

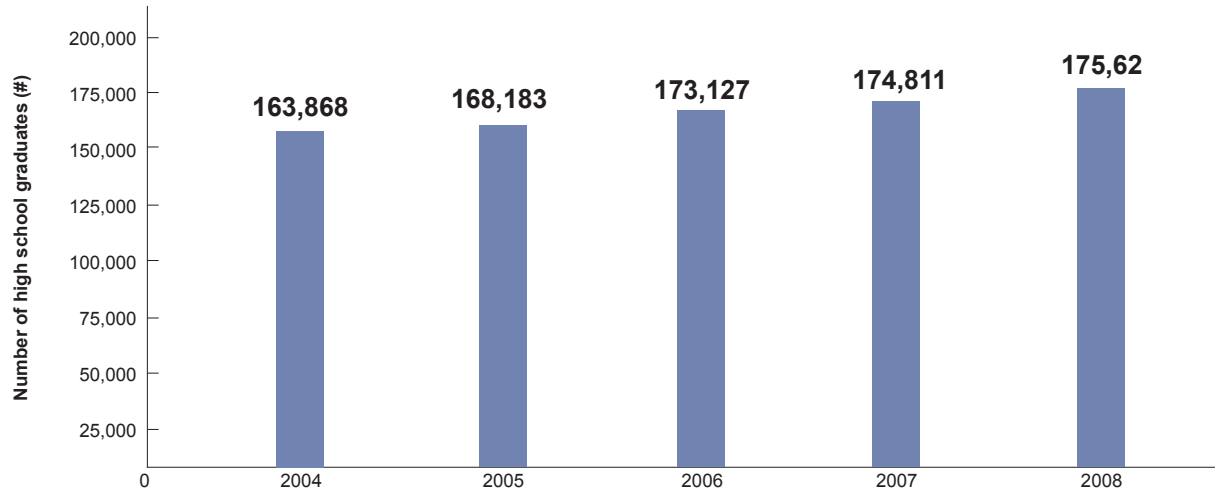


## Tables & Figures

The Oregon Department of Education (ODE) reports statewide increases in total high school graduates.

Figure 1

Total statewide high school graduates (2004 to 2008)

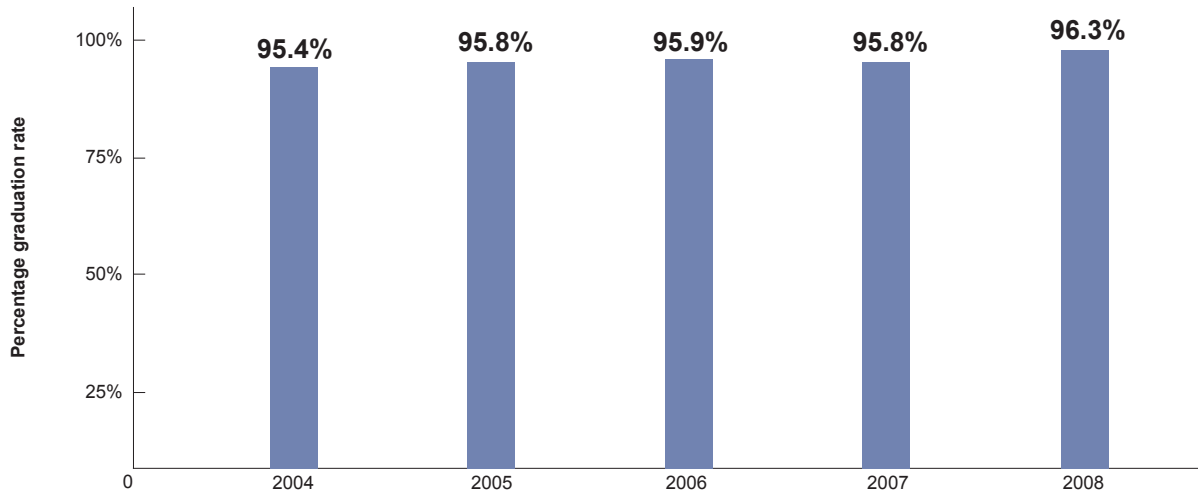


Source: Oregon Department of Education, 2009.<sup>12</sup>

The ODE reports very high, flat statewide graduation rates.

Figure 2

Statewide high school graduation rates (2004 to 2008)



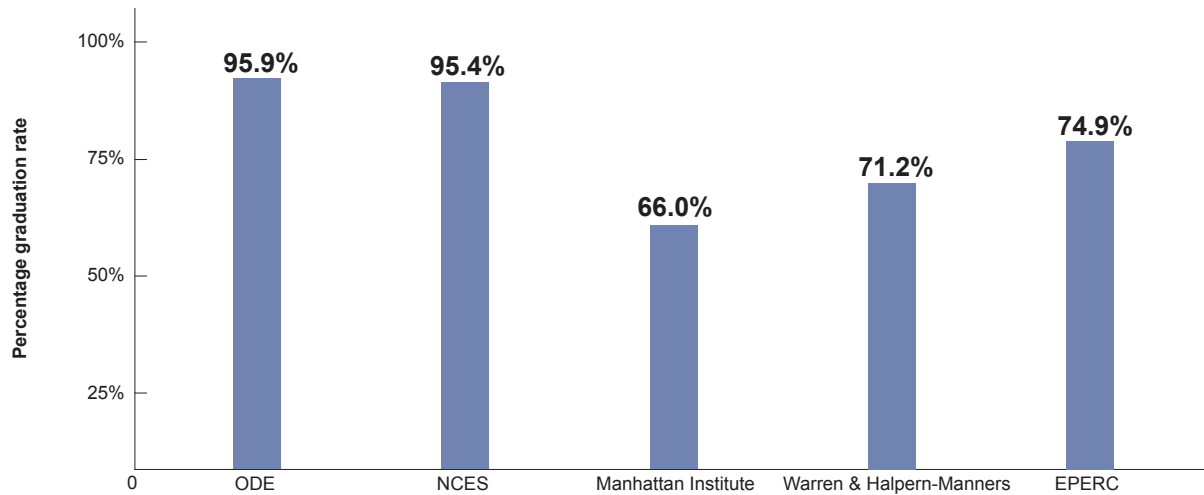
Source: Oregon Department of Education, 2009.<sup>13</sup>



### Graduation rates for 2006 differ by reporting organization.

Figure 3

Statewide high school graduation rates by reporting organization



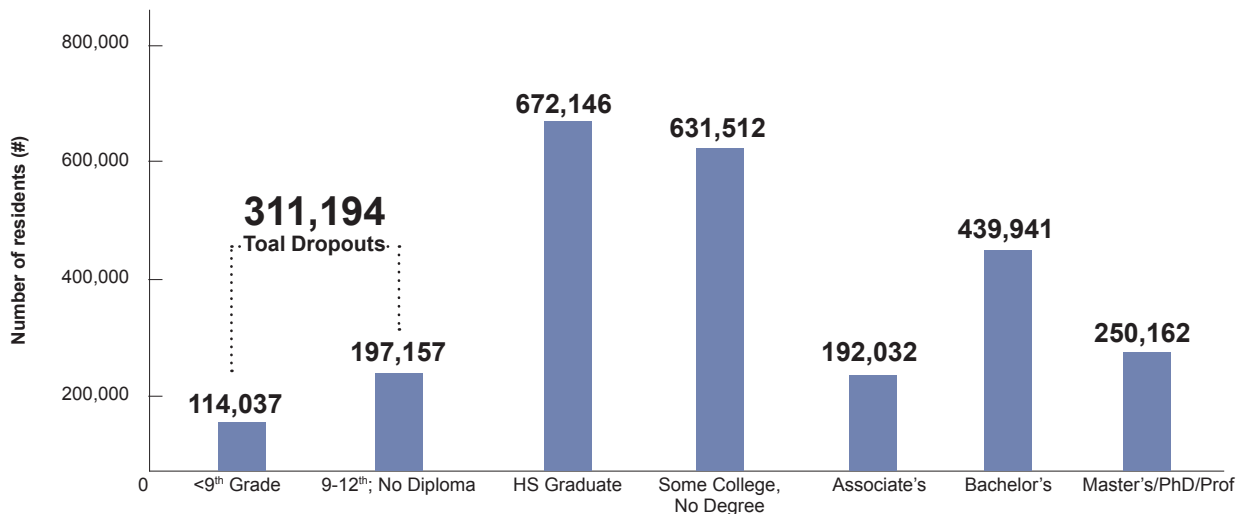
Note: 2006 is the most recent year for which all organizations provided accessible estimates.

Source: Oregon Department of Education (ODE), Graduation Rate Data; National Center for Education Statistics (NCES), Dropout Data, United States Department of Education; Manhattan Institute, April 2006; John R. Warren and Andrew Halpern-Manners, "Measuring High School Graduation Rates at the State Level: What Difference Does Methodology Make?," paper presented at the April 2007 meetings of the Population Association of America; Editorial Projects in Education Research Center (EPREC), "Ready for What? Preparing Students for College, Careers, and Life After High School." (2007).

### The U.S. Census reports more than 300,000 K-12 dropouts in Oregon.

Figure 4

Residents by educational attainment



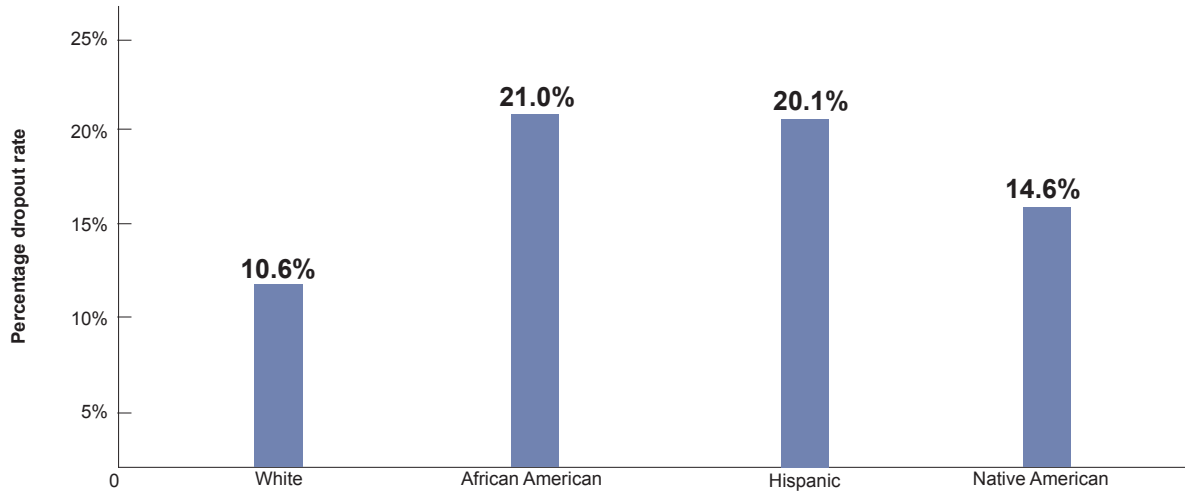
Source: U.S. Census Bureau, "American Community Survey, 2007," data for Oregon, author's analysis.



### Attainment gaps are wide in Oregon.

Figure  
5

Dropout rate by race/ethnic group



Source: Oregon Department of Education, 2009.

### Graduation rates vary across Oregon's three biggest city school districts.

Table  
1

Comparing graduation rates across school districts (2007)

	Eugene SD	Salem-Keizer SD	Portland SD
<b>% Graduation Rate</b>	<b>88.6</b>	<b>81.3</b>	<b>73.7</b>
<b>Anticipated Total Dropouts Per Year</b>	<b>1,941</b>	<b>6,706</b>	<b>11,713</b>
<b>District Profile</b>			
# Students	17,028	35,863	44,538
# Schools	45	66	98
% Native American	5.3	1.7	2.1
% African American	3.3	1.2	16.3
% Hispanic	8.5	27.4	13.3
% White	76.7	66.0	57.5
% Free and Reduced Priced Lunch	30.6	50.0	46.5

Source: EPE Research Center Mapping Tool, 2009.<sup>15</sup>



### Oregon dropouts have worse life outcomes when compared to graduates.

Table  
2

Projected life outcomes by educational attainment

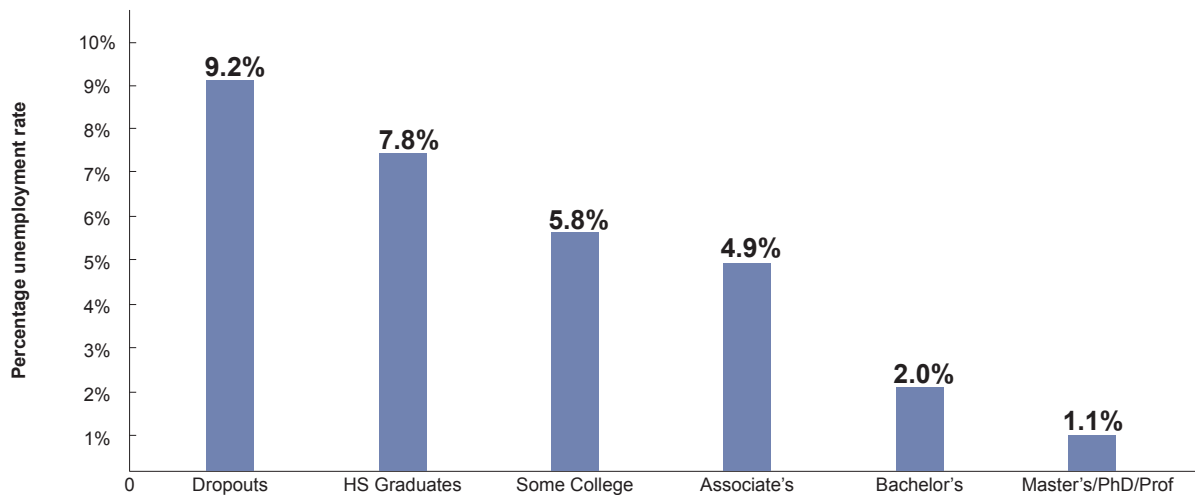
	Dropouts	HS Grads	Some College	Associate's	Bachelor's	Master's	PhD/Prof
<b>% Labor Force</b>	68	76.4	77.2	80.8	82.7	83.9	82
<b>% Unemployment Rate</b>	9.2	7.8	5.8	4.9	2	1.1	0
<b>Annual Earnings, Total</b>	\$16,785	\$26,561	\$29,633	\$38,548	\$49,959	\$74,428	\$74,428
<b>% Medicaid or With Child on Medicaid</b>	43.2	20.9	16.5	13	6.4	5.7	6.1
<b>% Incarceration Rate, Males Only</b>	<i>All College Grads Combined</i>						
% White	1.5	0.6	0.5		0.5		
% African American	5.0	1.0	0.5		0.5		

Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2005-07," data for Oregon, author's analysis.

### Unemployment varies by educational attainment.

Figure  
6

Oregon unemployment rates by educational attainment



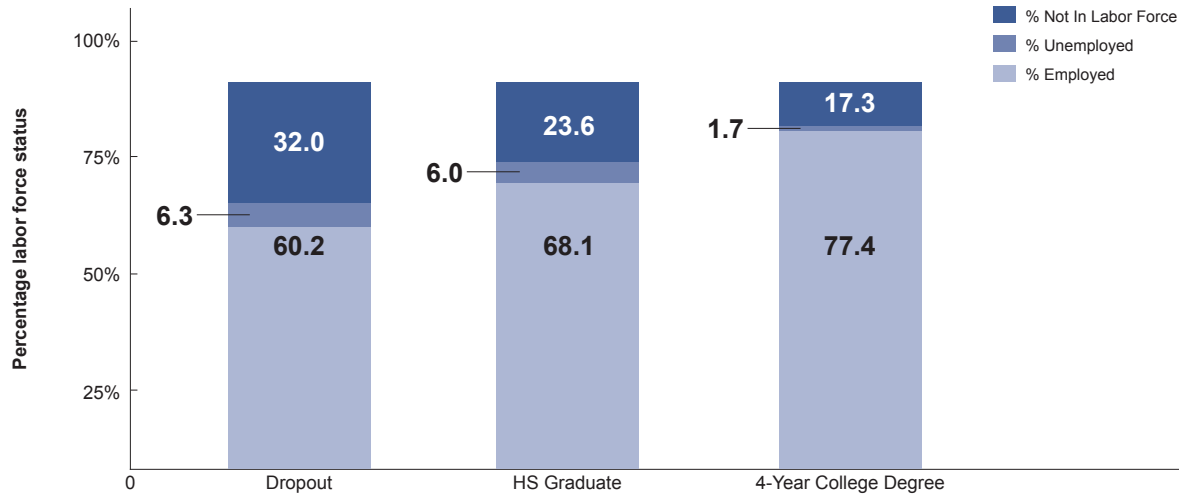
Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2005-07," data for Oregon, author's analysis.



**Prior to the 2008-2009 recession, nearly 2 out of 5 dropouts were not working.**

Figure 7

Labor force status by educational attainment



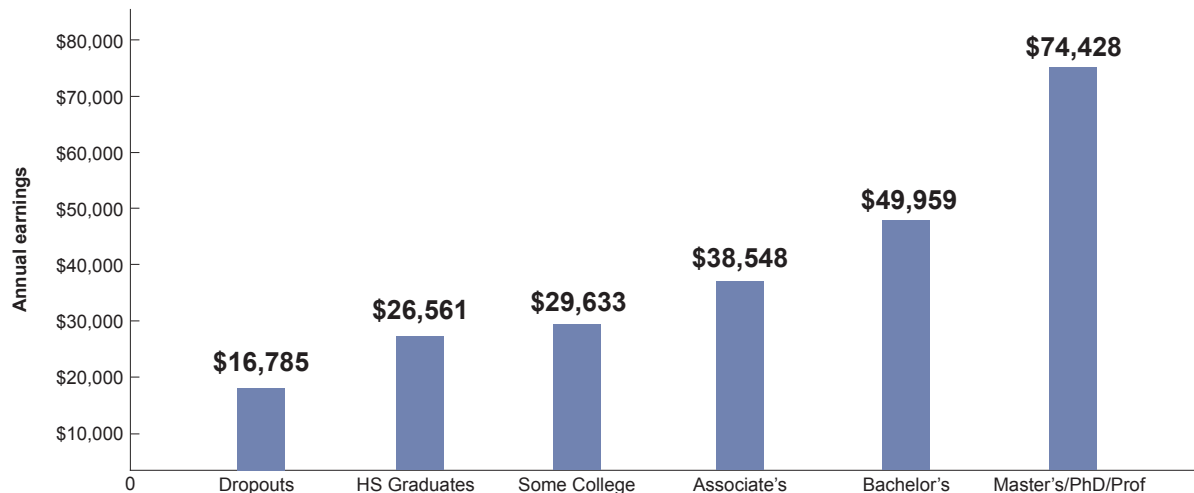
Note: A person is considered "Not in the labor force" if a person does not have a job and is not looking for work. A person is considered "Unemployed" if a person does not have a job but is actively looking for work.

Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2005-07," data for Oregon, author's analysis.

**Graduate annual earnings far exceed dropout earnings.**

Figure 8

Annual earnings by educational attainment



Source: U.S. Census Bureau, "American Community Survey, 2007," data for Oregon, author's analysis.



### Over their collective lifetimes, Oregon's population of dropouts will cost the state about \$2 billion in lost taxable earnings

Table  
3

Average annual earnings and total annual earnings by educational attainment

Educational Attainment	Population	Average Annual Earnings	Lifetime Earnings	Lifetime Earnings if Dropouts Become HS Grads
Dropouts	218,641	\$16,785	\$3,669,932,913	\$0
HS Graduates	604,555	\$26,561	\$16,057,343,533	\$21,864,908,956
Some College	566,942	\$29,633	\$16,800,078,898	\$16,800,078,898
Associate's Degree	210,710	\$38,548	\$8,122,428,009	\$8,122,428,009
Bachelor's Degree	471,916	\$49,959	\$23,576,357,061	\$23,576,357,061
Master's/PhD/Prof	206,917	\$74,428	\$15,400,335,709	\$15,400,335,709
<b>TOTAL</b>	<b>2,279,681</b>	<b>\$39,319</b>	<b>\$83,626,476,123</b>	<b>\$85,764,108,633</b>
<b>INCREASED EARNINGS IF ALL DROPOUTS BECOME HS GRADUATES</b>				<b>→ \$2,137,632,510</b>

Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2007," data for Oregon, author's calculations.

### Dropouts reduce Oregon's tax revenue by \$173 million per year.

Table  
4

Calculating lost tax revenue due to graduate-dropout income difference

	Population	Total Income	Tax Payments by Dependent Exemptions			
			No Children	1 Child	2 Children	3+ Children
HS Graduates	604,555	\$26,561	\$1,671	\$1,603	\$1,461	\$1,302
Dropouts	218,641	\$16,785	\$924	\$721	\$478	\$319
<b>Difference</b>			\$747	\$882	\$983	\$983
<b>x</b>						
Dropouts			111,372	27,857	42,218	24,555
<b>Lost Tax Revenue</b>			\$83,194,884	\$24,569,874	\$41,500,294	\$24,137,565
<b>TOTAL LOST TAX REVENUE</b>			<b>→ \$173,402,617</b>			

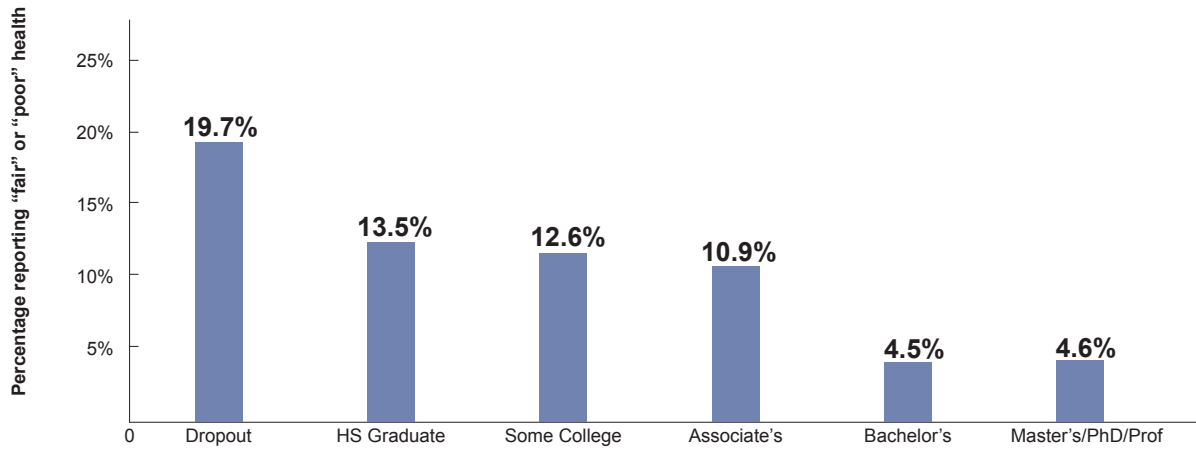
Source: NBER TAXSIM Model, author's calculations.



### Dropouts tend to self-report poorer health.

Figure 9

Self-reported quality of health by educational attainment

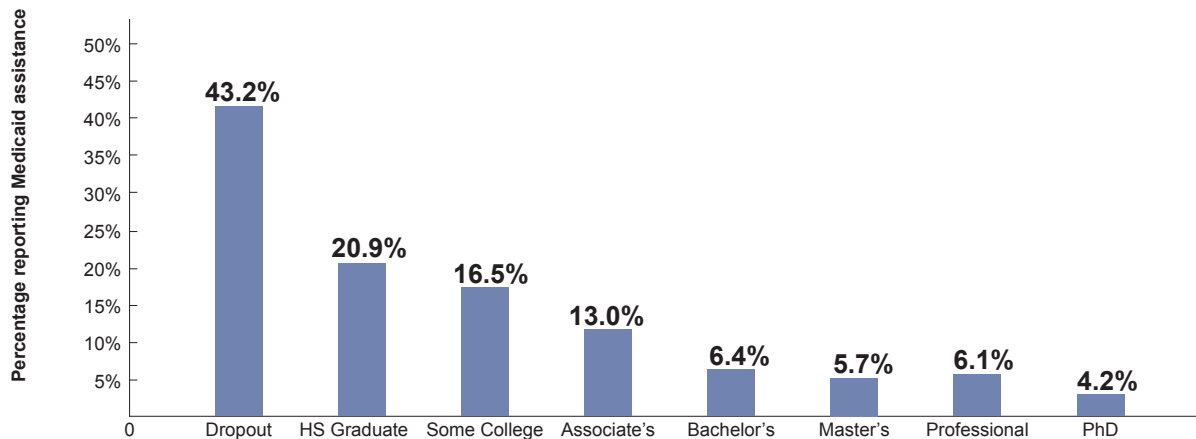


Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2007," author's calculations.

### Oregon's dropouts are twice as likely as graduates to depend on Medicaid.

Figure 10

Self-reported Medicaid assistance by educational attainment



Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2007," data for Oregon, author's calculations.



### Higher Medicaid use by dropouts costs Oregon nearly \$219 million per year.

Table 5

Educational Attainment	Population	% on or w/Child on Medicaid	# on or w/Child on Medicaid	Total Cost to State	# If Graduated	Total Cost to State
Dropouts	218,641	43.2	94,453	\$424,093,970	0	\$0
HS Graduates	672,146	20.9	140,478	\$630,746,220	186,174	\$835,921,260
Some College	631,512	16.5	104,199	\$467,853,510	104,199	\$467,853,510
Associate's	192,032	13	24,964	\$112,088,360	24,964	\$112,088,360
Bachelor's	439,941	6.4	28,156	\$126,420,440	28,156	\$126,420,440
Master's/PhD/Prof	250,162	5	12,508	\$56,160,920	12,508	\$56,160,920
<b>Total</b>				<b>\$1,817,363,420</b>		<b>\$1,598,444,490</b>

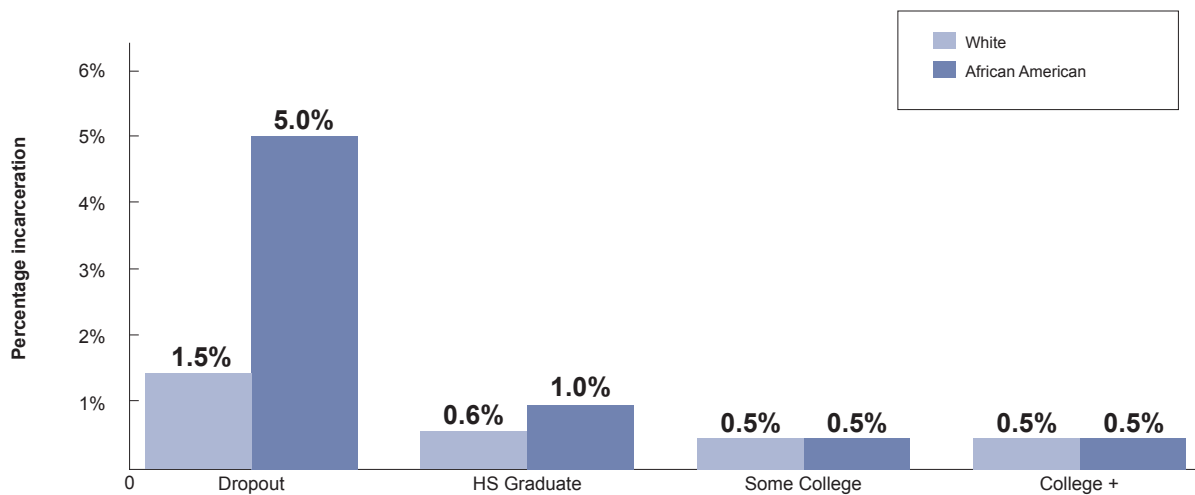
ESTIMATED ANNUAL MEDICAID SAVINGS IF ALL DROPOUTS GRADUATE → **\$218,918,930**

Source: U.S. Census Bureau, "Current Population Survey, March Supplement 2007," data for Oregon, author's calculations.

### Dropouts are at least twice as likely as graduates to be incarcerated.

Figure 11

Percent incarceration by educational attainment and race/ethnicity



Source: Lochner and Moretti, 2001; Oregon Department of Corrections, 2008.<sup>23</sup>



### Oregon can save up to \$37 million each year by increasing graduation rates.

Table  
6

Approximate annual costs of incarcerating dropouts (2008)

<b>White Students</b>	Percent Dropouts:	11%
	Number Dropouts:	18,958
<b>African American Students</b>	Percent Dropouts:	21%
	Number Dropouts:	28,899
<b>Expected Incarcerations from Dropouts</b>	White:	284
	African American:	1444
<b>Expected Incarcerations without Dropouts</b>	White:	114
	African American:	289
<b>Projected Cost of Incarceration</b>		\$48,902,400
<b>Projected Cost if No Dropouts</b>		\$11,404,900
<b>DIFFERENCE</b>		<b>➤ \$37,497,500</b>

Source: Lochner and Moretti, 2001; Oregon Department of Corrections, 2008