



THE COST OF EDUCATION IN SILOS: BUILDING A COHESIVE, INTEGRATED SYSTEM

Governor Gregoire's proposed Department of Education is designed to focus on student success from cradle to career. Today, students travel an education path that does not smoothly transition from early learning to K-12 to higher education. This proposal keeps the student — not the bureaucracy — at the forefront.



The fiscal impact of consolidating Washington's eight education agencies into a single Department of Education will yield projected savings of \$1 million a biennium. But the savings go far deeper. Every year taxpayers pay more for students who fall behind, retake grades and grow discouraged. The more important costs are those to our students through higher unemployment and lower lifetime earnings. With the current structure — which operates in individual silos and with no accountability for the entire system — we are not serving students, families and taxpayers well.

With just the following five examples, which would be addressed by a Department of Education, there is an estimated annual cost of approximately \$100 million per year for state taxpayers.

COST OF UNDER-PREPARED KINDERGARTNERS REPEATING KINDERGARTEN OR FIRST GRADE

In the 2006–07 school year, 3,891 Washington students repeated kindergarten or first grade, which represents 5 percent of K-1 enrollment. This cohort of repeating students costs the state \$10 million per year.

COST OF LOW-INCOME STUDENTS REPEATING ONE OR MORE GRADES BETWEEN KINDERGARTEN AND 12TH GRADE

Nationally, 13 percent of low-income students repeat one or more grades in K-12. Based on the assumption that 13 percent of low-income students in Washington repeat one or more grades, the state will spend approximately \$270 million per year on students who are enrolled in that grade for a second time. Studies on the effects of early learning on grade retention indicate that early learning programs reduce grade retention rates by 10 percent. Early learning improvements alone could reduce the cost of students repeating grades by \$27 million per year.

COST OF MAKE-UP CREDIT COURSES FOR NINTH GRADERS WHO FAIL ONE CLASS IN THE TRANSITION YEAR FROM MIDDLE SCHOOL

Up to 35 percent of high school ninth graders earned fewer than four credits, which means they are at least one credit behind by the end of their freshman year. Assuming these students make up that lost credit by taking an additional course in high school, the state pays \$30 million per year for credit retrieval courses. Some students are making up more than one course, so this estimate is likely low. Other students, however, are not making up these credits, and many ultimately do not graduate.

COST OF REMEDIAL COURSEWORK AT COMMUNITY COLLEGES

Fifty-four percent of community and technical college students who graduated from high school in 2008 took a remedial course in college the next year. Forty-eight percent of those students took pre-college math courses. The cost to state taxpayers for recent high school graduates taking pre-college courses at a community college is \$17 million per year.

COST FOR BACCALAUREATE INSTITUTION 'TIME TO DEGREE'

For the 2004–05 cohort of first-time, full-time freshmen students at Washington's public institutions, just 40 percent graduated within four years (the lowest level was 21 percent and the highest level was 53 percent). In contrast, the state's independent private colleges achieved a four-year graduate rate of 57 percent. The cost to Washington taxpayers of this 17 point difference in the four-year graduate rate is \$12 million per year or the equivalent state funding for an additional 2,183 slots that could have been occupied by students pursuing a bachelor's degree.

The current six-year graduation rate for Washington public institutions is 68 percent. The total cost of students taking more than four years to graduate is \$21 million.

CONCLUSION

These five examples cost Washington taxpayers approximately \$100 million per year. For perspective, that sum could pay for one of the following:

- » Expand the Early Childhood Education and Assistance Program to provide preschool services to 13,600 children, including all unserved 4-year-olds and half the eligible 3-year-olds; or
- » Expand full-day kindergarten to serve two-thirds of the kindergarten population (up from one-fifth now served); or
- » Fund 8,000 baccalaureate degree and 10,000 worker retraining slots; or
- » Give financial aid to approximately 16,000 students who are eligible for the State Need Grant but not now served.

We can no longer afford to operate a fragmented education structure. A department under a single Secretary of Education, appointed by the Governor and confirmed by the Senate, would promote a system centered on student needs and accountable for results. Reforming governance and tackling these issues that impede student success will better ensure brighter futures for all our children.