RECOVERING LOST LEARNING: USING THE AMERICAN RESCUE PLAN ACT FOR CREDIT RECOVERY

It is well-established that high school graduation rates across the United States have steadily risen after decades of education policy change and reform-minded initiatives. In 2017-18, the national graduation rate reached a record high of 88%.[1] As the nation recovers from the effects of the COVID-19 pandemic, increased attention should be paid to students who are no longer on the pathway to on-time graduation. The American Rescue Plan Act (ARPA) can provide states with an opportunity to rethink how they support students who are at-risk of dropping out or not completing their high school diploma. One common way that states have increased graduation rates is through credit recovery programs.

Credit recovery programs allow for students to get back on track for high school graduation — often through accelerated and/or virtual courses — without repeating an entire academic year. A 2018 report found that at least 15% of high school students have participated in a credit recovery program, and that 89% of high schools across the country offer these programs to their students.[2] While the majority of students participate in these programs as a way to replace a failing grade on their transcript, others participate both during the school year and over summer breaks due to absenteeism, discipline issues, and staff referrals.[3]

Despite these seemingly positive high school graduation outcomes, there remain outstanding questions around the efficacy of credit recovery programs and their long-term impact on student outcomes. Credit recovery programs lead to an increased number of students attaining the necessary credits to successfully complete their high school diploma. At the same time, credit recovery programs can lead to watered-down diplomas that fail to set graduates up for successful college or career pathways. Districts have been accused of using “high-volume, low-quality programs” to boost their graduation rates.[4] It is difficult to refute this critique when students are able to earn an entire semester’s credit in a weeklong course or, in the case of Washington, D.C., students received credit despite never taking the original course.[5]

As states unpack the impact of the COVID-19 pandemic on student learning, there is a significant chance more students than ever will need to make up failed courses. Students are predicted to lose up to nine months of learning.[6] Students of color are predicted to be disproportionately affected, losing up to a year of learning due to inequitable remote learning resource allocation and access. Younger students will have more time to make up learning that was lost during the pandemic but high school students will need states to take urgent action to

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[1] Emma Kerr, “See High School Graduation Rates by State,” *U.S. News and World Report*, April 28, 2021, https://www.usnews.com/education/best-high-schools/articles/see-high-school-graduation-rates-by-state#:~:text=The%20nation's%20graduation%20rate%20is,News%20Best%20High%20Schools%20rankings.

[2] Nat Malkus, *Second Chance or Second Track? Credit Recovery Participation in US High Schools* (Washington, DC: American Enterprise Institute, 2018), https://www.aei.org/wp-content/uploads/2018/09/Second-Chance-or-Second-Track.pdf?x91208.

[3] Malkus, *Second Chance or Second Track? Credit Recovery Participation in US High Schools.*

[4] Nat Malkus and Amy Cummings, “What We’re Getting Wrong About Credit Recovery,” *Education Week,* November 26, 2018, https://www.edweek.org/technology/opinion-what-were-getting-wrong-about-credit-recovery/2018/11.

[5] Alvarez & Marsal, *Final Report: District of Columbia Public Schools Audit and Investigation* (Washington, DC: Alvarez & Marsal, 2018), https://osse.dc.gov/sites/default/files/dc/sites/osse/release_content/attachments/Report%20on%20DCPS%20Graduation%20and%20Attendance%20Outcomes%20-%20Alvarez%26Marsal.pdf.

[6] Emma Dorn, Bryan Hancock, Jimmy Sarakatsannis, and Ellen Viruleg, “COVID-19 and Learning Loss—Disparities Grow and Children Need Help,” McKinsey & Company, December 8, 2020, https://www.mckinsey.com/industries/public-and-social-sector/our-insights/covid-19-and-learning-loss-disparities-grow-and-students-need-help.

overcome their loss before it affects their graduation status. It is essential that states, districts, and schools take this opportunity to reimagine their credit recovery and dropout prevention programs to ensure that all students are prepared for a high-quality learning pathway on their way to college and career readiness.[7]

Utilizing ARPA to Expand and Improve Credit Recovery Programs

In addition to the $68 billion distributed through earlier relief programs, ARPA provides an extraordinary $123 billion to education agencies, with the requirement that most of the funding go to evidence-based interventions to address instructional loss, summer enrichment activities, and after-school programming. Along with the requirement of evidence-based practices, the funding is required to "address the disproportionate impact of the coronavirus" on student subgroups. This stipulation opens the door for states to rethink their dropout prevention programs and provide additional support to students from low-income families, students of color, students with disabilities, and English language learners.

Of the $123 billion that ARPA will provide to SEAs, approximately $110.5 billion will flow down to LEAs. SEAs will receive $12.3 billion and all funds must be allocated prior to September 2024. This amount of funding provides an incredible mechanism for states and districts to make bold, innovative decisions that serve students and communities most impacted by the pandemic.

K-12 ESSER COVID-19 Pandemic Relief Funding		
	ARPA	**Total**
Local Agencies	$110.5 billion	$170.6 billion
State Agencies	$12.3 billion	$18.9 billion
Total	**$122.8 billion**	**$190.3 billion**

SEAs should consider using their set-aside money to provide guidance, technical support, and incentives for the credit recovery strategies that they believe LEAs should undertake, both for immediate action and for developing long-term, sustainable programs with structures that LEAs can work within.

In order to ensure that districts are reimagining their credit recovery programs to support students toward high-quality pathways for college and career readiness, rather than simply earning course credits, states should influence and model for districts to use their ARPA set-aside funding to do the following:

- **Conduct a credit recovery program audit** to analyze current offerings based on disaggregated demographic data. Districts should use this audit to expand impactful but underutilized programs. States can influence districts by offering matching grants to LEAs that retire low-quality or underenrolled programs and increase enrollment in high-demand, high-value programs. Florida's CTE Audit is a strong example that both districts and states can follow.[8]
- **Provide high-quality professional development and incentive funding** for educators who can offer additional support and mentoring to at-risk or already failing students. Another alternative would be to utilize high-quality, high-impact tutoring programs for at-risk students taught by qualified educators.

[7] ExcelinEd, "Pathways Matter," https://pathwaysmatter.org/.
[8] Florida Department of Education, *Florida's CTE Audit: Statewide Review of Programs* (presentation, January 24, 2020), http://www.fldoe.org/core/fileparse.php/18788/urlt/2020CTEAuditPreliminaryFindings.pdf.

- **Develop a state-led process for recognizing credit earned in nontraditional settings**, similar to the Learn Everywhere program in New Hampshire.[9] These programs allow for students to replace failing grades on transcripts rather than spend valuable learning time repeating the same courses. To influence LEAs to participate in these course access programs, SEAs could offer recurring grants that lower the cost for districts and families.
- **Create innovative summer school or intensive midyear academic boot camps** for students in need of credit recovery. States can influence districts to use their ARPA set-aside funds by creating a microgrant fund that matches district funding for programs that create community partnerships with vetted, high-quality out-of-school providers or mentorship programs, as seen in Oklahoma.[10]
- **Invest in early intervention programs for at-risk students** to identify and reengage students before they make the decision to drop out of high school. States could use their ARPA funds to follow Colorado's example and create or expand longitudinal data systems to identify students who meet predictive indicators and intervene at an earlier stage. [11]

Even as the high school graduation rate reaches new highs nearly every year, the high school diploma is losing luster as a sign of readiness in the college and career landscape. The American Rescue Plan Act creates a once-in-a-generation opportunity to reimagine credit recovery and dropout prevention programs so that states can ensure their graduating students are ready for the 21st-century world. The recommendations above will help meet a need that is particularly acute in the wake of the pandemic, but they also seed the ground for long-term improvements in credit recovery systems that better serve the students who are at the heart of the work that we all do.

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[9] New Hampshire Department of Education, "Learn Everywhere," https://www.education.nh.gov/pathways-to-education/learn-everywhere.
[10] State of Oklahoma, "Oklahoma Statutes," http://webserver1.lsb.state.ok.us/OK_Statutes/CompleteTitles/os70.rtf.
[11] Colorado Department of Education, "Dropout Prevention and Student Re-Engagement," updated January 12, 2021, http://www.cde.state.co.us/dropoutprevention.