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Keeping Youth of Color Connected in Texas Public Schools

The Role of Philanthropic and Public Investment

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In the United States, rates of "disconnected" or "opportunity" youth—young people between the ages of 16 and 24 who are not in school or working—are highest among American Indian/Native American, Black, and Latinx youth. In Texas, 14.3 percent of Black youth and 14.5 percent of Latinx youth are disconnected, compared with just 10.5 percent of white youth.[1] In this brief, we use grade retention and school dropout rates to identify where students have a high risk of disconnection and examine opportunities for increased public funding and philanthropic infrastructure to support youth success.

Disconnection has significant implications for the youth themselves and their communities. Those implications include the following:

- **Greater risk of economic instability.** Disconnected youth are nearly twice as likely as connected youth to live in poverty and to receive Medicaid (Burd-Sharps and Lewis 2018). Youth disconnection is associated with numerous negative long-term outcomes (including difficulty obtaining employment and lowered income), decreasing access to economic mobility and contributing to the racial wealth gap (Hair et al. 2009).
- **Greater risk of mental health and/or substance use problems.** Disconnected youth are likely to be at increased risk of mental health and/or substance use problems (Hair et al. 2009).
- **Greater risk of justice system involvement**. Disconnected youth are more likely to experience justice system involvement: at a given time, 1 in 10 male high school dropouts and 1 in 4 Black male high school dropouts are in either juvenile detention or jail (Bloom 2013). In addition, 58 percent of formerly incarcerated people lack a traditional high school diploma, and

unemployment among formerly incarcerated people without any sort of high school credential ranges from 25 percent for white men to 60 percent for Black women.[2]

Understanding the early indicators and drivers of dropping out of school is key to reducing youth disconnection. Grade retention, defined as the proportion of students enrolled in the same grade for consecutive school years out of the number of students reenrolling the following academic year, is used as one early indicator of student disconnection (Rumberger 2020). Research finds that grade retention increases social-emotional disconnection and rates of dropout as students get older (Mariano, Martorell, and Berglund 2018). Although grade retention is intended to allow students to catch up academically, studies have found that the long-term effects may be more harmful than helpful to student success (Jimerson 2001). The effects of grade retention are amplified for students of color: one study found that Black and Latinx youth in rural, suburban, and urban Texas schools had higher retention rates compared with their white peers (Peguero et al. 2018).

Though rates of disconnection have steadily decreased over the past decade, the COVID-19 pandemic will likely erase these gains, particularly for youth of color, who have been disproportionately affected by the health and economic consequences of the pandemic (Lewis 2020).[3] The lifelong consequences of youth disconnection make this an urgent problem that requires research on the drivers of youth disconnection and a dedicated and immediate effort to address these drivers.

Publicly and philanthropically funded programs targeted at keeping youth connected or reengaging disconnected youth (inside and outside the school system) are essential to promoting the success of youth of color. In this brief, we analyze grade retention and school dropout data by racial and ethnic group for Texas counties to identify where students are at high risk of disconnection. We then examine school funding and nonprofit density to help stakeholders identify where need exists for increased investment to support youth success.

Data and Analytic Plan

This analysis explores the risk of disconnection and relative public and nonprofit infrastructure in place to support students in Texas. We use public data from the Texas Education Agency for the 2018–19 academic year to examine rates of grade retention and school dropouts across the state's 254 counties,[4] disaggregated by race and ethnicity. In both cases, we use rates that encompass the largest age range available; for grade retention, kindergarten through grade 12 are captured, and for school dropout rates, grades 7 through 12 are captured.

We performed a chi-squared test of independence to examine the relationship between county grade-retention group and county dropout group (defined below). The test indicated that there is a significant association between the two indicators (X^2 [1, N=250] = 27.546, *p* value = 1.534e-07). Counties with high grade retention are more likely to have high dropout rates, and those with low grade retention are more likely to have low dropout rates. The levels for each indicator, along with the number of corresponding counties, are shown in table 1.

To identify the counties where youth (particularly youth of color) are most at risk of disconnection—where high-risk counties are defined as those exhibiting high rates of grade retention and dropouts—we categorized counties into four groups relative to state-level averages. To examine differences in risk of disconnection, we examine average grade retention and dropout rates in the four groups across each racial and ethnic group.

TABLE 1

Analysis Group Distribution

Group	Grade retention rate	Dropout rate	Number of TX counties	Share of TX counties
High risk of disconnection	Above average	Above average	26	10.3%
Low risk of disconnection	Below average	Below average	164	64.8%
Higher dropout rate only	Below average	Above average	15	5.9%
Higher retention rate only	Above average	Below average	45	17.8%
N/A			3	1.2%
Total			253	100.0%

Source: Urban analysis of Texas Education Agency data for the 2018–19 academic year.
Notes: The three counties with N/As had no data either for grade retention or school dropout rates. Loving County (FIPS: 48301) was missing from both datasets, so was not included in this analysis.

We then examined school funding and nonprofit density to understand how resources could be leveraged to support students in counties where youth are at high risk of disconnection. We employed per-pupil expenditure data from the Texas Education Agency to spatially analyze local, state, and federal government spending in all public schools.[5] These data are publicly available at the campus level, which we reaggregated to the district level, weighting each campus by its student enrollment. To align with our county-level analysis, we then reaggregated to the county level by mapping district-level expenditure data to district-county land area data access through the National Center for Education Statistics.[6] These data map districts to the counties with which they overlap, including land area allocated to each county.

The data provided by the Texas Education Agency identifies counties by Texas State ID, while the data provided by the National Center for Education Statistics identifies them by local education agency identification number (LEAID). In order to map the Texas State ID to LEAID so that the data could be joined, we use a file containing a crosswalk between the two identification numbers from the National Center for Education Statistics.[7] We then reaggregated district-level per-pupil expenditure to the county level, weighting by the overlapping district-county land area.

To understand resources other than public funding available to students, we use Urban's National Center for Charitable Statistics data to evaluate nonprofit density—defined as the number of nonprofits per 100,000 residents in Texas counties—to see where robust nonprofit infrastructure exists outside the school system to support youth programs.[8] We take all Texas organizations from the National Center for Charitable Statistics Core 2017 file and map them to the county population data provided by

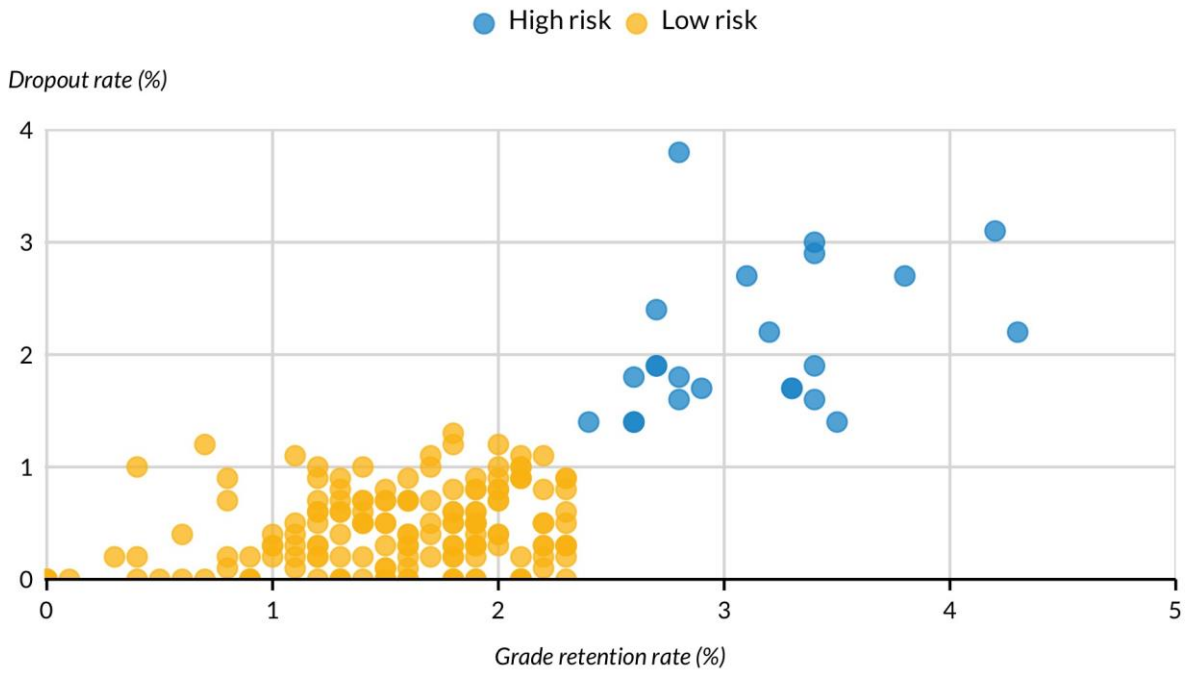
the census.[9] The county-level analysis that follows explores where youth of color in Texas are most at risk of disconnection and what public and nonprofit infrastructures are in place to support their success.

Findings

In Texas, 2.4 percent of K–12 students were retained after the 2018–19 school year, and 1.4 percent of students in grades 7 through 12 dropped out. These indicators fluctuate significantly by county. Figure 1 illustrates the range of county-level grade retention and school dropout rates, showing that 26 counties have a high risk of disconnection and 164 counties have a low risk of disconnection. Texas counties that have a high risk of disconnection are spread equally across urban and rural areas (defined as areas with populations above and below 50,000, respectively), and counties that have a low risk of disconnection are largely in rural areas (78 percent).

FIGURE 1

Counties at High and Low Risk for Youth Disconnection



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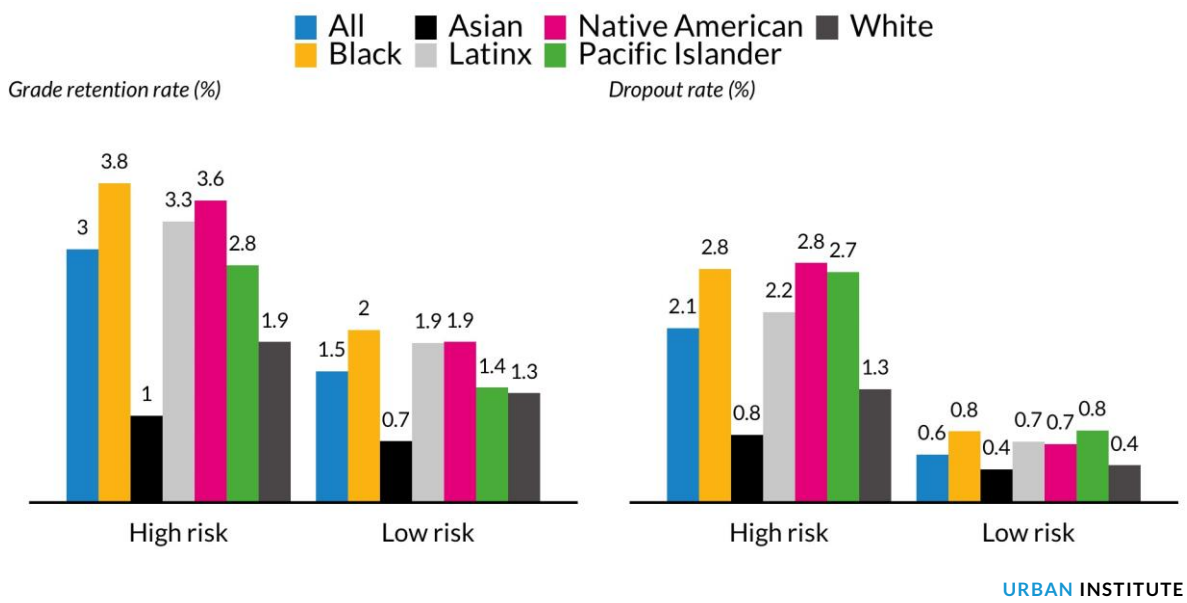
Source: Urban analysis of Texas Education Agency data for the 2018–19 academic year.

In the groups at high and low risk of disconnection, youth of color are at greater risk of disconnection, as measured by grade retention and dropouts, compared with the all-student average. In the high-risk counties and in the low-risk counties, grade retention rates are above average among Black, Native American, and Latinx youth (figure 2). Asian youth have the lowest risk of grade retention across both groups of counties.

FIGURE 2

Risk of Disconnection by Race/Ethnicity



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Source: Urban analysis of Texas Education Agency data for the 2018–19 academic year.

It is important to examine existing public and nonprofit infrastructure to contextualize levers available to support youth connection. For public investment, statewide average per-pupil spending in Texas was $9,606 for the 2018–19 academic year, $3,006 below the national average.[10] This figure includes local, state, and federal funding for all expenses, from student transportation to staff costs.

Nonprofit infrastructure is critical to building power and providing services to people left behind by public systems. Research finds that nonprofit density is higher in census tracts with higher rates of poverty (Kim 2015). As of 2015, the national average nonprofit density was 69 nonprofits per 100,000 residents; in census tracts with poverty rates above 40 percent, this increases to 173 nonprofits per 100,000 residents (Hayes et al. 2015).

Table 2 shows that public school expenditures and nonprofit density vary across the four risk groups delineated above. In general, counties with youth at greater risk of disconnection have lower overall nonprofit density and per-pupil expenditures compared with counties at lowest risk of disconnection. Counties that only had above-average dropout rates had the highest nonprofit density, while counties that only had above-average grade retention rates had the highest average per-pupil expenditures.

TABLE 2

Public and Nonprofit Infrastructure Available to Support Disconnected Youth

	n	Average nonprofit density	Average per-pupil expenditures
Group			
High risk of disconnection	26	91.48	$9,473.95
Low risk of disconnection	164	96.08	$10,104.65
Higher dropout rate only	15	110.14	$9,907.38
Higher grade retention rate only	45	74.86	$10,526.85
N/A	3	81.08	$11,881.98

Source: "National Center for Charitable Statistics Data Archive," Urban Institute, accessed December 16, 2020.

Discussion

In the "high risk of disconnection" and the "low risk of disconnection" counties, rates of grade retention and dropouts among Black, Latinx, and Native American youth are higher than the overall mean and higher than the rates among their white peers. In addition, nonprofit density and school spending are both lower in counties with a high risk of youth disconnection than counties with a low risk of youth disconnection.

These findings provide two insights for funders interested in making youth in Texas less likely to be disconnected:

- **Per-pupil expenditures could be increased in counties where youth are at greater risk of disconnection.** Research shows that higher per-pupil expenditures contribute to better student outcomes (Bruce 2017). Public and philanthropic actors can advocate for increased local, state, and federal spending to support student success, especially in counties where youth are at greater risk of disconnection.
- **The nonprofit infrastructure is less robust in counties where youth have a high risk of disconnection, meaning that in such counties, an opportunity exists to target more nonprofit funding to support programs supporting youth and teachers.** Numerous promising programs focused on youth reengagement, such as YouthBuild, Job Corps, and Year Up, have been found to positively impact (to varying extents) youth connection (Mendelson et al. 2018). Central to many of these programs is an attempt to help youth reconnect with education or to provide job training. In addition to programs targeting reengagement, numerous programs also focus on preventing disconnection. School-based programs, such as the Good Behavior Game, target early elementary grades and have been found to have positive effects on educational and behavioral outcomes (Mendelson et al. 2018). Other school-based programs focus on older youth, or emphasize specific subsets of students, such as young women and youth of color. Mendelson and coauthors (2018) noted the promise of emerging community-based strategies like the Communities That Care program that operationalize a diverse group of stakeholders including community leaders, schools, and agencies to prevent disconnection. The authors

noted four factors central to successful programs: (1) cohesive data systems, (2) united service delivery and funding, (3) opportunities for youth to provide input on program design, and (4) systematically testing and scaling up programs. Though programs have different theories of change and different focuses, government and philanthropic funders can prioritize scaling funding for such programs in counties where youth are at a high risk of disconnection.

All youth should be given the opportunity to thrive. This analysis shows there is work to be done to ensure that youth of all races have equal opportunity to succeed in school. We hope it can serve as a blueprint for government actors and funders to identify counties in need of investment to lift the next generation of youth of color.

Notes

1 "Youth Disconnection in America," Measure of America, accessed December 16, 2020, http://www.measureofamerica.org/DYinteractive/#State.

2 Lucius Couloute, "Getting Back on Course: Educational exclusion and attainment among formerly incarcerated people," Prison Policy Initiative, October 2018, https://www.prisonpolicy.org/reports/education.html.

3 Faith Mitchell, "COVID-19's Disproportionate Effects on Children of Color Will Challenge the Next Generation," *Urban Wire* (blog), Urban Institute, August 17, 2020.

4 "Grade-Level Retention Data, 2018-19," Texas Education Agency, December 2020.

5 "State Funding Reports and Data," Texas Education Agency, December 2020; "Annual Dropout Data, 2018-19," Texas Education Agency, December 2020.

6 "School District Geographic Relationship Files, 2019," National Center for Education Statistics, accessed December 16, 2020.

7 "CCD Public School District Data for the 2018-2019, 2019-2020 School Years," National Center for Education Statistics, accessed December 16, 2020.

8 "National Center for Charitable Statistics Data Archive," Urban Institute, accessed December 16, 2020.

9 "National Center for Charitable Statistics Core Files: 2017," Urban Institute, accessed December 16, 2020; Kyle Walker and Matt Herman, "Basic Use of Tidycensus," tidycensus, accessed December 16, 2020.

10 "US School System Spending Per Pupil by Region," United States Census Bureau, accessed December 16, 2020.

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