government and higher education, the taskforce stressed four major areas in which economic activity needed to be concentrated:

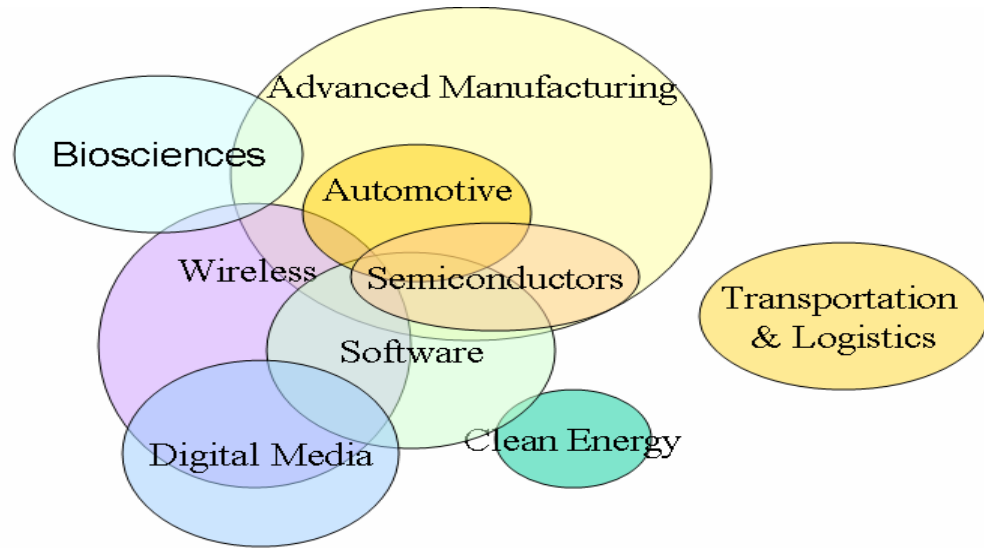
- Technology-related manufacturing and research;
- Entertainment, including film, digital entertainment, and live music;
- Information, especially publishing and software; and
- Professional services.

This approach means that Austin will need to capitalize on its role as a "creative class" city, as identified by Florida (2002): more than 36 percent of workers in the Austin MSA were characterized as employed in creative jobs in 2000 and accounted for more than 54 percent of total wages paid in the area economy (Texas Perspectives, 2003, p. 8). The Greater Austin Chamber of Commerce's *Opportunity Austin Initiative*, which seeks to raise \$11 million for area economic development and job growth, embarked on a five-year program of action in 2004 targeting nine economic clusters:

1. Automotive Manufacturing
2. Biosciences, including biomedical and pharmaceutical products
3. Product Manufacturing
4. Wireless Technology
5. Transportation and Logistics
6. Computer Software
7. Clean Energy
8. Semiconductors
9. Digital Media⁶

These clusters vary in size and overlap in many places, as shown in Figure 4.7. All have the potential to "drive" economic growth and job expansion in the regional labor market.⁷ Many of the jobs that might be created in these clusters are high-skill, high-wage jobs as well and would place added demands on area postsecondary and workforce institutions.

Figure 4.7.
Nine Target Industry Clusters
in the Austin-Round Rock MSA



Source: Robert W. Glover et al., *Critical Skills Shortages Project: Recommendations for Selection of Two Industry Clusters for Further Work*, Austin: Ray Marshall Center for the Study of Human Resources, LBJ School of Public Affairs, The University of Texas at Austin (June 2005).

The University of Texas at Austin remains the largest employer in Central Texas. Not surprisingly, the top ten private employers, listed alphabetically in Figure 4.8, are a mix of hospitals, retail establishments and computer companies.

Figure 4.8.
Ten Largest Private Employers in the
Austin-Round Rock MSA, June 2005



Source: *Austin-Round Rock MSA* (June 2005). Online. Available:
http://www.tracer2.com/admin/uploadedpublications/1712_austinmsa.pdf.
Accessed: January 24, 2006.

Jobs with the Highest Volume of Openings

TWC projects that the ten occupations with the largest number of annual job openings in the Capital Area region between 2000 and 2010 will be food preparation, retail sales, cashier, waiter/waitress, correctional officer, child care worker, office clerk, customer service representative, software engineer and operations manager.⁸ With the exception of correctional officers, software engineers and operations managers, each of these jobs requires little formal education beyond high school. Instead short-term, on-the-job training (OJT) is seen as sufficient preparation for these jobs.⁹ But educational level is not a significant determinant of ability to successfully perform the job.

For jobs requiring only minimal levels of education and short-term OJT, annual median earnings in the Capital Area range from \$13,602 for waiters/waitresses to \$22,893 for customer service representatives.¹⁰ Additionally, workers in service sector jobs tend to have shorter average tenures.¹¹ The short tenure helps to explain the high volume of job openings. A large number of these positions become available as employees cycle through these jobs. While many suppose the short tenure is due to the relatively low earnings, there are no data to rule out that a skill mismatch between employee and job requirements also contributes. In fact, just 16.8 percent of employees leave their jobs

because they are unhappy with the work environment.¹² More common reasons include pursuing other opportunities elsewhere (55.8 percent) and termination from employment at the behest of the employer (37.9 percent). The later statistic suggests a skill mismatch may, in fact, be a major reason for the short tenures.

Jobs with the Highest Growth Rate

In addition to the jobs with the greatest number of openings, it is also important to examine the fastest growing jobs. The fastest growing jobs in Texas include computer support specialists, computer software engineers, desktop publishers, systems administrators, database administrators and medical records technicians.¹³ Each of these jobs requires at least some level of education beyond high school.¹⁴ The exact level varies. Some employers require a bachelor or advanced degree, while others prefer to make hiring decisions based on certifications or skills. It is becoming increasingly common for employers to ask potential employees for transcripts so that they can better understand an employee's skills.

While the fastest growing jobs in Texas all seem to be technology related, the fastest growing jobs in the Austin area are more varied. Among the ten fastest growing jobs in the Austin area—ranging in projected growth from 40 to 60 percent—are educators, medical assistants, bus drivers, database administrators and food preparation workers.¹⁵

Earnings Trends

Average wages (and annual salaries) for these jobs vary widely in the local labor market as well, as Table 4.2 shows, ranging from less than \$8/hour for Food Preparation Workers to more than \$30/hour for Database Administrators and Education Administrators.

Table 4.2.
Average Hourly Wages and Yearly Salary
for Selected Jobs in the Austin Area Labor Market

Job	Average Hourly Wage	Average Yearly Salary
Education Administrator	\$32.98	\$65,960
Medical Assistant	\$12.96	\$25,920
Fitness Trainer	\$16.84	\$33,680
Food Preparation Worker	\$7.85	\$15,700
Bus Driver	\$11.43	\$22,860
Database Administrator	\$30.07	\$60,140

Source: Texas Workforce Commission. Online. Available:
<http://socrates.cdr.state.tx.us/Graphing/ASP/ShowRankedGraph.asp?RegionName=Capital%20Area&RegionNumber=14&GraphChoice=05>. Accessed: May 26, 2005.

The education, experience and skills required to obtain and retain these jobs vary widely as well. Education Administrators require graduate level degrees. Medical Assistants require an associates' degree. Fitness trainers usually require some form of certification. Food preparation workers and bus drivers do not require advanced levels of education. Database administrators require some education and experience, but increasingly important to employers are particular coursework, certifications, or skills.

In 2004, *WorkSource-The Greater Austin Workforce Board* surveyed area employers regarding their attitudes about the local economy, anticipated job growth, the skills required to fill their existing and anticipated jobs openings.¹⁶ At the time of the survey, which focused only on private sector employers, the occupations for which employers were hiring the most employees included sales and related positions, business and financial operations, architecture and engineering, office and administrative, and food prep and service related jobs. Their anticipated long-term hiring included the same group, but also included a significant increase in building, grounds cleaning and maintenance positions.

The point is that there will be options for workers in the greater Austin labor market, as employment increases over time. The mix of jobs is diverse, and the wages paid and education and skills required to obtain those jobs vary as well. It is also important to examine the supply of workers by education level in the greater Austin area.

Information is provided on those who have not completed a formal high school education, those who have graduated high school but attained no further education or training, those who obtained some additional schooling beyond high school but did not complete college, and those who completed college. Employment paths and earnings prospects for each group vary considerably.

Less than a High School Diploma

Texas ranks last among states in terms of the percentage of its residents aged 25 and older who are high school graduates.¹⁷ According to the 2000 census, approximately twenty-five percent of Texans never graduated from high school.¹⁸ Another twenty-five percent graduated from high school or attained their general equivalency diploma (GED), but attained no further education.¹⁹ High school dropouts have a relatively higher unemployment rate than high school graduates and typically are considered for employment after those with a high school diploma or GED.²⁰

According to the Texas Education Agency, most employers consider a person with a GED the same as person with a high school diploma in terms of hiring, salary and opportunities for advancement.²¹ However, a national study by Cameron and Heckman (1993) found that males who dropped out of high school and subsequently obtained a GED did not fare as well in the labor market as their counterparts who possessed a conventional diploma.²² However, Murnane et al. (1999) found that male students with GEDs fared somewhat better than those who never attained any kind of high school completion credential.²³ But more than the GED itself, accumulated work experience

accounts for most of the difference in labor market success between people with a GED and those who did not finish high school or attain a GED.²⁴

In Travis County, the picture is slightly better, but fifteen percent of residents age 25 or older never graduated from high school.²⁵ An additional seventeen percent graduated from high school, but attained no further education.²⁶ While better educated than Texans as a whole, a significant portion of the Austin area labor force still lacks education beyond high school or high school equivalency.

High School Graduates

According to 2000 census data, the number of Texans transitioning to postsecondary education has decreased by 5 percent since 1990.²⁷ Today, less than half of Texas high school graduates go on to college.²⁸ More and more young adults are entering the workforce with lower levels of education.

High school graduates fare better nationally than individuals who did not obtain a conventional high school diploma. High school graduates have a 3.8 percent unemployment rate with annual earnings averaging \$14,700 for females and \$27,200 for males. Nationally, approximately 35 percent of high school graduates enter the workforce within one year of graduation. However, according to a 2001 study conducted by the Texas Workforce Commission's Career Development Resources unit, 52 percent of Texas public high school graduates entered the workforce upon graduation.

Texas high school graduates tend to be concentrated in three employment sectors: Eating and drinking establishments (21 percent), grocery stores (8 percent) and department stores (7 percent). Average quarterly earnings of these graduates were just \$1,802, approximately 20 percent below the poverty level for a single earner. Other than disparity in pay between males and females, all high school graduates in the workforce had a similar experience regardless of ethnicity, academic program or urban/rural location.

With over thirty percent of the local workforce with education levels at or below high school graduation, Leanne James, a spokesperson for *WorkSource* in Austin says, "locally in terms of the workforce, it's important that employers understand that they have to think outside of the box and think outside of a college degree." She also says, "There's definitely an effort to focus skills at the high school level so that graduates can go right to work after graduation."²⁹

Some College Education

Community college graduates across the country, including those in Central Texas, generally tend to work in their local labor market after completing their education.³⁰ Yet, despite their importance to the regional economy, data are lacking on their employment status upon graduation.³¹

Hays, Travis, and Williamson counties have a combined percentage of residents with some college experience of 22.9 percent, about the same as the Texas percentage of 22.3 percent. Combined with the figures for individuals who have earned an associate's degree or higher, well over half of the population has some experience in the college classroom.³²

This some-college group has grown faster than degree holders as a share of the total population. Recently, some high-tech companies have begun asking for applicant transcripts instead of or in addition to their degrees. Over 40 percent of those who complete the Microsoft Certified Professional training have some college experience but do not have a degree. A common explanation is that courses in algebra, calculus and statistics offer a more accurate predictor of success in these occupations than a degree. Temporary employment firms have followed suit in placing workers with some college experience with these companies.³³ Published figures on the racial/ethnic mix of those with only some college experience in the Central Texas area are not available, but several studies indicate that college dropout rates are higher among the poor and minority groups.³⁴

Though the expected income of a graduate is greater than that of a non-graduate, the job prospects for this group have been improving recently. Significant gains could be made for this some-college group and their employers if better information were available on the types of classes that led to success in the workforce, and the kinds of jobs that are best suited to be filled by a student without a degree but with particular skills.

College Graduates

The population boom Central Texas experienced in the 1990s was accompanied by growth in the percentage of college graduates in the population. In 1990, 32.2 percent of Central Texans (including Hays, Travis, and Williamson counties) had a bachelor's degree or higher. By 2000, 38.4 percent had reached that level.³⁵ During the same time period, the U.S. average went from 20 percent to 24 percent.³⁶

Partially responsible for Central Texas' large share of college graduates is the presence of the University of Texas at Austin, as well as other institutions of higher education, including Austin Community College, Texas State University, Huston-Tillotson University and several others. The University of Texas conferred 12,377 degrees during the 2002-2003 school year, including 8,463 bachelor's degrees.³⁷ It is currently the third-largest university in the U.S., though it held the top spot from 1997 until 2004.³⁸ The university attracts students from all over the country and the world, though the number that remains in Central Texas after graduation is currently unknown.

The university bolsters the city's college graduate labor market and is the region's top employer with 20,249 workers.³⁹ Most full-time positions with the University require highly skilled or professional workers.⁴⁰ The university also has driven most of Austin's gains in the technology sector in recent years, and outpaces all other U.S. universities in utility patents, though its number of Information Technology graduates has not kept pace with the growth of that sector in Central Texas. Still, the University is an indispensable

resource that has kept Central Texas's labor market highly educated and skilled, as well as creative.⁴¹

Currently, 272,778 out of 710,561 citizens of the Hays-Travis-Williamson county area, 38.4 percent, hold a bachelor's degree or higher, a figure that does not include workers who attended some college, but did not receive a degree. There are 162,484 residents who fall into that category. Both groups include only those residents 25 years of age and older. Slightly more men hold bachelor's degrees than women, and 55.7 percent of the population with a bachelor's degree or higher are male. Eighty-five percent are white, 8.6 percent are Hispanic, and 4.1 percent are African-American. The shares for both Hispanics and African-American are highest in Travis County, but are not dramatically higher. Three out of five (59.4 percent) area graduates live within the Austin city limits.⁴²

Earnings: Returns to Education

The choice of students' degree affects their potential earnings.⁴³ Students' choice of curriculum—i.e., academic, technical or Tech Prep—as well as their demographic background, shaped their success in the workplace. A National Assessment of Vocational Education (NAVE) analysis for Texas shows that participation in postsecondary education tends to increase earnings. This is particularly true for students who completed an Associates of Science degree. These students earned as much as 35 percent more than those without postsecondary education.⁴⁴ Students who completed their program in the community college or technical school earned about 7 to 12 percent more in Texas than students who did not complete.⁴⁵ This analysis also found that students graduating with Associate Degrees in Nursing (ADN) were more likely to be working in the fourth quarter of 1996 and of 2001, and to have higher median quarterly earnings compared to other exiters. Students who were in Tech Prep but did not complete a degree earned more than students that completed academic degrees.⁴⁶ Significantly, in 1995-1996 slightly more than 92 percent of those exiting from community and technical colleges did so prior to receiving a degree.⁴⁷

A Texas Career Development Resources report reveals disparities in earnings based on gender, race and international background.⁴⁸ Males and whites received the most earning power for their degree. Not only did males earn more than females, but males that left school before graduating earned more than females that completed school. This can be explained only in part by the certificate areas males chose, generally higher paying areas than those chosen by females.⁴⁹ The NAVE analysis also found interesting trends by gender in Texas. Females who completed secondary programs with enrollments dominated by males not only earned less than males upon completion; they also earned less than females concentrating in other CTE programs, including those that have majority female enrollments.⁵⁰ In addition to gender, ethnicity also shaped income. Hispanic exiters were had the lowest median quarterly earnings relative to other racial/ethnic groups.⁵¹

Increased years of schooling generally translate into increased earnings over time. Workers' wages tend to rise for each additional degree they obtain, beginning with high school and ending with college and beyond. According to 1999 U.S. census data, workers with no college degree earned on average \$28,000 per year, high school graduates without a college degree earned \$33,000, and those with some college earned \$40,000. Bachelor's degree holders earned \$65,000 annually. These data should be viewed critically, since they are based on averages. Nevertheless, the link between further schooling and increased annual earnings is clear.

Table 4.3.
Earnings of Year-Round, Full-Time Workers
by Selected Characteristics: 1999

Characteristics	Number	Percentile of the earnings distribution (dollars)					Average earnings (dollars)
		10th	25th	Median (50 th)	75th	90th	
All-year round, full-time workers	82,977,500	15,000	22,000	33,000	50,000	75,000	43,000
Educational Attainment (aged 25 and older)							
Less than high school	7,425,330	11,000	15,000	22,000	32,000	46,000	28,000
High school graduate, no college	20,354,400	14,000	20,000	28,000	40,000	54,000	33,000
Some college	24,394,920	17,000	24,000	33,000	48,000	65,000	40,000
Bachelor's degree or higher	24,831,020	24,000	33,000	49,000	72,000	110,000	65,000

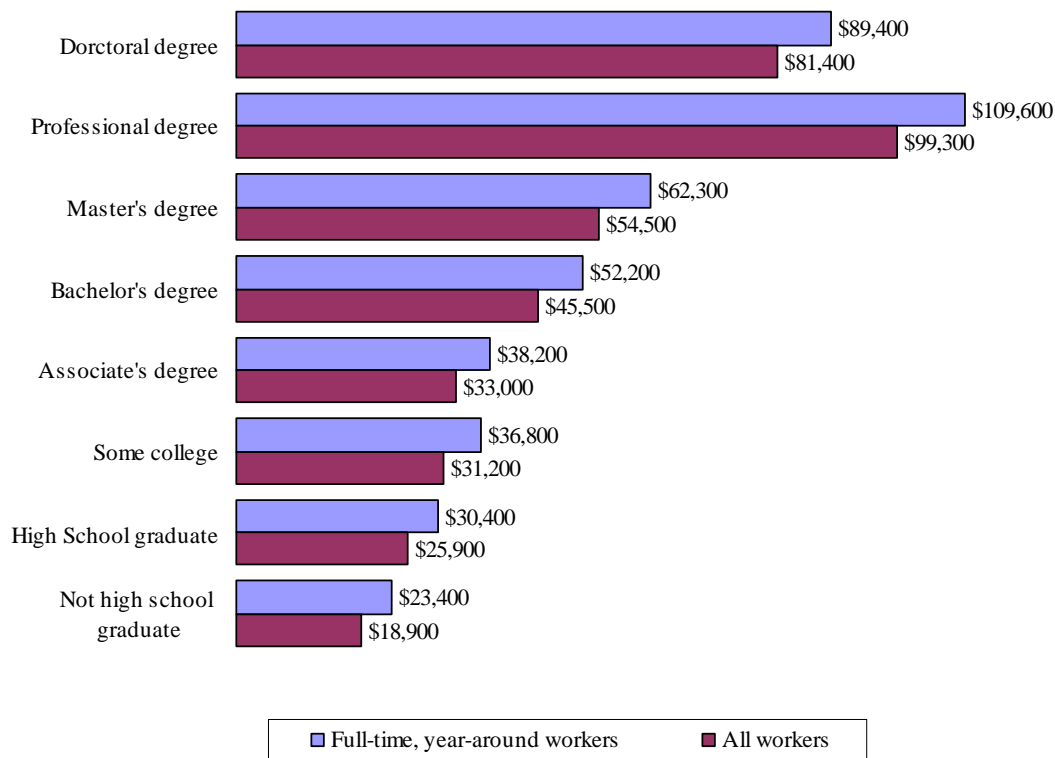
Source: Adapted from Daniel H. Weinberg, "Table1," *Evidence from Census 2000 about Earnings by Detailed Occupation for Men and Women*, CENSR-15 (Washington, DC: U.S. Census Bureau, May 2004), p. 3.

Thirty years ago, the average work-life income of a college graduate was 1.5 times that of a high school graduate. By 1999, bachelor's degree holders were making 1.9 times as much as those with just high school diplomas. Even students who attend some college, but never earn enough credit to get a degree can expect a significant increase in lifetime earnings in comparison to those who never enrolled in college. Postsecondary education yields lifetime earnings benefits for the average student that more than offset the costs.⁵²

As shown in Figure 4.9, expected annual income of a U.S. citizen who had attained only a bachelor's degree and worked full-time in the years 1997-1999 was \$52,200. A person who graduated from high school and did not go on to college had an expected annual income of \$30,400. For the individual, the choice may not be so clear, but, in general, a

college education pays for itself fairly quickly. Graduate, professional, and doctoral degrees increase annual income to \$62,300, \$109,600 and \$89,400 respectively for full-time workers. Though students who remain in school longer and do not work lose out on the income they could be collecting, the earning differences from additional degrees tend to compound over time. These differences are currently expanding with highly educated workers' incomes growing as technology necessitates new skills, and with wages decreasing for less educated workers because of the decline of the minimum wage in terms of constant dollars. Men's expected annual earnings are higher than women's at every level of educational attainment, and the percent increase in earning is slightly higher for men than women. Hispanic and African-American workers earn less than their white counterparts at every level, but the percentage increase for additional degrees remains fairly constant across racial lines.⁵³

Figure 4.9.
Work Experience and Average Annual Earning of Workers 25 to 64
Years Old by Educational Attainment: 1997-1999



(Earnings in 1999 dollars)

Source: Adapted from Jennifer Cheeseman Day and Eric C. Newburger, "Figure 1," *The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings*, P23-210 (Washington, DC: U.S. Census Bureau, July 2002), p. 2.

Conclusions

The research reviewed here suggests that Central Texas could benefit from a better understanding of its labor market and the forces and trends that shape it. While the available information provides an incomplete look at the earnings and jobs available for different educational subgroups, the picture presented here underscores the importance of increased education for our region's youth. Higher education levels lead to higher earnings, both in terms of annual earnings and lifetime earnings. However, the data are less able to capture the value of skills to certain job categories and how they may translate into higher earning power. Most importantly, labor market data on youth leave interested groups in the dark about what happens during students' transitions from education to work. This transition period is critical to their future success and their potential to contribute to the region's economy.

The Central Texas High School Graduate Data Center would be particularly helpful in tracking students from Central Texas to fill some of the above gaps in knowledge. The answers to these questions will allow us to more aptly identify trends in the population's movement and educational background, so that the local economy can benefit most from the labor pool available. On the worker side, this knowledge could better inform decisions about educational and work paths by making the value of these choices more available and tailored to the Central Texas economy. Schools and students can be made aware of trends in local industry and the labor market to encourage them to fill voids that arise. By investing in its region's youth, Central Texas will lay the foundation for an informed citizenry and economic prosperity well into the future.

Notes

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¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ 2004 Greater Austin Area Target Occupations Survey.

¹⁷ U.S. Census Bureau, *Census 2000*. Online. Available: www.census.gov. Accessed : May 25, 2005. Also, see Texas Workforce Investment Council, *Texas Index 2000* (Austin, TX: TWIC, September, 2005).

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¹⁹ Ibid.

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²⁷ Ibid.

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⁴⁴ NAVE Preliminary Report.

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⁴⁷ *Ibid.*, p. 92.

⁴⁸ Ibid., pp. 94-97.

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⁵³ Ibid., pp. 2-7.

Chapter 5. Best Practices for Tracking High School Graduate Outcomes: A Review of Existing Efforts

Introduction

While the Central Texas High School Graduate Data Center will be a pioneer in the field for the greater Austin region, other centers around the country have been working on somewhat similar projects. The experiences and practices of these other efforts will help inform the structure of the Data Center.

Two primary types of data are currently being used by these centers: *administrative records*, which mainly exist as quantitative data; and *survey data*, which are often a mix of quantitative and qualitative information about students and their families.

Administrative data include basic information on students, such as demographic, course-taking, test, graduation and job placement information. It may also contain information about their teachers and schools. In the context of these centers, the administrative data traditionally already exists within the school or another organization. When administrative data from various organizations and agencies are compiled, records can be linked to each other, providing a more accurate picture of the student's situation. Because the data already exist, administrative record linking is a very cost-effective way to conduct research.

Survey data are primarily obtained through student follow-up mechanisms. Surveys can be conducted by a variety of means, such as by phone, mail or in person. In recent years, they can also be conducted via email or the Internet. The information contained in the surveys goes beyond that contained in the administrative records. If administrative data can show the "what" of research, then additional survey data can show the "why." This additional data is very valuable for drawing conclusions in research, but because of low survey response rates and increased administrative costs, it is not always included as a component of the research approach.

Overview of Existing Student Tracking Projects

Four existing or recent efforts are examined in this section: the Texas Schools Project (TSP) at the University of Texas at Dallas; the Texas Workforce Commission's Automated Student and Adult Learner Follow-Up System (ASALFS) that was based in Austin; the Florida Education and Training Placement Information Program in Tallahassee; and Northeastern University's Center for Labor Market Studies in Boston. Each effort uses varying combinations of the two approaches described above. By examining each center's practices, the Data Center will be able to combine the best features of each to provide a comprehensive picture and understanding of the factors affecting postsecondary transitions of Central Texas high school graduates. Analysis of

the centers will also shed light on potential problems that the Data Center may encounter so that they may be avoided.

Texas Schools Project at the University of Texas at Dallas' Green Center

The Cecil and Ida Green Center for the Study of Science and Society at the University of Texas at Dallas is home to the Texas Schools Project (TSP).¹ The Green Center was founded at the University of Texas at Dallas in 1992 by the late John F. Kain while he was still a professor in the Economics Department at Harvard University.² In 1997, Dr. Kain became a permanent faculty member at UT Dallas.³

The TSP has three main goals:

10. Improve academic achievement.
11. Increase transitions to post-secondary education.
12. Improve labor market outcomes.

Within these goals, TSP's focus is primarily on low-income and minority students in the state of Texas and around the country.⁴

Currently, TSP is conducting three major projects. One focuses on postsecondary access for minorities, another on the effectiveness of charter schools, and the last on the effectiveness of special education projects. Each of these projects is funded by a separate grant. Key funding sources for TSP include the Andrew W. Mellon Foundation and the Smith-Richardson Foundation.⁵ Other TSP research includes some unfunded projects and several doctoral dissertations.⁶

The Texas Schools Project obtains and links individual-level, administrative records from a variety of sources, including the Texas Education Agency, the Texas Higher Education Coordinating Board and the Texas Workforce Commission. They have approximately 1.1 billion records that encompass 26 million different individuals. The data include academic records, such as enrollment, attendance and test scores, as well as postsecondary records, such as quarterly employee earnings from Unemployment Insurance wage records, and college enrollment records.⁷ The data are stripped of identifying information by the regional Educational Service Center (ESC), which then provides the de-identified information to TSP for their research. The ESC typically uses identifying numbers (usually Social Security numbers) to link the different agency records.

While the amount of data TSP has is quite encompassing, some holes in the data are evident. For example, TSP has access to enrollment data for public community and technical colleges and 4-year colleges and universities in Texas, but not for similar private institutions.⁸ Also, when the Texas Schools Project was launched several years ago, the Family Educational Rights and Privacy Act (FERPA) was not as big an issue as it has become recently. State agencies now are becoming more aware of the restrictions

set forth by FERPA, and have also adopted more restrictive stances on data access in some cases, as shown in Chapter 7. As a result, student-level data have become much more difficult to obtain.⁹

One obstacle that the TSP has faced is the documentation of their data. An effort is currently underway to design a standardized documentation format and a formal review process for applications for use of these data. These two initiatives should lead to more efficient use of the data assembled by the Texas Schools Project.¹⁰

Another issue facing TSP is data confidentiality, which is closely related to FERPA. Privacy has become an issue on the forefront of data management. Access to TSP data is highly restricted in order to protect its integrity and confidentiality and is generally limited to selected faculty members at the University of Texas at Dallas. Those that access the data must sign a confidentiality agreement and put a disclaimer on all publications that statements made are that of the author and not the Texas Schools Project.¹¹

Texas Workforce Commission's Automated Student and Adult Learner Follow-Up System

Two states—Florida and Texas—collaborated on the initial design of the Automated Student and Adult Learner Follow-Up System (ASALFS) in the late 1980s.¹² Marc Anderberg from Texas and Jay Pfeiffer from Florida developed and refined this student follow-up process. Prior to ASALFS, follow-up for graduates of Job Training Partnership Act (JTPA) programs was done by telephone survey beginning in 1986. Surveyors made phone calls and asked a set of questions about former participants' job placements and earnings. Major shortfalls in this system included the fact that some graduates lacked phones, contact information was out-dated or inaccurate, graduates tended to move frequently, and the comments made by the respondents were highly subjective and suffered from recall problems.¹³

The ASALFS process produced results that were much more reliable, consistent, comprehensive and valid. The system took data available through JTPA and used SSNs to link the data to UI wage records available through the Texas Workforce Commission.¹⁴ This eliminated the need for qualitative data based on follow-up surveys and resulted in a more accurate picture of student/participant labor market and related outcomes. Additionally, under the old survey-based system, each completed survey cost about \$15 or more. With ASALFS using linked administrative records, the cost was 5 cents per record in the first year and only about .05 cents per record after that. This cost savings allowed student follow-up efforts to be expanded to include both graduates of the programs and those who exited early without graduating. Moreover, using administrative rather than survey based follow-up substantially boosted the "response" rate: while telephone surveys sought to reach at least a 70 percent response rate, they often fell far short of that rate, especially for those who experienced poorer outcomes, such that the responses tended to suffer from response bias. Despite their shortcomings (e.g., coverage, out-of-state issues), administrative records were more reliable and accounted for more than 90 percent of wage and salary employment.¹⁵

While the new system eliminated the subjectivity of the old system, some limitations of the available data remained. Wage data obtained from UI records were only available for those working within the state of Texas, and some types of employment are not covered by UI records. The self-employed, real estate agents and private insurance salespeople for example, are not included in the data set. The methods devised made it impossible to determine the job title and actual wages from the data. To address this, they conducted supplemental telephone follow-up to address some of these shortcomings.¹⁶

The data included in ASALFS came from many sources. The Texas Education Agency and the Texas Higher Education Coordinating Board provided education records and wage information from Unemployment Insurance records.¹⁷ In order to cover some of the holes in the data, ASALFS secured additional agreements from the Texas School for the Blind, Texas School for the Deaf, the Federal Postal System, the Joint Payroll Center for Military and the Texas State Prison System. The search started with the largest database and worked its way down into the smaller databases. This protocol obtained the most accurate picture possible.

Even with all these sources of data, shortcomings still existed. One large problem faced was tracking those in local jails and prisons. There are so many small jurisdictions that it is nearly impossible, and financially infeasible, to secure data from all of them. Also, the exclusion of self-employed in UI wage records produced an inaccurate portrayal of community college labor market outcomes because many of their graduates were from programs that traditionally led to self-employment, e.g., real estate. Other excluded data included private secondary institution records and employment and earnings records for those persons working outside of Texas.¹⁸

The ultimate obstacle for ASALFS was accessing data from outside sources. At its inception, this project was housed under the State Occupational Information Coordinating Committee (SOICC), which was then considered an education agency.¹⁹ In 1997, SOICC became a part of the Texas Workforce Commission and lost its designation as an education agency. In 2001, attorneys for the Coordinating Board made the decision that, in light of newly issued FERPA regulations from the U.S. Department of Education, they could no longer supply individual student-level data to ASALFS, even though there had been no breaches of security throughout the project. Consequently, TEA also stopped supplying student data, and ASALFS ceased operations.²⁰

Florida Education and Training Placement Information Program

The system used at the Florida Education and Training Placement Information Program (FETPIP) is nearly identical to the one used by Marc Anderberg and the Texas Workforce Commission. Anderberg and Jay Pfeiffer worked together to design the system in 1998.²¹ FETPIP now operates within the Division of Accountability, Research, and Measurement (ARM) of the Florida Department of Education.²²

FETPIP's mission is "to provide accurate, timely, and comprehensive outcome information on Florida's education, workforce development, and social service programs."²³ This mission is met by a system of "record linkage."²⁴ As with ASALFS,

records from different databases are linked through the use of SSNs and provide common data elements, which are then synthesized into datasets that are suitable for analysis. This method is a proven technique for gathering student and participant follow-up data on education, training and related programs. It is also cost effective, since the data that are used already exists as administrative records, and additional survey data need not be gathered.²⁵

FETPIP provides research services to various agency programs, referred to as “applications” in the literature.²⁶ Each application provides FETPIP with their student or participant files, which include individual identifiers as well as demographic, socio-economic and programmatic data.²⁷ Some examples of FETPIP applications are public high school graduates and dropouts, all state university system graduates, selected private institution graduates, Welfare Transition participants and the state’s Prison Industries program (known as PRIDE).²⁸

Once participant files are obtained from the applications, they are linked to records of several state agencies. These agencies include:

- Florida Department of Corrections
- Florida Department of Education
- Florida Department of Children and Families
- Florida Agency for Workforce Innovation
- U.S. Department of Defense
- U.S. Office of Personnel Management
- U.S. Postal Service²⁹

Data are collected and reviewed by FETPIP, and then reports are provided to the organizations that are represented by the applications referred to above.³⁰ Included in reports published by FETPIP is information related to dropout prevention (discipline, alternative education, teen parents), the types of high school graduates, jobs obtained by graduates and Communities in Schools participants.³¹

Although ASALFS and FETPIP utilized nearly identical methods in their research, only FETPIP is still operating because of one key difference. At its inception, ASALFS was designated an education agency and housed in Florida’s State Occupational Information Coordinating Committee (SOICC). ASALFS lost its education designation in 1997 when it became a part of the Texas Workforce Commission, which ultimately led to loss of access to outside data. FETPIP is still housed under a division of the Florida Department of Education, which has allowed them to continue accessing the requisite data.

Northeastern University's Center for Labor Market Studies

The Center for Labor Market Studies (CLMS) is a research center located at Northeastern University in Boston, Massachusetts.³² Center director Andrew M. Sum is also a professor of economics at Northeastern, where he has been conducting research on education, training and other interventions since the 1970s. CLMS' mission is to study the connection between education and labor market patterns, as well as the effects of training on labor market outcomes.³³

CLMS teamed up with Boston area school districts and the Boston Private Industry Council (PIC) in the early 1980s to study the transition of students from high school into postsecondary schooling and/or the labor market. Their data include both quantitative and qualitative data.

Qualitative data is obtained through the PIC survey, which is administered primarily by telephone approximately 9 to 10 months after high school graduation.³⁴ The survey includes questions about the types of institutions the high school graduates are attending, their majors, work habits and financial aid. This type of survey is unique to their partnership, and their interview completion rates from 1998 to 2002 varied from a low of around 75 percent in 1998 to a high of 82.2 percent in 2001.³⁵ The main body of their research involved studying the Class of 2002. The initial report, published in late 2003, presented raw data from interviews and demographic data from the 2002 Class sample.³⁶

In a follow-up report published in 2004, CLMS looked at gender differences and their effects on public high school students in Boston. For this study, they used three separate data sets: student enrollment data, demographic data and PIC survey data.³⁷ They concluded that there were significant gender differences in achievement, and subsequently used their findings to launch other studies that will inform education policy.³⁸

Potential Obstacles Facing the Data Center

Although the Family Educational Rights and Privacy Act (FERPA) was passed in 1974, its impact was much less noticeable than it is today. Administrators have become far more hesitant to provide researchers with access to student records, including those records pertaining to academic courses and achievement. The Central Texas High School Graduate Data Center will need to address confidentiality concerns on the part of the state agencies and local school districts involved in the project.

Another obstacle facing the Data Center will be the linking of administrative records. The traditional method of linking records uses individuals' Social Security numbers. Many students in the service area of the Center do not have SSNs or have provided inaccurate numbers to schools. An alternate method of linking will need to be used in order to capture an accurate picture of postsecondary and labor market transitions for students in Central Texas.

While the use of linked qualitative and quantitative data is a great benefit of the Data Center, it also presents an additional layer of complexity. Quantitative data on academics and wages will have to be matched to survey data that is obtained later in the study process. While there are centers around the country doing similar research, none of the organizations examined uses linked qualitative and quantitative data in their studies. The Central Texas High School Graduate Data Center will have to design a system to efficiently and effectively match the data without revealing the identity of the individuals in the system.

Conclusion

In order for the Central Texas High School Graduate Data Center to accomplish its mission most effectively, multiple data collection methods should be pursued. An appropriate model may include the quantitative methods of the Green Center matched with the survey methods of the Center for Labor Market Studies for an optimum outcome.

Notes

¹ Texas Schools Project, *A National Model for Using Administrative Data for Research to Inform Education Policy and Practice*. Online. Available: <http://www.utdallas.edu/research/tsp/Index.htm>. Accessed: October 15, 2004.

² University of Texas at Dallas, *The Texas Schools Project*, Dallas, TX (pamphlet).

³ John F. Kain, "Description of the UTD Texas Schools Project," Dallas, TX, 2001, p. 1. Online. Available: <http://www.utdallas.edu/research/tsp/pdfpapers/paper16.pdf>. Accessed: July 8, 2005.

⁴ *Ibid.*, p. 2

⁵ Telephone interview by Elizabeth Puthoff with Lee Holcombe, Assistant Director, Green Center for the Study of Science and Society, October 20, 2004.

⁶ *Ibid.*

⁷ UT Dallas, *Texas Schools Project* website.

⁸ TSP is negotiating access to private and out-of-state postsecondary enrollment information via the National Student Clearinghouse.

⁹ Holcombe interview.

¹⁰ *Ibid.*

¹¹ *Ibid.*

¹² U.S. Department of Labor Employment and Training Administration (USDOL/ETA), "A Field Guide to Automated Follow-Up: Cost-Effective Collection of Performance Information," report prepared by Marc Anderberg and Jay Pfeiffer, Washington D.C., July 1998, p. i.

¹³ Class presentation by Marc Anderberg, Texas Workforce Commission, at the Lyndon B. Johnson School of Public Affairs, Austin, Texas, November 11, 2004.

¹⁴ *Ibid.*

¹⁵ Detailed discussions of the advantages and disadvantages of using linked administrative records for such research can be found in: Christopher T. King and Deanna T. Schexnayder, "The Use of Linked Employer-Employee UI Wage Data: Illustrative Uses in Texas Policy Analysis," Arlington, VA: *International Symposium on Linked Employer-Employee Data*, May 1998; and V. Joseph Hotz, Robert Goerge, Julie Balzekas and Francis Margolin, Editors, *Administrative Data for Policy-Relevant Research: Assessment of Current Utility and Recommendations for Development: A Report of the Advisory Panel on Research Uses of Administrative Data*, Chicago: Joint Center for Poverty Research at Northwestern University and the University of Chicago, 1998.

¹⁶ Ibid.

¹⁷ TWC administers the federal/state UI program and maintains the UI wage records. However, ASALFAS relied on the Coordinating Board to link the UI wage records in its later stages of operation.

¹⁸ Ibid.

¹⁹ SOICCs were created in all states shortly after the 1976 Vocational Education Act amendments. They functioned as a committee of education, training and employment agency directors coordinating labor market information efforts.

²⁰ Ibid.

²¹ USDOLETA, “A Field Guide to Automated Follow-up,” p. 1.

²² Florida Department of Education, Division of Accountability, Research and Measurement, Florida Education & Training Placement Information Program, “Annual Outcomes Report: Fall 2002 Data,” (Tallahassee, FL, December 2003), Appendix A, p. i.

²³ Florida Department of Education, *Florida Education and Training Placement Information Program*. Online. Available: <http://www.firn.edu/doe/fetpip/>. Accessed: October 14, 2004.

²⁴ Florida Department of Education, Annual Outcomes Report, p. 1.

²⁵ Ibid.

²⁶ Annual Outcomes Report, Appendix A, p. i.

²⁷ Ibid.

²⁸ Ibid.

²⁹ Ibid.

³⁰ Ibid.

³¹ Annual Outcomes Report, Appendix B.

³² Northeastern University Department of Economics, *People*. Online. Available: <http://www.dac.neu.edu/economics/people/index.php>. Accessed: July 8, 2005.

³³ Ibid.

³⁴ Andrew Sum and Ishwar Khatiwada, with Sheila Palma, “Gender Differences in High School Attendance Patterns, Graduation Rates, College Enrollment Rates, and Attendance in Four Year Colleges and Universities: Boston Public High School Graduates, Class of 2002,” Northeastern University, Center for

Labor Market Studies, January 2004, p. 3. Online. Available:
<http://www.bostonpic.org/about/Classof2002-GenderDiff.pdf>. Accessed: November 2, 2004.

³⁵ Ishwar Khatiwada and Andrew Sum, "College Enrollment and Labor Market Outcomes for Class of 2002 Boston Public High School Graduates: Key Findings of the Winter/Spring 2003 Follow-up Surveys," Northeastern University, Center for Labor Market Studies, January 2004, p. 7. Online. Available:
<http://www.bostonpic.org/about/Classof2002-CollegeEnrollandLaborMarketOutcomes.pdf>. Accessed: November 2, 2004.

³⁶ College Enrollment, p. 2.

³⁷ Gender Differences, p. 4.

³⁸ Ibid., p. 18.

Chapter 6. Allowing for Education Research under the Family Educational Rights and Privacy Act (FERPA)

Introduction

The availability of sensitive, private records on electronic databases and the Internet and growing worries about privacy stemming from recent changes in federal law, such as the Patriot Act, have increased public awareness of the importance of protecting private records. In reaction to these concerns, entities that control sensitive databases have begun reviewing their procedures governing the release of private records to ensure that they are complying with privacy laws that dictate to whom their records can be released and for what purposes. Educational institutions that control individualized student records are among the entities that have stepped up their protection of individual records. Although this increased awareness of privacy law is important, it is possible that education agencies may, because of the fear of violating federal law, prevent social science researchers from accessing student records. This is worrisome because education research is necessary to evaluate the state of education in America's schools and to recommend changes that may improve education in the future.

This chapter examines the most important federal law governing the privacy protections for school records, the Family Educational Rights and Privacy Act (FERPA) of 1974. Specifically, it explores the question of whether FERPA grants educational researchers access to individualized student records.¹ This exploration reveals that FERPA can allow researchers access to student records, given specific privacy protections under various provisions in the statute.

FERPA: An Overview

FERPA, also known as the Buckley Amendment, became law on August 21, 1974.² As eventually codified, FERPA had two purposes, which are reflected in the text of the Act.³ First, subsection (a) provides that “no funds shall be made available under any applicable program to any educational agency or institution which has a policy of denying ... the parents of students who are or have been in attendance [at the agency or institution] ... the right to inspect and review the education records of their children.”⁴ The FERPA rights that are given to parents are acceded to the student when the student reaches 18 years of age or is attending an “institution of postsecondary education.”⁵ The right to inspect and review education records, petition for their amendment, and waive the right of access to specific records is described in subsection (a).⁶ Subsection (a) also describes certain “directory information” that can be released without parental consent, although the public must be informed of the type of information that is going to be released and parents must be given a reasonable amount of time to refuse to allow the directory information to be released.⁷

Second, subsection (b) provides that “no funds shall be shall be made available under any applicable program to any educational agency or institution which has a policy or practice of permitting the release of education records (or personally identifiable information contained therein other than directory information ...) of students without the written consent of their parents”⁸ This subsection also describes certain individuals, agencies and organizations to which education records and personally identifiable information can be released without the prior consent of parents. These individuals, agencies and organizations include “school officials and teachers, certain federal and state officials, certain organizations conducting educational research, and accrediting organizations.”⁹ Exceptions are also made for health and safety emergencies,¹⁰ and for specific judicial orders.¹¹ The provisions in subsection (b) and its corresponding regulations contain information relevant to determining to whom and for what purposes educational agencies and institutions can release student education records and personally identifiable information without written parental approval.

This chapter examines ways that educational agencies and institutions can release records and personally identifiable information to research organizations consistent with FERPA. The primary method for accomplishing this goal will be through a careful analysis of FERPA’s provisions.¹² However, before proceeding, it is important to understand FERPA’s enforceability provisions in order to better conceptualize the repercussions of FERPA violations. This is the subject of Part I, which details the past, present and potential ways that organizations that violate FERPA have been and will be sanctioned. In Part II, a brief theoretical and historical overview of the policy goals that led to the FERPA statute is discussed, including the concern for protecting informational privacy and the need to allow government access to specific citizen data to achieve important social goals. This exploration indicates that education records may be released to researchers consistent with the mission of the FERPA statute, given certain privacy assurances and protections. Part III, the bulk of the chapter, provides a detailed analysis of specific provisions in the FERPA statute that likely allow for the release of records to researchers. This analysis is aided by reference to applicable case law, legislative history and letters from representatives of the Department of Education. Part IV summarizes the necessary elements of a FERPA-compliant agreement between a research organization and an education agency or institution, including a brief discussion of the privacy safeguards that must be taken by the educational entity releasing the records and the research organization receiving the records.

Part I. FERPA Enforceability

Federal statutory law explicitly recognizes a variety of enforcement mechanisms at the disposal of the Secretary of the Department of Education (USDOE) when he or she believes that a recipient of education funds is violating a legal condition applicable to the funds’ receipt, including the FERPA requirements. The enforcement mechanisms include: “(1) withhold[ing] further payments under that program ... (2) issu[ing] a complaint to compel compliance through a cease and desist order of the Office ... (3) enter[ing] into a compliance agreement with a recipient to bring it into compliance ... or (4) tak[ing] any other action authorized by law with respect to the recipient.”¹³ Despite these available enforcement

mechanisms, over the past forty years much ink has been spilled about whether these enforcement provisions are sufficient, and whether the courts should allow for alternative enforcement methods.¹⁴ Scholarly publications have contemplated the proper enforceability envisioned by FERPA's drafters, and these publications have examined a variety of issues including whether individuals should be allowed to bring suit to vindicate harm as a result of FERPA violations, either directly or under Sec. 1983 of the Civil Rights Act of 1964.¹⁵ Courts have also examined enforceability, in particular whether and how to enforce FERPA in the case of a violation, and who has standing to bring a claim.¹⁶ This part's examination of FERPA's enforcement mechanisms starts by looking at what on paper appears to be a heavy stick, the withholding of federal funds by the USDOE. Then, it explores the historical debate over whether FERPA grants individuals a private right of action directly or under Sec. 1983, with a summary of the 2002 case, *Gonzaga University v. Doe*,¹⁷ which held that FERPA does not grant such a right. Finally, this part will examine the possibility that FERPA violations may be stopped by a judicial injunction granted in response to legal actions initiated by DOE.

The FERPA statute grants the Secretary of Education (the Secretary) the responsibility of enforcing FERPA and dealing with violations. The most severe FERPA enforcement mechanism is the withholding of funds to education agencies or institutions which have a policy or practice of denying parents of students (or eligible students) access to education records or which release education records in violation of FERPA.¹⁸ FERPA instructs the Secretary to "establish or designate an office and review board within the Department for the purpose of investigating, processing, reviewing and adjudicating violations"¹⁹ The Secretary established the Family Policy Compliance Office (FPCO) to fulfill this mission.²⁰ FPCO is in charge of receiving complaints of FERPA violations, processing complaints, notifying accused FERPA offenders, evaluating whether a FERPA violation has occurred, requesting action by a FERPA offender, and, in extreme cases, it may "initiate proceeding to withdraw federal funds from the school."²¹ Before beginning the process of fund withdrawal, FPCO must seek voluntary compliance from the education entity in violation.²² However, FPCO does have the authority, if voluntary compliance does not achieve the desired result, to initiate proceedings that could lead to the withdrawal of federal funds. Tellingly, FPCO has never attempted to initiate withdrawal proceedings.²³ Some view this as indicative of the weakness of FERPA's enforcement mechanisms.²⁴

More controversial than FPCO's enforcement authority is the question of whether FERPA allows for a private right of action to vindicate a private harm, either directly or through Section 1983 of the Civil Rights Act of 1964. Section 1983 permits actions against state actors "to enforce rights created by federal statutes as well as by the Constitution."²⁵ In the early years following FERPA's enactment, courts held that FERPA did not contemplate a private right of action, which limited private suits under FERPA for close to a decade.²⁶ However, in the mid-1980s courts began to recognize the possibility that suits could be allowed to go forward using Sec. 1983 to enable redress for violations of the "'interests' granted by FERPA."²⁷ Changes in Supreme Court doctrine relating to Sec. 1983 in the 1990s sent confusing messages to lower courts with regard to whether FERPA claims under Sec. 1983 should be allowed to go forward, and consequently there was a split in lower court doctrine with respect to this issue.²⁸ In 2002, the Supreme Court decided *Gonzaga University v. Doe*, which it hoped would end this jurisdictional split over FERPA and clarify

more generally whether spending legislation such as FERPA allows for enforceable rights under Sec. 1983.²⁹ In unambiguous language, the court held that FERPA and spending legislation “drafted in [similar] terms” did not grant an enforceable private right of action under Sec. 1983 of the Civil Rights Act of 1964.³⁰ This decision will likely foreclose most individual lawsuits based on alleged FERPA violations in the future.

The granting of injunctive relief to the U.S. Department of Education in order to prevent educational entities from continuing practices in violation of FERPA is a possible new avenue of relief as an alternative to the withholding of federal funds in the wake of *Gonzaga*. In *United States v. Miami University*³¹ the United States Court of Appeals for the Sixth Circuit upheld a district court holding that prevented Miami University and Ohio State University from releasing student disciplinary records to newspapers in violation of FERPA.³² The suit was brought by the United States, on behalf of USDOE and on its own behalf.³³ The primary legal questions of the case were if USDOE and the United States had standing to bring a suit for injunctive relief and if injunctive relief was an appropriate remedy. On a variety of statutory and doctrinal grounds, including a broad interpretation of FERPA’s enforcement provisions and a reading of Supreme Court doctrine that emphasized the ability of courts to enforce the dictates of spending clause legislation, the court held that USDOE had standing.³⁴ The court also held that, given the nature of the alleged FERPA violation and USDOE’s responsibility to enforce its provisions, injunctive relief was an appropriate remedy.³⁵ It is doubtful that USDOE will attempt to ask for frequent injunctive relief to stop a FERPA violation. Asking for voluntary compliance, which most schools are likely to agree to, is likely a much easier and less expensive solution. However, the granting of an injunction in *Miami* does add another weapon to USDOE’s FERPA enforcement arsenal.

One possible area of confusion with respect to FERPA enforcement is whether FERPA violations should be punished by FPCO or by the courts, if there is a single instance of a violation or only if there is an education agency or institution with a policy or practice that is contrary to FERPA’s directives.³⁶ Some courts have allowed claims of a single FERPA violation to go forward,³⁷ despite the fact that many other courts, including the Supreme Court, have noted that “FERPA’s non-disclosure provisions ... speak only in terms of institutional policy and practice, not individual instances of disclosure.”³⁸

Despite uncertainty over whether FERPA violations should be punished in the case of a single violation or in the face of a policy or practice that contravenes FERPA’s provisions, the lack of suitable private cause of action after *Gonzaga*, the fact that the statutory language that triggers a potential withholding of funds only speaks in terms of “a policy or practice” that violates FERPA,³⁹ and the general reluctance of USDOE and FPCO to levy sanctions, all indicate that enforcement action is unlikely unless there is a major FERPA breach (i.e., a policy or practice that contravenes FERPA’s provisions). This lends credence to the argument that FPCO will continue to enforce the FERPA provisions primarily after it determines that a violation has occurred, by asking for voluntary compliance from the offending educational entity. If this fails, it is possible that FPCO may attempt to withhold education funds (although as noted previously it has never done this before), and it may ask

USDOE to initiate judicial proceedings that request injunctive relief to stop a FERPA violation that would lead to irreparable harm to the students whose records are released.

Part II. Privacy Concerns and FERPA: A Brief Theoretical and Historical Discussion

The various contours of the “right to privacy” are often inappropriately subsumed in an amorphous concept by advocates for strong or weak privacy rights. To understand the competing values at stake, however, it is important to delineate the specific types of privacy rights protected by FERPA. In its most commonly discussed form, a right to privacy entails the right of the individual to be let alone. Most famously expounded upon by Samuel Warren and Louis Brandeis in a seminal 1890 *Harvard Law Review* article,⁴⁰ the “right to be let alone” has become part of the common lexicon of legal academia and courts.⁴¹ However, in the case of FERPA’s non-disclosure protections, what is at stake is “informational privacy,” which can be defined as the right of individuals “to determine for themselves when, how, and to what extent information about them is communicated to others.”⁴²

An increased call to protect informational privacy came to the fore in the 1960s after the development of advanced data storage techniques and enhancements in the ability to link and search databases.⁴³ These technological developments documented government data abuses. The proposed creation of a “Federal Data Center”⁴⁴ led to a rash of books and academic and popular articles that argued that American citizens needed stronger protections against invasions of informational privacy.⁴⁵ In response to academic arguments and widespread public outcry, Congress in the early 1970s enacted a series of statutes that in a piecemeal fashion protected the privacy rights of individuals whose data were in the possession of the federal government and, to a lesser extent, large private organizations. These statutes include the Federal Privacy Act of 1974 (“Privacy Act”);⁴⁶ the Freedom of Information Act (“FOIA”);⁴⁷ the Fair Credit Reporting Act (“FCRA”);⁴⁸ and, most importantly for this paper, the Family Educational Rights and Privacy Act, which was enacted in 1974.

The supporters of FERPA and the other privacy rights legislation in the 1970s recognized that it was necessary to protect an individual’s right to control the dissemination and use of his or her private information by the government. However, as many academics have pointed out, informational privacy rights must be balanced against the socially beneficial government uses of citizen data. Lillian Bevier argues that information is “the indispensable handmaiden of a modern activist state.”⁴⁹ Governments use data supplied by citizens to properly collect revenue, to spend revenue in a way that efficiently benefits citizens, and to properly regulate our environment.⁵⁰ These important government uses of data were not lost on the enactors of privacy rights legislation in the 1970s. For example, in the debate on FERPA, Senator Mathias argued that it was important to protect student privacy, but also to make sure that longitudinal studies evaluating teaching methods and educational programs could still be completed.⁵¹

It can be argued that the privacy legislation of the 1970s was explicitly structured to balance the desire to protect informational privacy with the need to allow for specific, socially

beneficial uses of citizen data. This is evidenced by examining the structure of two of the most important privacy statutes of the 1970s, the Federal Privacy Act of 1974 and the Freedom of Information Act. The Privacy Act instructs federal agencies on how to collect and use personal information, forbidding the disclosure of records without written permission from “the individual to whom the record pertains.”⁵² However, records can be disclosed without written permission under twelve disclosure exemptions,⁵³ allowing for disclosures to the Bureau of the Census,⁵⁴ to federal law enforcement agencies⁵⁵ and to both houses of Congress.⁵⁶ Most of these exemptions are structured to allow various bodies of the government to effectively carry out their public duties, and they often have been broadly interpreted to allow for agency disclosures.⁵⁷ Similarly, the FOIA, which was enacted to “require the federal government, including agencies, to provide access to its records,” provides specific privacy protections that give federal agencies “an important opportunity to balance . . . public access rights with concern for the privacy of the individuals named in governmental records.”⁵⁸

When examining the FERPA statute in more detail, it appears that its language aims for a balance between protecting informational privacy and allowing for legitimate and socially beneficial government uses of individualized student records. As was explained in the introduction, subsection (b) prohibits an educational agency or institution from having a policy or practice of releasing educational records without a parent or student’s permission, thus protecting a student’s informational privacy.⁵⁹ Subsection (b) goes on to list numerous exceptions when a release is allowed without parental or student permission, largely for government purposes, such as for specific judicial orders,⁶⁰ health and safety emergencies,⁶¹ and for certain organizations conducting educational research.⁶² Two exceptions that will be discussed in more detail below are the release of educational records to authorized representatives of educational agencies and institutions to assist them in carrying out specific government functions,⁶³ and the release of records to organizations conducting studies for educational agencies or institutions to help them improve instruction.⁶⁴

To help ensure that the released data is not used for unspecified purposes, FERPA instructs that the information must be destroyed when no longer needed for the purposes for which it was taken;⁶⁵ education agencies and institutions must maintain a record of the fact that a third party has gained access to students’ records under its authority, and the agency and institution must note for what legitimate purpose the research organization has gained access to the students’ records;⁶⁶ and the agreement should contain a promise by the third party that the education records will not be seen by any other party without the written consent of the parents of the student.⁶⁷ If there is a release of individualized student records that is not allowed under FERPA, the statute sets out a process by which federal funds will be withheld from the offending educational institution.⁶⁸

Release of individualized student records to education researchers under FERPA may be viewed as consistent with the theoretical framework driving FERPA and the other privacy legislation of the 1970s, if the research conducted is done to help the government (i.e., educational agencies or institutions) achieve legitimate social goals, such as improving instruction, and if safeguards are maintained to make sure that the data are protected against illegitimate disclosure that threaten informational privacy. While this argument appears true

in general terms, it is necessary to look more closely at the FERPA statute to see if and how releasing records to educational researchers may be done in a way that is consistent with specific provisions in the Act.

Part III. An Exploration of FERPA’s Subsection (b): Exceptions to the Written Consent Requirement and Applicability to Education Researchers

There are two possible exceptions to the FERPA written-consent requirement that are conceivably applicable to education research organizations conducting education research using individualized education records and/or other personally identifiable information. The first exception, hereinafter referred to as the “*authorized representatives exception*,” is codified at 20 U.S.C. Secs. 1232g(b)(1)(C) and 1232g(b)(3) and provides for the release of education records to authorized representatives of specified authorities with legal access to the records.⁶⁹ Although at first blush it appears that this exception might easily allow for access to student records by educational research organizations that have data sharing agreements with, and have given other privacy protection promises to, education entities, careful analysis reveals that recent interpretations of the statute and regulatory provisions by federal education officials have resulted in a narrowly conceived “authorized representatives” exception.

The second exception, hereinafter referred to as the “*study exception*,” is codified at 20 U.S.C. Sec. 1232g(b)(1)(F) and allows for access to individualized student records by “organizations conducting studies for, or on behalf of, educational agencies or institutions” for purposes such as helping to “improve education.”⁷⁰ When one analyzes the provisions in the statute and the regulations and examines recent U.S. Department of Education written statements, it appears that individualized education records could be released to education researchers under this exception, perhaps with more flexibility than under the “authorized representatives exception,” given certain relationships between educational entities and researchers (and as long as privacy provisions mandated by the statute are in place). The remainder of this section discusses these two exceptions and explains their relationship to education research organizations.⁷¹

Authorized Representatives Exception

The “authorized representatives exception” provides that, without written consent of parents, individualized education records may be released to “*authorized representatives of (I) the Comptroller General of the United States, (II) the Secretary, or (III) State educational authorities, under the conditions set forth in paragraph (3) ...*”⁷² Paragraph 3 of this subsection (20 U.S.C. Sec. 1232g(b)(3)) clarifies the preceding text by adding that “[n]othing in this section shall preclude *authorized representatives of ... State educational authorities* from having access to student or other records which may be necessary *in connection with the audit and evaluation of Federally-supported education programs, or in connection with the enforcement of the Federal legal requirements which relate to such programs*” so long as the data is protected in way that does not allow the personal identification of students or their

parents “by other than those officials,” and “personally identifiable data ... [is] destroyed when no longer needed”⁷³

The provisions in the statute are sufficiently ambiguous so as to suggest the possibility that a research organization could be classified as an “authorized representative” of a “State educational authority” consistent with the statute and therefore have access to individualized student records. The regulations do little to clarify this ambiguity, and they actually make this possibility seem more likely. The regulations state that disclosure is allowed to “authorized representatives” of “State *and* local educational authorities.”⁷⁴ This language opens up the possibility that education researchers may become “authorized representatives” of *local* educational authorities, as well as state educational authorities. Plausibly, a local school district could be a local educational authority.⁷⁵

Unfortunately, the FERPA statute and regulations do not clearly define what a state or local “educational authority” is. In defining which entities must abide by FERPA safeguards generally, the provisions provide that FERPA applies to “an education *agency or institution* to which funds have been made available under any program administered by the Secretary, if— (1) The educational institution provides services or instruction, or both, to students; or (2) The educational agency is authorized to direct and control public elementary or secondary, or postsecondary educational institutions.”⁷⁶ A local school district is an education agency or institution because it is “authorized to direct and control” public elementary or secondary institutions. A similarly situated educational entity for postsecondary schools would also presumably be an education “agency or institution.” It is less clear whether a state education authority is considered an education agency or institution, although letters from FPCO⁷⁷ indicate that a *state education agency* is not subject to all the FERPA requirements of the education agencies or institutions referred to under the statute because students do not “attend” a state education agency.⁷⁸ Still, this exploration of what is considered an education agency or institution does not answer the question of what is considered an education *authority* for the purposes of the “authorized representatives” exception. However, assuming that the definition comports with the common understanding of an education authority, presumably a state education authority such as the Texas Education Agency (TEA) is a state educational authority. Furthermore, a straightforward reading of the text would imply that local school districts and similarly situated entities for postsecondary schools are local education authorities.

The next question is whether a research organization could be considered an “authorized representative” of such an agency. This appears to be possible only under a very narrow set of circumstances. In a memorandum from former Deputy Secretary of Education William D. Hansen to all Chief School Officers on January 30, 2003, Deputy Secretary Hansen provided “official guidance” on the application of FERPA to reporting under the Perkins Act and the Adult Education and Family Literacy Act (AEFLA).⁷⁹ Specifically addressing the reporting requirements of these acts, and implicitly speaking to the practice of using state unemployment insurance agencies as “authorized representatives” for Perkins and AEFLA evaluations, Secretary Hansen concluded that a textual analysis and legislative history of FERPA reveals that an “ ‘authorized representative’ of a State educational agency must be under the direct control of that authority, *e.g.*, an employee or contractor of the authority.

Thus, the State educational authority could not, for example, designate a State department of labor to perform an audit or evaluation because the department of labor is not under the educational agency's direct control."⁸⁰ This memorandum indicates that even when a state education agency is clearly conducting an evaluation of a federally supported education program, it may not designate an "authorized representative" not under its "direct control" to conduct this evaluation, even when the "authorized representative" is another agency within the state government. Therefore, it is likely that this narrow interpretation of "authorized representative" would apply to an independent research organization.

This issue is further clarified by examining two recent letters from the Director of FPCO, LeRoy Rooker, to individual state departments of education. The first letter, dated February 25, 2004, is in response to a question from the Pennsylvania Department of Education (PDE) asking if PDE's release of individual education records to researchers at the University of Pennsylvania, who had entered into an agreement with the Federal Centers for Disease Control (CDC) to perform an autism study in Pennsylvania, was FERPA-compliant, given that the researchers had a Memorandum of Understanding (MOU) to obtain student records from school districts and were helping to fulfill PDE's responsibilities under the IDEA.⁸¹ In response, Director Rooker notes that state education agencies (SEAs) often receive education records from local education agencies (LEAs) under the "authorized representatives" language from 34 C.F.R. Sec. 99.31(a)(3)(iv).⁸² However, the memorandum from Deputy Secretary Hansen and an examination of the statutory text indicates that a *re-disclosure* of this data by a SEA, or the disclosure by a LEA, can only be to "authorized representatives" that are under the "direct control of that authority, which means an employee, appointed official, or 'contractor'."⁸³ Director Rooker then goes on to define what he means by contractor, which, given the likelihood that a researcher organization may want to become a contractor of a SEA, is worth quoting at length:

"Contractor" in this sense means outsourcing or using third-parties to provide services that the State educational authority would otherwise provide for itself, in circumstances where internal disclosure would be appropriate under Sec. 99.35^[84] if the [SEA] were providing the service itself, and where the parties have entered into an agreement that establishes the [SEA's] direct control over the service provided by the contractor.⁸⁵

The second letter to Director Rooker is from the California Department of Education (CDE), which was inquiring about a request by the California Department of Health Services (DHS) to access education records so that DHS could perform a "surveillance of children with autism and other developmental disabilities."⁸⁶ The CDE received the exact same response as the PDE, and, ultimately, both were informed that their disclosure of education records using the "authorized representatives" provision was not consistent with FERPA.⁸⁷

It should be noted that federal courts have allowed educational entities a great deal of latitude in defining who can be under their employment or contract to perform tasks that require access to individualized student records that are protected under FERPA.⁸⁸ In *Larson v. Independent School District No. 361*, the U.S. District Court for the District of Minnesota

held that a school district's broad definition of who was allowed access to FERPA-protected records was acceptable, and it determined that the school district's release of behavioral records needed for an IDEA evaluation to a social worker employed by a community service provider under contract with the district was not a FERPA violation.⁸⁹ The court argued that "FERPA allows school officials to determine who qualifies for access to a student's education records" under the specific exceptions of the act.⁹⁰ This case lends credence to the argument that an educational entity should be allowed some deference in determining which entities under its contract may be allowed access to FERPA-protected records, as long as the access is consistent with the FERPA provisions.⁹¹

Ultimately, it appears that for a research organization to receive individualized student records under the "authorized representatives" language at least a few conditions must be met. First, the organization must either be an "authorized representative" of a *State education authority* under 20 U.S.C. Secs. 1232g(b)(1)(C) and 1232g(b)(3), which almost certainly would include a state education agency such as TEA, or perhaps, under 34 C.F.R. Sec. 99.31(a)(3)(iv), be an "authorized representative" of a *local educational authority*, which would likely include local school districts. Second, the disclosure must be "in connection with an audit or evaluation of Federal or State supported education programs, or for the enforcement of or compliance with Federal legal requirements which relate to those programs." Third, the research organization must be under the "direct control" of the education authority, e.g., as a contractor, subject to the specifications outlined in Deputy Secretary Hansen's memorandum and the letters from FPCO Director Rooker. Fourth, the organization must comply with the "normal" FERPA requirements for an education authority, such as destroying the individualized data identifiers when they are no longer needed for the purpose for which the study that utilized the individual identifiers was conducted.⁹² The extent of "normal" FERPA safeguards will be discussed below in Part IV.

Study Exception

One of the purposes of the final FERPA provisions was to "achieve a balance between the students' interest in privacy and the government's interest in evaluating a school system."⁹³ As originally proposed in the Senate, the Buckley Amendment might have impeded this goal by curtailing the ability of researchers to conduct education research and analysis. In subsection (b) of the original amendment, Senator Buckley sought to limit research and experimentation in schools by requiring written parental consent before any student revealed information to school officials or researchers about "personal or family life," before a student participated in a study to "explore and develop teaching techniques," or before a student participated in a project that would "alter ... personal behavior or personal values."⁹⁴

Because of the ambiguous nature of this text, and the potential harm that it would cause to education research and innovation, the subsection was heavily criticized. A letter from the National School Boards Association found in the *Congressional Record* argued that this subsection might "grind public education into a stultifying routine rather than the creative experience which it should present for children."⁹⁵ The letter also questioned the role of the federal government in dictating to local school districts how to create an innovative educational experience.⁹⁶ Senator Hart, in a floor debate on the Buckley Amendment,

pointed out that this subsection was “something unique and not in the nature and order of evolving educational techniques”⁹⁷ After a number of other senators objected to the restrictive nature of this subsection, the Buckley Amendment was divided by subsection and subsection (b) was subsequently rejected by a 43 to 40 vote.⁹⁸ As amended, the Buckley Amendment was later adopted by Congress.

The legislative debate that led to eventual rejection of subsection (b) of the Buckley Amendment does not definitely provide contemporary legal scholars with a definitive way to interpret the research-related exceptions to FERPA. However, this debate does indicate that the Senate was deeply concerned about FERPA’s provisions being used to stifle important education research, experimentation and innovation. Therefore, when interpreting FERPA provisions, it is important to keep in mind the dual goals of preserving government’s abilities both to conduct research and to protect student privacy.

The “study exception” codified in the FERPA text helps achieve the important goal of balancing student privacy and the government’s ability to conduct research and evaluations that will help improve education in the United States. It provides that, without written consent of parents, individualized education records may be released to “organizations conducting studies for, or on behalf of, education agencies or institutions for the purpose of developing, validating, or administering predictive tests, administering student aid program, and *improving instruction*”⁹⁹ The regulations corresponding to this provision lend credence to the argument that an independent research organization itself, and its activities, may fall within the “study exception.” 34 C.F.R. 99.31(a)(6) defines organization for the purpose of this provision to include “Federal, State, and local agencies, and *independent organizations*.”¹⁰⁰ Research organizations, which are often independent organizations, certainly can benefit from such an explicit inclusion in this FERPA provision. This can be contrasted with the “authorized representatives” exception which, although it does not explicitly exclude independent organizations, may be construed in the future as only allowing government agencies to be the “authorized representatives” of educational authorities because it does not explicitly include them.¹⁰¹ The possibility that this may occur, while basically speculative, is not without merit when one considers the narrowing of the exception that has already occurred.

An important question is, who are the “education agencies or institutions” that may request, consistent with the “study exception,” that a study be done on their behalf? Because this provision uses the education *agency* and *institution* terminology it can be assumed, under the definition of these terms from the regulations, that this provision applies to primary, secondary and postsecondary schools, and local school districts, and thus these entities may disclose individualized student data consistent with the “study exception.”¹⁰²

Unfortunately, it is not certain that this provision applies to potential disclosures by a state education agency (SEA). A straightforward reading of the statute and the regulations would most likely lead one to believe that a SEA is an education agency or institution. As was discussed in the previous section, the FERPA regulations provide that its provisions apply to “an education *agency* or *institution* to which funds have been made available under any program administered by the Secretary [of Education, i.e. federal education funds], if— ...

[t]he educational agency is authorized to direct and control public elementary or secondary, or postsecondary educational institutions.”¹⁰³ Presumably, a SEA can be viewed as directing or controlling public education institutions (generally), and in this way it is an education agency. The fact that FERPA requirements in some cases explicitly pertain to a SEA—parents must be allowed inspect and review records maintained by a SEA¹⁰⁴—also lends credence to the argument that a SEA is an education agency or institution.

However, there are indications that a SEA may not be considered an education agency or institution for all FERPA provisions. As was discussed briefly in the preceding section, the letters from FPCO to the Pennsylvania and California Departments of Education indicate that a SEA may not be subject to all the FERPA requirements because students do not “attend” education authorities and thus these agencies do not produce education records that are subject to all the FERPA requirements.¹⁰⁵ All things considered, it is more likely than not that a SEA should be considered an education institution or agency that may disclosure education records under the “study exception.” However, researchers should be forewarned that this is a conclusion that could be challenged.

The remaining requirements of the “study exception” are fairly straightforward and should be easy for a conscientious research organization to follow. As FPCO Director Rooker explained: Organizations that receive education records under the “study exception” “may not redisclose information in personally identifiable form except to officials of the organization conducting the study for which the information was originally disclosed.”¹⁰⁶ Furthermore, it must be understood that

Implicit in the “study” exception is the notion that an education agency or institution has authorized a study. The fact that an outside entity, on its own initiative, conducts a study which may benefit an educational agency or institution, does not transform the study into one done “for or on behalf of” the educational agency or institution.¹⁰⁷

Case law on the “study exception” is sparse. However, courts that have examined the contours of this exception have allowed educational entities discretion in the release of individualized student records consistent with this provision.¹⁰⁸ In *Princeton City School District, Board of Education v. Ohio State Board of Education*, a local Ohio school district sued the Ohio Department of Education because it argued that the latter’s creation of a statewide computer information network for public schools, the Education Management Information System (EMIS), would lead to releases that were prohibited by FERPA.¹⁰⁹ EMIS was intended to fulfill a state statutory instruction to “create a vast computer network to collect, compile and report certain kinds of data The statute directed the state board to collect information on student participation, performance, classroom enrollment, and demographics,” and EMIS was set up to carry out these purposes.¹¹⁰ Contrary to the local school board’s arguments, the court held that EMIS would not cause FERPA violations because FERPA allows “education records [to] be released to organizations conducting studies for educational agencies for ‘improving instruction,’ ” as EMIS was intended to do.¹¹¹

At the beginning of this subsection, there was a discussion of the legislative history of FERPA that indicated that the original signatories to the legislation were concerned about it being used to stifle research and innovation. An important and related question is whether

FERPA’s legislative history sheds any light of the original meaning or purpose of the text of the “study exception.” Unfortunately, it appears that the text of the exception was added late in the revision process, as a part of a joint Senate and House Conference Report that was submitted to the House on December 17, 1974,¹¹² and to the Senate on December 18, 1974,¹¹³ only a few weeks before the final text of a revised FERPA was approved on December 31, 1974. In this Conference Report, there is little pertinent discussion related to the limits of this provision, but it does contain a statement asserting that the provision clarifies the ability of education researchers such as those at the College Entrance Examination Board of the Education Testing Service to continue performing education research using personally identifiable information.¹¹⁴

The elements necessary for the “study exception” to be fulfilled can be summarized. First, the studies must be done for, or on behalf of, an *education agency* or *institution*. Primary, secondary and postsecondary schools are education institutions. A local school district and a similarly situated entity for postsecondary schools should be considered an education agency. It is likely that a SEA would also be considered an education agency, but this is not certain. Second, the study must be explicitly conducted for the “purpose of developing, validating, or administering predictive tests, administering student aid program, and *improving instruction*” The “improving instruction” clause appears to be the broadest of these allowed goals, and thus it is likely that most education research authorized by an education agency could fall under this criterion. Third, it must be made clear that the education agency or institution has asked for the study for a specific purpose, ideally for a purpose that is consistent with its overall mission and fits in with research that it would like to do if it had the resources, and that the research to be completed is consistent with this specific purpose. Fourth, the study must be consistent with the general FERPA requirements, such as non-redisclosure of the information in personally identifiable form to third parties other than to the agency or institution that requested the study. These general FERPA requirements are discussed below in Part IV.

Part IV. A FERPA-Compliant Agreement

This section lists the elements necessary for a FERPA-compliant agreement between an education entity that controls individualized education records and a research organization. Although the educational entity may choose to employ the “authorized representatives exception” or the “study exception” exclusively, this section describes a FERPA-compliant agreement for both exceptions. This description draws largely on the explanation of these exceptions in the preceding section, and it also include the legal safeguards required for any release of individualized data to third parties under the FERPA provisions.

Authorized Representatives Exception

In order for an agreement between a research organization and an education entity to meet the requirements of the “authorized representatives” exception, the following conditions must be met:

- The research organization must be classified either as an “authorized representative” of a *State education authority* under 20 U.S.C. Secs. 1232g(b)(1)(C) and 1232g(b)(3), which almost certainly would include a state education agency such as the Texas Education Agency (TEA), or perhaps, under 34 C.F.R. Sec. 99.31(a)(3)(iv) as an “authorized representative” of a *local educational authority*, which would likely include local school districts;
- The disclosure must be “in connection with an audit or evaluation of Federal or State supported education programs, or for the enforcement of or compliance with Federal legal requirements which relate to those programs”;
- The research organization must explicitly be said to be under the “direct control” of an education authority, e.g., as a contractor;
- “[E]xcept when collection of personally identifiable information is specifically authorized by Federal law, any data ... must be protected in a manner which will not permit the personal identification of students and their parents” by other than employees of the research organization;¹¹⁵
- “Personally identifiable data [must] be destroyed when no longer needed for [the] audit, evaluation, and enforcement of Federal legal requirements” for which the research organization gained access to the records;¹¹⁶
- Education agencies and institutions must maintain a record of the fact that the research organization has gained access to students’ records under its authority, and the agency and institution must note for what legitimate purpose the research organization has gained access to the students’ records;¹¹⁷ and
- The agreement should contain a promise by the research not to permit the education records to be seen by any other party without the written consent of the parents of the student.¹¹⁸

Study Exception

In order for an agreement between a research organization and an education entity to meet the requirements of the “study exception,” the following conditions must be met:

- The research organization must be conducting studies for, or on behalf of, an *education agency or institution*. Primary, secondary and postsecondary schools are education institutions. A local school district and a similarly situated entity for postsecondary

schools would be considered an education agency. It is likely that a state education authority (SEA) would also be considered an education agency, but this is not certain;

- The study must be explicitly conducted for the “purpose of developing, validating, or administering predictive tests, administering student aid program, and *improving instruction*” The “improving instruction” clause appears to be the broadest of these allowed goals, and thus it is likely that most education research authorized by an education agency could fall under this criterion;
- The agreement should be clear that the education agency or institution has asked for the study for a specific purpose, ideally for a purpose that is consistent with its overall mission and fits in with research that it would like to do if it had the resources, and that the research to be completed is consistent with this specific purpose;
- The agreement must specify that the “information [will be] destroyed when no longer needed for the purposes for which the study was conducted;”¹¹⁹
- Education agencies and institutions must maintain a record of the fact that the research organization has gained access to students’ records under its authority, and the agency and institution must note for what legitimate purpose the research organization has gained access to the students’ records;¹²⁰ and
- The agreement should contain a promise by the research organization not to permit the education records to be seen by any other party without the written consent of the parents of the student.¹²¹

Conclusion

Educational institutions and agencies should be allowed to release individualized student records to independent research organizations under FERPA. This is consistent with the intentions of the drafters of FERPA and the other 1970s privacy rights legislation, which sought to protect informational privacy rights, but also recognized that socially beneficial government uses of citizen data must be allowed. Permissible releases of educational records may fall under either the “authorized representatives exception” or the “study exception.” Ultimately, the specific circumstances under which the data is released—for what purpose and by whom—will likely dictate whether a release falls more appropriately under one exception or the other.

Specifically, the “study exception” should be used when educational records are released from primary schools, secondary schools, postsecondary schools, and local school districts. As long as these releases are appropriately in line with the FERPA privacy safeguards and protections, they will likely be consistent with FERPA. For state educational agencies (SEAs), the situation appears more complex. A “study exception” release is appropriate if a SEA is an educational agency or institution under the “study exception” that is allowed to request that studies be done on its behalf using the data that it has acquired from local school districts. If this is not the case, perhaps local school districts and schools could request that a SEA be allowed to release the education records of its students consistent with the district’s

or school's study purposes. Alternatively, a request may fit under the "authorized representatives" exception when records are released from a SEA. However, for the reasons discussed thus far—fitting within the direct control framework, making sure the research is carrying out for an audit or evaluation of federal- or state-supported education programs, or for the enforcement of or compliance with federal legal requirements which relate to those programs—this may not be easy to accomplish.

There is still further research to do on this topic, including speaking more in-depth with researchers who have had to deal with FERPA issues¹²² and generally looking more deeply into the theoretical and conceptual questions discussed above. However, this chapter has shown that a conscientious educational agency or institution can comply with FERPA and still grant releases of individual student records to independent research organizations consistent with the intentions of FERPA's drafters and contemporary interpretations of FERPA's provisions.

Notes

¹ One such research organization is the Central Texas High School Graduate Data Center (the Data Center), a research center that is beginning to conduct important education research utilizing student-level education records in Central Texas.

² Title V, Sec. 513(a) of The Education Amendments of 1974, Pub. L. No. 93-380, 88 Stat. 471 (codified as amended at 20 U.S.C.A. Sec. 1232g (Westlaw 2004)).

³ T. Page Johnson, *Managing Student Records: The Courts and the Family Educational Rights and Privacy Act of 1974*, 79 ED. LAW REP. 1, 2 (Feb. 1993) (noting that Senator Buckley, the principal sponsor of the Act, “explained to the Senate that the purposes of the FERPA were: (1) to assure parents and students of access to their educational records, and (2) to protect their rights to privacy by limiting the transferability of their educational records without their consent”).

⁴ 20 United State Code Annotated (U.S.C.A.) Sec. 1232g(a)(1)(A) (West 2004).

⁵ 20 U.S.C.A. Secs. 1232g(d)–1232g(e) (West 2004).

⁶ 20 U.S.C.A. Sec. 1232g (West 2004).

⁷ 20 U.S.C.A. Sec. 1232g(a)(5) (West 2004).

⁸ 20 U.S.C.A. Sec. 1232g(b)(1) (West 2004).

⁹ Johnson, *Managing Student Records*, note 4, at 4.

¹⁰ 20 U.S.C.A. Sec. 1232g(b)(1)(I) (West 2004).

¹¹ *Ibid.*

¹² In this analysis, other methods, such as examining current practice, looking at letters from representatives of the Department of Education, conducting a legislative history and scrutinizing case law will be utilized. However, it should be noted that information in these areas, and especially case law, is relatively sparse. Lawsuits under FERPA are rare, and for this reason, courts have often had difficulty relying on firm precedent to interpret ambiguities in the FERPA provisions. For example, in the 2004 case, *United States v. Bertie County Bd. of Educ.*, a district judge could not find “any authority interpreting the term law enforcement in the context of Sec. 1232g,” despite the fact that this would appear to be one of the most commonly utilized exceptions to the FERPA non-disclosure requirements. See *United States v. Bertie County Bd. of Educ.*, 319 F.Supp.2d 669, 671 (E.D.N.C. 2004). This lack of case precedent interpreting the FERPA provisions reinforces the importance of carefully analyzing the FERPA provisions to best understand how educational entities can release individualized student records to education researchers consistent with FERPA.

¹³ 20 U.S.C.A. Sec. 1234c(a) (West 2004).

¹⁴ Benjamin F. Sidbury, Note, *The Disclosure of Campus Crime: How Colleges and Universities Continue to Hide Behind the 1998 Amendment to FERPA and How Congress Can Eliminate the Loophole*, 26 J.C. & U.L. 755 (2000).

¹⁵ Ralph D. Mawdsley, *Litigation Involving FERPA*, 100 ED. LAW. REP. 897 (1996).

¹⁶ *Tarka v. Franklin*, 891 F.2d 102 (5th Cir. 1989).

¹⁷ 536 U.S. 273 (2002).

¹⁸ 20 U.S.C.A. Secs. 1232g(a)(1)(A), 1232g(b)(1), 1232g(f) (West 2004).

¹⁹ 20 U.S.C.A. Sec. 1232g(g) (West 2004).

²⁰ Family Policy Compliance Office. Online. Available: <http://www.ed.gov/policy/gen/guid/fpco/index.html>. Accessed: July 8, 2005. The office describes its mission as “implementing two laws that seek to ensure student and parental rights in education: the Family Educational Rights and Privacy Act (FERPA) and the Protection of Pupil Rights Amendment (PPRA).” *Id.*

²¹ 34 Code of Federal Regulations (C.F.R.) Secs. 99.60–67; See Lynn M. Daggett & Dixie S. Huefner, *Recognizing Schools’ Legitimate Educational Interests: Rethinking FERPA’s Approach to the Confidentiality of Student Discipline and Classroom Records*, 51 AM. U. L. REV. 1, 11 n.60 (2001).

²² Lynn M. Daggett, *Bucking Up Buckley I: Making the Federal Student Records Statute Work*, 46 CATH. U. L. REV. 617, 641 (1997).

²³ *Ibid.*

²⁴ *Krebs v. Rutgers*, 797 F. Supp. 1246, 1257 (D.N.J. 1992).

²⁵ *Gonzaga University v. Doe*, 536 U.S. 273, 279 (2002).

²⁶ Cara R. Mitchell, Note, *Defanging the Paper Tiger, Why Gonzaga Did Not Adequately Address Judicial Construction of FERPA*, 37 GA. L. REV. 755, 759 (2003).

²⁷ *Ibid.*

²⁸ *Ibid.* Fortunately or unfortunately, this uncertainty led to a large number of claims based primarily or in part on Sec.1983 theories, which resulted in a body of case law that interpreted other uncertainties in the FERPA statute and regulations, such as what constitutes an education record, which students were covered by the statute, and what educational institutions are under FERPA’s purvey. It is unclear whether in the wake of *Gonzaga* there will be as healthy a body of case law that will help interpret remaining ambiguities in the FERPA statute, such as the topic discussed in this paper.

²⁹ *Gonzaga*, 536 U.S. at 279.

³⁰ *Ibid.* at 279, 287–291.

³¹ 294 F.3d 797 (6th Cir. 2002).

³² *Ibid.* at 816–20.

³³ *Ibid.* at 804.

³⁴ *Ibid.* at 807–810.

³⁵ *Ibid.* at 816–820.

³⁶ Cara R. Mitchell, note 27.

³⁷ *Doe v. Woodford County Board of Education*, 213 F.3d 921 (6th Cir. 2000).

³⁸ *Gonzaga*, 536 U.S. 273 at 288.

³⁹ 20 U.S.C.A. Secs. 1232g(a)(1)(A), 1232g(b)(1) (West 2004).

⁴⁰ Samuel D. Warren and Louis D. Brandeis, *The Right to Privacy*, 4 HARV. L. REV. 193 (1890).

⁴¹ Lillian R. Bevier, *Information about Individuals in the Hands of Government: Some Reflections on Mechanisms for Privacy Protection*, 4 WM. & MARY BILL RTS. J. 455 n.8 (1995).

⁴² Alan Westin, *Privacy and Freedom* 7 (1967).

⁴³ David H. Flaherty, *On the Utility of Constitutional Rights to Data and Privacy Protection*, 41 CASE W. RES. 831, 834 (1991).

⁴⁴ James P. Nehf, *Recognizing the Societal Value in Information Privacy*, 78 WASH. L. REV. 1, 36 (2003).

⁴⁵ Arthur R. Miller, “The Assault on Privacy: Computers, Data Banks, and Dossiers” (1971).

⁴⁶ Privacy Act of 1984, Pub. L. No. 93-579, 88 Stat. 1896 (codified as amended at 5 U.S.C.A. Sec. 552a (West 2004)).

⁴⁷ Freedom of Information Act 5 U.S.C. §552, As Amended by Public Law No. 104-231, 110 Stat. 3048 (amended by the Electronic Freedom of Information Act of 1996).

⁴⁸ Fair Credit Reporting Act, 15 U.S. Congress (U.S.C.) Sec. 1681 et. seq. (2004).

⁴⁹ Bevier, note 42, at 455.

⁵⁰ *Ibid.* at 456.

⁵¹ 120 CONG. REC. 14,588 (daily ed. May 14, 1974).

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- ⁵² 5 U.S.C.A. Sec. 552a(b) (West 2004)
- ⁵³ 5 U.S.C.A. Sec. 552a(b)(1)–(12) (West 2004).
- ⁵⁴ 5 U.S.C.A. Sec. 552a(b)(4) (West 2004).
- ⁵⁵ 5 U.S.C.A. Sec. 552a(b)(7) (West 2004).
- ⁵⁶ 5 U.S.C.A. Sec. 552a(b)(9) (West 2004).
- ⁵⁷ Paul M. Schwartz and Joel R. Reidenberg, *Data Privacy Law* 93–108 (1996).
- ⁵⁸ *Ibid.* at 108.
- ⁵⁹ 20 U.S.C.A. Sec. 1232g(b)(1) (West 2004).
- ⁶⁰ 20 U.S.C.A. Sec. 1232g(b)(1)(J) (West 2004).
- ⁶¹ 20 U.S.C.A. Sec. 1232g(b)(1)(I) (West 2004).
- ⁶² 20 U.S.C.A. Sec. 1232g(b)(1)(F) (West 2004).
- ⁶³ 20 U.S.C.A. Sec. 1232g(b)(1)(C) (West 2004).
- ⁶⁴ 20 U.S.C.A. Sec. 1232g(b)(1)(F) (West 2004). This exception, which I have dubbed the “study exception,” helps an agent of the government—an educational agency or institution—create public schools that are better able to achieve important educational and social goals, such as improving tests scores or helping young adults make the transition from secondary school to postsecondary school or the workforce.
- ⁶⁵ 34 C.F.R. 99.31(a)(6)(ii)(B) (West 2004).
- ⁶⁶ 20 U.S.C.A. Sec. 1232g(b)(4)(B) (West 2004).
- ⁶⁷ 34 C.F.R. 99.31(a)(6)(ii)(B) (West 2004).
- ⁶⁸ *See supra* Part I.
- ⁶⁹ 20 U.S.C.A. Sec. 1232g(b)(1)(C) (West 2004); 20 U.S.C.A. Sec. 1232g(b)(3) (West 2004).
- ⁷⁰ 20 U.S.C.A. Sec. 1232g(b)(1)(F) (West 2004).
- ⁷¹ In this paper, special attention is paid to the education research under consideration by the Data Center.
- ⁷² 20 U.S.C.A. Sec. 1232g(b)(1)(C) (West 2004) (emphasis added).
- ⁷³ 20 U.S.C.A. Sec. 1232g(b)(3) (West 2004) (emphasis added).

⁷⁴ 34 C.F.R. Sec. 99.31(a)(3)(iv) (West 2004) (emphasis added).

⁷⁵ A careful reading of the case law indicates that local school districts should be considered state educational authorities under this FERPA provision. For example, in a 1994 case before the United States District Court for the Northern District of Illinois, the court argued that the release of a videotape to a local school district for the purposes of a Individuals with Disabilities Education Act evaluation was not a FERPA violation because FERPA “permits disclosures of information . . . to state education authorities in connection with the enforcement of federal legal requirements.” *MR v. Lincolnwood Board Of Education*, Dist., 843 F. Supp. 1236, 1239 (N.D. Ill. 1994).

⁷⁶ 34 C.F.R. Sec. 99.1(a) (West 2004) (emphasis added).

⁷⁷ Because of the bureaucratic and legal authority of FPCO, its opinions on FERPA questions should be given a great deal of deference.

⁷⁸ See Letter from LeRoy S. Rooker, Director, Family Policy Compliance Office, to Amy C. Foerster, Assistant Counsel, Pennsylvania Department of Education, *Disclosure of Education Records to CDC Grantees*, (Feb. 25, 2004). Online. Available: <http://www.ed.gov/policy/gen/guid/fpc/ferpa/library/pacdc.html> (arguing that “since students are generally not in attendance at a [state educational agency] it follows that FERPA does not generally apply to the [state educational agency’s] records”). It should be noted that the letter does not discuss whether the records of state education agency should be subject to FERPA’s requirements because most state education agencies direct and/or control the public schools within a state, and thus presumably would be a education agency or institution under 34 C.F.R. Sec. 99.1(a). See 34 C.F.R. Sec. 99.31 (West 2004). (FERPA applies to an education agency or institution that receives funding under a program administered by the Department of Education if the “educational agency is authorized to direct and control public elementary or secondary, or postsecondary educational institutions.”)

⁷⁹ Memorandum from William D. Hansen, Deputy Secretary of Education to Chief State School Officers, State Directors of Vocational-Technical Education, State Directors of Adults Education & State Directors of Community, Junior and Technical Colleges, *Additional Guidance on the Application of the Family Educational Rights and Privacy Act (FERPA) to Reporting under the Carl D. Perkins Vocational and Technical Education Act and the Adult Education and Family Literacy Act*, at 1–2 (Jan. 30, 2003). Online. Available: <http://www.ed.gov/policy/gen/guid/secletter/030130.html>.

⁸⁰ *Ibid.* at 2.

⁸¹ Letter from LeRoy S. Rooker to Amy C. Foerster, *Disclosure of Education Records to CDC Grantees*, note 76.

⁸² *Ibid.*

⁸³ *Ibid.*

⁸⁴ 34 C.F.R. Sec. 99.35 identifies “[w]hat conditions apply to disclosure of information for Federal or State program purposes” Sec. 99.35 (West 2004).

⁸⁵ Letter from LeRoy S. Rooker to Amy C. Foerster, *Disclosure of Education Records to CDC Grantees*, note 76.

⁸⁶ Letter from LeRoy S. Rooker, Director, Family Policy Compliance Office, to Dr. Allan M. Lloyd-Jones, Special Education Consultant, Special Education Office, California Department of Education, *Disclosure of Education Records to CDC Grantees*, (Feb. 18, 2004). Online. Available: <http://www.ed.gov/policy/gen/guid/fpco/ferpa/library/ca21804.html>.

⁸⁷ *Ibid.*; letter from LeRoy S. Rooker to Amy C. Foerster, *Disclosure of Education Records to CDC Grantees*, *supra* note 76.

⁸⁸ *Larson v. Independent School District, No. 361*, 2004 WL 432218, *7 (D. Minn. 2004).

⁸⁹ *Ibid.* at *1, *7.

⁹⁰ *Ibid.* at *7.

⁹¹ Case law does indicate that there are statutory limits to the labeling of particular entities or individuals by educational institutions to permit these entities and individuals access to individualized education records. In *Krebs v. Rutgers*, a judge for the United States District Court for the District of New Jersey dismissed Rutgers University's contention that using social security numbers (SSNs) on student identification cards was allowed because the showing of SSNs to various university workers such as personnel of the post offices, meal services, etc. was acceptable because it fit within the "legitimate educational interest" exception. *Krebs v. Rutgers*, 799 F. Supp. 1246, 1258–59 (D.N.J. 1992). The court sarcastically argued that "it is far from clear ... that distribution of social security numbers to post office personnel serves a 'legitimate educational interest.'" *Ibid.* at 1259. However, what this dicta suggests is that FERPA disclosures consistent with the Act's exceptions have to be consistent not only with the word but also the spirit of FERPA, and this paper argues that disclosures to legitimate educational researchers are likely to be just that.

⁹² 20 U.S.C.A. Sec. 1232g(b)(1)(F). There do not appear to be statutory instructions limiting the duration of time that personal identifiers can remain linked to the data before they must be destroyed, other than when the purpose for having these linking identifiers is exhausted. Presumably, for a longitudinal study this may mean that personal identifiers could remain linked to data for a number of years.

⁹³ *Princeton City School District Board of Education v. Ohio State Board of Education* 645 N.E.2d 773, 778 (Ohio Ct. App. 1994) (citing the legislative history found in H.Rep. No. 93-805, 93d Cong., 2d. Sess. 3m reprinted in 1974 U.S. Code Cong. & Ad. News 4093, 4251 for this proposition).

⁹⁴ 120 CONG. REC. 13,952 (daily ed. May 9, 1974).

⁹⁵ 120 CONG. REC. 14,583 (daily ed. May 14, 1974).

⁹⁶ *Ibid.*

⁹⁷ 120 CONG. REC. 14,588 (daily ed. May 14, 1974).

⁹⁸ 120 CONG. REC. 14,589–14,595 (daily ed. May 14, 1974).

⁹⁹ *Ibid.* (emphasis added).

¹⁰⁰ 34 C.F.R. 99.31(a)(6) (West 2004) (emphasis added).

¹⁰¹ See 20 U.S.C.A. Sec. 1232g(b)(1)(C) (West 2004); 20 U.S.C.A. Sec. 1232g(b)(3) (West 2004).

¹⁰² See discussion *supra* in section, *Authorized Representatives Exception*, of Part III.

¹⁰³ 34 C.F.R. Sec. 99.1(a) (West 2004) (emphasis added).

¹⁰⁴ 34 C.F.R. Sec. 99.10(a) (West 2004) (“Except as limited under Sec. 99.12, a parent or eligible student must be given the opportunity to inspect and review the student’s education records. This provision applies to-- ... Any State education agency (SEA) and its components”).

¹⁰⁵ It should be emphasized again, as was discussed implicitly in the preceding paragraph and explicitly in footnote 18, that the FPCO letter does not address whether a SEA should be considered a state education agency or institution due to its “controlling” and/or “directing” of state public schools.

¹⁰⁶ Letter from LeRoy S. Rooker to Amy C. Foerster, *Disclosure of Education Records to CDC Grantees*, note 76.

¹⁰⁷ *Ibid.*

¹⁰⁸ *Princeton City School District Board of Education v. Ohio State Board of Education*. 645 N.E.2d at 778.

¹⁰⁹ *Ibid.* at 774–75, 777.

¹¹⁰ *Ibid.* at 776.

¹¹¹ *Ibid.* at 778. It should be noted that the court also implied that EMIS was also consistent with the FERPA provision, 28 U.S.C. Sec. 1232g(b)(5), which allows for the release of records “which may be necessary in connection with the audit and evaluation of any federally or State supported education program or in connection with the enforcement of the Federal legal requirements which relate to any such program” *Ibid.*

¹¹² H.R. CONF. REP. NO. 93-1619 (1974).

¹¹³ S. CONF. REP. NO. 93-1409 (1974).

¹¹⁴ S. CONF. REP. NO. 93-1409 (1974) (“Joint Explanatory Statement of the Committee of Conference”). However, there is no discussion in either the Senate or the House prior to or after the conference report on the “study exception” provision and why it was adopted. This lack of discussion in the legislative record reinforces the importance of interpreting the “study exception” using a careful textual analysis coupled with insights from case law and the general purposes of FERPA.

¹¹⁵ 20 U.S.C.A. Sec. 1232g(b)(3) (West 2004).

¹¹⁶ *Ibid.*

¹¹⁷ 20 U.S.C.A. Sec. 1232g(b)(4)(A) (West 2004).

¹¹⁸ 20 U.S.C.A. Sec. 1232g(b)(4)(B) (West 2004).

¹¹⁹ 34 C.F.R. 99.31(a)(6)(ii)(B) (West 2004).

¹²⁰ 20 U.S.C.A. Sec. 1232g(b)(4)(B) (West 2004).

¹²¹ 34 C.F.R. 99.31(a)(6)(ii)(B) (West 2004).

¹²² I have exchanged emails and had phone conversations with Dr. Bryan Wilson, a senior researcher on the Integrated Performance Information Project at the Washington [State] Training and Education Coordinating Board, and Dr. W. Lee Holcombe, a researcher at the Green Center at the University of Texas at Dallas, regarding their organizations' dealings with FERPA. A comprehensive state survey of the experiences of states with education researchers across the country reported in Chapter 7 sheds additional light on this subject.

Chapter 7. State FERPA Practices

Introduction

As explained in Chapter 6, issues surrounding the federal Family Educational Rights and Privacy Act (FERPA) are critical to the design and implementation of the Central Texas High School Graduate Data Center. Educational researchers, policymakers and anecdotal information, all have suggested that states were interpreting federal FERPA provisions differently. Thus, we conducted a survey of the states directly to learn more about these differences in interpretation and ways they may be sharing individual student data and working with researchers on such studies in order to better design the research efforts of the Data Center.

The State FERPA Survey

As part of the research for the Data Center, a brief survey was emailed to the legal counsels and other representatives of the state departments of education, individuals who are knowledgeable about state FERPA and related policies. All 50 states and the District of Columbia were surveyed. The survey asked for information about how each of the states is currently tracking high school graduates after high school graduation or if such tracking is done at all. It also sought to determine the extent and ways in which these state education agencies were sharing such data with non-agency and other education researchers. (Appendix A contains a copy of the State FERPA Comparison Survey.)

The survey was sent by email during the month of April 2005. Twenty-one (21) states responded to the initial email survey. A follow-up survey of states that did not respond to the survey initially was conducted by telephone and e-mail during June 2005. Fifteen (15) additional states subsequently responded, for a total of 36 out of the 51 states and the District of Columbia. This constitutes an overall survey response rate of 70.6 percent. State responses are summarized in Table 7.1.

FERPA Survey Results

Currently Tracking High School Students

Of the 36 responses received, 28 states—nearly 78 percent of the respondents—said that they are not currently tracking students after they leave their school system. One state mentioned that their Office of Higher Education tracks students who go to public higher education within the state.

Archiving Student Records

When asked if they archived individual student records that would allow them to conduct such tracking of their graduates, 18 states responded positively, 17 states responded negatively, and one state said such records are kept only for students with disabilities.

Making Data Available to Researchers

Eight states responded that they make student follow-up information available to outside research agencies, while five stated they only make this information available to agency contractors.

Use of FERPA Exceptions

As explained in Chapter 6, the release of such tracking information appears to be allowable within the boundaries established by FERPA pursuant to the two exceptions provided for in the Act. The first exception is that records may be released to “*authorized representatives*” of state or local education authorities for the evaluation of federal or state education programs. Four states—Arkansas, Massachusetts, Virginia and Washington State—reported they were releasing records using the “authorized representatives” exception.

The second exception provided for in FERPA allows education agencies or institutions to release education records to organizations conducting studies for or on their behalf in order to help improve instruction. Two states—Oregon and West Virginia—reported that they were primarily using the “*study exception*.” But, it is noteworthy that nine states—about one in four—reported that they were using *both* exceptions. On the other hand, 21 states, 58 percent of those responding, reported that they were not using either exception. Interestingly, one state—Rhode Island—indicated that they would release student records regardless of the two exceptions.

Recent State Policy Changes

The final question on the survey asked if state policies on sharing information about students and their families with outside researchers or agencies under FERPA had changed in recent years. Six states reported that their policies had become stricter in recent years, while thirty (30) states—83 percent of those responding to the survey—stated that there have been no recent policy changes. However, three of the states indicated that their data sharing policies are expected to change in the future in order to better meet the requirements of No Child Left Behind. For example, California now has two state laws requiring that the state assign a unique, non-personally identifiable student identifier to every student and create a California Longitudinal Pupil Achievement Data System. They are expecting these data to be made available to outside research entities under one of the FERPA exceptions.

Concluding Observations

Although many states are not currently tracking students into postsecondary education or the labor market after they graduate from high school, there seems to be a growing awareness of the need for this information. The states that are currently tracking students or are planning to do so in the future are also attempting to develop policies that will enable them to share this information with researchers under current federal privacy guidelines.

Table 7.1.
State Family Educational Rights and Privacy Act (FERPA)
Survey Responses

<u>State</u>	<u>Tracking?</u>	<u>Identifiable archive?</u>	<u>Available to outside researchers?</u>	<u>FERPA Exception (if used)</u>	<u>Have policies changed recently?</u>
Alabama ¹	No.	N/A.	N/A.	N/A.	N/A.
Alaska ²	No.	Yes.	No.	Only if the entity is under contract.	No.
Arizona	-	-	-	-	-
Arkansas ³	No.	Yes.	Yes, but they delete identifiable information before sending it out.	Authorized Representative Exception.	Yes, they provide less information.
California ⁴	No, but will.	No, but will.	Currently: only if contractors, planning on expanding to researchers soon.	No, but working on a new policy.	No, but will be changing soon.
Colorado ⁵	No.	Yes.	No, FERPA.	No.	Not changed, waiting for clarification from “FERPA experts”
Connecticut ⁶	Yes.	Yes.	No.	No.	No.
Delaware	-	-	-	-	-
District of Columbia	-	-	-	-	-
Florida ⁷	Yes.	Yes, in an encrypted form.	Yes, but there are different levels of access granted based upon the research proposal.	Both, depends on the request.	Become tighter over the years.
Georgia ⁸	No.	No.	N/A.	No.	No.
Hawaii ⁹	No.	Yes.	No.	No.	No.
Idaho	-	-	-	-	-
Illinois ¹⁰	No.	No, plans underway.	N/A.	No, only with data-sharing agreement.	Yes, require data-sharing agreement and vested interest.

**Table 7.1. (cont.)
State Family Educational Rights and Privacy Act (FERPA)
Survey Responses**

<u>State</u>	<u>Tracking?</u>	<u>Identifiable archive?</u>	<u>Available to outside researchers?</u>	<u>FERPA Exception (if used)</u>	<u>Have policies changed recently?</u>
Indiana ¹¹	No, we don't. Schools report to use what graduates profess they will do post-secondary, but this is not reported to us in a personally identifiable format. It is also not entirely reliable. Some of our public schools attempt follow-up, but the universities and colleges are not always helpful.	No. We do not maintain such information beyond the Student Test Numbers.	No. We have capable researchers on staff.	N/A	No. Our policies have not changed. Our policies and procedures have had to adapt because of the increased use of electronic transmittals and the need to provide greater security to ensure confidentiality, but we have always been cautious about sharing such info with third parties.
Iowa ¹²	No.	Yes, currently in the first year.	No, but working on a policy.	Planning on using both FERPA exceptions.	N/A (don't have previously established policies).
Kansas ¹³	No.	No. Will begin next year (currently assigning state id numbers).	N/A.	Will design in the future.	Didn't have much data to use previously so no changes have been made.
Kentucky ¹⁴	Yes, but only aggregate data is offered at the state level.	Yes.	Yes, if under contract and if the purpose is to improve instruction.	Both.	No.
Louisiana ¹⁵	Yes.	No.	N/A.	No.	No.
Maine ¹⁶	No.	No.	N/A.	No.	No.
Maryland	-	-	-	-	-
Massachusetts ¹⁷	No.	Yes.	Yes, we provide the necessary data to researchers who are working on a	Authorized Representative Exception.	No.

**Table 7.1. (cont.)
State Family Educational Rights and Privacy Act (FERPA)
Survey Responses**

<u>State</u>	<u>Tracking?</u>	<u>Identifiable archive?</u>	<u>Available to outside researchers?</u>	<u>FERPA Exception (if used)</u>	<u>Have policies changed recently?</u>
Massachusetts (cont.)			contract with the MA Dept of Ed on particular research and evaluation studies. As such, they are authorized representatives of the Department.		
Michigan ¹⁸	No.	Yes.	No, confidentiality.	Only if the entity is under contract.	No.
Minnesota ¹⁹	No.	No.	N/A.	No.	No.
Missouri					
Montana ²⁰	No.	No.	N/A.	N/A.	No.
Nebraska ²¹	No, local school dist. responsibility.	No, will begin 2006-07 school year.	N/A.	Not currently using these exemptions.	No, but currently developing new policy relating to individual student records.
Nevada	-	-	-	-	-
New Hampshire ²²	No, not at this time.	No.	N/A.	No.	No.
New Jersey	-	-	-	-	-
New Mexico	-	-	-	-	-
New York	-	-	-	-	-
North Carolina	-	-	-	-	-
North Dakota ²³	No.	Yes.	Yes, typically Dept. of Ed contractors or NDPI contractors.	Both.	No.
Ohio ²⁴	No.	No.	N/A.	No.	N/A.
Oklahoma ²⁵	No.	No, not currently in place.	Yes.	Both, but have not used as of yet.	No.
Oregon ²⁶	Yes.	Yes.	First year results of OR students in Oregon Universities.	Study Exception	Yes, much more stringent.

**Table 7.1. (cont.)
State Family Educational Rights and Privacy Act (FERPA)
Survey Responses**

<u>State</u>	<u>Tracking?</u>	<u>Identifiable archive?</u>	<u>Available to outside researchers?</u>	<u>FERPA Exception (if used)</u>	<u>Have policies changed recently?</u>
Pennsylvania ²⁷	No.	No, but interested in for future plans.	N/A.	No.	No.
Rhode Island ²⁸	No, but RI Office of Higher Education tracking students who go on to public higher education within RI.	Yes.	Yes.	NA. We would release the records regardless of these exceptions.	We do not have a formal policy on release of records. We always remove individual student names before releasing the records. Since at least 1997, we have never published data unless there was a minimum cell size of 10; within the past two years or so we have written to all who request data from us asking them to agree to publish no data about cell sizes smaller than 10, and have asked for a written response acknowledging agreement.
South Carolina	-	-	-	-	-
South Dakota	-	-	-	-	-
Tennessee ²⁹	Yes, for vocational students.	Yes, but currently expanding their tracking system.	Yes, for those contracted with DOE.	Both.	No.
Texas	No.	Yes.	No.	Both.	Yes.

**Table 7.1. (cont.)
State Family Educational Rights and Privacy Act (FERPA)
Survey Responses**

<u>State</u>	<u>Tracking?</u>	<u>Identifiable archive?</u>	<u>Available to outside researchers?</u>	<u>FERPA Exception (if used)</u>	<u>Have policies changed recently?</u>
Utah ³⁰	Yes.	Yes.	Districts: correlation between teaching and test scores, contractors: various.	Both, depends on circumstances.	Yes, became more strict to only use identifiable info for in house research
Vermont	-	-	-	-	-
Virginia ³¹	No, but will soon start to comply with IDEA.	Only for students with disabilities.	Data not disclosed to anyone outside of the agency.	Authorized Representative Exception, when needing to comply with federal law.	No.
Washington ³²	Yes, both the Wash. Training and Education Coord. Board (vocational) and Office of the Superintendent for Public Instruction (K-12) track graduates.	No.	N/A.	OSPI uses the Authorized Representatives Exception for evaluation contractors and shares records with the Washington State Employment Agency to help improve instruction.	No.
West Virginia ³³	No.	Yes.	Only to Contractors completing WVDE Research.	Study Exception.	Minor change for military reporting under NCLB.
Wisconsin ³⁴	No.	No.	N/A.	No.	No.
Wyoming ³⁵	No.	Yes.	No, confidentiality issues	N/A	No

NOTES

¹ Email from Gloria Turner, Director of Student Assessment, Alabama Department of Education, “Re: State Survey Reminder, Return by May 5,” to Kelvey Stewart, May 10, 2005.

² Email from Les Morse, Director, Office of Assessment and Accountability, Alaska Department of Educational and Early Development, “Re: FERPA State Survey” to Brian Hartman, June 12, 2005.

³ Email from Jim Boardman, Assistant Director for Information and Technology, Arkansas Department of Education, “Fwd: RE: State Agency Survey,” to Kelvey Stewart, April 22, 2005.

⁴ Email from Bruce Gordan, Consultant, California Department of Education, “Re: Reminder: State Agency Survey,” to Kelvey Stewart, May 5, 2005.

⁵ Email from Jan Rose Petro, Research Analyst, Colorado Department of Education, “RE: Survey Question,” to Ben Siegel, April 25, 2005.

⁶ Email from Robert Lucco, Director, Office of Research and Evaluation, Connecticut Department of Education,” to Ben Siegel, April 26, 2005.

⁷ Email from Jay Pfeiffer, Assistant Deputy Commissioner, Division of Accountability Research and Measurement, Florida Department of Education, “RE: Survey Question,” to Ben Siegel, May 3, 2005.

⁸ Telephone interview by Esmeralda García with Melodee Davis, Director of Accountability Reporting, The Governor’s Office of Student Achievement, Atlanta, Georgia, June 27, 2005.

⁹ Email from ARCH Monitor, Hawaii Department of Education, “Re: FERPA State Survey” to Brian Hartman, June 24, 2005.

¹⁰ Telephone interview by Esmeralda García with Connie Wise, Division Administrator, Data Analysis and Progress Reporting Division, Illinois State Board of Education, Springfield, Illinois, June 27, 2005.

¹¹ Email from Kevin McDowell, General Counsel, Legal Services, Indiana Department of Education, “Re: FERPA State Survey” to Brian Hartman, July 15, 2005.

¹² Email from Shawn Snyder, Chief, Bureau of Planning, Research and Evaluation, Iowa Department of Education, “Brief Comparison Survey,” to Emily Randel, April 28, 2005.

¹³ Email from Sherrill Martinez, Team Director, Planning and Research, Kansas State Department of Education, “Re: Survey: Family Educational Rights and Privacy Act (FERPA) – Please Respond by May 5th,” to Nicole D. Porter, April 26, 2005.

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- ¹⁴ Email from Teresa Perry, Executive Secretary, Office of the Secretary, Kentucky Department of Education, “FW: Survey: Family Educational Rights and Privacy Act (FERPA) – Please Respond by May 5th,” Nicole D. Porter, May 11, 2005.
- ¹⁵ Email from Lester Hitchcock, Louisiana Department of Education, “RE: Survey: Family Educational Rights and Privacy Act (FERPA) – Please Respond by May 5th,” to Nicole D. Porter, April 26, 2005.
- ¹⁶ Email from Kathy Manning, Coordinator, No Child Left Behind, Maine Department of Education, “Re: State Survey,” to Elizabeth Puthoff, April 25, 2005.
- ¹⁷ Email from Paula Girouard O’Sullivan, Director of Information Services, Massachusetts Department of Education, “Re: FERPA State Survey” to Brian Hartman, July 19, 2005.
- ¹⁸ Email from CEPI-DATA, DIT Client Service Center, “Remedy Ticket #838622: Data and information request: University of Texas at Austin Survey,” to Elizabeth Puthoff, May 3, 2005.
- ¹⁹ Email from Dianne Gamm, Technical Specialist, Assessments and Testing, Minnesota Department of Education, “Re: State Survey,” to Elizabeth Puthoff, April 25, 2005.
- ²⁰ Email from Donna O’Neil, NAEP State Administrator, Unit Director of Measurement and Accountability, Montana Office of Public Instruction, “FW:Re: FERPA State Survey” to Brian Hartman, June 13, 2005.
- ²¹ E-mail from Bob Beecham, Administrator of Education Support Services, Nebraska Department of Education, “Re: FERPA State Survey,” to Esmeralda García, June 28, 2005.
- ²² Email from Lorraine Patusky, Administrator, Office of Accountability, New Hampshire Department of Education, “Re: FERPA State Survey” to Brian Hartman, June 12, 2005.
- ²³ E-mail from Jean Newborg, Testing Coordinator, North Dakota Department of Public Instruction, “Re: FERPA State Survey,” to Esmeralda García, July 13, 2005.
- ²⁴ Email from Susanne Condrón, Social Science Research Specialist, Office of Policy Research and Analysis, Ohio Department of Education, “Student Tracking Survey,” to Charles Brown, May 5, 2005.
- ²⁵ E-mail from Clayton Hollingshead, Director of research and Evaluation, Oklahoma State Department of Education, “Re: FERPA State Survey,” to Esmeralda García, July 7, 2005.
- ²⁶ Email from Doug Kosty, Assistant Superintendent, Oregon Department of Education, “FW: Student Tracking Survey,” to Charles Brown, May 8, 2005.
- ²⁷ Email from James Gearity, Director, Bureau of Post Secondary Education, Pennsylvania Department of Education, “Re: FERPA State Survey” to Brian Hartman, June 10, 2005.
- ²⁸ Email from Eliot Krieger, Media Relations Specialist, Rhode Island Dept. of Elementary and Secondary Education, “Re: FERPA State Survey” to Brian Hartman, July 12, 2005.

²⁹ Email from Matthew J. Pepper, Director of Research, Tennessee Department of Education, "Survey," to Sandra Wegmann, April 26, 2005.

³⁰ Email from Jean Hill, Government and Legislative Relations, Utah Department of Education, "RE: Survey on Tracking Students," to Sandra Wegmann, April 28, 2005.

³¹ Email from Sandra E. Ruffin, Director, Federal Program Monitoring, Virginia Department of Education, "Re: How does VA Deal with FERPA?," to Sandra Wegmann, April 28, 2005.

³² Email from Bryan Wilson, Deputy Director, Washington Training and Education Coordinating Board, "RE: Survey," to Chris King, March 17, 2006.

³³ Email from Rebecca Tinder, West Virginia Department of Education, "FW: How does West VA Deal with FERPA?," to Sandra Wegmann, April 29, 2005.

³⁴ Email from Michael George, Director, Content and Learning Team, Wisconsin Department of Public Instruction, "RE: How does WI Deal with FERPA?," to Sandra Wegmann, May 2, 2005.

³⁵ Email from Colleen Anderson, Wyoming Department of Education, "How does WO Deal with FERPA?," to Sandra Wegmann, April 28, 2005.

Chapter 8. Initial Plans for the Central Texas High School Graduate Data Center

Overview

The Central Texas High School Graduate Data Center (Data Center) is being developed as a research partnership between the Ray Marshall Center for the Study of Human Resources at The University of Texas at Austin and Skillpoint Alliance, a nonprofit organization based in Austin, Texas. The Data Center will follow the progress of Central Texas high school graduates as they make the critical transition from high school to postsecondary education, the labor market and the military, as well as other possible outcomes such as welfare or correctional institutions. The purpose of the Data Center is two-fold. The first is to provide Central Texas independent school districts (ISDs), colleges and universities, and employers with a comprehensive, longitudinal view of what high school graduates are doing when they leave high school and most importantly—*why*. Its second purpose is to offer workshops and seminars on best practices and applied research that will assist regional ISDs, the Education Service Center and postsecondary institutions in improving student achievement, instruction and school performance.

To determine both what young adults do after high school graduation and important influences on these outcomes, the Data Center will survey students before they graduate from high school and then track their progress for four years after they graduate using both survey and administrative databases. Memoranda of Understanding (MOUs) will be negotiated with participating Central Texas ISDs describing how they will participate in this project and outlining the responsibilities of all parties. Participation of area school districts will be phased in over at least a two-year period. In 2005, Austin ISD, Del Valle ISD, Pflugerville ISD, and Round Rock ISD will participate, working with researchers to pilot the research instruments and approaches that will be used once the project is fully implemented. Beginning in 2006, additional Central Texas school districts will be invited to join the project.

As planned, the Data Center has several unique features. One is its use of multiple types of data. Other research centers have tracked students after high school, but few have combined both survey and administrative data sources in one study. Another unique aspect of the Data Center is its planned annual workshops. Over a five-year period, the Data Center will provide policymakers, corporate and community leaders, and educators with key findings from the longitudinal tracking of high school graduates by distributing reports and creating an ongoing dialogue about the key findings to local educational agencies in improving the quality of education. It will expand to include intensive research and analysis on the experiences of high school graduates and will create a proactive and positive approach to continuous improvement in educational instruction and achievement. The Data Center will serve as a pilot to demonstrate a successful approach that may well be adopted by other regions and communities concerned about the progress of their students, in Texas and in other states as well.

Understanding the factors associated with graduates' postsecondary success is critical in identifying strengths and weaknesses in public schools across the state. Educational leaders and employers in leading sectors of the economy are interested in developing mechanisms for consistently and comprehensively documenting the outcomes and experiences of high school graduates, understanding the reasons for them as well as designing better ways of addressing their needs. Only by capturing students' experiences, achievements and challenges, both in the working world and in education, can the success of schools in preparing students for a promising future be comprehensively measured and understood.

This plan outlines the initial research approach, data sources and statistical methods for the Data Center. It will be updated annually to reflect any changes in approaches and data sources that occur as the project is fully implemented. These updates will be coordinated with the annual review of this project by the University of Texas at Austin's Institutional Review Board (IRB), as required for approval of research involving human subjects.

Research Approach

Research Questions

Over the next five years, the Data Center will answer the following major research questions:

1. Who is and is not participating in post-secondary education and why?
2. Who is and is not going to work and why?
3. Who is both working and participating in post-secondary education?
4. Who is participating in other activities (such as entering the prison system, participating in welfare, or joining the military) and why?

Answers to the first two questions, which are the primary questions in this study, will be analyzed both for Central Texas graduates as a whole and for key sub-groups of those graduates.¹ Factors associated with these outcomes will be identified and shared with local educators and business leaders so that they can use this information to improve educational practices for future cohorts of high school students.

Research Activities

To answer the research questions, this project will conduct the following research activities, among others:

- Develop memoranda of understanding (MOUs) with local school districts, establishing the nature of the partnership between the Data Center and each local ISD, discussing how student data will be shared with the Data Center, and outlining the responsibilities of all parties to the agreement.
- Conduct surveys of high school seniors shortly before they graduate from high school to identify their plans following high school graduation, key factors that influenced those

decisions, family background information and other information about their 7th through 12th grade years that cannot be obtained from administrative data sources but that other research has shown to be significant in predicting future success.

- Conduct a follow-up survey of high school graduates approximately one year after graduation to determine their current status, how their plans have changed from the prior year's survey and reasons for those changes.
- Access administrative databases to identify key information about graduates' secondary school performance from grades 7-12 and to track their participation and progress in postsecondary education, the labor force and other activities, such as the military, prison, and welfare for up to four years post-graduation.
- Analyze the resulting data sets for each graduating class and report this information annually to key stakeholders.

Implementation Schedule

Research activities will be phased in over a two-year time period.

Year 1. From January through December 2005, the first year of the project, the following activities will take place:

- Negotiate and secure memoranda of understanding with several local school districts to provide student directory information and additional requested variables. These districts will serve as pilots to test research approaches, means of accessing prior student records, survey instruments, and presentation of results.
- Secure and maintain updated address, telephone and email information for 2005 high school graduates in participating school districts.
- Conduct focus groups and surveys of 2005 high school graduates.
- Analyze publicly available data and existing reports to glean available information on post-high school outcomes for Central Texas graduates.
- Refine survey questions and instruments.
- Develop a detailed statistical analysis plan for future cohorts.
- Edit and distribute Year-One Final Report.

The following school districts are slated to participate in the first-year, pilot phase of the Data Center project: Austin, Del Valle, Pflugerville, and Round Rock. Due to the time needed to negotiate research funding agreements, obtain human subjects approval for this research, obtain approval for participation from ISDs and develop draft survey instruments, the first survey of high school seniors could not be conducted until the summer of 2005. Future surveys will be administered prior to graduation so as to obtain higher survey response rates.

Years 2-5. In years 2-5, i.e., January 2006 through December 2009, the following activities will take place on an annual basis:

- Conduct surveys of seniors in their high schools prior to graduation.
- Conduct follow-up surveys of the prior year's graduates approximately one year following graduation.
- Negotiate data-sharing agreements with various agencies to provide access to electronic administrative databases that can be used to track educational and workforce progress of individual students for up to four years.
- Expand research and analysis on the postsecondary education experience by focusing on enrollments, achievement, retention and completion.
- Provide longitudinal portraits on transitions of each year's high school graduates. Identify factors associated with successful postsecondary transitions.
- Engage policymakers and education stakeholders in drive toward significant improvements in policy and practice among the region's educational institutions.
- Facilitate continuous improvement workshops and efforts in Central Texas' education systems that more closely align with business community needs.
- Serve as a pilot to demonstrate a successful approach for adoption by other regions and communities in Texas and other states that are concerned about the progress of their students.

Central Texas school districts that may be invited to join this project after the pilot phase is completed include: Georgetown ISD, Hays CISD, Leander ISD, Eanes ISD, Dripping Springs ISD, Wimberley ISD, Lago Vista ISD, Manor ISD, Hutto ISD, Taylor ISD, Liberty Hill ISD, Florence ISD, Coupland ISD, Jerrell ISD, Granger ISD, Thrall ISD, San Marcos CISD and Lake Travis ISD. The number of ISDs invited to participate will necessarily depend upon the availability of funding.

Prior administrative data from grades 7-12 will be added to the research data set for both 2005 and 2006 graduates in the second year of the study, along with post-secondary and labor market participation data for 2005 graduates. The follow-up survey for 2005 graduates will also be added during the second year. Statistical models that incorporate all of these data sources for 2005 graduates will be developed in the second year of the project. Reports developed in the fall of 2006 will incorporate all of these data sources (for the class of 2005). Annual reports in subsequent years of the project will repeat this process for each new graduating class and update the information for 2005 graduates and all following graduating classes through available administrative data sources (and limited use of surveys if needed). The timeline contained in Table 8.8 illustrates the timing of these activities for each graduating class.

Data Sources

The Data Center will collect and track two different types of data, administrative data and survey data, which will be linked by means of an individual identifier such as a Social Security number (SSN) or a unique student identification number. The Data Center also will survey these students to gather data on why these students made their choices and why they were or were not successful in transitioning to adult life after completing high school. Gathering data on students using both surveys and administrative databases helps overcome problems inherent in each method, and the administrative data can be used to check the quality of survey respondents.

This section describes the data sources, methods of collection and some of the difficulties and issues encountered in the collection process. The methods used by the Data Center to collect data from high school graduates take into account lessons learned from centers conducting similar efforts across the country, such as the Texas Schools Project at the Green Center of the University of Texas at Dallas and the Center for Labor Market Studies; these are reviewed in Chapter 5. They also draw upon suggestions from organizations that have conducted student surveys in Central Texas, including Austin ISD.

Student Surveys

Student surveys enable us to determine both the reasons behind former students' decisions and why they perform successfully or not. Administrative data alone often prove insufficient for determining the reasons behind the outcomes of former high school students. One problem with relying solely on administrative data is the holes in these databases. For example, high school students might be employed in many jobs that are not covered by Unemployment Insurance wage records (e.g., babysitting, mowing lawns, and working in family-run establishments without pay). Data Center researchers may use the survey to ask students directly about such uncovered work activities.

High School Senior Survey

In the first year, the 2005 survey of graduating seniors was conducted in the summer. In future years, the survey will be administered in April or May of students' senior years. Its purpose is two-fold: 1) to ask background questions about the students' lives in high school and gather additional information that is not contained in administrative databases; and 2) to obtain contact information for students to better support future follow-up surveys.

Questions to be included in the initial high school survey are variables that prior research (such as the High School and Beyond Survey from the National Center for Education Statistics) indicates would lead to success in both education and the workforce. This includes factors that are more subjective and not easily quantifiable, such as students' personal expectations, parental expectations of the students, quality of the parent/student relationship, as well as readily quantifiable information including participation in extra-circular activities, the student's first language, parental educational background, and whether or not the student works in addition to attending school.

Focus Groups. To help refine the high school senior survey, field test the instrument, and discuss how to best implement the survey, small focus groups were conducted early in the summer of 2005. Two focus groups of about five graduates were held for approximately three hours each to inform the survey and gather a general sense of students' plans following graduation. Facilitators also sought graduates' opinions of the factors that influenced their plans to supplement the available literature on this topic. Graduates were also asked their opinions about ways to improve the survey administration, approaches for encouraging graduates to participate in these focus groups and in the surveys, and the best way to contact graduates for future follow-up surveys.

The graduates selected to participate in focus groups were obtained from the database of participants in Skillpoint Alliance's recent College and Career Fair. To simplify the consent process during the initial year of the survey, only graduates who were at least 18 years old and who completed consent forms prior to participation were included. Letters were sent to potential focus group participants, followed by telephone calls. Incentives for participants included food and beverages during the focus groups and a \$20 Target gift certificate.

In a group setting, facilitators asked participants questions about their high school experiences and influences on post-high school decisions using researched focus group methodology. In order to determine additional factors that strongly influenced postsecondary transitions that should be asked in the survey, open-ended questions were included and analyzed. Topics covered asked about people, events, or experiences such as school, family, other people in their social network, and other experiences they had during high school outside of the classroom. Focus group participants also filled out a consent form and completed a draft of the senior survey. After taking the survey, facilitators asked them to evaluate both focus group and survey. They also discussed plans for administering the survey, asked focus group members how they would react to it, and obtained their suggestions about how to administer it more effectively. The information gleaned from the focus groups also provided both stories and information about influences on students' decision-making processes that would be impossible to obtain in a survey.

Survey Administration. To identify recent graduates in each high school in the pilot school districts, the Data Center obtained a master directory from each school district for the 2005 graduating class that included mailing information (name, address, and telephone numbers), and the school attended. For 2005 only, this information was obtained only for graduates listed in the directory who were 18 years old at the time of the survey.

All graduates on the lists provided by the local school districts (approximately 5,004 subjects) received postcards containing information about the survey and the larger study, and giving them the option of taking the survey over the Internet through a secure connection or by mail. The postcard contained the Internet address of the survey, as well as a website for additional information about the survey in the form of Frequently Asked Questions (FAQs). Students choosing to take the survey by mail needed to call the telephone number listed on the postcard to request a mailed copy of the survey.

Prior to taking the survey, graduates provided their consent for further tracking of their information through administrative databases.

The 2005 survey was administered in three waves as directory information became available. Wave 1 began on July 15 for Austin and Del Valle Independent School District May graduates over 18 years whose parents approved release of their directory information. Wave 2 targeted May graduates from Pflugerville Independent School District and graduates with summer birthdays. The final wave, which began on August 17, included Round Rock Independent School District May graduates and summer school graduates from all Independent School Districts whose parents approved the release of their information.

Data Center researchers did not expect a high response rate using this approach, so they provided incentives to increase the response rate. The postcard also contained information about these incentives. Researchers anticipate offering the incentives only for the 2005 cohort; it will be easier to get high response rates for future cohorts if they take the survey during school hours as planned. All participants who submitted a completed survey and consent form were sent a small incentive in the form of a \$5 gift certificate to a local pizza chain. Their names were also entered in a drawing for a larger incentive, one of three computers. The first drawing occurred on August 12, 2005, the second on August 23, and the final drawing took place on August 29. The earlier they completed the survey, the better chance they had of winning.

Researchers also used follow-up telephone calls to boost survey response rates. All non-respondents from Austin, Del Valle and Pflugerville ISDs received calls, and graduates from Rock Round ISD received calls as time permitted. Additional follow-up calls were made to schools with particularly low response rates. Statistics from return of postcards and follow-up efforts were used to document the accuracy of directory information and the mobility of recent graduates.

Administering Future Senior Surveys. Beginning in the spring of 2006, all senior surveys will be administered in each high school prior to graduation. Ideally, these surveys will be administered in a computer lab setting via the Internet, with data transmitted securely to a research database at the Ray Marshall Center. However, individual capacities and preferences of each school will be considered in determining the most efficient means for surveying seniors. Beginning in 2006, surveys will be available in English and Spanish. Other languages may be included on a case-by-case basis as needed.

Sampling Strategy and Interpretation of Results. All 2005 graduates over 18 years old whose directory information is available were invited to participate in the senior survey because prior survey research indicated that response rates from a survey of high school graduates administered in the summer would be very low. Ideally, enough graduates would respond to allow reporting summary information on all demographic groups for all schools, especially statistics by gender, race/ethnicity, low-income status, and by whether or not they will attend college in the fall. However, if this is not possible, data will be grouped into large enough groups to allow reporting for a particular sub-group.

Demographic characteristics of 2005 respondents will be compared to overall demographic characteristics of each school's graduating class. However, unless the survey response rates are quite high (which is unlikely), it will not be possible to claim that the respondents are representative of their entire classes. Instead, responses from the first year's survey will be

used to identify the range of responses received from the graduates and whether the general pattern of responses differs for students from different family and/or economic backgrounds or school communities.

In future years, administering the senior survey in area high schools should boost response rates considerably. Based on Austin ISD's experience, such an approach can produce response rates of 90 percent or higher. Characteristics of respondents from future surveys will be compared to those of the entire class to determine any ways in which respondents are not representative of the entire senior class.

One-Year Follow-Up Survey

Data Center researchers will also interview study participants one year after graduation with a second follow-up survey. This survey will include questions on outcomes, such as whether or not they are in college, and possible reasons for these outcomes. The survey will explore how and why students' expected activities have changed from a year earlier and those factors and activities that have been proven to either help or hinder students' progress through college or the labor force. They will include assessing risk factors such as whether or not they smoke or drink heavily, whether they are enrolled in school full time or part time, whether or not they work at the same time and finally whether or not they feel socially included in college life (how many friends they have and whether they live at home). This survey will be administered on the telephone or the Internet.

Administrative Data, by Type and Source

In addition to surveying recent graduates, students will be tracked through administrative databases. These databases capture graduates' performance in the labor market and postsecondary education as well as their participation in social service programs, such as Temporary Assistance for Needy Families (TANF), and/or incarceration in state correctional facilities.

Administrative data are a great resource to measure transitions post-high school: they have larger sample sizes than existing surveys, sometimes even the complete population participating in a government program, and they do not have the problem of self-reporting bias. They also have other inherent qualities that make data analysis easier, including having already gone through quality checks by the administrations collecting the data. For example, Unemployment Insurance wage records are subject to challenges by employers, employees, and administrative audits, making them accurate and comprehensive. However, some key variables are not available from those sources. Also, because these data are confidential, data-sharing agreements must be negotiated in accordance with relevant privacy laws governing the use of these data sources. The Ray Marshall Center has several data-sharing agreements in place and is currently negotiating other agreements for the data needed for this project.

The types of administrative data planned for use in this project include: in-state wage data from the Unemployment Insurance records, in-state two- and four-year public and private college and university enrollment, secondary school records from either the Texas Education

Agency (TEA) or the local school districts, Texas TANF and Workforce Investment Act (WIA) program enrollment, enrollment in out-of-state colleges, military enrollment and incarceration in the Texas state prison system. As resources permit, researchers will also explore the existence and feasibility of obtaining data measuring out-of-state employment and incarceration in federal or local prison. The sources and nature of these databases are discussed below.

Education Records: Secondary School and College

The first types of data to be extracted from administrative databases are details from education records in grades 7-12.² These records will include some of the factors associated with successful post-high school transition or factors that hinder these transitions. They include what classes made up the students' curriculum in high school and junior high, their success in these classes and on standardized tests, the socio-economic status of the students, and school level characteristics such as school funding, student-to-teacher ratios, and student-to-counselor ratios.

Texas Education Agency (TEA) Databases. Researchers will extract most the data on high school records from existing TEA databases. Target databases include the Academic Excellence Indicator System (AEIS), the Public Education Information Management System (PEIMS), and Texas Assessment of Knowledge and Skills and Texas Assessment of Academic Skills (TAKS/TAAS) database. Some of the data, such as school and district records, come from public databases that require no special data sharing agreement. School and district variables that researchers will be extracting include overall student body characteristics, TAKS scores, overall performance ratings, and teacher characteristics. However, many of the individual student records require a special data agreement (see section on FERPA) established under an MOU. These agreements will provide access to individually identified student records of classes taken from 7th grade to 12th grade and other demographic and school performance information.

Individual Data from Schools/Districts. Although Data Center researchers anticipate obtaining many of the high school records from the databases listed above, these sources may not contain all of the factors needed. Examples include whether students have technology in the school or mental health counseling available. This additional information might include more information necessary to measure educational performance. Information of this type will be obtained from each high school in the study.

Postsecondary Education Data. Although detailed data on students in 2- and 4-year colleges and universities will come from our second post-graduation follow-up interviews, limited information on students in college will come from the Texas Higher Education Coordinating Board (THECB). The THECB maintains directory information that can be accessed fairly easily. Other information maintained by THECB requires either direct approval by students or some type of FERPA exception, as outlined in Chapter 6.

To measure postsecondary educational performance, the Data Center will use THECB data to measure if the student is enrolled, number and types of courses taken, retention, and completion of both job training and college programs. Data Center researchers are currently

discussing options for gaining access to their database with THECB. Data Center researchers currently do not have access to out-of-state college data, but will investigate ways to obtain and link to such data in the future through databases such as the National Student Clearinghouse.

Employment and Earnings Records

Texas Unemployment Insurance (UI) Wage Records. Many students who graduate from high school will work, some concurrent with attending college. Most of the data to be collected on these students will come from the Texas Workforce Commission's Unemployment Insurance (UI) wage records, which contain data if the former student is employed in covered employment in the state of Texas. Performance in the Texas labor market can be measured through variables such as whether the former students are employed in UI-covered jobs in the state (approximately 97% of all wage and salary employment), what their quarterly earnings are, the industry they are working in, and if they have had more than one job. UI wage records can also be used to calculate annual earnings and employment duration. The Ray Marshall Center has an existing data sharing agreement with TWC and can access these data as needed.

Out-of-State UI Records. Researchers currently do not have access to out-of-state UI wage records data. Data Center researchers will seek to determine whether out-of-state employment data may be obtained.

Other Outcomes

Although ideally most students will end up in either college or employment, other outcomes may occur. Administrative data will also be used to track former high school students' participation in outcomes like state social service programs such as TANF and job training, as well as activities such as enrolling in the military or being incarcerated in state correctional facilities.

Training. In addition to tracking students through the labor market, if students end up in government job training or job search assistance after they graduate, researchers can track them through these programs. Using the WIA Standardized Record Data (WIASRD) database obtained from TWC, former students can be tracked through WIA programs in Texas, such as core, intensive services or training services. These data are released December 1 following the end of each program year, and the Ray Marshall Center has access to the WIA data for Texas as well as for eight other states as part of an ongoing project for the U.S. Department of Labor's Employment and Training Administration, the Administrative Data Research and Evaluation (ADARE) Project. From this dataset, researchers can extract the information on which WIA program the former student participated in and other demographic variables that are not available in other databases, such as veteran status and limited English ability as well as in some instances what occupation they entered immediately after going through a WIA-sponsored program.

Temporary Assistance for Needy Families (TANF). Another possible outcome for central Texas students is whether or not they participate in public services. Like training, these

former students can be on public services concurrently with other outcomes such as employment. Researchers will use the Texas Department of Health and Human Services Commission (HHSC) data as the source to determine if former students receive government benefits such as TANF in Texas. Researchers will also use variables from the individual-level monthly TANF data files to determine if and when they received TANF benefits. The Ray Marshall Center already has a data-sharing agreement in place to cover this data.

Military. Data Center researchers are currently exploring possible ways to gain access to datasets of those that are in the military. Follow-up will be conducted with researchers at the Green Center at the University of Texas at Dallas, who have offered to help gain access to this data source.

Incarceration. A graduate who becomes incarcerated in a state-run jail can be followed through the Texas Department of Criminal Justice (TDCJ). The Ray Marshall Center currently does not have these data onsite, but is working on gaining access to them. The Texas Department of Criminal Justice (TDCJ), through its executive services division, can provide access to the number and percent of those Texas high school graduates that are incarcerated in Texas prisons. Other possible prison databases that could be accessed and used include:

- Data from the National Crime Information Center (NCIC), which has a Texas counterpart, the Texas Crime Information Center (TCIC). The FBI maintains NCIC data, while TCIC is housed in the Texas Department of Public Safety.
- Travis County's database, which records those individuals who have been arrested in Travis County and sentenced to state jail or prison.

Technical/Logistical Issues

2005 Cohort

For the duration of the study, data will be collected for four graduating classes (or cohorts) from 2005, 2006, 2007, and 2008 respectively. Because the first group could not be surveyed until the summer when they were no longer in school, the anticipated response rate for this group will be far lower than will be true for later cohorts surveyed during their senior school year. Therefore, it may not be possible to generalize findings for this group to the entire graduating class. Instead, this group will be used to illustrate the range and examples of experiences that are present in this group of graduates and broad differences that are found across school districts and among major sub-groups responding to the survey. As in the other cohorts, researchers intend to track their later outcomes through administrative databases.

Different Levels of Data

One of the factors that will make analyzing the data in the Data Center difficult is that the data being collected is aggregated and could be analyzed on many different levels. Most of the data being collected in surveys will be information on the student or family level. This information includes activities the student participated in while in high school, what classes

they took, and how much their family is involved in their academic lives. However, some of the administrative and census data researchers will be collecting that will have predictive power on whether or not the student attends college is information on the school, the district, or on the community as a whole. Such data include the ratio of counselors and teachers-to-students, average income of the community, demographic information of the school and the community, and how much funding the school receives. Variables of this type will be appended to individual data for regression analysis.

Conflicting Timelines, Data Releases and Reports

Through both the administrative and survey data, the Data Center will track students for a period of approximately four years after graduation. Unfortunately, due to possible differing timelines between when administrative databases become available and when reports are produced, some of the administrative data results may not be available either for the first cohort reports or the reports that occur one year after graduation for each cohort. Some of the reports may only have preliminary information on the latest cohort of students.

Data Privacy and Confidentiality

Data will be stored at the Ray Marshall Center under their current rules for data storage and sharing. The rules and guidelines of the Center ensure that data are stored to maintain the confidentiality of the participants whose data are collected from both the survey and administrative sources. To maintain confidentiality, all of the data will reside offline in secure areas of the Center. Only researchers who have signed confidentiality agreements will have access to the data. All hardware that stores the data that contains confidential information, including identifiers (such as names or Social Security numbers) will not be connected to the wider Internet or computers outside of the Center. Finally, data will contain identifying variables only when necessary, i.e., when linking the data across different administrative data sets and survey file. Once the links are no longer necessary, the data will be stripped of identifiers.

For confidentiality purposes, data for individuals will not be transmitted outside of the Center. The only data that will leave the Center will be reports of aggregate results, making it virtually impossible to identify individual graduates.

Analytical Methods

In order to determine both where students end up after they graduate and what influences their decisions, Data Center researchers will conduct both basic descriptive statistical analysis and more comprehensive regression analyses. To better interpret these analyses, researchers will disaggregate the results of the study by a subset of key variables.

Descriptive Analyses

In some of the reports that will be distributed to interested parties and stakeholders, the main focus will be to determine where students transition after graduation, whether they are in higher education, in employment, incarcerated or someplace else. It does not take

complicated statistical modeling to calculate these descriptive statistics. To calculate how many students have each outcome of interest, researchers will add up the totals for each outcome. Data will then be put into a subset by the geographic region being reported on (i.e., school, ISD, a county, the entire Central Texas region) and report these aggregate numbers. The key outcomes to be tracked, along with their data sources, are shown in Table 8.1.

After computing aggregate outcomes, comparisons will be made of each geographic area's aggregate totals to outcomes for other schools in the district, the district as a whole and the Central Texas region. This will be done to figure out how well each school and district are doing in placing their students in college over time and compared to competing districts. Both comparisons gauge whether an area is making progress sending its students to college. One way to run comparisons between areas, or between cohorts, is to subtract one outcome from another outcome and to run a one-sided t-test to figure out if the difference is statistically different than 0.

Data Center researchers will also compute other descriptive statistics on the outcomes, including means, medians, and standard deviations of statistics like earnings. It would be beneficial both to run these statistics annually and compute them over time for multiple years or cohorts. Sample tables in the deliverables section further explain the descriptive statistics that will be presented and how.

Table 8.1. Postsecondary Outcomes and Data Sources

<u>Outcomes</u>	<u>Probable Data Source</u>
<i>Postsecondary Education (2- and 4-year)</i>	
Attending college (in state)	Surveys; THECB
Attending college (out of state)	Surveys; possibly National Student Clearinghouse
Graduated college	Surveys; THECB
Took similar classes	Surveys; THECB
Employed while in college	TWC UI wage, and our survey
<i>Employment</i>	
Employed	TWC UI wage records
Amount of time unemployed	TWC UI claimant records
Average earnings	TWC UI wage records
<i>Welfare</i>	
Ever on welfare	Texas DHS
Amount of time spent on welfare	Texas DHS
<i>Corrections</i>	
Ever in a state-run jail	TDCJ
<i>Military</i>	
In the military	Surveys; UT-Dallas Green Center

Regression Analyses

All reports will contain the descriptive statistics discussed in the previous section. Some of the reports also will identify factors associated with successful transitions after graduation. Data Center researchers are identifying these factors in order to help high schools establish practices that best enable students to capitalize on the opportunities they meet after graduation and to ensure that schools have a process for evaluating how they prepare their students for what lies beyond graduation.

In order to determine which factors are influential in college enrollment, researchers need something more statistically sophisticated than descriptive statistics. This will probably only be done in cohorts after year one when a larger sample size and access to more data are available. One model Data Center researchers may use is a predicted probability model.³ This will be used instead of a simple Ordinary Least Squares (OLS) regression model because the outcome researchers are trying to predict, going to college, is a binary variable. Its value is 0 if the student did not go to college, and 1 if they did. OLS regression models do a poor job of modeling equations when the independent variable (in this case, whether or not the student went to college) is not a continuous variable. Binary variables are not continuous.

This predicted probability model will not only indicate what factors are associated with going to college, but it will also identify which factors among those that are associated with going to college have more predictive power towards that decision. Although this model is not run under an experimental design, it will help schools start to identify which of its practices they need to change in order to put more of their students into college.

Table 8.2 lists variables that a review of the literature suggests will have predictive power in determining whether or not students go on to college. In addition to listing the likely data source for each variable, the table also shows whether the variable is expected to have a positive or negative influence on the student's going to college.

Table 8.2. Factors Affecting Postsecondary Transitions

<u>Factors that Lead to or Hinder Successful Postsecondary Transitions</u>	<u>Expected Effect on Likelihood of College Attendance</u>	<u>Source</u>
<i>Personal Academic Background</i>		
Average grades of C's or lower from 6th to 8th grade	-	PEIMS
Held back one or more grades from 1st to 8th grade	-	PEIMS
A good high school GPA	+	PEIMS
Taken courses completing the Recommended, Distinguish, Minimum Graduation Plan	+	PEIMS
Number of AP classes	+	PEIMS
AP test score	+	PEIMS
Number of math classes	+	PEIMS
TAKS test scores	+	TAKS/ TAAS Data
SAT/ACT scores	+	PEIMS
Technologically proficient	+	PEIMS
<i>Social Background</i>		
Number of friends in college	+	2nd College Survey
Participated in extracurricular activities, especially sports or music	+	1st High School Survey
Belonged to a church youth group	+	1st High School Survey
High personal plans and expectations, by grade level	+	1st High School Survey
Employed while in school	-	1st High School Survey or TWC/UI wage records data
<i>Family Background</i>		
Changing schools two or more times from 1st to 8th grade	-	1st High School Survey
Being in a single-parent household (in 8th grade)	-	1st High School Survey
One or more older siblings who left high school without completing	+	PEIMS
Parent postsecondary experience; Mom's is more important than Dad's)	+	1st High School Survey
High parental expectations	+	1st High School Survey
Above average family income level	+	1st High School Survey or TWC/UI Labor Data
Race, if not white	-	PEIMS
Gender, if not male	+	PEIMS
If attend a religious institution.	+	1st High School Survey
Parent's occupation	+	1st High School Survey
Number of siblings (worse off with more)	-	1st High School Survey
Relationship with parent, if good	+	1st High School Survey
Language other than English spoken at home	-	PEIMS

Table 8.2. Factors Affecting Postsecondary Transitions (cont.)

<u>Factors that Lead to or Hinder Successful Postsecondary Transitions</u>	<u>Expected Effect on Likelihood of College Attendance</u>	<u>Source</u>
<i>Family Background (cont.)</i>		
Ever received public assistance	-	Texas HHSC TANF
Confusion over financial aid	-	1st High School Survey
What types of financial aid applied for/awarded	-	1st High School Survey
Parental involvement with child's education	+	1st High School Survey
<i>School Variables</i>		
"Teacher quality" (percent with credentials)	+	AEIS Campus PEIMS
Years of experience	+	AEIS Campus PEIMS
Technology in the school	+	Interviews with school officials or school district
Teacher/student ratio	+	AEIS Campus or PEIMS
Racial and economic stats on school, if not white or upper middle class	-	AEIS Campus or PEIMS
Number of (college) counselors to students	+	AEIS Campus or PEIMS or Interviews with school officials
Mental health counseling available	+	1st High School Survey or interviews with school officials
<i>Community Variables</i>		
Average income of zip code	+	MOU/Research/ Phone Call or Census
School funding. Per student funds	+	PEIMS
Racial and economic status of community	-	MOU/Research/ Phone Call or Census
State classification: districts as low-performing to high-performing	-	TAKS/ TAAS Data
<i>Activities in college</i>		
Smoking, drinking often in college	-	2nd College Survey
Enrolled full-time instead of part-time	+	THECB
Live at home	-	2nd College Survey
Participated in activities that encourage social inclusion		2nd College Survey
<i>College variables</i>		
College bridge programs	+	MOU/Research/ Phone Call
Cost of college	+	Research or interview with college official
Presence of a college recruitment program	+	1st High School Survey
Financial aid programs and assistance	+	1st High School Survey or 2nd College Survey
Does the college help facilitate many social non-academic programs	+	Research or interview with college official
Size of college	-	Research or interview with college official

Data Center Products and Deliverables

The Data Center will produce different types of deliverables for different audiences. Each year, funders of the Data Center, as well as ISDs, will receive two types of reports. The Greater Austin Chamber of Commerce and Skillpoint Alliance will receive both PowerPoint presentations and user-friendly reports focusing on the outcomes for former Central Texas high school students. These “snapshot” reports that give one-year pictures of how former students from each district are performing in terms of employment, further education, training, welfare receipt, and imprisonment. These reports will also contain longitudinal reports that track the progress of these districts in terms of the outcome variables over the five-year time period. Several different types of deliverables will be prepared for different audiences and stakeholders. Although different data will be presented in each type of report, each report will contain three types of results. Each year, reports will contain data demonstrating results from the individual cohort studied that year. In addition to results from an individual year, longer-term results will be displayed over time. For example, not only would a report in 2007 report average college attendance from the 2007 cohort, it would report cumulative average college attendance from 2005 through 2007. These reports will also contain longitudinal reports that track the progress of these districts in terms of the outcome variables over time, and whether or not enrollment and completion of secondary education increases over time. These reports will compare counties, districts, and schools/districts to see how the preparation they provided their students has helped them after graduation.

Annual “Snapshot”

Each year, both the Data Center’s funders as well as school districts, and the Chamber of Commerce, will receive a PowerPoint presentation and user-friendly reports focusing on the current outcomes of former Central Texas high school students. These reports will give one year “snapshots” of how the former students from each district are performing in terms of outcomes such as employment, education/training, welfare receipt, and imprisonment. They will also contain longitudinal reports that track the progress of these districts in terms of the outcome variables over the five-year time period of the study, and whether or not enrollment and completion of secondary education increases over time. Researchers will compare different geographical regions to see how the preparation they provided their students has helped them after graduation. Tables in these reports would mostly come from the descriptive analysis discussed above. Two point-in-time tables that would describe students who graduated from each school one year after graduation are displayed in Tables 8.3 and 8.4.

Table 8.3. School Name, Year of Graduates

	<u>Number</u>	<u>Percent</u>	<u>District Average</u>	<u>County Average</u>	<u>Central Texas Average</u>	<u>Difference between school and Central Texas</u>
Attending a 4-year university						
Attending a 2-year university						
Graduated college						
In a job training program						
In the military						
Employed						
Attending college and working						
Unemployed						
On welfare						
Incarcerated						
Unknown						
Other						

Table 8.4. Statistics of Students in Year Following Graduation

	<u>Mean</u>	<u>Median</u>	<u>Standard Deviation</u>
Percent employed			
in any quarter			
in all quarters			
Earnings [of those employed]			
Percent enrolled in school			
in any period			
the entire time			

Table 8.5 presents a sample longitudinal table to determine if a school is making progress in sending more of its students to college:

Table 8.5. Status Over Time

**Over time, where have we placed our graduates (1 year)
after graduation? By graduating year, in percent.**

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Attending a 4-year university					
Attending a 2-year college					
Graduated college					
In a job training program					
In the military					
Employed					
Unemployed					
On welfare					
Incarcerated					

In addition to graphs and charts, researchers will also report out some of the results of each survey question, by appropriate subgroups (e.g., by gender, race, ethnicity, and whether or not they are going to college). Table 8.6 displays an example.

Table 8.6. Parental Relationship

**Check the area that best describes
your relationship with your parents.**

	<u>Very Good</u>	<u>Good</u>	<u>Average</u>	<u>Bad</u>	<u>Very bad</u>
Men					
Women					
White					
African American					
Hispanic					
Asian					
Going to college					
Not going to college					

Factors Associated with Success

The second major types of deliverables are user-friendly reports to educational administrators, policymakers, and the funders that focus on which factors were associated with attaining these outcomes. These answers would come mainly from the predicted

probability model mentioned earlier in this plan. Although they would contain tables similar to those in the “snapshot” reports, tables in these reports might appear as follows:

Table 8.7. College Completion Factors

10 HIGHEST FACTORS ASSOCIATED WITH NOT ATTENDING/FINISHING COLLEGE FROM YOUR SCHOOL DISTRICT

Didn't take Pre-Calculus
Language other than English spoken at home
Confusion over financial aid
Number of AP classes
Teacher-to-student ratio
TAKS test scores
Not technologically proficient
One or fewer extracurricular activities
Number of counselors to students low
Having one or more older siblings who left high school without completing

Note: Specific variables are just examples of possible factors.

Products for Other Stakeholders

Other products that the Data Center will produce have not yet been determined. Many things are possible with the data, dependent on available funding and resources. Other reports and presentations that are intended for production include best practice investigations, parent presentations, and academic reports.

Best Practices

The results of the study are likely to inspire both good policy and administrative decisions to influence schools to prepare students properly for life after graduation. In order to assist this process, the Data Center will conduct workshops with educators and policymakers that identify “best practices” that most effectively helped students make postsecondary educational transitions. These workshops will help determine ways to implement these “best practices” in under-performing schools.

The audience for these seminars will depend on funding and the available resources. The plan is to offer these seminars to both teachers and administrators. The intent of these seminars would be to encourage administrators to adjust their overall educational strategies

in areas such as administrative practices, counseling, financial aid assistance and other programs to contribute to improved postsecondary outcomes.

Parent Presentations

In addition to “best practice” reports, presentations would be given to other stakeholders such as parents, both to get them more involved in their child’s education, and to inform them how to do this in most effectively. This too will depend on resource availability.

Academic Publications

Data Center researchers will also produce papers in academic journals, books and other venues and make presentations to scholarly and policy audiences to both help guide current and future research and to suggest better links between the schools and student achievement post-graduation. These reports and presentations will show the results of students disaggregated by geographic, socio-economic and racial groups. Postsecondary education gaps vary widely along these lines and appear to be increasing in magnitude.

Analysis of Publicly Available Data and Reports

Another deliverable in the first year of the study will be an analysis of currently existing publicly available administrative and survey data and existing research reports on student transitions after high school. This will push the current available data to the limits in tracking both where students end up and why. It will also demonstrate the limits of what is currently available, and how the Data Center study will fill those gaps.

The report will include a literature review and an analysis of background factors that other research has been shown to affect postsecondary enrollment and completion rates, both for Central Texas high school seniors and seniors elsewhere across the country. This includes linking the variables in the regression analysis section described earlier to the literature behind them. Detailed components of this analysis will include:

- Comparisons of factors that influence future success for the Central Texas high schools with other schools throughout Texas with similar student demographics, as well as all other schools in the state (primarily using the TEA AEIS databases).
- Tracking factors over the past six years for students in Central Texas school districts to see how they have changed over the past 6 years.
- Analyzing transition rates to in-state, two- and four-year public colleges and universities for key sub-groups of Central Texas students and comparing these rates for those in other similar groups of students across the state.
- Comparison of the levels and trends of educational attainment in Austin’s MSA to other selected MSAs across the U.S. These other MSAs will be cities which the Chamber of Commerce believes Austin is competing with for a young, highly educated workforce.

Memoranda of Understandings (MOUs)

Critical to both tracking and surveying high school graduates is establishing relationships with school districts and other agencies. In order to gain access to students' contact information as well as access to school records, Memoranda of Understanding (MOUs) are being established with four school districts: AISD, Del Valle, Pflugerville, and Round Rock in the first year of the study. In the future as resources permit, the Data Center will negotiate MOUs with more Central Texas school districts. In addition to the contact information, details will be obtained on the overall demographics of each graduating class to target specific groups to survey. During year one, specific permission is being obtained to track the graduates through the databases from the students themselves. The school districts will be the contact point for requesting the student records from TEA for those students participating in the study. Non-confidential data will also be obtained from each district, such as the number of counselors per school and other facts about each school. These MOUs with school districts as well as administrative agencies will be project deliverables.

To track these graduates through other administrative databases in the years after they graduate, Data Center researchers will have to negotiate contracts, MOUs and/or data-sharing agreements with other agencies as well. These agencies will potentially provide the administrative data described earlier in this document needed to track all the cohorts of students, including THECB (for postsecondary student data), TWC (for training, employment and earnings data) and correctional agencies.

Special Issues

This section raises and discusses several important issues that the Data Center will need to address as it proceeds to the implementation phase in the near future.

Tracking Students without Social Security Numbers and Other Hard-to-Track Students

Some portion of the high school graduates will be difficult to track through the administrative databases. One of the biggest obstacles to tracking students is the lack of Social Security numbers (SSNs) due to immigration status or refusal to provide this information to the school. For PEIMS tracking purposes, students without an SSN receive a unique identifier. This number will allow administrative data tracking through Texas educational databases. However, it will not be useful for linking to data for those students in other administrative databases.

Two other options exist for students without SSNs: the use of probabilistic matching techniques that rely on other identifying variables available in more than one administrative database; and/or reliance on survey techniques. If surveys are used, specific questions on information usually contained in the administrative databases would need to be added.

Austin ISD estimates that 25 percent of their graduates do not have an SSN. Because that district has a larger share of non-citizens than surrounding districts, it probably has the highest share of graduates in this category.

FERPA

Conducting research on students has become a contentious legal issue due to privacy concerns, as has been described in detail in Chapters 6 and 7 of this report. Much like the Health Insurance Portability and Accountability Act of 1996 (HIPAA) that protect medical patients, FERPA was designed to protect students. Assurances must be put in place to guarantee that the research is conducted within FERPA guidelines.

The Data Center's research will include using individualized student records to explore the linkages between particular educational experiences and the paths chosen by Central Texas students as they leave secondary school and enter the workforce and/or postsecondary educational institutions. Therefore, the Data Center's use of student education records must be compliant with FERPA.

Obtaining Consent and Collecting Data from Minors

One of the most sensitive issues for the Data Center is surveying minors. Although Data Center researchers will handle the data under the Ray Marshall Center's strict confidentiality rules and the University of Texas guidelines for human subjects research, if surveying minors occurs in the future, parental consent of some sort will be sought. There are two options for obtaining parental consent that must be utilized when surveying minors, and some schools will require parental consent regardless of the child's age. The survey conducted in the summer of 2005 was not administered to graduates who were less than 18 years old.

Regardless of adult status, in order to get consent for participating in the survey, Data Center researchers will need permission to survey and track students, either from the school district, from their parents or from the students themselves. Permission will also be needed to obtain prior secondary school records and to track future education and workforce records through administrative databases. This is one of the most difficult parts of this project, and in order to obtain permission, Data Center researchers must meet one of three requirements: 1) a FERPA exception from the district, 2) active consent directly from the student or parent, or 3) passive consent from the student or parent. For future cohorts, the school district will dictate which type of consent is required.

The only type of permission researchers could obtain for the 2005 senior survey was active consent from the students themselves. During the summer, most recent high school graduates were already 18 years old, so active consent was not as much of a challenge. Active consent was sought directly from the students by getting them to sign a consent form before they took the survey, either electronically or on paper. This consent form described the survey, and when they signed it, they gave additional identifying information up front, such as their Social Security number, their birth date or their school identification number. Providing this information helped ensure that they understood the study and what giving their active consent entailed. For 2005, only those survey respondents who granted active consent will be tracked through the administrative databases, both past and future, unless a district ultimately grants the Data Center a FERPA study exception.

For future cohorts, the Data Center will first attempt to obtain a FERPA exception from the participating ISDs. After signing an MOU, districts that have granted a FERPA exception will give the Data Center the administrative database universe for graduating seniors, regardless of whether or not a student participates in the survey. Although FERPA approval is not needed for survey respondents, securing such approval would allow researchers to obtain individual school records for recent graduates who did not respond to the student survey. Participants will also be tracked through administrative databases whether or not they participate in the survey.

If local districts do not grant a FERPA exception, survey participants will either need to provide active or passive consent. One example of how researchers might obtain passive consent is at the beginning of the year: the school district will inform the parents of the study by sending home a flyer describing it. Parents will only need to return the flyer if they want their students to opt out of the study. By not responding to the flyer, parents will be giving passive consent, and thus permission to survey and track their students through prior administrative databases. Students (and their parents if they are under 18) will still be asked to give their active consent to track post-secondary education records in case other types of permissions under FERPA cannot be obtained from higher education agencies.

Regardless of whether researchers get active or passive consent, it will be much easier to obtain permission for all cohorts after the first year because the survey will be administered during the school year instead of the summer. If active consent is required from future cohort participants, researchers will provide an incentive to students for returning signed forms. Based on information obtained in the summer of 2005 from the pilot school districts, this probably will not be necessary, as most of them are either planning to grant a FERPA study exception or obtain passive consent for this study.

Timeline

Starting with students who graduated in May of 2005 and subsequent graduating classes, each cohort will be surveyed and tracked through administrative databases. Some of these data will be historical information on students' education experience prior to graduation. Other sources will look at more recent decisions these individuals have made over the next several years related to educational, employment or other choices. The historical educational data will be uploaded from PEIMS data in the latter part of the year in which the students graduate, typically in May. Other data sources will be used to update the students' files from the previous year, usually in June and July of the following year.

Each cohort will also be surveyed in the year of their graduation and one year following their graduation. Each of the first surveys will take place shortly before students' graduation. For example, the 2005 cohort graduates in 2005. They will take the first high school survey in 2005 and the follow-up survey in 2006. Graduates will be followed through administrative databases for four years, through 2009.

The timeline provided in Table 8.8 outlines the first five years of planned Central Texas High School Graduate Data Center operations.

**Table 8.8. Five Year Timeline of Operations
for the Central Texas
High School Graduate Data Center**

Task	Apr. 05	May. 05	Jun. 05	Jul. 05	Aug. 05	Sept. 05	Oct. 05	Nov. 05	Dec. 05	Jan. 06	Feb. 06	Mar. 06	Apr. 06	May. 06	Jun. 06	Jul. 06	Aug. 06	Sept. 06	Oct. 06	Nov. 06	Dec. 06	
IRB Approval and Updates	█	█	█							█	█	█										
Negotiate and update MOU's and Data sharing agreements with Districts	█	█	█	█	█	█	█	█	█	█	█	█									█	█
Request Administrative Data from Districts and Other Agencies													█	█	█							
Receive data from districts and other administrative databases															█	█	█					
Survey 2005 Cohort			Summer grad Survey											Follow-Up								
Survey 2006 Cohort											In school											
Survey 2007 Cohort																						
Survey 2008 Cohort																						
Upload TEA Data 2005 Cohort												█	█									
Upload TEA Data 2006 Cohort																						
Upload TEA Data 2007 Cohort																						
Upload Other Admin Data 2005 Cohort															█	█						
Upload Other Admin Data 2006 Cohort																						
Upload Other Admin Data 2007 Cohort																						
Analyze Data					█	█	█										█	█	█			
Write Draft Report and Submit for Comments												█								█		
Program/instructional improvement meetings with educators											█	█									█	█
Submit Final Report to Funders																						█
Work with Stakeholders	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

**Table 8.8. (cont.)
Five Year Timeline of Operations
for the Central Texas
High School Graduate Data Center**

Task	Jan. 07	Feb. 07	Mar. 07	Apr. 07	May. 07	Jun. 07	Jul. 07	Aug. 07	Sept. 07	Oct. 07	Nov. 07	Dec. 07	Jan. 08	Feb. 08	Mar. 08	Apr. 08	May. 08	Jun. 08	Jul. 08	Aug. 08	Sept. 08	Oct. 08	Nov. 08	Dec. 08
IRB Approval and Updates		█	█											█	█									
Negotiate and update MOU's and Data sharing agreements with Districts	█	█											█	█										
Request Administrative Data from Districts and Other Agencies				█	█	█										█	█	█						
Receive data from districts and other administrative databases						█	█	█										█	█	█				
Survey 2005 Cohort																								
Survey 2006 Cohort				█	█	█	█	█																
Survey 2007 Cohort			█	█	█	█	█	█										█	█	█	█			
Survey 2008 Cohort															█	█	█	█	█	█				
Upload TEA Data 2005 Cohort																								
Upload TEA Data 2006 Cohort			█	█																				
Upload TEA Data 2007 Cohort															█	█								
Upload Other Admin Data 2005 Cohort						█	█											█	█					
Upload Other Admin Data 2006 Cohort						█	█											█	█					
Upload Other Admin Data 2007 Cohort																		█	█	█				
Analyze Data							█	█	█										█	█	█			
Write Draft Report and Submit for Comments										█												█		
Program/instructional improvement meetings with educators											█	█											█	█
Submit Final Report to Funders													█											█
Work with Stakeholders	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	█

Notes

¹ As indicated in earlier portions of the report, the Data Center may also incorporate nongraduates into the analysis at some point in the future.

² Complete longitudinal records may not be available for students who moved to Texas after the 7th grade.

³ The exact type of model to be used will be determined in the second year of the project once all facets of the project have been fully implemented and the resulting dataset is tested using different approaches.

Chapter 9. Concluding Observations and Next Steps

This chapter offers concluding observations about the environment within which Central Texas students are learning and working. It addresses education programs and policies, as well as the labor market. It also discusses some of the best efforts to document and understand the postsecondary education and labor market outcomes of these students. Together, these elements largely offer arguments that “make the case” for creating and operating a Central Texas High School Graduate Data Center. The chapter then discusses two barriers facing such a Data Center, describes initial plans for its operations and outlines next steps.

The Education Landscape: A Supply Argument

As described in the early chapters of this report, the education policy and program landscape at both the secondary and postsecondary level has changed substantially in recent years, as has the demographic makeup of the student body and its performance. This is true nationally and statewide, as well as in Central Texas.

The three counties at the core of the Central Texas region—Hays, Travis and Williamson—are home to 21 independent school districts and 223,308 students (2004-2005). At the *secondary level*, the report focuses on eight of these ISDs: Austin, Del Valle, Georgetown, Hays Consolidated, Leander, Manor, Pflugerville and Round Rock. Together, these eight ISDs account for about four of every five high school graduates in the region. Key points about these ISDs include the following:

- ISDs in the region vary widely in size, ranging from Austin ISD with nearly 80,000 students enrolled in grades K through 12 and Round Rock with some 36,643 students down to Manor with just 3,828 students (2004-2005).
- Most ISDs are experiencing rapid enrollment growth even as they are becoming more diverse, especially in terms of Hispanic representation but also in terms of other race/ethnic groups. Hispanics now comprise a majority or very close to a majority of the high school students in Austin, Del Valle, Hays and Manor ISDs and constitute an even larger share of the other ISDs. Hispanics also are a much larger share of 3rd graders than seniors in these ISDs, portending even greater diversity in the future.
- In keeping with the prevailing emphasis on accountability, ISD performance is documented through a series of measures, including the well-known and most widely used Texas Assessment of Knowledge and Skills (or TAKS) test, graduation and attrition rates and an array of college and college preparation indicators. The story here is one of wide variation as well: in terms of TAKS scores, performance among Whites and Asians typically exceeds that of African Americans and Hispanics, while higher-income communities (e.g., Round Rock, Leander) outperform lower-income ones. Similar and very troubling discrepancies exist for many of the other measures as well, such as graduation and attrition rates.

- One of the more striking and persistent discrepancies at the state level and throughout the region is by gender. Despite improvement in graduation rates over time, with few exceptions, women are more likely to graduate in four years than men across all districts, and they are also more likely to enroll in and graduate from college.

At the *postsecondary level*, Central Texas offers many opportunities for area high school graduates. The greater Austin area is home to seven colleges and universities serving more than 97,000 students in 2004, including Austin Community College, the University of Texas at Austin, Texas State University, Huston-Tillotson University, St. Edwards University and others. These institutions vary widely in size, offerings, cost and entry requirements.

- About half of area high school graduates attend postsecondary institutions, most of them entering through 2-year colleges.
- Many 2- and 4-year enrollees are under-prepared for the rigor of college curricula and must enroll in remedial courses.
- Rates of retention and persistence in postsecondary education vary widely among area institutions, as do graduation rates. Nationally, only about six in ten full-time college freshmen graduate within six years, with lower rates for low-income and underrepresented groups. Longitudinal data indicate that only one-third of Central Texas 7th graders eventually enroll in postsecondary programs.
- The factors affecting enrollment, retention and persistence in postsecondary education include academic performance, metacognition, motivation, enrollment status (full- versus part-time), secondary academic preparation, receipt of financial aid, mothers' education level, achievement test scores and tuition costs, among others. Not surprisingly, many of the same factors affect postsecondary graduation rates as well. Other contributing factors include institutional support, size of institution and interpersonal support.

Identifying the sources of achievement gaps and poor transition rates in Texas education is the first step to developing possible solutions. Disparities in the quality of public education are one of the greatest contributors to achievement gaps. Among the causes of these disparities are variations in teacher quality, school funding and curriculum rigor. Gaps also result from variations in the amount and type of guidance and transition counseling, the absence of integrated academic and vocational curricula in public schools, and in what is often called social capital, referring to the social bonds that students and their families have in school and the wider community. Important aspects of social capital include parental involvement in their children's education, language acquisition and diversity, extracurricular activities and student employment.

A host of policies and programs affect students' secondary academic experiences in Central Texas schools. On the policy front, various policies are important—including having adequate financing—but two are fundamental: 1) TAKS tests, now federally mandated achievement tests in the state under the No Child Left Behind Act to demonstrate Texas high school students' knowledge on various subjects,¹ and 2) state and district graduation requirements for obtaining a diploma. Texas uses the TAKS test in grades 3-11 to quantify

student academic achievement, while high school students take math and language arts or reading tests in 9th, 10th and 11th grades, science tests in 10th and 11th grades and social studies tests in 10th and 11th grades. These are high-stakes tests, both for students and educators: 11th graders must pass the TAKS tests in order to graduate, while schools are rated for “annual yearly progress” on TAKS with penalties for low performance.

In terms of graduation requirements, three basic graduation plans are available: the Minimum Plan, which is the least rigorous, allowing students to take more electives; the Recommended Plan, which stresses taking more math and science; and the Distinguished Plan, which adds an additional year of foreign language as well as dual college enrollment, passing AP exams and/or conducting original research to the Recommended Plan. TEA has required that students be enrolled in the more rigorous Recommended Graduation Plan since the 2004-2005 freshmen class in an attempt to increase students’ preparation for TAKS and college. Some Central Texas went further: for example, Austin ISD began requiring that all students enroll in the Recommended Plan in 2001-2002.

Of the many policies and initiatives influencing postsecondary transitions, two stand out: first, the Top Ten Percent Rule that was enacted by the Texas legislature in 1999, guaranteeing any high school student graduating in the top ten percent of his or her class admission to any of the state’s public colleges or universities; and second, the changing nature and levels of financial aid for attending college in the face of increasing costs. The Top Ten Percent Rule remains the centerpiece of the state’s postsecondary transition policies despite evidence that it has failed to yield a more diverse student body.

As noted, once students decide to attend college they have many options in Central Texas, ranging from attending ACC to enrolling at the University of Texas at Austin, Texas State University or Huston-Tillotson University, among others. The costs associated with attending public universities in Texas have risen in recent years, largely due to the 2003 deregulation of tuition-setting by the legislature. Twenty-one public institutions increased their tuition from fall 2003 to spring 2004, leading to a 15 percent increase in what Texas residents paid for tuition on average. Between the spring and fall semesters of 2004, 29 Texas institutions increased their tuition, for an average increase of almost 20 percent. The increasing cost of attending a public university in Texas has an effect on a student's ability to transition to higher education.

College students receive financial aid from three major sources: the federal government, the state government, and the colleges and universities themselves. Of these three sources, the federal government’s contribution is by far the greatest. The federal government provided 83 percent of generally available, direct financial aid to Texas postsecondary students, greatly exceeding the national average of 70 percent (2002-2003). Pell Grants are the largest federal program, accounting for over half of all grant aid in the state. However, while funding for Pell Grants has increased in recent years, it has not kept pace with the increased numbers of recipients or the increased costs of attending postsecondary education. In addition, eligibility for Pell grants has been tightened.

While Texas has several grant aid programs—including the TEXAS Grant and TEXAS Grant II programs, the B-on-Time Student Loan program and the Texas Guaranteed Tuition Plan

(formerly the Texas Tomorrow Fund)—most, if not all, are threatened by funding shortfalls and/or related concerns. New enrollments in the Texas Guaranteed Tuition Plan were closed by the legislature in 2003. The major grant aid programs in Texas are all based on financial need.

Federal and state commitments to providing grant aid decreased over time, replaced with student and parent loans: nearly 70 percent of federal student financial aid was in the form of loans (2002-2003). And, fully 62 percent of aid in Texas came from loans and 37 percent came from grants, including state and institutional grants, contrasted to the national averages of 57 percent and 42 percent, respectively. Borrowing serves as the primary mechanism for increasing educational access in today's world of financial aid, but not all students and families are equally comfortable borrowing or can afford to take on additional loan payments. When students cannot get adequate grant aid and are faced with taking out increasingly large loans to finance their postsecondary educations, not surprisingly, they work more often and more hours.

Texas is striving to improve student achievement and college readiness and to address public and postsecondary financing and enrollment problems, as are Central Texas actors including the ISDs, ACC and others. But, much remains to be done.

The Labor Market: Demand and Supply Arguments

This report began by referring to the forces shaping today's economy and its labor markets, including globalization, technological innovation, the restructuring of work and changing demographics. Together these forces have combined to create a "skills premium" for well-educated and trained workers and a dearth of jobs at decent wages for those lacking the necessary education and skills, a phenomenon that several recent books and reports have explored in depth. One has suggested that these and other important forces—including the fall of the Berlin Wall, the introduction of Web browsers and others—have "flattened the world," putting a large share of U.S. jobs directly or indirectly in global competition (Friedman 2005). Another points out that over the coming decades the nation will face a worker gap, a skills gap and a wage gap, all of which will need to be addressed (Aspen Institute 2003). Though even better educated workers are feeling the effects of these powerful forces, they are in a very enviable position relative to their less educated counterparts.

Despite the recession that hit much of the world in 2000-2001 and the relatively anemic "jobless recovery" that has followed, there is little doubt that the New Economy is quite real and likely here to stay for the foreseeable future at least. As characterized by Atkinson (2004), the knowledge-based, entrepreneurial New Economy significantly alters many aspects of work and labor market experiences for today's workers, including those living and working in Central Texas. They now work in highly dynamic, networked environments in positions that are affected by global competition in ways never dreamed of just a few short years ago. They labor under flexible production conditions with far less job security and must secure and rely on broad rather than job-specific skills. Moreover, under this new

paradigm, these workers have become more individually responsible for financing and arranging for the acquisition of these skills.

Prior to the advent of the New Economy, many workers with lower levels of education and skills were able to begin working for employers at the bottom rungs of structured and semi-structured career ladders through a number of “entry ports” and work their way up to better paying positions as they acquired job-specific skills and experience. However, such mechanisms have become the exception rather than the rule. Career ladders are less prevalent, and those that do exist are flatter and shorter. More often, employers hire better educated and skilled workers from outside through other “ports” at the upper reaches of their payroll.

Clearly, this is not our parents’ economy or their labor market. Although the situation may not persist for the long haul as vast numbers of educated and skilled “plug and play” workers from China, India and the former Soviet Union compete for high-skill, high-wage jobs with workers in the U.S. and Central Texas, for now, education commands a premium in the marketplace, in part by providing workers access to good jobs and career opportunities. Those lacking the requisite skills and education cannot expect to do well in the New Economy, now or in the future.

Austin and the Central Texas region generally are widely regarded as having economies and labor markets that are even more dynamic and entrepreneurial than others around the country. It is no accident that Austin is recognized as one of a number of “cities of ideas,” known for its highly skilled “creative class” workforce. The Greater Austin Chamber boasts that Austin is the “human capital.” And, its leadership—collectively including its elected officials, business, workforce, community and other leaders—understands the importance of education and skills for economic and workforce development.

Government and manufacturing—notably semiconductor chip making—continue to have a strong presence in the regional economy and labor market, but over the last decade or so, other sectors such as construction, wholesale and retail trade and professional and business services have been the source of expansion. More importantly, civic and business leaders envision the Central Texas economy being built upon such factors as a skilled workforce, innovation, entrepreneurship and knowledge-based clusters, all key elements that make Austin a “creative class” city. The Greater Austin Chamber of Commerce’s *Opportunity Austin Initiative* is well along the path of its 5-year plan fostering economic development in nine clusters, e.g., automotive manufacturing, biosciences, wireless technology, semiconductors, digital media. If the region is going to provide the foundation for growth in these areas, clearly it is going to take renewed efforts to strengthen the secondary/postsecondary pipeline to ensure that its growing minority populations—especially Hispanics who are the fastest growing and who have the lowest participation in postsecondary education—“close the gaps” in postsecondary enrollment, persistence and completion.

Best Practices for Documenting Postsecondary Outcomes

Several states and university-based centers around the country have developed innovative, best-practice approaches for tracking the postsecondary success of high school students and those graduating, as well as for using the results from their efforts. These typically rely on a combination of linked administrative records and student surveys, with the latter often a mix of quantitative and qualitative data. Four efforts were examined for this report, including: the Texas Schools Project (TSP) at the University of Texas at Dallas; the Texas Workforce Commission's Automated Student and Adult Learner Follow-up System (ASALFS) that was based in Austin; the Florida Employment and Training Placement Information Program (FETPIP); and Northeastern University's Center for Labor Market Studies (CLMS) efforts to track Boston high school students.

Several points are worth noting about these efforts, as follows:

- The two Texas initiatives and Florida's FETPIP relied primarily on linked administrative records to document postsecondary outcomes for high school students on a statewide basis, while the Boston project was exclusively survey based. None adopted a mixed-method approach combining administrative and survey data to more fully understand *why* students were or were not following their particular pathways.
- These efforts have mainly examined short-term postsecondary outcomes for high school students/graduates, although TSP and FETPIP were more longitudinal in their focus.
- Only FETPIP appears to be firmly established for the long term in terms of political support, funding and access to the requisite data. Of the other efforts, the Texas ASALFS project shut down after a successful, multi-year run when much of the underlying support, data access and related factors changed; TSP and CLMS are dependent on "soft" support, grant and contract funding that varies from year to year. TSP no longer has access to student-level data with identifiers from the state education agencies that support linking to other administrative records.
- As noted below, stricter interpretations of the Family Educational Rights and Privacy Act (FERPA) recently by federal and state policymakers have become a major obstacle to accessing and analyzing student data and reporting on postsecondary student outcomes. However, as the survey results presented in Chapter 7 suggest, states have not been uniform in their interpretation and application of FERPA in terms of allowing researchers to access identified, student-level records. Texas is one of a group of states that has adopted a very strict posture on data access by outside researchers, even when the agencies involved are funding the research.

The Central Texas High School Graduate Data Center will benefit considerably from these practices in important ways, including both productive avenues to pursue in the future and unproductive ones to avoid.

Barriers to Documenting Postsecondary Outcomes

Based on the research conducted for this report, there appear to be two major barriers to establishing and operating the Central Texas High School Graduate Data Center: restrictive interpretations of FERPA, and uncertain and/or unreliable funding and political support.

First and foremost, FERPA and the recent shift, at both the federal and state level, toward restricting access to identified, student-level data is far and away the greatest single obstacle to creating and running the Data Center. As pointed out in Chapter 6, the FERPA legislation provided for just the type of working relationships between state education program staff and education researchers that are envisioned in the Data Center. Discussions in FERPA's brief legislative history are consistent with such arrangements as well. Depending on the circumstances, state education entities, as well as local ISDs, can engage university education researchers under either of two legislatively specified exceptions—a “study exception” or an “authorized representatives exception”—for research that is designed to improve instruction and outcomes for students. As concluded in Chapter 6:

“[A] conscientious education agency or institution can comply with FERPA and still grant releases of individual student records to independent research organizations consistent with the intentions of FERPA’s drafters and contemporary interpretations of FERPA’s provisions.”

The state survey results reported in Chapter 7 show that a number of states are wisely choosing to pursue and support such approaches. Decision makers in the two major education agencies in Texas—TEA and the Coordinating Board—clearly have adopted a very restrictive policy on FERPA at least for the time being. Unless this situation changes, FERPA will continue to be the single largest barrier to the Data Center.

Second, obtaining and maintaining adequate funding and support for the Data Center is also an important barrier to acknowledge. As noted, only Florida’s FETPIP has had a long-term record of success in this regard. All of the other efforts have ceased operations, faltered somewhat or have gotten by with ad hoc support. It remains to be seen how this will be addressed. To some extent, the support obstacle may be connected to continuing issues with FERPA.

Immediate Plans for the Data Center

The Central Texas High School Graduate Data Center was developed with the support of both the Greater Austin Chamber of Commerce and the Texas Education Agency and is now in its pilot implementation phase with continuing support from GACC. It is designed to serve as a comprehensive, centralized source of information about the region’s high school graduates, offering both quantitative and qualitative data about students’ educational and labor market experiences, as well as the factors influencing them.

Chapter 8 outlines the initial plans for rolling out the Central Texas Data Center and conducting analyses of Central Texas high school graduates over a five-year period. In brief, the plans are as follows:

- Developing MOUs with local ISDs for their participation in the Data Center and its activities.
- Conducting exit surveys of graduating seniors to determine their plans for further education and work.
- Conducting one-year follow-up surveys of these high school graduates to determine their current status, changes in their plans and reasons for any changes.
- Accessing associated administrative data for participating high school graduates in the partner ISDs to obtain key information about their secondary school performance in grades 7-12 and to track their participation and progress in postsecondary education, the labor force and activities (e.g., the military, prison, welfare) up to four years after graduation.
- Analyzing the resulting data sets for each graduating class and reporting this information to key stakeholders on an annual basis.
- Working with Central Texas stakeholders—especially leaders and decision makers in ISDs and in the business community—to understand the results of the analyses and use them to improve curriculum, instruction, counseling and related practices in order to improve postsecondary success.

Next Steps

Immediate next steps for implementing the Central Texas Data Center include the following, among others:

- Completing the first year of pilot operations working closely with the four pilot ISDs: Austin, Del Valle, Pflugerville and Round Rock.
- Securing funding to support future operations of the Data Center.
- Recruiting additional ISDs to participate, with the exact number of additional districts contingent on the level of funding secured.
- Working out the logistics of administrative data access with key agencies and organizations, including the Texas Higher Education Coordinating Board, the National Student Clearinghouse (for out-of-state postsecondary records), and others.

Only by capturing students' experiences, achievements and challenges, both in the working world and in education, can the success of schools in preparing students for a promising future be accurately measured and fully understood. Over the next few years, the Data Center will provide policy makers, corporate and community leaders, and educators with key findings and create an ongoing dialogue to improve the quality of education in Central Texas.

Notes

¹ TAKS tests pre-dated and even served as the model for federally mandated tests under No Child Left Behind.

Appendix A. State FERPA Comparison Survey

Dear State Department of Education Legal Counsel:

The Ray Marshall Center for the Study of Human Resources at the University of Texas at Austin's LBJ School of Public Affairs is undertaking an ambitious research and demonstration project designed to track what happens to Central Texas high school graduates as they make the critical transition from high school to postsecondary education, the labor market, and the military. The success of our K-12 (and postsecondary) system can best be demonstrated by tracking the achievement of students after high school graduation. Only by combining a comprehensive, longitudinal approach to measuring student achievement during school and its effects on the graduate (or non-graduate) as he or she moves beyond high school, can we effectively account for K-16 education success or failure.

As part of this project, a policy research team at the LBJ School of Public Affairs is studying the methods used by state education agencies across the U.S. for tracking high school graduates while still working within the Family Educational Rights and Privacy Act (FERPA). We would greatly appreciate your help in answering the following questions about how your state education agency is dealing with this important research area:

1. Is your state agency tracking students after they graduate from high school?
2. Does your state education agency maintain an archive of individually identifiable education records for students in grades K –12?
3. If you answered yes to question 2, do you ever make these data files available to research organizations outside of your agency?
 - - If not, why not?
 - - If yes, what types of projects are these groups researching?
4. Under FERPA, we believe that there are 2 exceptions provided to educational agencies and institutions (e.g., school districts, state education agencies) for providing identifiable student records to outside researcher organizations.

One, FERPA allows for the release of records to “authorized representatives” of state or local education authorities for the evaluation of federal or state education programs (see 20 U.S.C. §§ 1232g(b)(1)(C), 1232g(b)(3) and 34 C.F.R. § 99.31(a)(3)(iv)). Two, FERPA also allows education agencies or institutions to release education records to organizations conducting studies for or on their behalf in order to help improve instruction (see 20 U.S.C. § 232g(b)(1)(F) and 34 C.F.R. 99.31(a)(6)(i)(C)). Are you using these exceptions? If so, which one?

5. Have your policies on sharing information about students and their families with outside researchers or agencies under FERPA changed in recent years? If yes, how have they changed?

We appreciate your taking the time to respond to our survey. Please return your answers by May 5th. If we do not receive your survey by that date, we will be happy to call your office to inquire about these questions by telephone. If you have questions or would like to see the results of this survey once it is completed, please contact (research team member name). Thank you very much for your time and interest.

If you are not able to accommodate this request, please forward it to the appropriate staff member. Thank you.

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