

Developing Five Multi-Site Charter Schools in Chicago to Re-Enroll 12,000 High School Dropouts

August 2012

The Potential

Chicago is positioned to be a national leader in developing a comprehensive system of real educational opportunities to re-enroll significant numbers of high school dropouts. Mayor Emmanuel can provide national leadership to significantly expand opportunities for high school dropouts.

The Challenge

National headlines cite increased violence on Chicago's streets with too many young people involved in shootings across the city. Over 47,000 high school aged youth in Chicago have dropped out of school and are on the city streets with no direction or leadership. Lack of investment has created an excess of high school age youth on the streets without opportunities to build their future:

- **Over 47,000 High School Age Youth in Chicago Are High School Dropouts**
- **80% of Teenage Dropouts In Chicago Are Jobless**
- **84% of Black Teenage Dropouts In Chicago Are Jobless**
- **76% of Hispanic Teenage Dropouts In Chicago Are Jobless**

Call to Action/Solutions

Develop Five Multi-Site Charter Schools To Yearly Re-Enroll 12,000 Chicago High School Dropouts.

Successful Model: Over the past 20 years, 22 Chicago community-based organizations developed small alternative schools that successfully re-enrolled and graduated over 12,000 high school dropouts. These schools measure specific performance outcomes of enrollment, attendance, skill gains, credit gains, graduations, and transitions to college, employment, and/or training.

New Multi-Site Charter School Solution: Recognizing and building upon this track record, last year the Illinois legislature and the Governor signed Senate Bill 612 that enables Chicago to develop five additional new multi-site charter schools to re-enroll high school dropouts in Chicago. By 2016, with the development of these small, community-based and -run multi-site charter schools, over 12,000 tough, high-risk dropout youth could leave the streets and re-enroll each year.

Potential Results:

1. **Make Communities Safer And Reduce Neighborhood Violence**
2. **Expand Education Opportunities For High School Dropouts**
3. **Provide A Significant Return On Investment (ROI) For Taxpayers**
 - i. **Each Graduating Re-Enrolled Dropout Over Their Lifetime:**
 - **Earns \$400,000 More In Wages vs. A High School Dropout**
 - **Saves \$292,000 For Taxpayers**

Re-enrolling Over 12,000 Of These Tough Dropout Youth Will Help:

- **Reduce The Violence In Chicago's Neighborhoods**
- **Reduce The Problems That Occur At The Local Public High Schools Where These High School Dropouts Hang Around Before and After School**
- **Provide Chicago City Colleges A Strong Base Of Students To Enter Their Associate Arts Degree And Training Programs**
- **Assist Local Businesses With Well-Prepared And Job-Ready Employees**

Each high school dropout who re-enrolls and graduates provides a significant return on taxpayers' investment for these programs, saving taxpayers over \$292,000 over the lifetime of the graduating dropout because they earn higher wages and incur less social costs of welfare, prison, and health care. The benefit for each high school dropout who graduates is enormous because they will earn over \$400,000 more in wages over their lifetime versus a high school dropout.

Program Outline & Funding

Chicago Public Schools (CPS) In Partnership With Chicago Community-Based Organizations Can Develop Five More New Charters With Up To 15 Sites Per Charter To Re-enroll High School Dropouts.

Each new charter will have 1,875 openings to annually serve over 2,400 high school dropouts in up to 15 small school sites with no site being larger than 165 students.

Each multi-site charter can subcontract with community-based organizations that have experience working with high school dropouts. These subcontracts will be performance-based and help generate a strong commitment from each community group to leverage a wide range of other comprehensive services, providing the specific educational support that these high school dropouts need to earn their high school diploma and continue to college, further training, or employment.

By 2016, Chicago will have up to 75 more small school sites operated by community-based organizations with the experience to develop five multi-site charters, with 9,375 openings re-enrolling over 12,000 high school dropouts who had previously been on the street. More students will be served than openings because many students will graduate and be replaced by new students each year. The funds that CPS outlays for these new re-enrolled students are captured in the next year through General State Aid, so the issue is not funding but cash-flow to get these charters started.

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The Alternative Schools Network (ASN) is the oldest and largest alternative school coalition in the country. It has developed a variety of employment and education programs to re-enroll high school dropouts, as well as a variety of city, state, and national initiatives to address the growing dropout crisis. The ASN assisted in the development of the Illinois Council on Re-Enrolling Students Who Dropped Out of School, which led to the development of the legislation to develop these 5 Multi-Site Charters for High School Dropouts in Chicago, as well as the statewide structure and system called IHOPE—Illinois Hope and Opportunity Pathways through Education—which, when funded, will develop a system to re-enroll high school dropouts across Illinois.



Helping High School Dropouts Leave the Streets and Return to School

IHOPE Will Develop and Expand a State System of Programs to Re-Enroll Students Who Dropped Out of School

- Illinois State legislature passed Senate Bill 1796, the Illinois Hope and Opportunity Pathways through Education (IHOPE) bill. Governor Quinn signed this bill on July 30, 2009 (see attached *Chicago Tribune* article).
- The goal of the IHOPE program is to develop a comprehensive system in Illinois to re-enroll significant numbers of high school dropouts in programs that will enable them to earn their high school diploma.
- IHOPE will establish instructional programs and other services designed to re-enroll high school dropouts by providing incentive grant funds (state and federal) for Regional Offices of Education (ROEs) and the Chicago Public School district to develop a plan with school districts, community colleges, and community groups to build comprehensive plans to re-enroll high school dropouts in their region or district.
- This plan would be submitted to the Illinois State Board of Education (ISBE) and have to be approved before any funds would be allocated for IHOPE programs.
- Funds will be distributed based upon the proportion of dropouts in the ROE/Chicago Public School district to the total number of dropouts in the state.
- Program categories may include: full-time comprehensive programming, part-time programming, online programming, and dual enrollment.
- IHOPE program accountability and evaluation will measure individual student, individual program and the overall IHOPE program using the following outcomes to measure progress: enrollment, attendance, skill gains, credit gains, promotions, graduations, and transitions.
- IHOPE programs will help school districts raise their graduation rates – every re-enrolled dropout student who graduates adds to a school district's graduation rate, but every re-enrolled dropout who drops out again is not re-counted against a school district's dropout rate.

Background

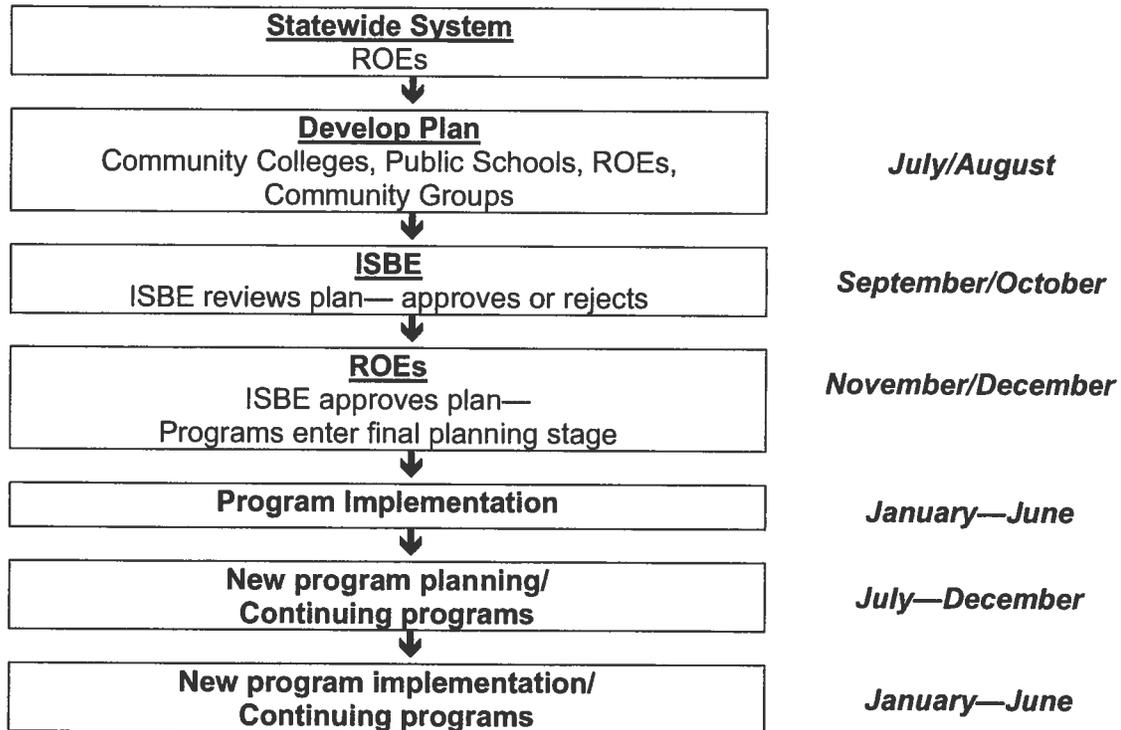
Illinois is Leading the Nation in Developing a Framework to Create a Statewide System to Re-Enroll High School Dropouts.

- In 2007, Illinois had over 225,000 high school dropouts, age 16 to 24 – over 98,000 of these high-school age dropouts are high-school age (15 to 20 years old), which includes over 45,000 high school age dropouts in Chicago.
- The Statewide Task Force on Re-Enrolling Students Who Dropped Out of School was developed by a unanimously passed House and Senate Joint Resolution in the spring of 2006. The Task Force had 28 members including eight State Legislators, and a range of key educational groups and associations, was chaired by the Illinois State Board of Education Chair Jesse Ruiz, held 27 public hearings and three public summits involving top legislative leaders, and issued a Final Report in January, 2008. This report is the most comprehensive and detailed state plan in the country for developing a system across Illinois to re-enroll high school dropouts.
- Key report finding was that over 17,000 high school age students re-enroll into adult education programs across Illinois. Because these programs have very low per student funding, they are not able to offer the comprehensive services that these students need to earn their high school diploma. The Task Force statewide plan projected a five year step by step funding pattern that by the fifth year would annually re-enroll over 21,000 high school dropouts across Illinois.
- Illinois has developed an identification number for each student enrolled in the state. This identification system began in September 2007. By June 2011, a four-year tracking of the entering freshmen in September 2007 will be completed. It is anticipated that the graduation rates of many school districts will drop and the overall state graduation rate may drop. Other states that have developed this four-year cohort tracking system for high school students have seen their high school graduation rates drop. The Massachusetts graduation rate dropped from 90% to 80%, and Boston's graduation rate dropped from 83% to 57%. Indiana's graduation rate dropped from 90% to 77%, and Indianapolis's graduation rate dropped from 91% to 52%.
- Each re-enrolled high school dropout that graduates saves Illinois taxpayers over \$225,000 over the lifetime of the re-enrolled high school dropout because as their earnings increase, they pay more taxes and have more stable lives, thus using less welfare and healthcare funds, and lowering their incarceration rate.

Illinois State Board of Education (ISBE)

Illinois Hope and Opportunity Pathways through Education (IHOPE)

- To develop a range of programs with a strong emphasis towards comprehensive programs to re-enroll students with funding of at least \$11,500 per student based on student attendance.
- IHOPE funds would be distributed by a formula based on the number of dropouts in each ROE compared to the statewide number of dropouts, as reported by the Illinois State Board of Education (ISBE).
- The ROE, together with community colleges, public schools and community groups would develop a plan to provide openings (averaging \$6,000 per opening) for students to re-enroll. The variety of program openings (as outlined above) would range from short term to longer term comprehensive programs, tailored to re-enrolled students' needs.



The following outlines the implementation of IHOPE.
State funding for IHOPE would be finalized in June of a given year.

- The IHOPE planning and grant process for new programs would begin in July and be finalized by December.

The new IHOPE grant programs would begin January 1 and operate through June 30.

During this period, the attendance of students who are re-enrolled would generate General State Aid (GSA) that would be available in the next school year on a reimbursement basis. The amount of GSA funds received is dependent upon the program's average daily attendance and would be combined with IHOPE funds to be used to develop comprehensive programs.

This cycle would repeat each year as new funds are allocated. Programs from the previous year (January through June) would then be continued in the next year, operating for a full 12-month period (July to June), and new programs would be developed and begin operation in January of a current funding cycle. Beginning new programs in January is important because this provides opportunities for students who dropped out in the first semester of the school year (September through January). Beginning new programs in January also allows for a six-month planning process (July through December) to develop strong programs.

- IHOPE grant funds would provide the incentive for school districts, community colleges, and community groups to develop a partnership with their respective ROEs for building a comprehensive plan to re-enroll all students in their regions.
- IHOPE program funding would be distributed based upon the proportion of dropouts in the educational service region to the total number of dropouts in the state. The formula would employ the dropout data provided by school districts to ISBE. In this way, funding would be distributed based upon the need to ensure delivery of "optional education programs" on a statewide basis and in a manner that will have the greatest impact.
- IHOPE would be operated by each Regional Office of Education (ROE). Regional Offices of Education may claim state aid under Section 18-8.05 for students enrolled in the IHOPE program provided that such students are receiving services that lead to a high school diploma and are otherwise eligible to be claimed for general State aid under section 18-8.05. The IHOPE appropriation averaging \$6,000 per opening coupled with GSA would result in support for these programs near the statewide average per pupil funding for high school districts in school year 2004-05, which was \$12,004 per pupil. The combination of direct grant funding and GSA would enable IHOPE programs to garner sufficient resources to implement comprehensive, effective programs to successfully re-enroll and retain students.
- Forty-four of Illinois' ROEs, three Intermediate Service Centers and Chicago public schools are statutorily established public education entities that operate the Regional Safe Schools Program for suspension- or expulsion-eligible students authorized under Article 13A of the School Code, and many also offer alternative education programs under Section 18-8.05(K) of the School Code. Therefore, ROEs have extensive experience coordinating programs with school districts, community colleges and community groups.
- IHOPE funds would be allocated to each of the 45 ROEs (including the suburban Cook County ROEs and the Chicago Public Schools), as authority to do so already exists in Section 2-3.66 of the School Code.
- In order to be eligible for funding, each ROE would be required to develop an IHOPE Regional Plan to be approved by ISBE. It is expected that the rules for the program would set forth the requirements for that plan. The plan would need the approval of school districts, community colleges and key community programs located in the educational service region before it is sent to ISBE. No funds would be distributed to the ROE until ISBE had approved its plan.
- Rules would be developed to set forth the process for planning and the conditions upon which a regional plan would be approved by ISBE. It is allowable for the ROE to operate the program or for it to provide subgrants to "another not-for-profit entity to implement the program". These other entities could include school districts, community colleges, and/or

not-for-profit community-based organizations. It is anticipated that such arrangements, if made, would be specified in the regional plan.

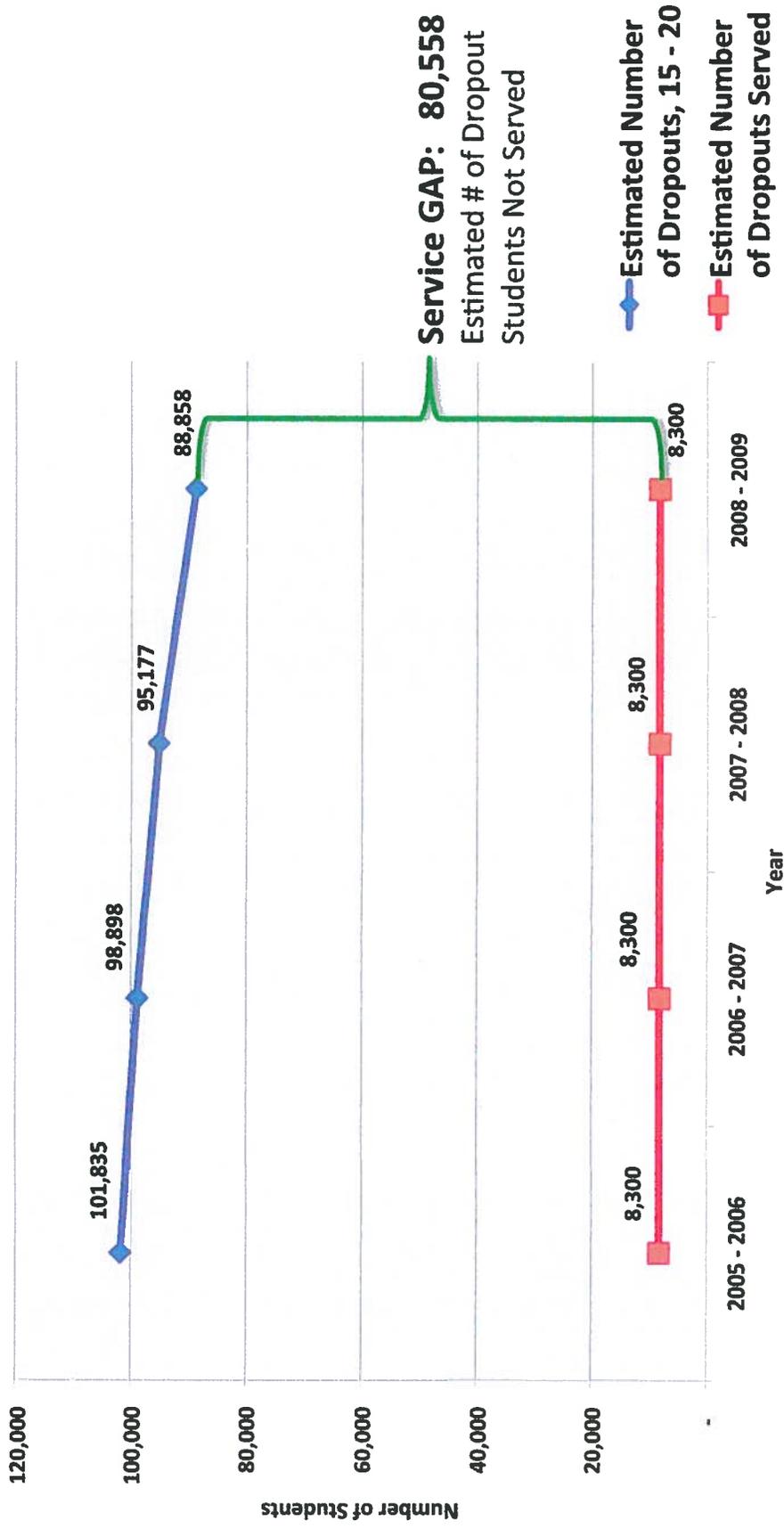
- As noted, the IHOPE programs that each ROE established could be operated by school districts, community colleges, community agency providers, or through a cooperative partnership among these entities. The ROE would receive the IHOPE grant from ISBE and could provide funds under a subgrant to other entities to provide services according to the regional plan that was developed.
- Each ROE would coordinate with school districts, community colleges and community-based organizations to meet the needs of all the dropouts in its region, which could avoid duplication of services.
- IHOPE programs could include the variety of program options that are suggested in Section 2-3.66, including evening school, summer school, community college courses, adult education, preparation courses for the high school level test of General Education Development, vocational training, work experience, programs to enhance self-concept, and parenting courses.
- IHOPE programs may include: full-time programs that are comprehensive and year-round; part-time programs combining work and study scheduled at various times that are flexible to the needs of the students; online programs/courses in which students take courses and complete on-site, supervised tests measuring the student's mastery of a specific course needed for graduation; dual enrollment courses combining high school and community college classes.
- Rules would be set governing by IHOPE to address program parameters and set forth the funding formula, including conditions upon which an IHOPE grant would be awarded to an ROE.

Illinois Hope and Opportunity Pathways through Education (IHOPE). To establish programs to offer instructional programs and other services designed to re-enroll high school dropouts by awarding grants to education service regions from appropriated funds to assist in establishing IHOPE programs. The Region Office of Education (ROE) may operate its own program or enter into a contract with another not-for-profit entity to implement the IHOPE program. IHOPE programs should allow high school dropouts up to and including age 21 to re-enroll in an education program in conformance with rules adopted by the State Board of Education.

Charts and Graphs That Detail:

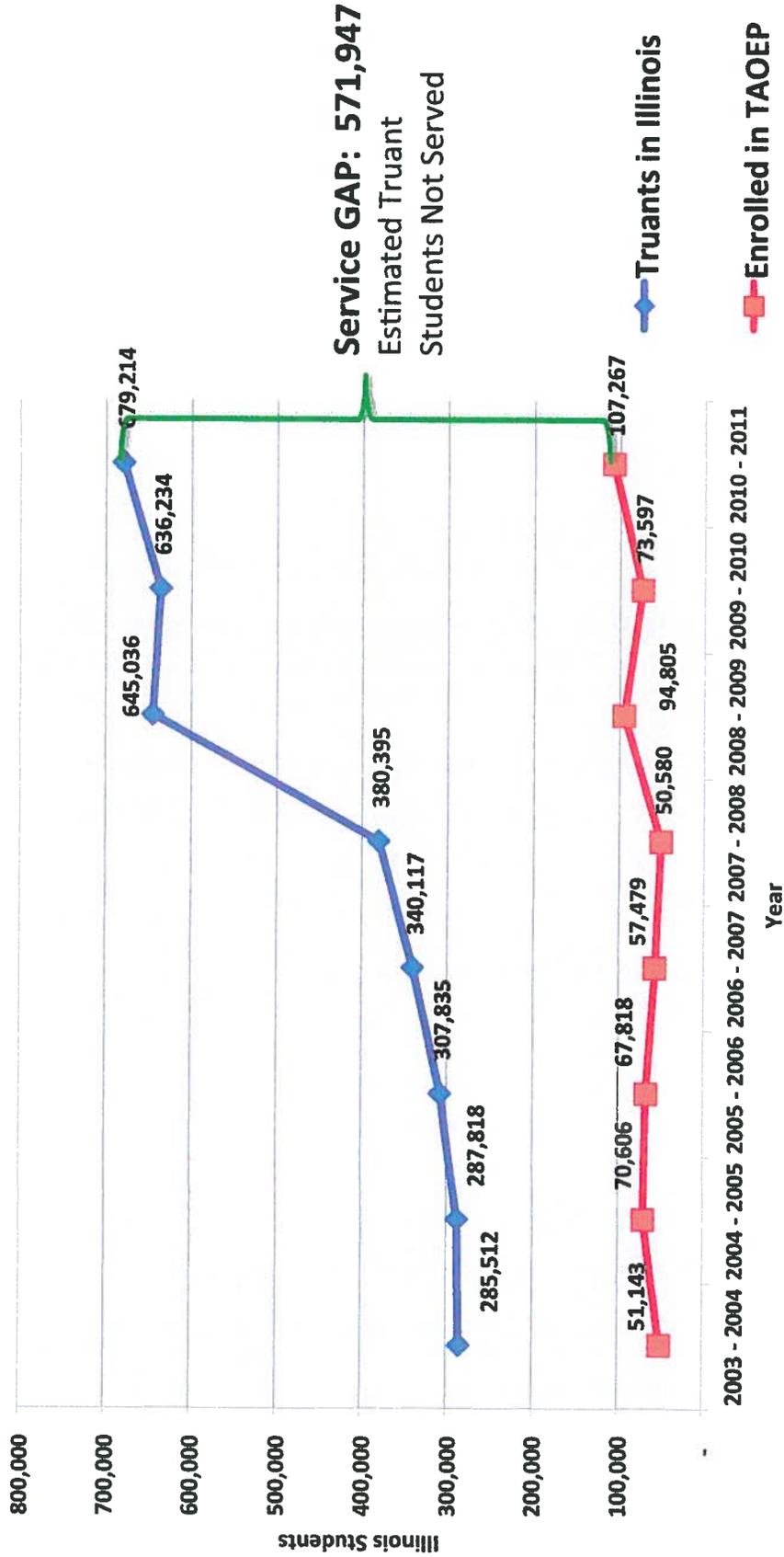
1. The significant service gap for truant, chronic truant, suspended, and expelled students and high school dropouts.
2. The significant decline of funding for truant, chronic truant, suspended, and expelled students and high school dropouts.

Service Gap in a Given Year Between the Estimated Cumulative Number of Illinois Dropouts and Dropouts Served in Comprehensive Educational Programs (Ages 15 - 20), 2005/06 - 2008/09



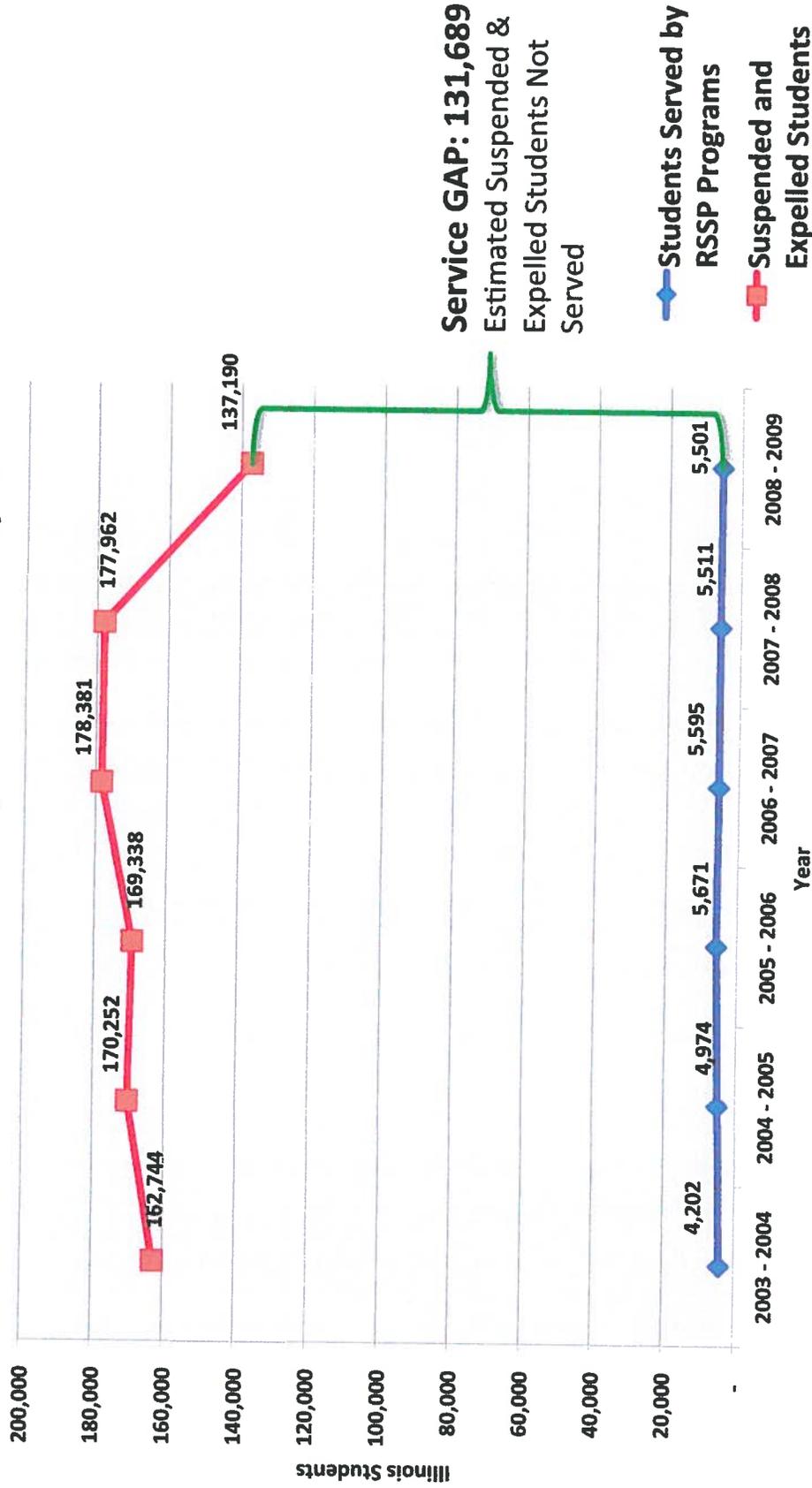
Source: Estimates built from ISBE End of Year Reports "High School Dropouts by Grade, Gender, and Racial/Ethnic Category," 2004 - 2009 and the Illinois Task Force on Re-Enrolling Students Who Dropped out of School, "Final Report" (2008). ASN compiles ISBE dropout data by class and grade in school (9th - 12th) over the course of 5 years to estimate the total number of students, ages 15 - 20, in a given year.

Estimated Service Gap Between Number of Truants in Illinois and Truants' Alternative and Optional Education Program (TAOEP) Enrollment, 2003/04 - 2010/11



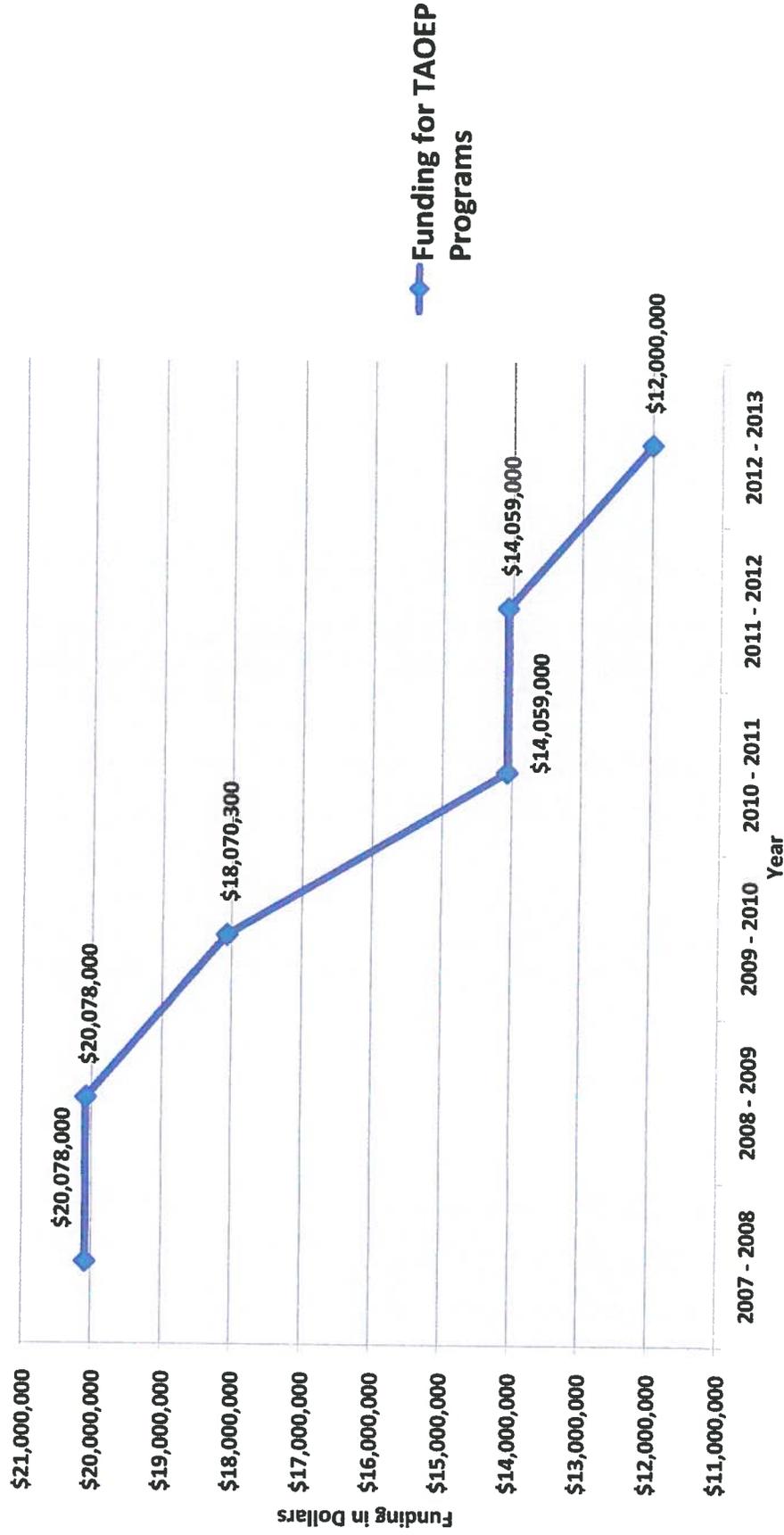
Source: Illinois State Board of Education End-of-Year Reports, 2004 - 2011; Truants' Alternative and Optional Education Program Annual Reports, 2004 - 2011. (<http://isbe.net/research/htmls/taoep.htm>)

Estimated Service Gap Between Number of Suspended and Expelled Students in Illinois and Regional Safe Schools Programs (RSSP) Enrollment, 2003/04 - 2008/09



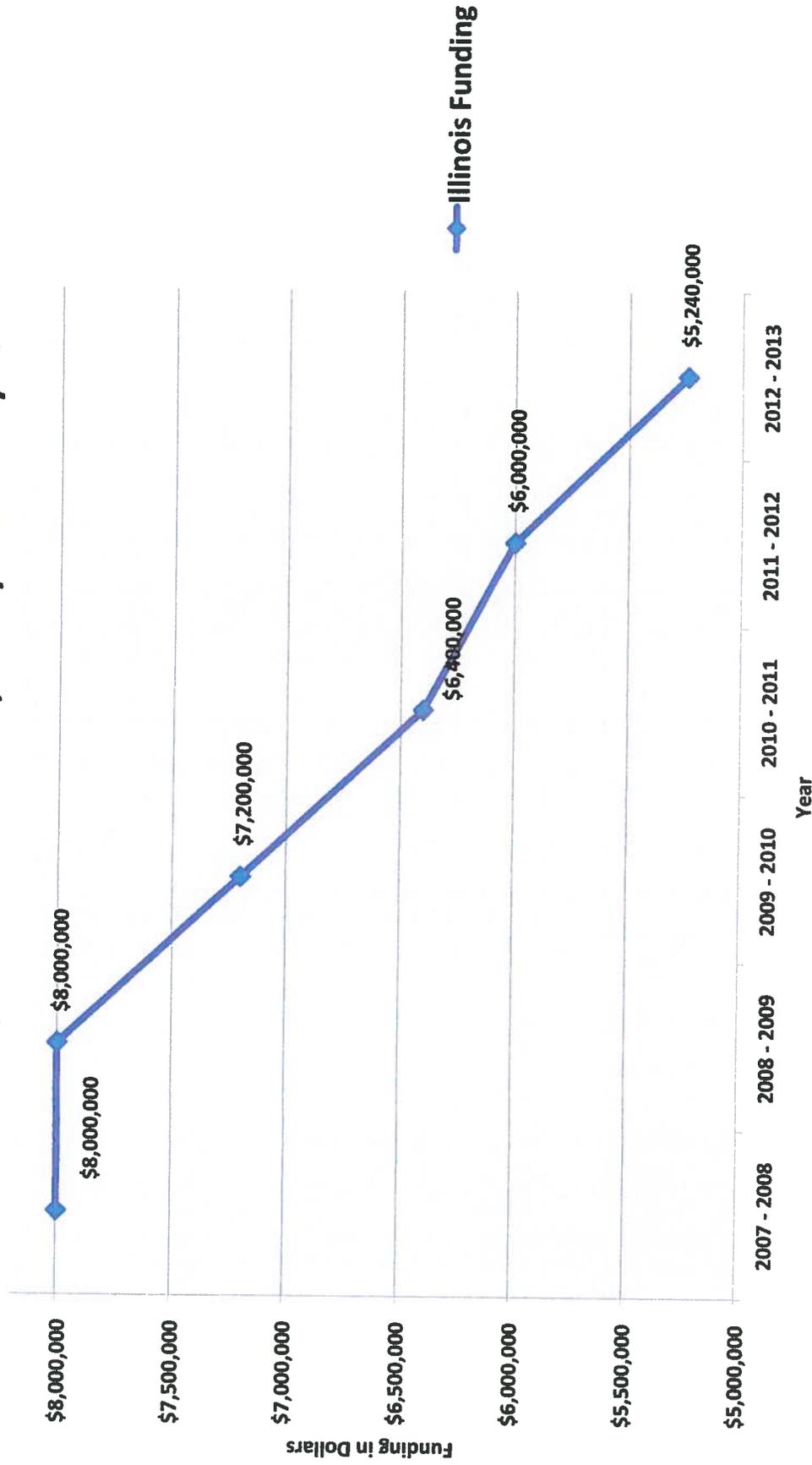
Source: Illinois State Board of Education End-of-Year Reports, 2004 - 2009 ("Expulsions, by Gender and Race/Ethnicity" and "Suspensions, by Gender, Grade-Level Cluster, and Race/Ethnicity", (http://isbe.net/research/htmls/eoy_report.htm)) and "Regional Safe Schools Program Annual Reports", 2004 - 2009, (<http://isbe.net/research/htmls/rssp.htm>)

Funding for the Truants' Alternative and Optional Education Programs (TAOEP), 2007/08 - 2012/13



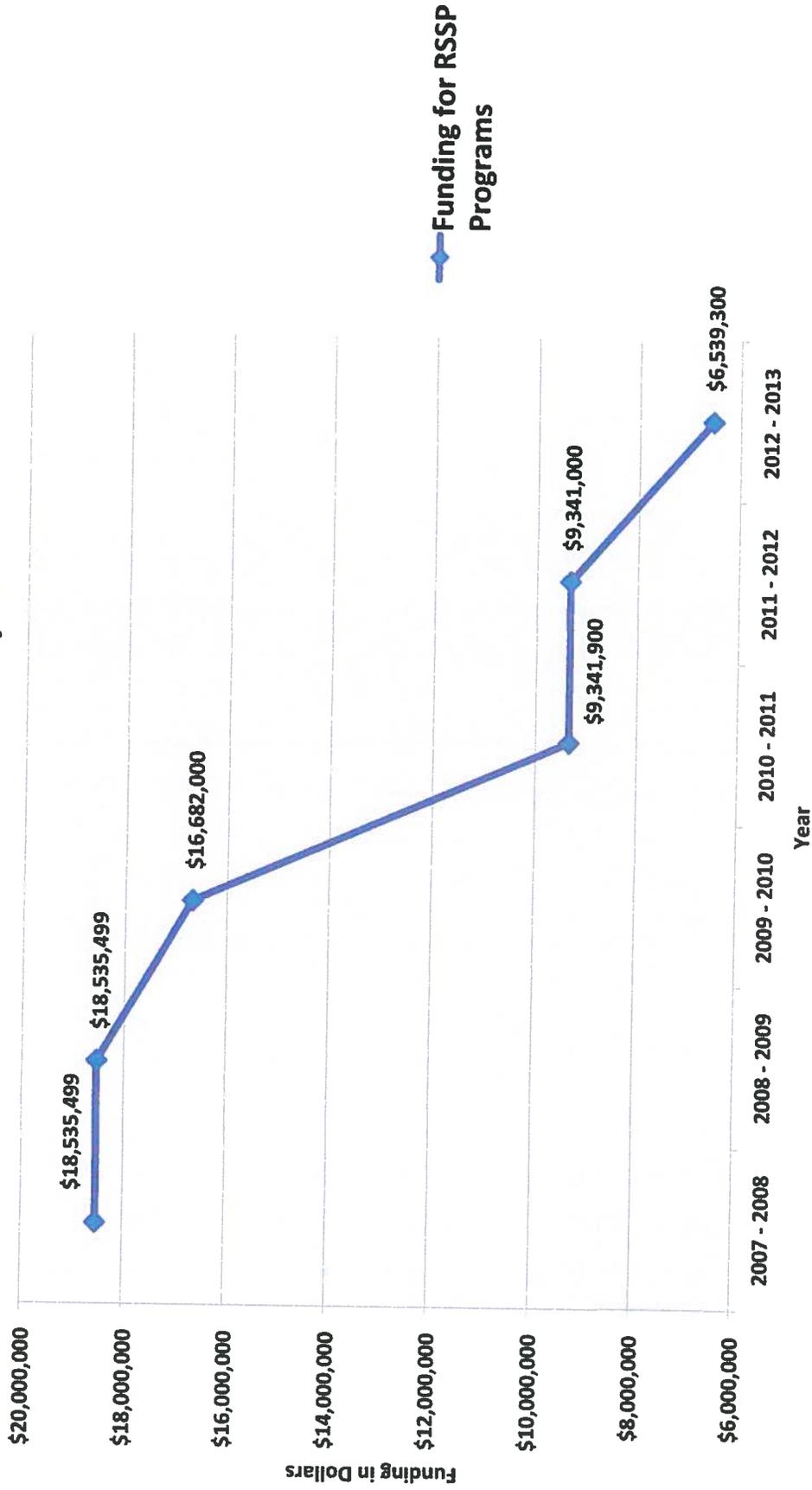
Source: Illinois State Board of Education Budgets, 2008 - 2013

Illinois Funding for Re-Enrolling Students Who Dropped out of School, 2007/08 - 2012/13



Source: Illinois State Board of Education Budget Reports, 2008 - 2013

Funding for Regional Safe Schools Programs (RSSP), 2007/08 - 2012/13



Source: Illinois State Board of Education Budgets, 2008 - 2013