Harrison School District 2

Mill Levy Impacts—Executive Summary

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Harrison SD2 Mill Levy Impact—Executive Summary

Increasing Harrison School District 2 (HSD2) Teacher Wages by 6%

Background

- HSD2 has not passed a mill levy in **over 20 years**, while most other El Paso County school districts have, enabling the other counties to invest more in education.
- HSD2 has the **second lowest** mill levy in the county.
- In 2022-23, HSD2's teachers' average salary was **13.2% less** than the El Paso County living wage for a family with 2 working adults and 2 kids.
- In 2022-23, HSD2's teachers' average salary was **31.6% less** than Cheyenne Mountain's.
- In 2022-23, the teacher turnover rate in HSD2 was just over 32%, which was more than **double** the teacher turnover rate in Cheyenne Mountain district 12 (14.5%).

Impact of the Increase in Teachers' Wages

- Teachers will get closer to a living wage and will be able to spend more in the local community, **increasing state and local taxes by $121,357 per year.**
- Research shows that increased wages reduce teacher turnover, and in HSD2 higher pay and lower turnover will **save the school district $671,160 per year.**
- Research shows that increased teacher wages improve student education leading to higher wages for students and increasing **state and local taxes by $11,247 per year.**

Increasing Charter Schools' Funding

Background

- About 1/3 of the students in HSD2 attend charter schools so these charter schools will receive about 1/3 of the revenue from this proposed mill levy increase.
- In 2022-23, the average teacher salary in HSD2 charter schools was **27.2% less** than in HSD2 non-charter schools.
- In 2022-23, HSD2's charter school teachers' average salary was **29.6% less** than the El Paso County living wage for a family with 2 working adults and 2 kids.

Impact of Funding for Charter Schools

- In 2023, the HSD2 charter schools had **graduation rates ranging from 93.5%** at Atlas Preparatory High School **to over 98%** at The Vanguard School. Funding from this mill levy will benefit these high performing charter schools.
- Charter schools have **higher post-secondary enrollment across the district.** The 2021 graduating class (most recent data available) at James Irwin Charter High School had **66.7%** of high school graduates enrolled in post-secondary education within the year after graduation and the Vanguard School had **80.7%** of graduates enrolled, while all of HSD2 had 45.0% and the state of Colorado had 54.5%.
- These school options make a significant difference in the education and earning potential of their students.

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Funding Dakota Promise (DKP) 1st Dollar Scholarships

Background

- HSD2 began providing some Dakota Promise scholarships for high school students attending post-secondary education in 2020. Because DKP began during the pandemic, longitudinal outcome data is not yet available.
- However, "Promise Scholarships" have been widely studied over many decades. A similar 1st dollar scholarship program in Michigan , Kalamazoo Promise, has shown an **11% return-on-investment (ROI)**, which would yield **$990,000 in financial benefit** in HSD2 per year.
- **Free post-secondary education** has become a necessity for many U.S. households with student debt now at record levels ($1.8 trillion—triple the 2007 amount), an average student debt load of $38,000, with 61% of college graduates having loans (45 million students).

Impact

- Through Dakota Promise, students will gain education enabling them to earn **between $6,488 and $61,397 more** per year, depending on the post-secondary education they pursue. This impact is partially due to the higher earnings that come with post-secondary education and partially due to increased labor participation.
- For all DKP students combined, this is an **increase in earnings of $4,229,543** per year as they complete this higher education.
- The increased education and labor participation will **increase the state and local tax revenue by $356,923** per year.

Added Benefit - Reduced Crime

- "A one year increase in average years of schooling reduces property and violent crime by about 11—12%." *(Study by Lance Lochner & Enrico Moretti in The American Review, March 2004.)*
- Investing in the education of males and increasing their graduation rates produces a 14—26% return-on-investment (ROI) for the community due to crime reduction. *(Study by Lance Lochner & Enrico Moretti in The American Review, March 2004.)*
- Better funding in elementary school led to students who "were 15% less likely to be arrested through age 30." *(Study by E. Jason Baron, Joshua M. Hyman, and Brittany N. Vasquez published by the National Bureau of Economic Research, March 2022.)*

Community Taxpayer Contribution

- The **cost** to HSD2 homeowners of this mill levy is **$243 per year**, or roughly $20 per month.
- The total **financial benefit** for the HSD2 community is **$5,390,230 per year**. This translates to about $180 per household or **$385 per homeowner per year**.

Harrison SD2 Mill Levy Impact—Evaluation Metrics

Annual Evaluation Metrics

Note: Data will be tracked longitudinally with baseline data at least five years prior to the mill levy increase and tracked annually thereafter. Data from CDE and other sources typically lags 1-2 years, so if improvements occur it will take time to show in the data.

Teacher Pay

- Charter versus non-charter and combined (combined, weighted average by charter and non-charter, and also analyzed separately) from CDE
- Components of increase (COLA and other) from HSD2
- Comparison school districts—D11, D20, D12, D2, D3, D8, D49 and D14 from CDE
- Comparison of average teacher pay to El Paso County living wage for single individuals; a family with one working parent and two children; and a family with two working parents and two children ("MIT Living Wage Calculator")

Teacher Turnover

- Filipino recruitment and hiring (number of new hires and dollar commitment) from HSD2
- Teacher turnover in HSD2 (combined, weighted average by charter and non-charter, and also analyzed separately) from CDE
- Comparison school districts' teacher turnover—D11, D20, D12, D2, D3, D8, D49 and D14 from CDE
- Estimated total cost of turnover for HSD2 (in dollars) by DDES

Graduation Rates

- High school graduation rates (by school and district, charter and non-charter, and weighted average combined) from CDE
- Retention/transfer of students within HSD2 from CDE

Post-secondary Attendance

- Enrollment in post-secondary education (by school and district, charter and non-charter, and weighted average combined) from CDE
- Enrollment in PPSC with Dakota Promise Scholarship (and take-up rate) from PPSC
- Number of certifications and degrees from PPSC
- Retention rate for Dakota Promise students from PPSC

Finances

If it's helpful to the Legacy Institute and the community at large, DDES could juxtapose the incoming revenues from the mill levy increase to the outgoing expenditures to ensure all costs are covered. If this is of interest, the ability to do so will be dependent upon data availability and integrity of that data.