“This is a problem we cannot afford to accept and we cannot afford to ignore. The stakes are too high—for our children, for our economy, and for our country. It’s time for us all to come together—parents, students, principals and teachers, business leaders and elected officials from across the political spectrum—to end America’s dropout crisis.”

- President Barack Obama, March 3, 2010

Overview

Colorado is in the middle of the dropout epidemic facing the nation – in fact our dropout rate is significantly higher than most states. For the sake of our students and our state, it is a crisis we cannot afford to ignore. A combined total of 48,526 students dropped out of Colorado’s public school system during the three school years between 2006-07 and 2008-09. While indefensible, there is some good news: the annual number of dropouts has declined slightly each year since 2006-07. This report is designed to track Colorado’s progress in decreasing the dropout rate on an annual basis, while offering best practices and policy ideas to continue improving Colorado’s education system.

What is CGI?
The Colorado Graduates Initiative (CGI) is a collaboration between the Colorado Children’s Campaign, the National Center for School Engagement, and Colorado Youth for a Change. CGI seeks to make measurable and meaningful progress toward reducing Colorado’s student dropout rate and increasing the state’s high school graduation rate. CGI’s work includes:

- Promoting research-based state and local policies focused on data, accountability and quality, funding and innovation;
- Conducting prevention and intervention work with school districts through policy and practice alignment, early warning data systems, and comprehensive intervention systems;
- Engaging in data-driven outreach to dropouts to re-engage them in school; and
- Developing new high-quality schools to serve students who are off-track to graduate, as well as dropouts who want to return to school.

This initiative was launched by the Donnell-Kay Foundation in 2008 and is currently supported by a number of area foundations. CGI currently partners with six school districts: Adams 12, Aurora, Boulder Valley, Denver, Jefferson County, and Pueblo City 60 and is actively exploring partnerships with a couple other Denver metro area districts. CGI collaborates with the governor’s office and the Colorado Department of Education (CDE) in many of its activities. These partnerships have included coordinating with the governor’s office on a dropout summit with 33 school districts and working with CDE on implementing dropout prevention laws and communicating with school district representatives about best practices.
Key Facts:

- Colorado has a high dropout rate relative to other states in the nation. In 2007-08, Colorado's nationally-calculated dropout rate was 6.4 percent, as compared to a national average of 4.1 percent for grades 9-12. The official Colorado state dropout rate calculation also includes grades 7 and 8, making the official rate 3.6 percent, totaling nearly 15,000 students (see footnote below*). The greatest numbers of dropouts are concentrated in Colorado's large, mostly urban districts, with ten districts contributing 61.6 percent of dropouts. Similarly, 2006-07 data revealed that 70 percent of Colorado's dropouts are concentrated in 25 percent of Colorado's schools.

- The good news is that over 3,000 fewer students dropped out of school in 2008-09 compared with the 2006-07 school year. Concentrated efforts by CGI, the state, districts, schools, and other key stakeholders have shown that this problem is not intractable. Focused policies and practices at the school, district, and state levels appear to be making an impact to reduce the number of dropouts.

The Dropout Problem

Although Colorado's dropout rate is improving, it remains a concern and is significantly higher than other states. As the graph below illustrates, Colorado has the 4th highest dropout rate in the country (for students in 9th-12th grades) and had more dropouts in the 2007-08 school year than 37 other states and Washington, DC, including states with a significantly larger number of high school students, such as New Jersey, Virginia and Minnesota.

![Dropout Rate graph](National Center for Education Statistics, 2007-08 School Year Data)

Although most Colorado school districts have dropout rates of two percent or less, it is important that all districts examine and address their dropout conditions. Even a relatively small district, such as Elizabeth with a 1.2 percent dropout rate translates into losing 18 students per year. And for Boulder Valley School District, a large district, its 1.5 percent dropout rate means 221 dropouts per year. Not only does dropping out mean lost opportunities for each of these students, it also results in lost funding for the school district, providing another concrete reason for schools and districts to prevent and re-engage dropouts.

The dropout problem is not limited to large districts in Colorado, although clearly most dropouts come from larger school districts. In examining the number of Colorado dropouts by school district, it isn’t surprising that of the ten districts with the highest numbers of dropouts, eight of them are among the top ten in student enrollment. In the 2008-09 school year, Denver Public Schools and Aurora Public Schools alone accounted for 2,647 and 1,301 annual dropouts respectively (26.7 percent of Colorado’s dropouts). The dropout rate data, however, is less consistent and tends to lack a correlation to geography or pupil enrollment. The top ten dropout rates include districts spanning the state from a small district, De Beque 49J in Northwest Colorado, with 83 secondary students, to a relatively large district, Adams County 14 in the metro area with more than 3,200 secondary students.

* The official state dropout rate is different than the nationally-calculated number of 6.9% and 6.4% for the 2006-07 and 2008-09 years respectively. The difference is derived from the national calculation method, which does not include 7th and 8th grade cohorts, counts students exiting to a GED preparation program as dropouts rather than transfers, and counts in the denominator all 7th-12th grade students in membership at any point during the school year rather than only those in membership on October 1.
**Dropout Rate:**
The dropout rate is an annual rate, calculated by dividing the number of dropouts in the current year by the total number of 7th-12th graders enrolled in the district. By Colorado law, a dropout is a “person who leaves school for any reason, except death, before completion of a high school diploma or its equivalent, and who does not transfer to another public or private school or enroll in an approved home study program.” A student is not a dropout if he/she transfers to an educational program recognized by the district, completes a GED or registers in a program leading to a GED, is committed to an institution that maintains educational programs, or is so ill that he or she is unable to participate in a homebound or special therapy program. Students who reach the age of 21 before receiving a diploma or designation of completion (“age-outs”) are also counted as dropouts.

The dropout rate in Colorado is understated because, as noted above, a student who leaves school does not count against a school district’s dropout rate if he or she registers in a GED program, regardless of whether that student successfully completes the GED.

**Graduation Rate:**
The graduation rate is determined by dividing the number of graduates in a given school year (e.g. the class of 2008) by the original number of students from that same cohort after their 8th grade year – adding the number of transfers in and subtracting the number of verified transfers out during grades 9 through 12. A graduate of a district is a student who has fulfilled the graduation requirements set by local school boards.

Graduation and dropout rates do not add up to 100 percent because they are calculated using two different cohorts; dropout rate is an annual rate of each grade level from 7th-12th grade, whereas the graduation rate includes a four-year cohort of 9th-12th grade students. These rates are further separated because the dropout rate does not include students who register for the GED. Students who complete the GED are included in the district’s “completion rate,” along with high school graduates but GED completers are excluded from the district’s graduation rate.

**Why is the Dropout Problem Important to Solve - Economic Costs**
While the dropout problem has clear impacts on individuals, including decreased student achievement, lower wage earnings, and poorer health prospects, it also significantly impacts Colorado’s economy. The dropout problem costs Colorado billions of dollars in remediation, crime, rehabilitation, health care, public support, lost earnings, and taxes.

- One high school dropout can be expected to cost in excess of $200,000 in additional public support over a lifetime.
- Colorado would save more than $280 million in health care costs if each dropout graduated from high school.
- Colorado would save more than $92 million in reduced crime spending if the male graduation rate increased by 5 percent.
- A dropout contributes about $60,000 less in taxes over a lifetime.

**Progress and Trends**
In response to the growing dropout problem, Governor Bill Ritter pledged, as part of the Colorado Promise, to reduce the dropout rate by half over the ten years following his becoming governor in 2007. This call to action led to the formation of the CGI, which began collaborating with the governor’s office, the Colorado Department of Education (CDE), local districts, funders, and other community non-profit partners in 2008.

Since the 2006-07 school year, Colorado has made some improvements in both its dropout rates and overall number of dropouts. The dropout rate in the 2006-07 school year for grades 7-12 was 4.4 percent. By the 2008-09 school year, the dropout rate had dropped significantly to 3.6 percent. In raw numbers, 3,052 fewer students dropped out in 2008-09, a decline from 18,027 students in 2006-07 to 14,975 students in 2008-09.
Lowering Colorado’s Dropout Rate: Focus on Large School Districts

To reduce dropouts in Colorado, it is important for state leaders to focus on the school districts with high numbers of dropouts even if their dropout rates are relatively low. As shown in the graph below, six of the ten districts with the most numbers of dropouts have dropout rates higher than the 2008-09 state average of 3.6 percent. Three of these ten districts’ dropout rates are lower than the state average, and one district (Mesa 51) rate is exactly at the state average. Although it must be a top priority to focus on districts with both high numbers and high rates of dropouts, it is also critical for those districts with a relatively large number of dropouts but relatively low rates (e.g. Cherry Creek, Douglas County, Jefferson County, and Boulder Valley) to reduce their number of dropouts. The four abovementioned districts – all with dropout rates below the state average – account for more than 15 percent of Colorado's dropouts, or about 2,300 students. It is important to note that in some of these districts, many of the dropouts are concentrated in particular schools. In this regard, districts need to examine their dropout trends by school to maximize their prevention and recovery resources.

Six of the ten districts in Colorado with the highest numbers of dropouts have experienced reductions in their overall dropout rates (see graph below). Denver Public Schools and Adams 12 have made the most progress, reducing their dropout rates by 3 percent and 1.6 percent respectively. One of these ten districts, Pueblo 60, has had a relatively flat rate. The other three districts (Vilas, Douglas County and Cherry Creek) have had higher dropout rates, with Vilas RE-5 experiencing the biggest increase of 1.5 percent over three years.¹⁹ (Note: Vilas is a small rural district with a full-time online program in which most of its enrolled students reside outside the district.) CGI hopes to partner with these and other Colorado districts struggling to make more progress on this problem. Of the first five districts with which CGI initially partnered, four have reduced their dropout rate over the past two years (Adams 12, Aurora, Denver, and Jefferson County) and one has remained relatively flat (Pueblo 60).

 Dropout Factories

Much of the dropout problem is also concentrated in certain schools across Colorado. These schools are referred to by some, including U.S. Secretary of Education Arne Duncan, as “Dropout Factories.” The term dropout factory was coined by researchers at Johns Hopkins University as schools that graduate less than 60 percent of their students.²¹

An analysis by the Donnell-Kay Foundation found that “dropout factories” exist in 34 of Colorado’s 178 school districts, totaling 92 schools.²² Denver Public Schools tops the list with 16 schools and Jefferson County has five of these schools. It is important to note that 37 of the 92 schools identified (or 40 percent of them) are designated as Alternative Education Campuses (AEC’s), which serve over 95 percent “at-risk” students, defined by state law as having specific risk factors, many of which are from outside of school.²²

Because AEC’s serve the highest percentage of at risk students, it is important for the state and districts to identify additional ways to help support and resource these schools, while simultaneously holding them accountable for results. The state recently created accreditation indicators for AEC’s that vary from traditional schools, but that are relevant to this population of “at-risk” students, including student re-engagement, attendance and truancy rates, and student behavior indicators, among others.

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¹² An at-risk student is a student who: (1) Is enrolled at a public secondary school. (2) Is a juvenile delinquent or has been in a correctional facility. (3) Has dropped out or has not been continuously enrolled and regularly attending school for at least one semester prior to enrolling at their current school. (4) Has been expelled from school. (5) Has a documented history of personal drug or alcohol use or has a parent or guardian with a documented dependence on drugs or alcohol. (6) Has a documented history of gang involvement or an immediate family member with a documented history of street gang involvement. (7) Has a documented history of child abuse or neglect. (8) Has a parent or guardian in prison or on parole or probation. (9) Has a documented history of domestic violence in the immediate family. (10) Has a documented history of repeated school suspensions. (11) Is a parent or pregnant woman under the age of twenty years. (12) Is a migrant child. (13) Is a homeless child. (14) Has a documented history of a serious psychiatric or behavioral disorder. (CRS 22-7-604.5(1.5))
Medium and Small Size Districts Matter Too

While focusing on reducing dropouts in larger school districts with high numbers of dropouts, it is also important for smaller size districts with high dropout rates to make effective policy and practice changes to reduce their rates. Although these districts rarely have schools that would be considered “dropout factories” and their numbers of students do not comprise a large proportion of the total number of dropouts in Colorado, they contribute to the state’s overall dropout picture. CDE is coordinating much of this work under a recent state law (described in the next section), with the notion that it takes a comprehensive effort with school districts of all sizes to reduce the state’s dropout rate.

The following link to CDE’s website provides information about dropout rates in Colorado: http://www.cde.state.co.us/cdereval/rv2009DropoutLinks.htm

Promising Policies and Practices

Recent Advancements: Setting the Groundwork

The most positive sign for Colorado is that the dropout numbers have decreased over the past few years. With ongoing partnerships between school districts and the state around promising policies and practices, this trend may continue. In 2009, the Colorado legislature passed HB 1243. This bill made reducing the dropout rate a statewide priority, established the state office of Dropout Prevention and Student Re-Engagement in CDE, and requires “priority” and “high priority” districts with low graduation rates to develop practices assessments and graduation/completion plans. The rule for this law specifies other factors to identify “high priority” school districts, including dropout rates, truancy rates, and suspension and expulsion rates that significantly exceed the state average. Through this law and rule, CDE is working with five “priority” school districts – Englewood, Mapleton, Vilas, Plateau Valley, and Montezuma-Cortez – and is in the process of identifying ten other “priority” districts to assist, beginning in the 2010-11 school year.

The work of this new state office has been funded initially by federal American Recovery and Reinvestment Act (ARRA) resources. This law built on the state legislative establishment of the School Counselor Corps program, which increased the number of counselors in high schools with low graduation rates. This program, proposed by Governor Ritter and enacted into law in 2008, has been funded by the state legislature at $5 million per year for the past three years. Advocating for the best policies and practices to help solve this problem has the potential to dramatically reduce the number of dropouts in Colorado.

Potential Improvements: What’s Still Needed

School District Practices and Policies

In addition to state laws and funding, CGI recommends several important school district practices to be utilized across the state. These include:

• Developing and/or improving early warning data systems that track dropout indicators such as failing grades, poor attendance, and behavior problems to help schools identify students who are off-track to graduate before they get too far behind;
• Aligning district and school dropout policies and practices with best practices around attendance, truancy, suspensions, expulsions and course failures; and
• Creating new high quality schools designed to support off-track students and re-engaging dropouts.

State Policies

Using practice to inform policy is a key component of CGI’s work as CGI also focuses on necessary state policies as part of its efforts to create a comprehensive dropout strategy. Some potential state-level policies include improving districts’ early warning data systems that better track absences and course failures; ensuring an accurate dropout rate; designing a better school finance system that accurately counts students; and increasing the mandatory school attendance age.

Effective Early Warning Data Systems

Student absence, behavior and course failure data - from as early as 6th grade or earlier - are indicators of a student's likelihood of graduating high school on time. Failing just one core course in a student’s 9th grade year decreases his or her chances of graduating by about 20 percent, with a similar decrease continuing for each additional failed core course. Similar data has been found for chronic absences, truancy and suspensions as early warning indicators. Additional state legislation may be needed to require some districts to collect, share, and use this information with their local schools and communities to reverse these dropout indicators.

Such legislation would build on the effective early warning systems established by HB 1243 that help school districts focus on students needing the most help to stay in school. Similar early warning systems with this data exist across the country, including in Chicago, Philadelphia, and Louisiana.
Dropout Rate
Current Colorado State Board of Education rule allows students who leave school and register in a GED program to not count as dropouts, regardless of whether the student successfully completes the GED or not.26 This exclusion artificially lowers a school district’s dropout rate if one or more of its students does not complete their GED because a student who leaves school without gaining a diploma or a GED should clearly be considered a dropout. State law or rule could clarify that only students who successfully complete their GED be excluded from the district’s and school’s dropout rate.

Count Date Change
In 2010, the Colorado legislature passed SB 8, which commissioned a study to examine the feasibility of changing the state’s single October 1st student count date, a process that determines annual school funding for districts. The single October 1st count system takes a snapshot of the pupil enrollment at that time, assumes that those students continue attending school throughout the year, and provides districts with funding based on that number. This mechanism removes any financial incentive for districts to keep students enrolled throughout the year. CGI led the efforts to enact this study and anticipates that the study will inform policymakers about better student count mechanisms that will help reduce the number of dropouts. The student count study is required to examine alternative mechanisms to count students to fund school districts in order to provide financial incentives for schools to keep their students.

Mandatory Attendance Age
CGI is also considering supporting legislation to increase the state mandatory school attendance age from 17 to 18. Some states have passed legislation requiring students to remain in school until their 18th birthday (Colorado’s mandatory age goes up to the student’s 17th birthday).27 Illinois increased the compulsory attendance age from 16 to 17 in the 2004-2005 school year; a strategy that may have contributed to the number of dropouts falling 16 percent, from 32,445 in 2003-04 to 27,380 in 2004-05.28 Montana, Pennsylvania, Connecticut, Indiana and New Hampshire also enacted similar changes.29

Other Policies
Other state policies that could reduce dropout rates include limiting out-of-school suspensions and expulsions; increasing student re-engagement through data sharing between GED testing companies and school districts to facilitate districts’ dropout recovery opportunities; and better connecting at-risk dollars to at-risk students.

Federal Policies
As Congress considers the reauthorization of the federal Elementary and Secondary Education Act (ESEA) in 2011, it is important that Congressional members include a dropout prevention focus in this legislation. Potential examples are: provide direct, targeted funding (potentially through Title I or other formula funds) to states and districts to institutionalize early warning indicator systems in schools; direct funding to states and districts for dropout recovery; incent better high school graduation rates through school district accountability credit and/or funding; and encourage dropout prevention and recovery best practices through coordination between education, child welfare, juvenile justice and mental health systems.

Next Steps and Actions
Just adopting one of these practices and policies alone will not solve Colorado’s dropout problem. A larger, comprehensive systems approach, incorporating a range of new and innovative policies at both the state and district levels, is more likely to make a difference.

CGI and many other organizations and individuals across the state are hard at work to reduce dropouts, but there is much more to do. The progress Colorado has made in the past few years must not only continue, but accelerate, to reach the goal of cutting the dropout rate in half by 2017. By making the necessary policy and practice changes, Colorado has the potential to significantly lower its dropout rate and enable all students to complete school successfully.

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End Notes


4 Colorado Department of Education High School grant application (July 2010).


8 Ibid

9 Colorado Code of Regulations, 301-67, Sections 3.01-3.02.


11 Colorado Code of Regulations, 301-67, Sections 4.01-4.02.


14 Ibid


18 Ibid

19 Derived from data gathered from 2 sources:  

20 Derived from data gathered from 3 sources:  


Note: The list of “dropout factories” was created by the Donnell-Kay Foundation using data on currently operating traditional, charter, alternative, and online schools with a final graduate base of more than 15 students. Schools excluded from this list also include those that reconfigured their grade levels for the 2008-09 school year and/or those that do not offer 12th grade and thus do not have any graduates.

23 Colorado Code of Regulations, 301-84, Section 3.00(2).


26 Colorado State Board of Education Rule 301-67, Section 3.01(1)(d)(1).


