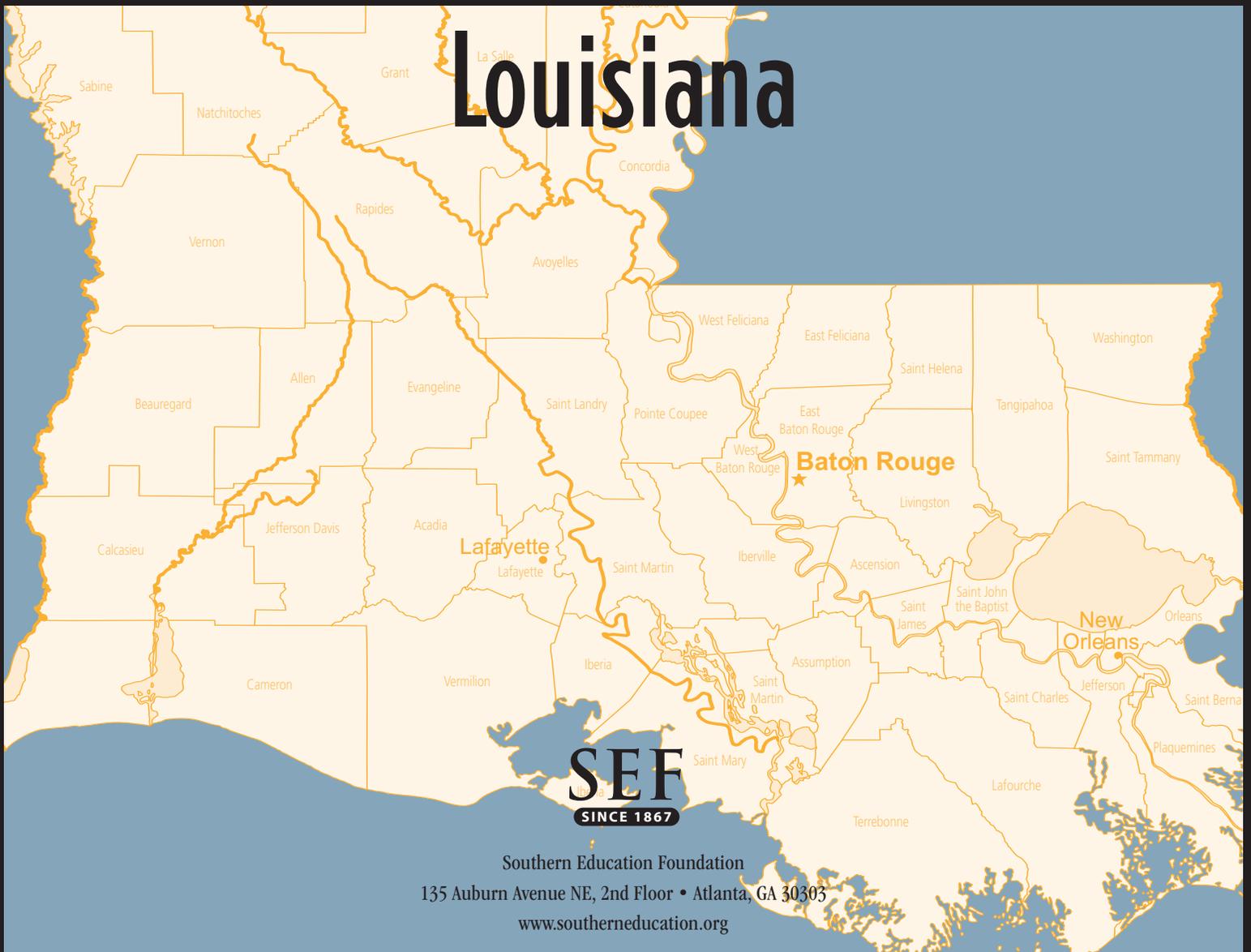


Miles To Go



SEF
SINCE 1867

Southern Education Foundation
135 Auburn Avenue NE, 2nd Floor • Atlanta, GA 30303
www.southerneducation.org

The Southern Education Foundation

The Southern Education Foundation (SEF), www.southerneducation.org, is a nonprofit organization comprised of diverse women and men who work together to improve the quality of life for all of the South's people through better and more accessible education. SEF advances creative solutions to ensure fairness and excellence in education for low-income students from preschool through higher education.

SEF develops and implements programs of its own design, serves as an intermediary for donors who want a high-quality partner with whom to work on education issues in the South, and participates as a public charity in the world of philanthropy. SEF depends upon contributions from foundations, corporations and individuals to support its efforts.

SEF'S VISION

We seek a South and a nation with a skilled workforce that sustains an expanding economy, where civic life embodies diversity and democratic values and practice, and where an excellent education system provides all students with fair chances to develop their talents and contribute to the common good. We will be known for our commitment to combating poverty and inequality through education.

SEF'S TIMELESS MISSION

SEF develops, promotes and implements policies, practices and creative solutions that ensure educational excellence, fairness and high levels of achievement among African Americans and other groups and communities that have not yet reached the full measure of their potential. SEF began in 1867 as the Peabody Education Fund.

CREDITS

Miles To Go Louisiana is one of a series of reports by SEF in which we undertake research, disseminate information and work with policymakers to expand education and economic opportunities in the South. Prior *Miles To Go* reports on other Southern states can be found at www.southerneducation.org.

SEF thanks all Louisianans who offered their time and talent leading to this report and who continue to be leaders shaping the public policy agenda for education reform across the state. SEF especially wishes to credit the work of SEF program coordinator Steve Suits and SEF associate program officer Lauren Veasey, who were primarily responsible for the development of this report.

Miles To Go

Louisiana

The Only Way Forward:
Changing Directions in Education

With Support and Assistance from

Entergy Corporation

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Printed copies of *Miles To Go Louisiana* are available from the Southern Education Foundation, 135 Auburn Avenue, Second Floor, Atlanta, GA 30303-2503 for \$15.00 each while supplies last. An electronic version is available without charge at www.southerneducation.org.

table of contents



Preface <i>by Lynn Huntley</i> <i>President, Southern Education Foundation</i>	v
Foreword <i>by E. Renae Conley</i> <i>President and CEO, Entergy Louisiana</i>	vii
Executive Summary	viii
Introduction: Education is Vital	1
Louisiana Education: Recent Trends	3
Louisiana's Economy: Recent Trends	4
Louisiana's Education Gap Explains the Economic Gap <i>Sidebar: Per Capita Income: The Best Indicator of a State's Economic Well-Being</i>	5
Louisiana Education: Current Characteristics	7
Louisiana Pre-K Programs <i>Sidebar: Louisiana Pre-K: A Great Education and Economic Investment</i>	8
Louisiana's National Education Ranking: Stuck Near the Bottom	9
Louisiana Equity Gaps: Education Performance	11
Louisiana Equity Gaps: Education Resources	14
Louisiana's Education Pipeline: Major Gaps	16
The Only Way Forward: Changing Directions in Education	18
Creating A New Future: Making Changes	19
Conclusion and Recommendations	20
Selected Bibliography	22

preface



This report about education in Louisiana is a part of the *Miles To Go* series of the Southern Education Foundation (SEF). The reports in this series document, state by state, education trends, dynamics, demographics, problems and promising corrective strategies and practices. They provide basic, accessible information to explain the strengths and limitations of the region's diverse systems of education to a broad swath of the public in order to build both engagement and public will supportive of change. SEF is the South's only public charity focused on equity and excellence in education from pre-school through higher education and its oldest education philanthropy. Advancing innovative solutions to ensure fair access to quality education has been SEF's mission since 1867.

This report uses data and statistics that document the reality of education in Louisiana before Hurricane Katrina occurred with its devastating toll on all in its path. Although the report is largely focused on Louisiana education before the storm, its content remains relevant and important. "In order to know where you're going, you need to know where you've been. In order to avoid repeating the mistakes of the past, you must know your history and own it." Moreover, recent data on education since Katrina suggests that, if anything, the problems identified in this report have deepened and become even more complex. Long-term systemic problems, such as those identified in this report, have been exacerbated in the storm's aftermath.

Miles To Go Louisiana helps explain why so many of the people who had neither the material means to flee from the path of a devastating storm nor a destination away from its wrath were poor and/or Black people. It explains, in part, why many are

still living on the margins in cities where they were relocated and why their children still lag behind on standardized tests administered by school districts in Texas, Georgia and other states to which evacuees were sent. Education inadequacy and inequality – low financial resources, failing schools, limited needs-based financial aid, high dropout rates – have created deep, concentrated poverty in New Orleans and environs. The report argues, we believe persuasively, that improving education for all of the people of the state is the only way forward if the state is to avoid recreating the dynamics that hobbled its quality of life and progress in the past.

Louisiana leaders and residents face the major burden of reconstructing the many education systems needed. This report challenges them to do more and better now.

But SEF is not unmindful of the fact that unless the national government demonstrates real leadership in education and helps reconstruction efforts in a major way, the pace of progress will be slow and improvements thin. The system of federalism that makes public education a state responsibility cannot and will not work well when a state and its subdivisions are bereft of funds and face so many desperate needs. I wonder why the Congress of the United States, which passed “No Child Left Behind,” doesn’t provide Louisiana officials with the resources and support needed to make the state a demonstration project of what can be done to educate low-income students where national commitment, will and resources are brought to bear.

SEF hopes that the readers of this report will come away with three basic messages and understandings:

- First, investing in the education of the huge, new majority of low-income students in Louisiana public schools at all levels is a vital priority on which the economic future of the state and poverty alleviation efforts rest.
- Second, setting reasonable goals related to reducing dropout rates is a good way to enhance education outcomes and attainments.
- Finally, Louisiana is part of the United States. What goes on in education there will set a *de facto* standard for what is expected in education quality for low-income students across the nation. *All of the people of the United States have a vested interest in helping Louisiana close the gap between the aspiration to educational excellence and the reality of inequity.*

SEF acknowledges and thanks the leaders of the Entergy Corporation and the Nellie Mae Foundation for supporting the development of this report. SEF also wishes to specially recognize its Board of Trustees’ Chair *Emeritus*, Norman C. Francis, the President of Xavier University, one of the cherished Historically Black Colleges and Universities affected by Hurricane Katrina. His example of leadership, courage in the face of adversity and love of his beloved Louisiana and New Orleans deserve special recognition and commendation.

Lynn Huntley
President

The Southern Education Foundation

foreword

At Entergy, we believe in creating opportunities that promote and encourage individuals to achieve as much success as their talents and initiative will allow. We are proud to work in partnership with the Southern Education Foundation to make this publication possible.

This publication introduces three key simple challenges to help Louisiana transform our education and economy. The report uses data and statistics that document the reality of education in Louisiana while clearly making the case for every Louisiana leader, resident and business to become actively engaged in the education transformation.

We support Louisiana's goals to continue investing in Pre-K education while working to increase the number of young people successfully graduating high school. We need to challenge our youth to look for opportunities to solve big problems and to do great work.

We encourage other companies to join us in this worthwhile effort for the youth of our state. We need to give them opportunities to advance their careers in an environment that fosters great work in Louisiana.

E. Renae Conley
President and CEO
Entergy Louisiana

We need to challenge our youth to look for opportunities to solve big problems and to do great work.

executive summary

Miles To Go Louisiana The Only Way Forward

Education has never been more important to the future of Louisiana. An educated workforce is now vital to increasing economic prosperity, opportunities and quality of life for a state. Fifty years ago, a high school graduate earned 66 cents for every dollar made by a college graduate, while a high school dropout made 51 cents. In 2002, high school graduates earned only 48 cents to every college graduate's dollar, and high school dropouts earned 29 cents.

In 2005 Louisiana ranked 50th in the nation in per capita income. On average, each person in the state had almost \$10,000 less income than the average American. Over 60 percent of this gap in income can be attributed solely to Louisiana's lower levels of education.

Louisiana can begin to move out of the bottom ranks in income and economic growth only by increasing enrollment and graduation rates in high schools and colleges and by reducing gaps by race and income in education performance and resources.

Louisiana Education Trends

In national achievement tests for K-12 students, Louisiana is far below most other states in every grade and in every subject area tested. In mathematics, for example, Louisiana students in the 8th grade score approximately one full grade behind the average student in the nation. Similar gaps show up on national tests for reading, science, geography and history. Both White and Black students in Louisiana are behind their counterparts in the rest of the nation.



In comparison with the nation, Louisiana's educational attainment has fallen behind other states in recent decades and now ranks 43rd among states in percentage of adults with bachelor's degrees. In 2000, over four-fifths of adults in the state had no college degree; one out of every four had no high school diploma. Louisiana also ranks 45th among the states in high school dropout rates and places 47th among the states in average ACT scores.

Louisiana Education Gaps

Louisiana's K-12 public education system is composed of a majority of children of color (51½ percent) and low-income students (60 percent). For this reason, gaps in education performance and resources by race and income pose problems for the entire state's economic future.

Both national and state test scores document Louisiana's long-standing equity gaps. In 2005, for example, national test scores show a gap between White and Black students of 40 percentage points in 8th grade math. Louisiana's state tests also reveal large gaps in achievement by race across the grades, although smaller in scale.

There is also evidence from state tests that Louisiana's gaps in student achievement by race are narrowing in more than one subject and that African American students, who often attend inadequately funded, inferior schools and come disproportionately from low-income families, are making progress to close the gaps and realize their full potential.

Additionally, the state has large disparities in educational achievement by income. According to national tests, 8th grade students eligible for free and reduced school lunch in Louisiana have been approximately 30 percentage points behind more affluent students in math scores since 1996.

Louisiana Pre-K Programs

Louisiana's pre-kindergarten (Pre-K) initiatives serve approximately 12,000 students, less than one-fifth of all four-year-olds and less than half of all four-year-olds from low-income families in the state. Independent evaluations show that kids from low-income Black and White families in state Pre-K make huge gains in their learning – a trend which can increase school readiness and shrink the K-12 achievement gaps.

Louisiana Pre-K is also a great economic investment. For every \$1 invested in Louisiana's high-quality Pre-K, the state will receive in return from \$2.25 to \$8.00 in future savings and increased taxes.

The gaps in school performance are often rooted in disparities in educational resources. The amount of money spent for education differs widely across Louisiana's parishes; one study suggests that children in Louisiana's poorer school districts receive \$850,850 less support for education over the course of 12 years of elementary and secondary schooling, than children in similar-sized schools in Louisiana's wealthier districts.

College costs in Louisiana are prohibitive for low-income families. In 2001, the cost of attending a four-year, public university in Louisiana – after financial aid – would have required 64 percent of the entire income for families with very low income – one in five of the state's African American families. Louisiana's Tuition Opportunity Program for Students (TOPS), does provide college scholarships, but a survey at Louisiana State University found that only 7 percent of the TOPS scholarship recipients were African American.

To close the economic gap, Louisiana must close the education gap and keep up with the nation in developing an educated workforce and citizenry.

Leaks in Louisiana's Education Pipeline

While the state appears to be narrowing some gaps in educational achievement, there are huge leaks in the state's education pipeline where large numbers of students are lost. The largest dropout appears to occur near the 9th grade through the 12th grade. The next largest loss occurs after high school when high school graduates fail to enter college. Together, these two drains mean that over 40 percent of the state's 9th graders fail to get a high school diploma and nearly two-thirds fall out of Louisiana's education pipeline before reaching college.

Investing in Education: The Only Way Forward

Over time, Louisiana's economic well-being has declined relative to the nation as its rates of high school graduation and college graduation have fallen behind. To close the economic gap, Louisiana must close the education gap and keep up with the nation in developing an educated workforce and citizenry. Investments in human capital through education are the only sure means to spark economic growth and development.

The economic effects of increasing education can be dramatic. For instance, if Louisiana can increase both high school and college enrollment by 1½ percentage points annually over one generation, Louisiana would increase its state economy by an additional \$22 billion and provide an additional \$2.3 billion in state revenues by 2050.

Louisiana can move out of the bottom ranks in education, income and economic growth by increasing enrollment and graduation rates in high schools and colleges.

The most important strategies towards reaching this enduring goal will be:

- Re-design and reform Louisiana high schools in order to decrease dropout rates and to ensure students are college- and work-ready.
- Provide more education resources to the neediest students from early education through college.
- Expand high-quality Pre-K to help ensure that long-term gains can be sustained over a generation.
- Increase momentum in closing the education gaps by race and income.

Louisiana's most important economic asset is its pipeline of human capital that can fuel the state's economy and communities in the future. This vital resource should not be limited by the accidents of a child's birth, nor squandered through inaction or business-as-usual. More than ever, the entire state's future depends on how well Louisiana educates the next generation of its students.

Education is Vital

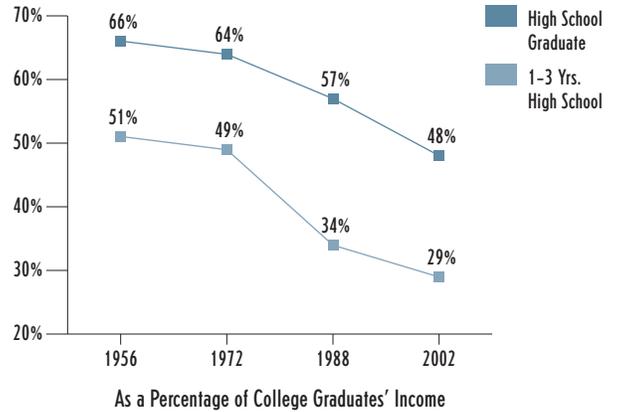
Even amid the lingering, difficult aftermath of one of the worst disasters in American history, education has never been more important to the future of Louisiana. Like other Southern states, Louisiana once had an agricultural economy that did not depend on high levels of education among workers and citizens to grow its economy. In today's world economy, an educated workforce is vital to increasing prosperity, opportunity and quality of life for the entire state.

The growing importance of education becomes evident by comparing how personal income has changed over the last 50 years. In 1956, for example, a high school graduate received 66 cents for every dollar earned by college graduates, and a high school dropout made about 51 cents. In 2002, a high school graduate earned only 48 percent of the income of college graduates, while the income of high school dropouts declined to only 29 cents for every dollar college graduates earned.

In fact, recent studies show that only families with a college-educated head of household enjoyed real gains in income over the last 30 years. From 1973-2004, U.S. families with college-educated adults experienced an average increase in income of between 17 and 34 percent, after adjustments for inflation, while all other families without the benefit of higher education fell behind. The average income for families headed by high school dropouts declined by over 25 percent during this period.

High School Is No Longer Enough

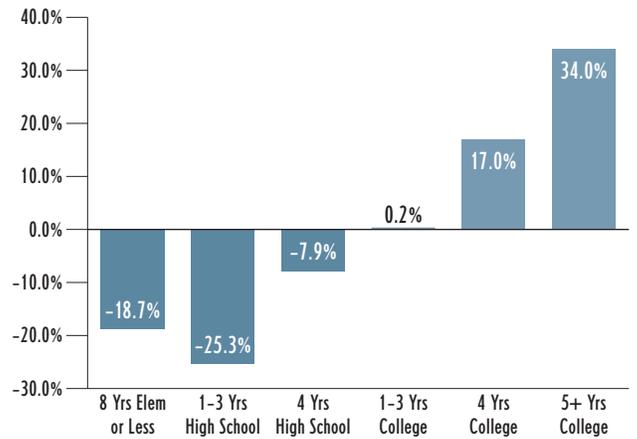
Change in Economic Value of High School Education



Source: U.S. Census, Statistical Abstract of the United States

High School Is No Longer Enough

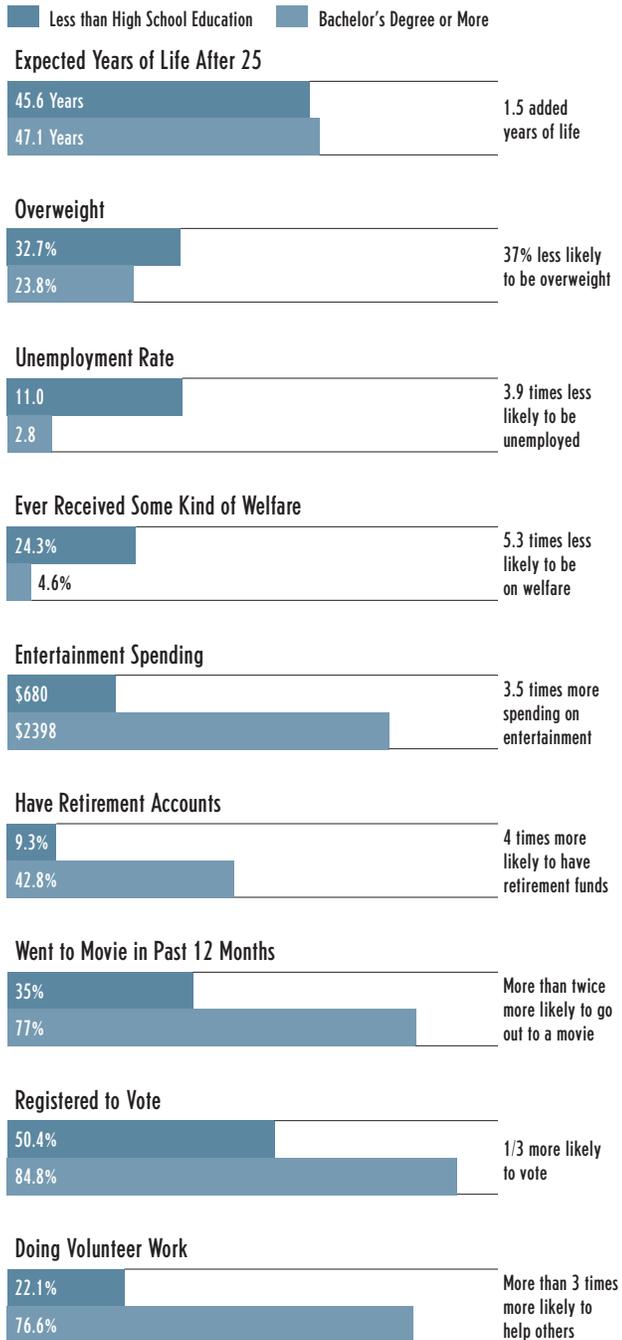
Change in Average Family Income by Education Attainment, 1973-2004



Source: Postsecondary Education Opportunity

introduction

Quality of Life by Level of Education



Source: Postsecondary Education Opportunity

As these trends suggest, the engine of Louisiana's economy has also changed, especially since 1970. While the proportion of high school graduates was once an adequate measure of the education necessary to grow an economy, today a state's economic growth is linked to its comparative growth in the percentage of college-educated adults.

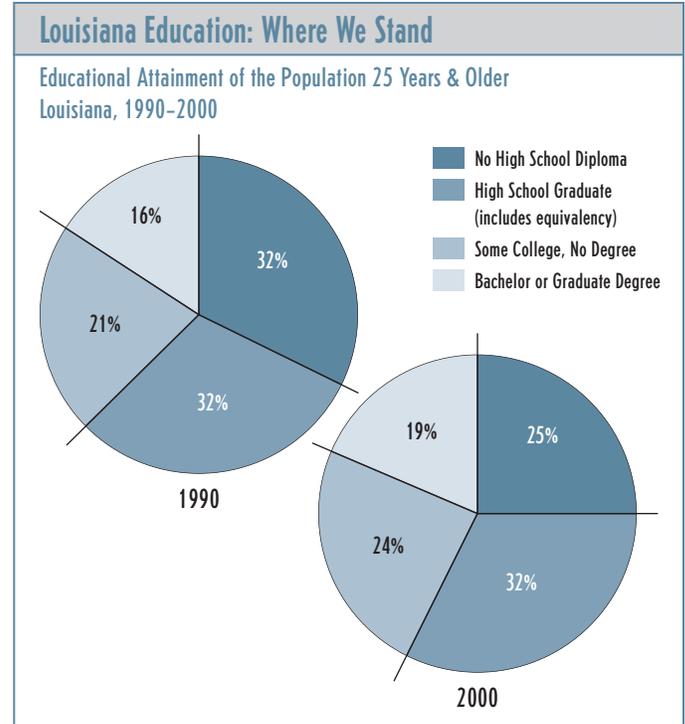
In addition, more than ever before, education helps to shape other aspects of an entire state's quality of life. Today, communities with higher percentages of college graduates are far more likely to have citizens who live longer, have more time and money for relaxation and leisure, avoid welfare and unemployment, register to vote and volunteer for civic activities. In other words, improvements at all levels of the education system, from pre-school through college, are needed not only to enlarge the college-educated workforce but also to ensure an informed electorate, civic engagement, a stronger tax base and a better quality of life for people at all education levels.

Louisiana Education: Recent Trends

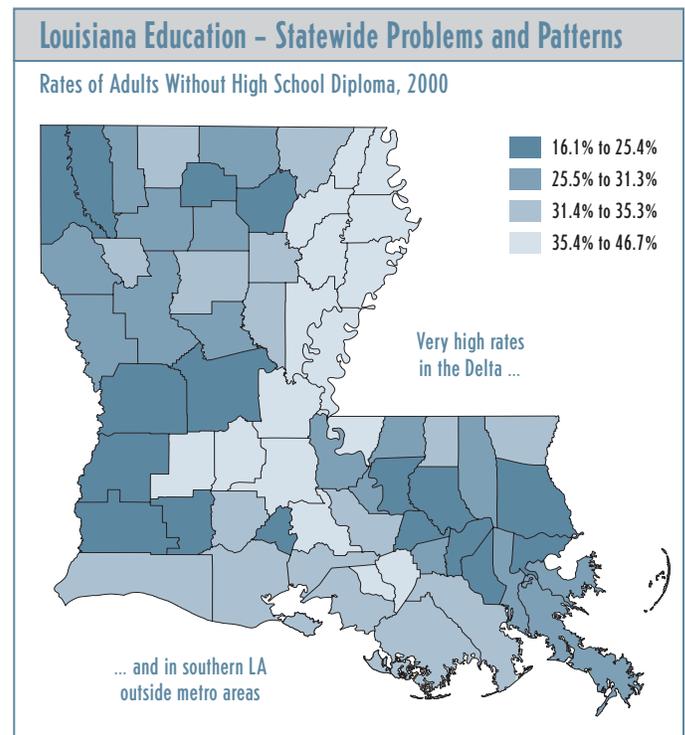
Over the last few decades, as the significance of education has grown, Louisiana has continued to fall behind other states across the nation in levels of educational attainment. In 1980, the rate of adults with a BA degree in Louisiana was 90 percent of the national rate. Ten years later, the rate in Louisiana had fallen to 79 percent, and by 2000 the percent of college graduates in the state had dropped to 77 percent of the national average. Since 2000, the percentage of adults with a college education has remained stuck near the same levels. In effect, over the last 25 years, the percentage of college graduates in Louisiana has dropped rapidly and afterwards remained virtually flat while much of the nation has continued to steadily increase its college graduation rates.

Today, the state ranks no higher than 43rd in the nation in the percentage of adults with bachelor's degrees. As of the year 2000, 81 percent of Louisiana adults had no college degree, only a slight improvement over 1990 rates. In addition, one out of every four adults had no high school diploma.

Adults without high school degrees in 2000 (the latest year for available data by parish) were spread across the state, although the highest percentages were in Louisiana parishes located in the Mississippi River Delta and in southern parts of the state outside the metropolitan areas. Clearly, the problem of high school dropouts is a statewide problem that drains the state's education pipeline even before college.



Source: U.S. Census



Source: U.S. Census

economic trends

Louisiana's Economy: Recent Trends

The trends in Louisiana's economy mirror its education over the last 25 years. Louisiana narrowed the economic gap with the nation during much of the 20th century, and especially in the 1970s, only to begin to widen the gap again by 1980. In effect, as the importance of education has grown in recent decades, Louisiana's relative economic growth has dropped.

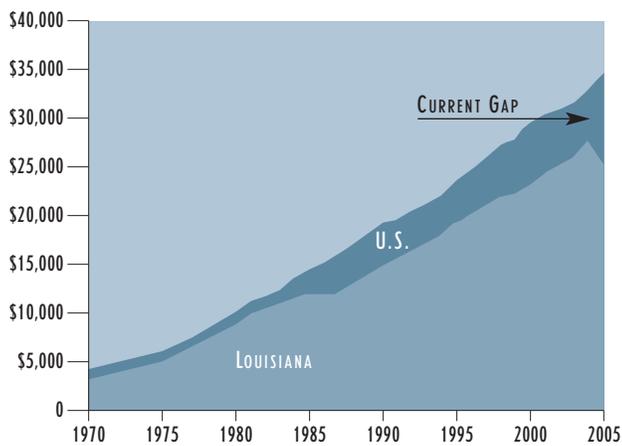
Today, by every meaningful measure, Louisiana remains at or near the bottom among the states. The state has the 2nd highest poverty rate among children in the nation. In 2005, Louisiana's income dropped precipitously, in part due to the effects of the hurricanes, and the state ranked last in the nation in per capita income.

Louisiana's per capita income was 87 percent of the nation's average in 1980. Over the next ten years, for the first time since the Great Depression, Louisiana's economic gap with the nation actually widened, and by 1990 its per capita income was only 77 percent of the US average. By 2000, Louisiana had made a slight relative gain, but remained at less than 80 percent of the nation's per capita income – far below the 1980 level.

In terms of current dollars, Louisiana's economic gap with the nation has widened to extraordinary proportions. In 1980, on average each person in the state had \$1,281 less in income than the average American. By 2000, the gap was as large as \$6,244. In 2005, the per capita gap between Louisiana and the nation had grown to almost \$10,000 per person. This gap means, in effect, that every man, woman and child in Louisiana had on average nearly \$10,000 less in income than did other Americans.

Louisiana Economic Gap: State is Now 50th in the Nation

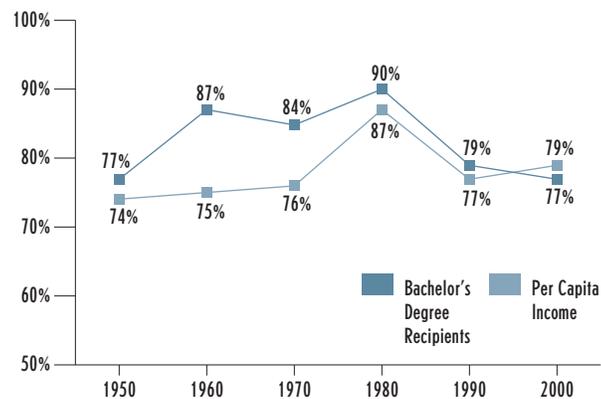
Gap Between U.S. and Louisiana Per Capita Income



Source: Bureau of Economic Analysis

Louisiana's College Graduation Rates Now Drive State's Income

BA Degrees and Per Capita Income as a Percentage of the National Average



Source: U.S. Census; Bureau of Economic Analysis

Louisiana's Education Gap Explains the Economic Gap

Louisiana's economic gap with the nation reflects a stagnant economy, lingering poverty and low incomes, resulting in a lagging quality of life that affects all the state's residents. To address these problems – to close the economic gap – Louisiana must close its education gap and keep up with the nation in developing an educated workforce and citizenry.

Nothing is more important to Louisiana over time than increasing levels of educational attainment. Shaped by the world economy since 1980, Louisiana's own economic well-being has declined relative to the nation as its rate of college graduation has fallen behind.

Recently, the Southern Education Foundation (SEF) commissioned an econometric study of the primary factors behind Louisiana's economic gap. The results demonstrate the primary, central role of education in undeniable, quantifiable terms. The study finds that 63 percent – nearly two-thirds – of the difference between Louisiana's per capita income and the nation's income can be explained solely by the state's lower levels of education. In other words, almost two-thirds of Louisiana's gap in per capita income is due entirely and exclusively to the state's low levels of education.

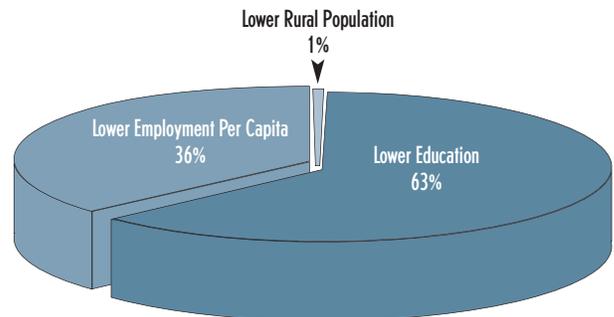
Of course, there are other factors that explain the state's economic problems, primarily the comparatively smaller numbers of available good jobs for Louisianans. Lower employment per capita accounts for approximately 36 percent

Per Capita Income: The Best Indicator of a State's Economic Well-Being

Per capita income is perhaps the best single indicator of the status of both a state's economy and its residents' economic well-being. As a statistic, it captures key elements of a state's economic growth and of individual income. For this reason, economists, government economic reporting agencies and others often use this measure as a prime indicator of the economic status of both states and nations.

Louisiana Economic Gap

The Education Gap Explains Most of the Gap in Per Capita Income

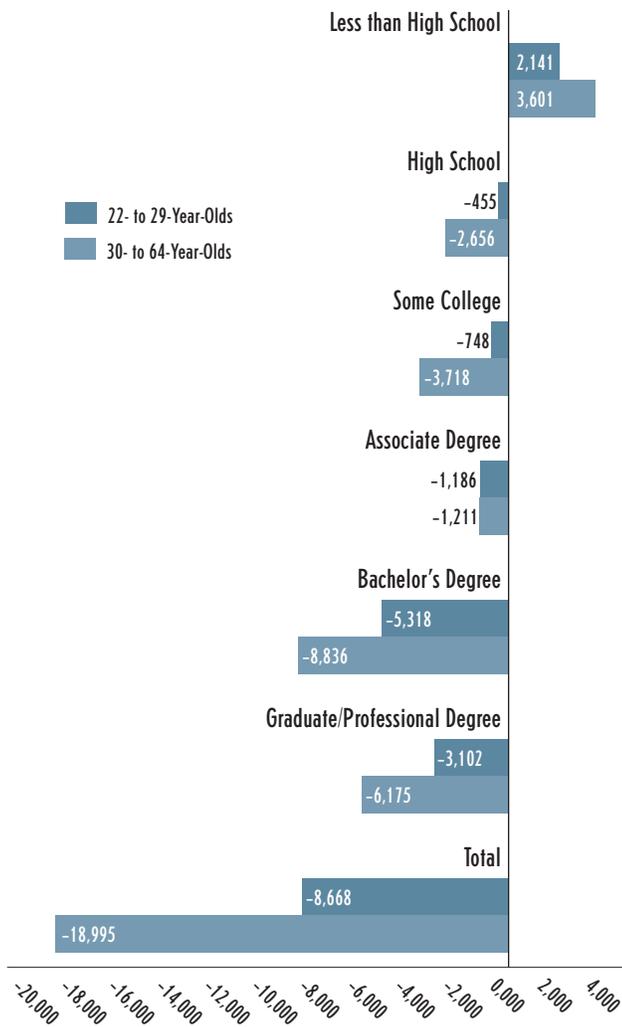


Source: SEF Commissioned Study

education & economics

Louisiana Migration of Adults by Education Levels

From 1990 to 2000



Source: National Center for Higher Education Management Systems; U.S. Census

of Louisiana's economic gap. Together, low levels of education and employment per capita explain virtually the entire economic gap between the state and the nation.

Education is the engine of economic development. While job creation may result from offering large subsidies and tax breaks to attract new plant locations or to build sports and entertainment facilities, investments in human capital are the only sure means to enhance and sustain economic growth. Research from the Federal Reserve Bank in Minneapolis and economist James J. Heckman, a Nobel Prize Laureate, demonstrates that these types of tax and facilities investments, as a rule, provide a much lower rate of return in public and private income than do investments in improving education from pre-kindergarten to college.

A few states now depend upon in-migration of college graduates to provide an educated workforce to meet the needs of business and spur economic growth, but Louisiana can not. In fact, Louisiana currently loses educated adults through out-migration. From 1990 to 2000 (the latest dates available), Louisiana had a net loss of over 23,000 college-educated adults – both younger and older adults of working age – including almost 10,000 workers with professional or graduate degrees. At the same time, it had a net increase of over 5,000 adults with less than a high school education.

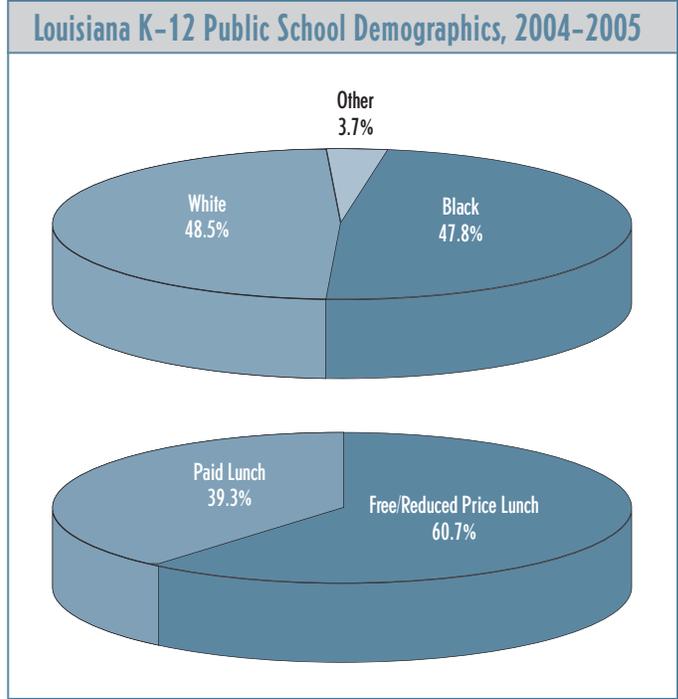
The extraordinary displacement of families and children after Hurricane Katrina will likely create a more complicated pattern of migration over the first decade of the 21st century, but the disaster will probably not change the basic pattern.¹ It is unlikely that patterns of rebuilding and resettlement will bring Louisiana a net increase in educated adults through migration. In the long run, Louisiana will need to increase and retain educated adults by increasing the education of its own children.

¹Most hurricane evacuees moved – temporarily or permanently – within Louisiana, not to other states. Moreover, migration patterns within the first year after the hurricane seem to suggest that, over the next five to ten years, it is more likely that Louisiana will experience a continued drain of college-educated residents.

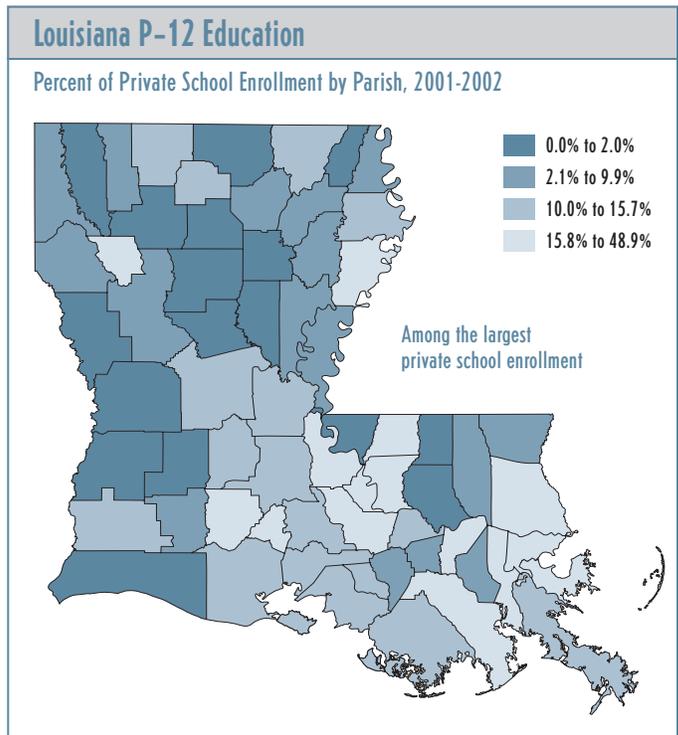
Louisiana Education: Current Characteristics

Today, perhaps for the first time since the 19th century, Louisiana has a new majority in its K-12 public schools. Children of color – African American, Hispanic, Asian and Native American – make up 51½ percent of the students in the state’s public schools. In 2004-2005, the percentage of White students (48½ percent) and African American students (47½ percent) were in essence the same. In addition, 60 percent of public school children across Louisiana are low-income and eligible for free or reduced lunches at school.

Louisiana also has one of the nation’s largest K-12 enrollments in private schools. By best count, almost 20 percent of K-12 school children are in private schools. A vast majority of the students in private schools are White. These schools reflect both a long tradition of Catholic, parochial education and the explosive growth of private academies in the 1970s after the federal courts began enforcing school desegregation across the state. The extent of private schooling differs vastly across Louisiana by parish, with the largest concentrations in the southern part of the state. There is no systematic information available about student performance and resources across Louisiana’s private schools; that information is either not recorded or not made public. A recent national study from the U.S. Department of Education, however, indicates that students perform as well or better in public schools as in private schools.



Source: Louisiana Department of Education; National Center for Education Statistics, National Assessment of Educational Progress (NAEP)



Source: National Center for Education Statistics, Private School Universe Survey

pre-k initiatives

Louisiana Pre-K Programs

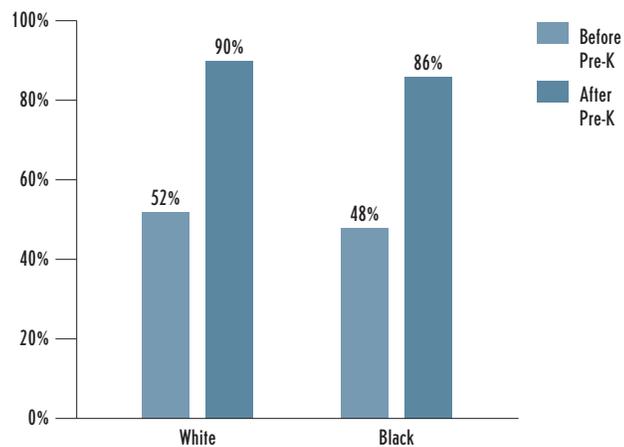
The State of Louisiana supports four major pre-kindergarten (Pre-K) initiatives that serve over 12,000 students, which is less than one-fifth of all four-year-olds and less than half of all four-year-olds from low-income families in the state. Existing programs target lower-income children and those at risk of being “insufficiently ready for school.” Approximately 1,500 Louisiana Pre-K students receive tuition assistance to attend state-approved, private preschools.

According to recent, independent evaluations, two of the state’s larger Pre-K programs evidence both high standards of quality and an effective early childhood education curriculum. While levels of parental involvement vary, Louisiana Pre-K students demonstrate age-appropriate skills at or above the national norms in communications and math. In addition, these studies show that students from low-income Black families in Louisiana have improved their learning dramatically – starting at 48 percent correct answers and moving to 86 percent – after a year in Pre-K. In addition, scores for low-income White students also increased from 52 percent to 90 percent.

In other words, in at least two of its Pre-K programs, Louisiana is narrowing the gap in school readiness and helping to shrink the achievement gap which appears in the earliest grades of the state’s K-12 education system.

Learning Gains in Louisiana Pre-K by Race and Income

Language Test Scores of Low-Income Students “LA 4” Program, 2004–2005



Source: “LA 4 & Starting Points Prekindergarten Program Evaluation, 2004–2005”

Louisiana Pre-K: A Great Education and Economic Investment

A recent study suggests that for every \$1 invested in Louisiana’s high-quality Pre-K, the state will receive in return \$2.25 in future savings and increased taxes. A study commissioned by the Entergy Corporation found a benefit-cost ratio of \$8 for every \$1 spent. Other studies, including some by the Federal Reserve Bank, estimate economic returns of \$6 to \$8 in savings and extra tax revenue for every \$1 spent on high-quality Pre-K. This much is certain: by every measure, Pre-K is a key investment for closing the achievement gap and improving the standard of living for all of Louisiana.

Louisiana's National Education Ranking: Stuck Near the Bottom

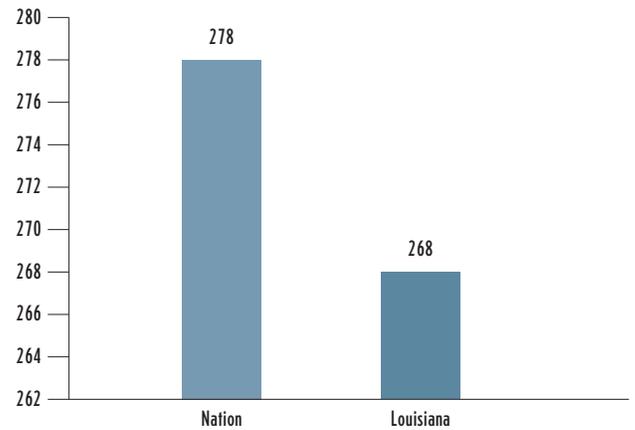
In the national achievement tests for K-12 students, Louisiana is far below most other states in every grade and in every subject area tested. According to National Assessment of Educational Progress (NAEP) tests in mathematics, for example, Louisiana students in the 8th grade score approximately one full grade behind the average student in the nation. Similar gaps show up on national tests for reading, science, geography and history.

Over the last several years, especially the last eight to ten years, Louisiana has made some real progress in narrowing these yawning gaps in some subjects such as math. Louisiana went from only 38 percent of 4th grade math students scoring basic or above in 1992 to 72 percent in 2005. In this and a couple of other subjects, the state's gains have helped narrow the gaps with the rest of America. This trend certainly shows that Louisiana is capable of making significant progress, but NAEP tests also show that improvements have not been across-the-board and represent a modest pace at which to close the gap. For example, in reading, NAEP scores demonstrate almost no gains in the 4th and 8th grades since 1992.

Louisiana's own annual test results show larger gains than those evidenced by NAEP tests. For example, 8th grade students in Louisiana have made substantial gains in math over the last 7 years. One factor that may help to account for these results is the state's adoption and aggressive implementation of high standards and strict accountability. Implemented in stages since the middle of the 1990s, Louisiana's K-12 education standards and accountability have been ranked nationally near the top, including 2nd in the nation in 2004.

Louisiana Behind the Nation

8th Grade Math Scores, 2005

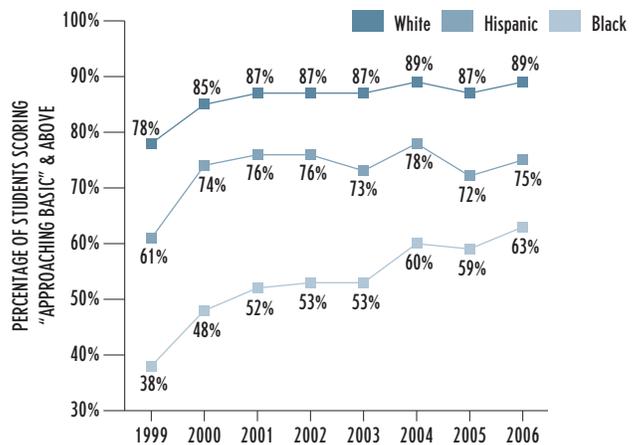


In general, a difference of 10 points in scores equates to one grade of learning.

Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Louisiana Education Performance Over Time

State Results, Math Gap - Grade 8

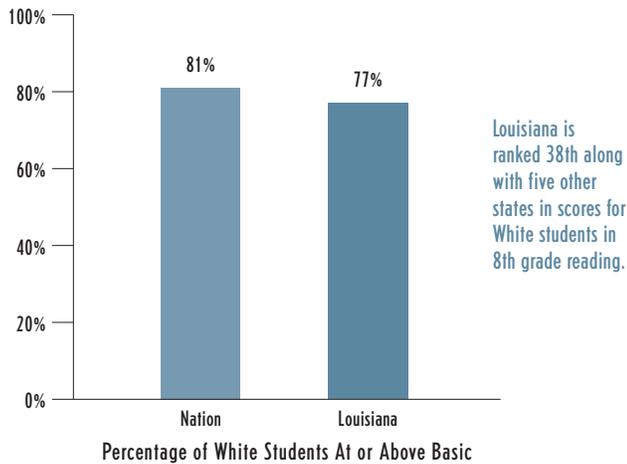


Source: Louisiana Department of Education, Louisiana Educational Assessment Program and the Graduation Exit Examination (LEAP/GEE), Subgroup Reports

testing

Louisiana Behind the Nation

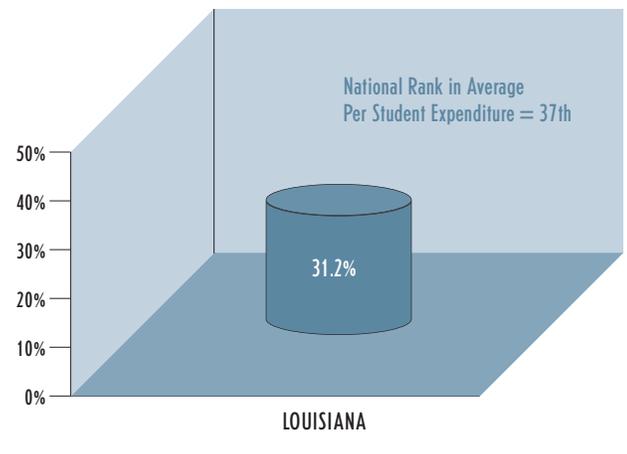
8th Grade Reading Scores, 2005



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Inadequate K-12 Funding

Students in Districts At or Above National Average in Per Student Expenditure, 2002



Source: National Center for Education Statistics, Common Core of Data; Education Counts

Both Black and White students in Louisiana are often behind their counterparts across the country. For example, in 2003, Louisiana's White students scored below White students in national reading and math exams in all but seven and eight other states, respectively. Louisiana's African American students scored similarly in comparison to their counterparts in most other states. In 2005 NAEP tests, Louisiana's White students scored below the average for White students across the nation, while Louisiana's African American students scored about the same as other Black students in the nation.

Louisiana is also near the bottom in national rankings in other important measures of education performance. By most independent studies, Louisiana ranks around 45th among states in high school dropout rates. In calculating the number of 9th grade students in each state who graduated from high school in 2002, Louisiana was tied with three other states for 46th in the nation. In 2005, Louisiana stood at 47th in average ACT scores on college entrance exams.

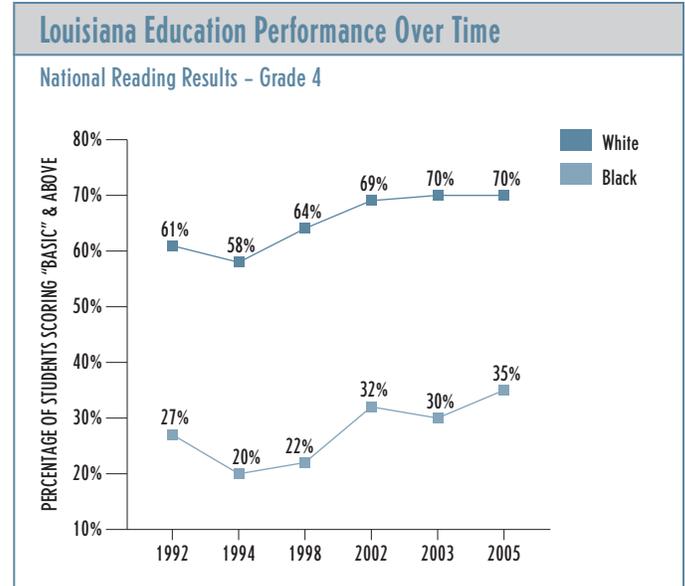
In terms of educational resources, Louisiana trails behind most states. In 2002, Louisiana ranked 37th in the nation in per pupil expenditure. Only 31 percent of Louisiana's students were in districts where schools spent at least the national average for funding education.

Louisiana Equity Gaps: Education Performance

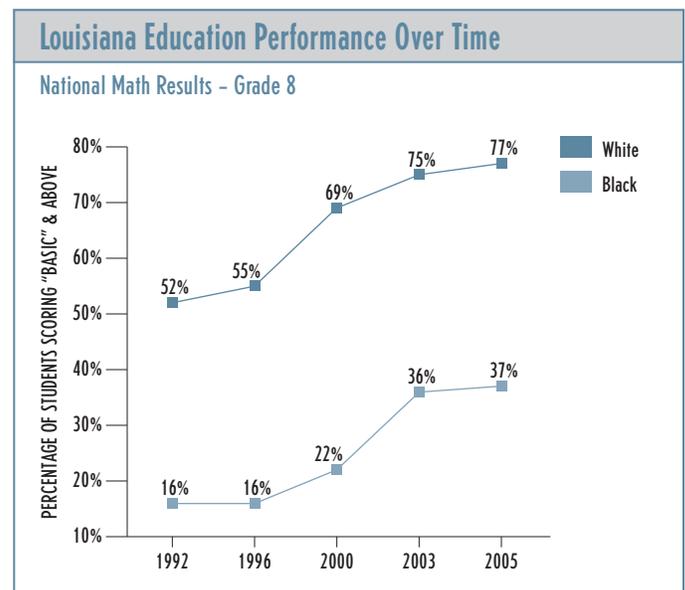
Within Louisiana, vast gaps exist in education performance, resources and investments, primarily along lines of income and race. With origins that go back to the state's belated beginnings of public education and the maintenance of an unequal, segregated system of education, these disparities have persisted and today mean that, on average, African American and low-income students of all races are far behind more advantaged and White Louisiana students in every discipline from their early grades until the end of their formal education, which often comes much too early.

Both national and state test scores document Louisiana's equity gaps. In national reading tests over more than ten years (1992-2005), for example, the gap between Louisiana White and Black students in the 4th grade has remained huge. In 1992, 61 percent of the state's White 4th graders scored at or above basic level, but only 27 percent of Black students scored similarly. More than 10 years later, in 2005, the gap in 4th grade reading had actually increased slightly.

The same large, persistent achievement gap is evident in national 8th grade scores. In 1992, Louisiana's White 8th grade students were 36 percentage points above African American students in scoring at basic or above in math. Generally, that means that White students were on average three grade levels ahead of African American students in their mastery of the subject. In 2005, national test scores show that both groups of 8th graders in the state had significantly improved their scores, but at the same time the gap between White and Black students had actually widened to 40 percentage points.



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

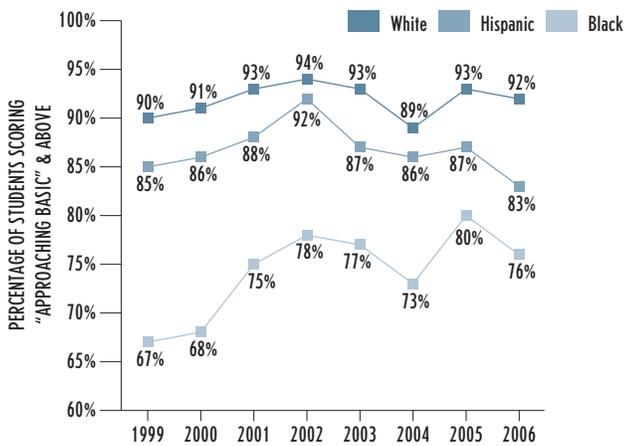


Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

performance

Louisiana Education Performance Over Time

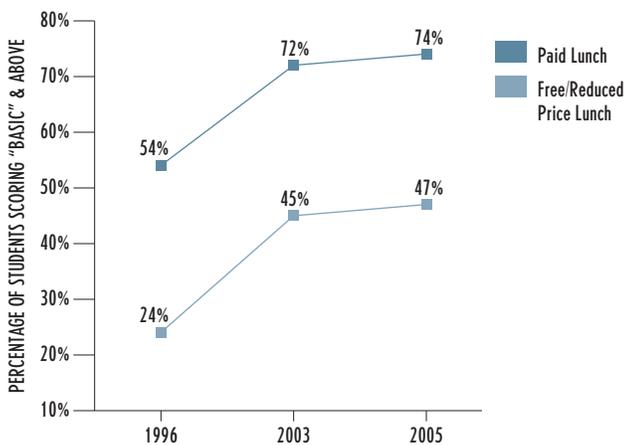
State Results, English Gap - Grade 4



Source: Louisiana Department of Education, Louisiana Educational Assessment Program and the Graduation Exit Examination (LEAP/GEE), Subgroup Reports

Louisiana Education Performance Over Time

National Math Results - Grade 8



Source: National Center for Education Statistics, National Assessment of Educational Progress (NAEP)

Louisiana statewide tests also reveal large achievement gaps by race across the grades, although smaller in scale. (State tests likewise indicate both White and Black students scoring higher in all subject areas than the national tests.) In 1999, Louisiana's White students scored on average 23 percentage points above Black students in 4th grade English. By 2002, the gap in state scores had dropped to a difference of 16 percentage points and narrowed slightly in 2005 to a difference of 13 percentage points, but returned to 16 percentage points in 2006. A similar pattern is evident over time in Louisiana test scores for both 4th and 8th grade students in most subjects.

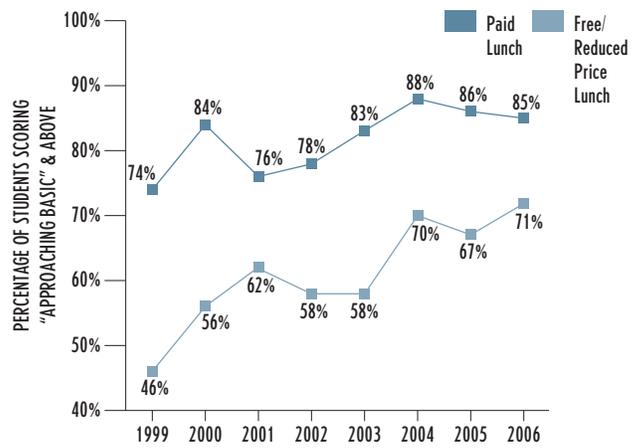
These statistics speak volumes about gaps in learning by race. At the same time, it is important to note that comparisons between the scores of Whites and Blacks are not in any way a reflection of innate ability, capacity or potential. Race is not a determinant of intelligence. Indeed, recent trends in Louisiana verify this truth: African American students, who often attend inadequately funded, inferior schools and come disproportionately from low-income families, have shown that they are overcoming barriers and making progress to close the achievement gap and realize their full potential.

The state also has large disparities in educational achievement according to income. According to NAEP tests, in the 8th grade, students eligible for free and reduced school lunch have been approximately 30 percentage points behind more affluent students in math scores since 1996. Both groups of students have improved, but the gap has not appreciably narrowed. State tests for 8th grade math show higher scores by both income groups and even suggest since 2003 a trend toward narrowing the gap. Yet, both sets of scores evidence a persisting gap in student performance by income in Louisiana.

Louisiana's equity gaps are also found in measures of educational attainment. According to one recent national study, African American students fail to graduate from high school at a much higher rate than White students. In addition, Whites graduate from college at significantly higher rates than Black students in Louisiana. As a result, the percentage of White adults with bachelor's degrees has been between two and two and a half times higher than the Black rate in recent years.

Louisiana Education Performance Over Time

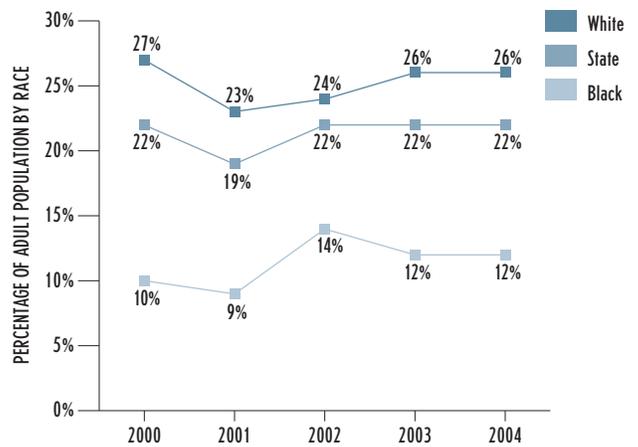
State Results, Math Gap - Grade 8



Source: Louisiana Department of Education, Louisiana Educational Assessment Program and the Graduation Exit Examination (LEAP/GEE), Subgroup Reports

Louisiana Education: Gaps by Race Persist

Bachelor's Degrees by Race in Louisiana



Source: U.S. Census Bureau, Current Population Survey

educational resources

Louisiana Equity Gaps: Education Resources

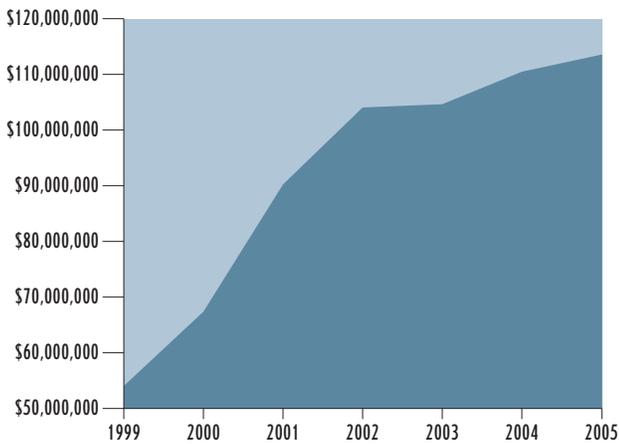
The gaps in performance are largely rooted in disparities in educational resources. The amount of money spent for education differs widely across Louisiana's parishes. In 2002, for example, per pupil expenditure by parish ranged from a high of over \$7,000 to a low of below \$5,500.

On average, according to the Education Trust, the school districts in Louisiana with the highest rates of poverty annually have roughly \$187 per student less to spend on education than do districts with the lowest levels of poverty. This difference creates significant, material disparities over the course of a low-income child's K-12 education. Wealthier districts spend annually \$4,675 more per classroom (with an average of 25 students), meaning that an average school with 350 students in a poor district has \$65,450 less money to spend each year educating its children. Over the course of 12 years of elementary and secondary schooling, the education of children in Louisiana's poor school districts is worth \$850,850 less than the education of children in similar-sized schools in Louisiana's wealthier districts.

There also are huge equity gaps in the opportunity for financing a student's higher education in Louisiana. Since 2001, the State of Louisiana has allocated on average more than \$100 million per year for grade-based college scholarships (Tuition Opportunity Program for Students – TOPS). By all available evidence, these scholarships go overwhelmingly to middle class and wealthy students in Louisiana. In addition, one of the few surveys of TOPS participants, undertaken among Louisiana State University students, found that 88 percent of the scholarship recipients were White, while only seven percent were African American.

Louisiana Grade-Based Support for College-Bound Students

Tuition Opportunity Program for Students (TOPS) Expenditures, 1999–2005

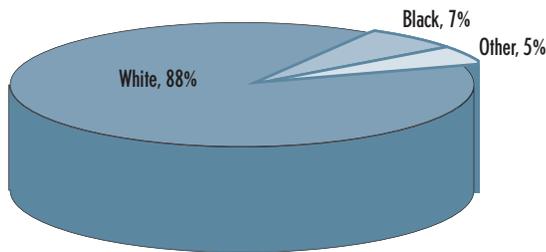


Source: Louisiana Office of Student Financial Assistance

Who Gets the Scholarships?

Louisiana Grade-Based College Scholarships

TOPS Recipients at Louisiana
State University by Race, 2003



Source: "The Influence of State Merit-Based Aid on Access and Educational Experiences: An Exploration of the Louisiana Tuition Opportunity Program for Students"

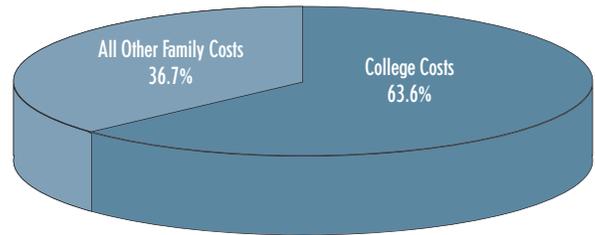
The cost of attending college in Louisiana has become prohibitive for most high school graduates from low-income families who do not make the higher grades required for a TOPS scholarship. In 2001, for example, the average cost of attending a four-year, public university in Louisiana would have required 64 percent of the entire income of Louisiana families with very low income, even after receiving all available federal financial aid. Private colleges would have been even more expensive.

The cost of two-year public colleges is less costly, but still prohibitively high for most low-income families with no state scholarship. Even if Louisiana's students in the lowest income brackets had received all available federal financial aid for attending a two-year public college in 2001, the cost would have consumed approximately 16 percent of the entire family's income.

These college costs constitute a real barrier to a large segment of Louisiana's African American population. In 2001, 22 percent of Louisiana's African American families earned less than \$10,000 per year.

Inadequate Support for College-Eligible Students with Very Low Income

Louisiana Four-Year Public College Costs After Federal Financial Aid as a Percentage of Family Income under \$10,000

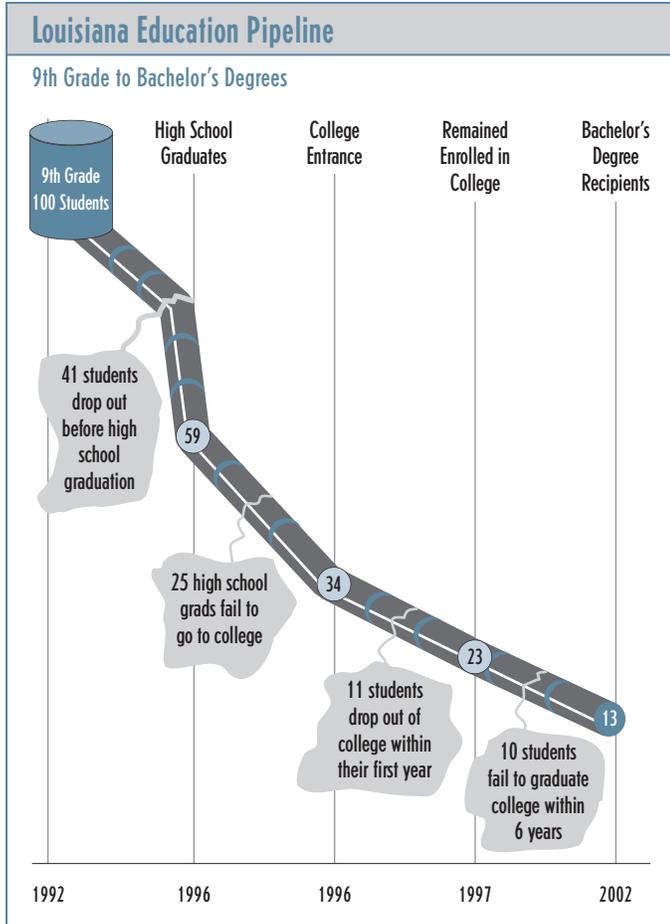


22% of Black Families in Louisiana earn less than \$10,000 a year.

Source: U.S. Census, Current Population Survey; The College Board; SEF Calculations

education pipeline

Louisiana's Education Pipeline: Major Gaps



Source: National Center for Higher Education Management Systems

These issues and problems in Louisiana education appear at many places throughout the state's education systems, but there are primary areas where holes and leaks in the state's education pipeline lose large numbers of students. These breaches illuminate where Louisiana is losing valuable human capital essential for growth and progress.

Consider the following statistics: for every 100 students in the 9th grade in Louisiana in 1992, only 13 graduated from college 10 years later (allowing 4 years for high school and 6 years for college). The largest loss in the state's education pipeline occurred between the 9th grade and high school graduation. Only 59 of 100 9th graders in 1992 received a high school diploma four years later in 1996 – a drain of almost half of Louisiana's supply of human capital.

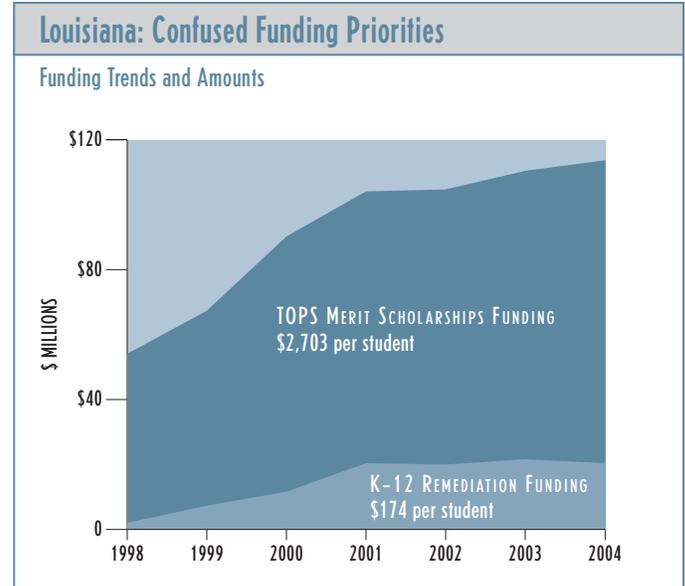
The next largest loss in the education pipeline occurred in the same year when only 34 out of 59 high school graduates entered college. This loss of more than 42 percent of all high school graduates from the education pipeline was probably the single largest drain in the state's human capital in a single year. By the following year, only 23 of the original 100 9th graders remained in college. This is probably the place in the education pipeline when Louisiana loses the fewest students. Five years later, in 2002, only 13 out of every 100 students who entered the 9th grade in 1992 had graduated from college.

The gaps in Louisiana's education pipeline are among the largest in the nation. Only four other states had a lower percentage of 9th grade students in 1992 who graduated from college 10 years later by the same methods of measurement.

The education pipeline is Louisiana's most important conduit for long-term economic growth, and its gaping holes clearly demonstrate that additional, remedial efforts are necessary, first and foremost, in the following two areas:

- Assuring that more students are academically prepared and socially motivated to graduate from high school. These are the years when 44 percent of Louisiana's 9th grade class fail to get a high school diploma and, thereby, fall out of Louisiana's education pipeline.
- Assisting students who graduate from high school but fail to go on to college. In Louisiana, 23 percent of 9th grade students get a high school diploma but do not go on to college.

These urgent needs are at odds with the current allocation of the state's education resources. In 2004, the State of Louisiana spent \$2,703 per student on grade-based college scholarships, virtually no money on need-based financial aid for low-income students, and only \$174 per student on remedial help for failing students in the K-12 grades.



Source: Louisiana Office of Student Financial Assistance; Louisiana Department of Education

moving forward

There is probably one lesson that all Louisianans know today: the future cannot be the same as the past for Louisiana.

The Only Way Forward: Changing Directions in Education

After enduring the nation's largest domestic disaster, Louisiana faces enormous obstacles to a better future. Many residents continue to live without the normal, basic provisions and pleasures of their lives before Hurricane Katrina came ashore. Yet the state's residents have done more than survive and persist. They have struggled to raise themselves up amid the debris and remains of destroyed homes and broken lives to look towards the horizon for a brighter, better tomorrow.

There is probably one lesson that all Louisianans know today: the future cannot be the same as the past for Louisiana. In the field of education, changing directions in Louisiana is both necessary and desirable for the state as a whole. It is an urgent mandate, even amid the physical ruins and rebuilding, since a better future for Louisiana will ultimately depend more on the state's human capital than on any other single factor.

The long past of inequity, inadequate resources and below-basic performance is no longer a viable option for Louisiana's educational system and economy. Louisiana has failed to adequately educate most of its children; the gaps in education investment and achievement by race and income reflect huge deficits in children's learning and in the state's progress as a whole. Louisiana will never recover, never prosper if it does not set and attain higher and broader goals for education. It will fail to prosper if a majority of its students continues to fail to perform at higher standards and to have few opportunities to attend college.

Louisiana will realize major gains in personal income, quality of life and tax revenue only when it addresses the need to re-envision and reconstitute a public education system that works for all of the state's students regardless of race, ethnicity or income, and when those students receive the resources and skills necessary for success in higher education.

Creating A New Future: Making Changes

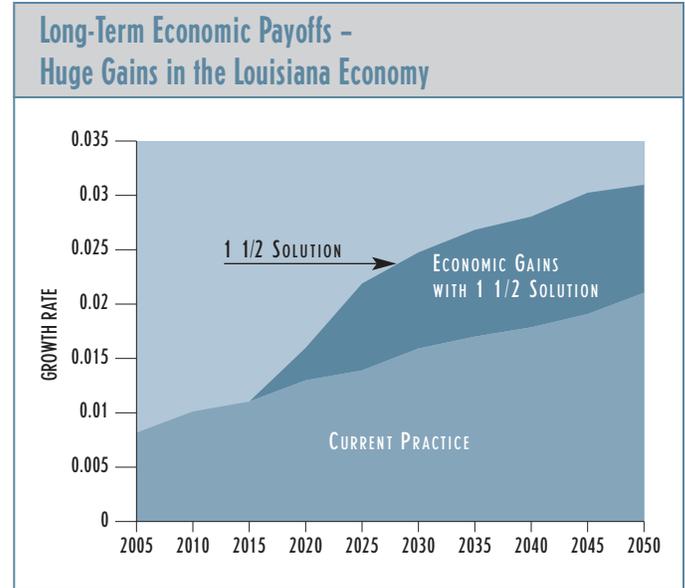
There are three simple changes that hold vast potential for transforming Louisiana’s education and its economy over the next generation. They are:

- increase enrollment and graduation rates in high schools;
- increase enrollment and graduation rates in colleges; and
- reduce achievement gaps by race and income.

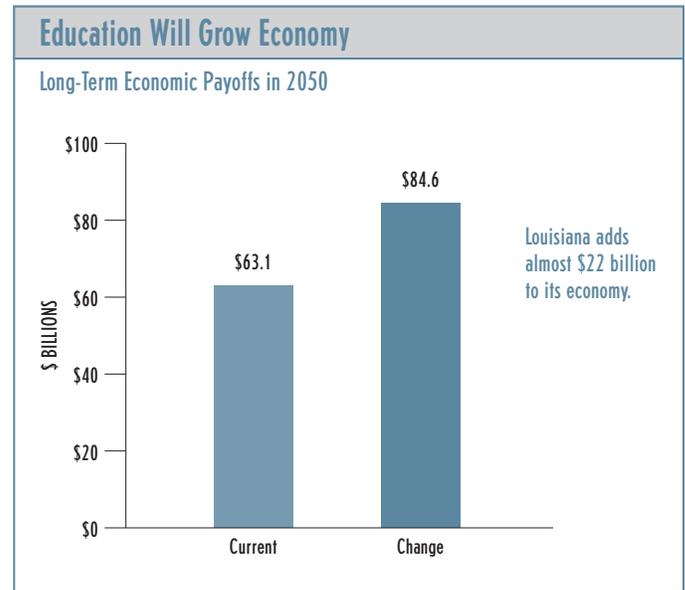
Louisiana can rebuild a better quality of life and a robust, equitable future if, as a part of the state’s recovery, a larger percentage of its students become better and more extensively educated. It is the surest path to substantial economic gains for the whole state.

If Louisiana, for example, were to establish and attain a simple, specific target – to increase both high school and college enrollment by an average of 1½ percentage points for each year over 20 years, the education life of one generation of students – the state would realize incredibly large economic gains. By making these small, steady improvements in education over time, Louisiana would accelerate the growth of its state economy above past growth rates by as much as one-third in the year 2050. By that time, this extra economic growth would have increased the Louisiana economy by almost \$22 billion and provided an additional \$2.3 billion annually in state revenues.

These are not the only gains that the state would enjoy through a small but steady increase in high school and college enrollments. Among other things, the average life expectancy for Louisianans would increase at a more rapid rate, adding more than an extra year of life for the average Louisiana resident.



Source: SEF Commissioned Projections



Source: SEF Commissioned Projections

changes & results

conclusions

Conclusion and Recommendations

The facts portray a harsh reality: the state of Louisiana has long failed to adequately educate most of its children. This failure endangers its future.

Louisiana cannot overcome this failure, nor improve its overall education performance, if the state does not improve the education of low-income children – Black, White and Brown. These public school students constitute the new majority of Louisiana’s future workforce, its tax base and its civic leaders. It will be virtually impossible for Louisiana to make major gains in education – ensuring major economic gains – if the state fails to narrow or close the educational gaps by race and income.

The data are loud and clear on another central point: most Louisiana students, regardless of race and income, lag behind their counterparts across the nation. For this reason, the vast majority of students across Louisiana need and will benefit from improving the state’s educational systems. The state has made noteworthy progress in recent years in improving some areas of academic achievement and lessening some gaps, but it has miles to go.

While Louisiana has suffered enormously as a result of the tragedy of Hurricane Katrina, the fact remains that the state’s entire population will pay an even higher price in the long run if Louisiana fails to meet this fundamental challenge in education. Gone are the days when a state might prosper in good times or bad with only a relatively small percentage of adequately educated people. Today, more than ever before, education is not merely the state’s engine of progress; it is the future.



To meet the current challenge, Louisiana must increase funds for education at all levels as part of recovery and assure that educational resources are adequately and fairly available to all students. These resources, together with renewed civic and parental engagement, better schools and teaching, and innovation, can change the future.

The road to transforming a state's complete educational system is long, but the journey must begin, now more than ever. As a simple, overall goal and guide for meeting this challenge, Louisiana should adopt one simple objective for the next generation of students, from kindergarten through college:

- *Increase both high school graduation rates and college graduation rates by 1½ percent each year.*

This simple, measurable and achievable goal would have extraordinary effects within just one generation. As SEF's studies illustrate, the overall economic and social impact of effecting steady, small, yearly gains in education attainment could catapult Louisiana out of the bottom ranks in state per capita income, enlarge the state's economic productivity and tax base, increase the quality of life for all residents, and inaugurate an era of growth and prosperity.

The following are among the most important strategies in achieving the goal of increasing high school and college graduation rates:

- Re-design and reform Louisiana high schools in order to decrease dropout rates and to ensure that students are college- and work-ready.

- Provide more education resources to the neediest students from early education through college.
- Expand high-quality Pre-K to help ensure that long-term gains can be sustained over a generation.
- Increase momentum in closing the education gaps by race and income.

Louisiana leaders in government, education, business and community life must actively pursue these goals and strategies. While the federal government should play an important role in restoring education in Louisiana, transformation must begin in Louisiana by Louisianans now.

In the aftermath of any large-scale tragedy, it is especially difficult for people to look beyond immediate challenges towards the horizon line. Yet the opportunity for an even better day for all residents of Louisiana is on the horizon – an opportunity that no storm can take away. In that future, Louisiana's most valuable resource is already within the state. It is the pipeline of human capital and good citizenship of its well-educated children who, as adults, will help fuel the state's economy, politics, civil society and communities. This vital resource should not be limited by the accidents of a child's birth, nor squandered through inaction, inattention or business-as-usual. More than ever, the entire state's future depends on how well Louisiana educates the next generation of its students. Louisiana's future is now.

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