

# The Costs and Benefits of Test-Based Promotion

Marcus A. Winters, Ph.D.

Associate Professor

Boston University

Wheelock College of Education & Human Development

# My Research on Florida's Test-Based Promotion Policy

- What is the effect of retention under the policy on later student outcomes?
- What is the impact of the policy on student performance within the 3<sup>rd</sup> grade?
- What is the cost of retaining students under the policy?

# Effect of Retention under Florida's Policy

- In essence, compare the later outcomes of students who scored “just” below the threshold on the reading exam and thus triggered the policy to that of students who scored “just” above the threshold and thus were not likely to be retained
- Findings:
  - Large immediate test score increase following retention that fades over time
    - Still a large positive effect in the 10<sup>th</sup> grade if compare when at same grade level
  - No significant effect on high school graduation rate
  - No significant effect on college entry
  - Significant and substantial increase in GPA
  - Significant and substantial decrease in taking remedial high school courses

# But Does the Policy Affect Everyone Else?

- A fundamental idea of the policy is to impact performance in order to avoid the (perceived) need for retention
- Measure if there was a significant increase in 3<sup>rd</sup> grade test scores that coincided with the adoption of the test-based promotion policy that was not seen in 4<sup>th</sup> and 5<sup>th</sup> grades within the school
  - Motivating idea is that the test-based promotion policy should impact only those in grades 3 and under, where students might be subjected to retention
- Findings:
  - Meaningful positive effect in 3<sup>rd</sup> grade during first policy year
- I've recently conducted a similar study in Arizona and found very similar effects

# Is Retention Under the Policy Costly?

- There is considerable concern that test-based promotion is a very expensive policy
- Common concerns:
  - Additional year of schooling at average per-pupil expenditure is costly to taxpayers
  - Imposes costs to treated students
    - A year of forgone labor market earnings
    - A year less experience in each employed year
- However, these costs have been overstated in the past

# Prior Cost Estimates are Overstated

- A retained student does not represent an additional cost to taxpayers for several years after the treatment is given
  - A retained student is not simultaneously enrolled in the third and fourth grades
  - Need to discount the future expenditure back to the treatment year
    - 10 years for a treated student who graduates on time
- Treatment is associated with less than a full year of additional schooling
  - Many students retained under the policy would be retained in a later grade instead
- The total cost is difficult to calculate and depends on the context, but the cost is substantially less than a full year of schooling for the student
  - In Florida, the academic benefits from the policy far outweighed its cost