

COUNTING ON GRADUATION

An Agenda for State Leadership

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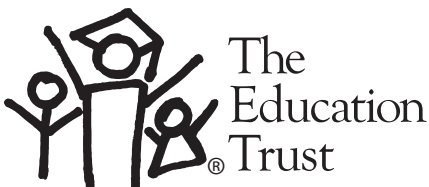
THE UNITED STATES IS THE ONLY INDUSTRIALIZED COUNTRY in the world in which today's young people are less likely than their parents to have completed high school.¹ This is a startling turn for our nation, which prides itself on extending educational opportunity to everyone. To sustain the promise of the American education system as a ladder to economic, social, and civic success, high school graduation rates must improve for all young people—especially for the growing numbers of students of color.

By 2020, the nation's African-American population is expected to increase by 10 percent, the Latino population by a full third.² Yet today, more than one in every three students from these fast-growing groups do not graduate from high school on time (see Table 1).

Table 1. Averaged Freshman Graduation Rate (AFGR), Class of 2006³

Overall	African American	Asian	Latino	Native American	White
73%	59%	90%	61%	62%	81%

In 2005, the nation's governors took an important step toward improving graduation rates by acknowledging that the inconsistent and often inaccurate ways states calculated graduation rates obscured the reality that far too few students were completing high school.⁴ Now, thanks to leadership of the National Governors Association (NGA), honest information about who is graduating and who is not is becoming more widely available as states begin to report their graduation rates according to a new, consistent, and more accurate calculation.⁵ Indeed, this calculation, which tracks every student over the course of his or her high school career, is likely to be reflected in new federal regulations.⁶ State leaders now must develop a comprehensive set of policies aimed at implementing the new, more accurate calculation and establish an unequivocal expectation that graduation rates must improve.



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To meet the challenge of graduating more students from high school, state leaders should focus on the following:

- **Supporting high-quality data collection at the local level.** This is critical to ensuring that the new calculation actually provides an accurate picture of graduation rates to the whole community.
- **Setting more rigorous goals and improvement targets.** This will establish high expectations for educators and policymakers to be more accountable to the public.
- **Establishing as a high statewide priority the goal of improving high school graduation rates.** Declaring such a goal is one way to challenge educators, community members, and policymakers to act with energy and urgency.

Of course, this is far from a complete list of everything that must occur to raise graduation rates. But through these actions, state leaders can help ensure that those who are working to improve educational outcomes for young people have the information they need to work more effectively. And they can help ensure that school officials, policymakers, community members, parents, and students have a common vision of the required improvements and a commitment to success. Although no state has taken all of these actions, powerful examples of state leadership are available to guide such efforts across the country.

Collect Better Data

Two problems have consistently plagued the graduation-rate figures that are reported to the public: (1) a lack of common, accurate definitions among states and (2) poor-quality data collected at the local level. The governors' commitment to the "Graduation Counts Compact," followed by the new federal regulations, addresses the problem of inaccurate graduation-rate calculations. Nonetheless, the challenge of collecting high-quality data remains.

Proper tracking of graduation rates requires an accurate record of each student who enters a school as well as when and under what circumstances they leave. Most states have instituted "exit code" systems to track each student who graduates, transfers, and drops out. Some states have developed exit codes that districts must use; others offer districts guidance but not specific codes; and still others leave development of the codes to individual districts.⁷ Consistency and accuracy demand that states—not districts—develop and define the codes.

Even when states define the codes, however, achieving accurate results depends largely on local school personnel who must hand-enter those codes for every student. If detailed directions and proper training are unavailable to those responsible for the coding, confusion ensues. This recently occurred in Charlotte, N.C. An internal audit revealed a large number of errors in the way students in the district had been coded. School staff, misunderstanding state reporting requirements, had coded more than 600 students as transfers when they should have been coded as dropouts under North Carolina's coding rules.⁸ These errors meant that though North Carolina was making a good-faith effort to adhere to the NGA compact, Charlotte had inadvertently overstated graduation rates for the city's high schools.

About the Education Trust

The Education Trust promotes high academic achievement for all students at all levels—pre-kindergarten through college. We work alongside parents, educators, policymakers, and community and business leaders across the country in transforming schools and colleges into institutions that serve all students well. Lessons learned in these efforts, together with unflinching data analyses, shape our state and national policy agendas. Our goal is to close the gaps in opportunity and achievement that consign far too many young people—especially those who are black, Latino, American Indian, or from low-income families—to lives on the margin of the American mainstream.

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The situation in Charlotte illustrates the challenges facing schools and districts across the country, and states must react to this need for guidance. In Kansas, state officials have responded to an overwhelming demand for better data support from school and district staff with a promising new data-certification program. Through this program, school personnel responsible for entering student status into the data system receive training on the state's exit codes, have an opportunity to raise questions about the correct way to code certain students, and are assessed to ensure they understand the process. The new program, which currently is voluntary, is being expanded and offers states an example of how to help school-level staff.⁹

Expect Improvement for All Schools

Efforts to improve the quality of information available to educators, policymakers, and community members must be coupled with real efforts to improve educational outcomes for all students. But thus far, most states have neglected to establish the high expectations for improving graduation rates that will prompt action.

Under the federal No Child Left Behind (NCLB) law, high schools must meet a statewide graduation-rate goal or an improvement target to make Adequate Yearly Progress (AYP). States have the discretion to set their own goals and targets. But rather than setting high expectations, the vast majority of states set them entirely too low, making it acceptable for schools to graduate low percentages of students.

Rather than setting high expectations for improvement, the vast majority of states set them entirely too low, making it acceptable for schools to graduate low percentages of students.

As Table 2 on page 4 shows, more than half of all states have set policies that allow schools that have fallen short of the state's graduation-rate goals merely to make *any* progress in their graduation rates or not to lose ground from the previous year. This says to schools and communities that the status quo is acceptable. What's more, it lets the state off the hook for providing help to the schools that need it most.

Compounding this problem, current policy lets *everyone* off the hook for providing help to the students that need it most, as gaps between groups are hidden behind the overall graduation rates that are the basis of AYP determinations. Recognizing this problem, the U.S. Department of Education is recommending a change to AYP that would hold schools accountable for the graduation rates of each group of students.¹⁰ This is an important shift in accountability policy and certainly one that is sorely needed. But if states do not ratchet up their expectations for improved graduation rates, schools will continue to hold all groups to too-low expectations.

Again, North Carolina, with its 0.1 annual graduation rate improvement target, provides a good example (see Table 3 on page 5). In 2006, North Carolina reported a 70.3 percent overall graduation rate. If the state were to meet the minimum improvement target of 0.1 percentage point every year, it would take about a century to reach the state's goal of 80 percent graduation. And that is just for the overall graduation rate—it would take another century or more for North Carolina's African-American and Latino students to reach the state's goal.

Table 2: State Graduation-Rate Goals and Improvement Targets for the Class of 2007

	Graduation-Rate Goal for the Class of 2007	Annual Improvement Target
Alabama	90%	Any progress
Alaska	55.58%	Any progress
Arizona	71%	One percentage point
Arkansas	73.9%	Any progress
California*	83%	0.1 percentage point over one year or 0.2 percentage points over two years
Colorado*	59.5%	N/A
Connecticut	70%	Any progress
Delaware*	79.5%	Equal or exceed previous year's graduation rate
District of Columbia	66.23%	One percentage point
Florida	85%	1%
Georgia*	65%	10% (if 50% threshold is reached)
Hawaii*	80%	N/A
Idaho	90%	Any progress
Illinois*	72%	N/A
Indiana	95% over two years	Any progress over two-year period
Iowa	90.3%	Any progress
Kansas	75%	Any progress
Kentucky*	84.5%	Any progress
Louisiana	65%	0.1 percentage point
Maine*	64%	N/A
Maryland*	85.5%	0.01 percentage point
Massachusetts	60%	Two percentage points
Michigan*	85%	10% reduction in difference between actual rate and goal over two years
Minnesota	80%	Any progress
Mississippi	72%	Any progress
Missouri	85%	Any progress
Montana	80%	Any progress
Nebraska	83.97%	Any progress
Nevada	50%	Any progress
New Hampshire	75%	Any progress
New Jersey	N/A	N/A
New Mexico	90%	Current year rate equals or exceeds previous year's rate, or rate averaged over three years equals or exceeds previous year's rate
New York	55%	One percentage point
North Carolina	80%	0.1 percentage point
North Dakota	73.09%	N/A
Ohio	73.6% for current year or two-year average	Any progress
Oklahoma*	67.8%	Any progress
Oregon	68.1% for current year or for two-year weighted average	N/A
Pennsylvania	80%	Any progress
Rhode Island*	79.2%	N/A
South Carolina	88.3%	Current year rate equals or exceeds previous year's rate, or rate averaged over three years equals or exceeds previous year's rate
South Dakota	80%	Any progress
Tennessee	90% for current year, most recent two years' worth of data, or three-year rolling average	Individually set for each school
Texas	70%	Any progress
Utah	85.7%	Any progress
Vermont	72%	N/A
Virginia*	61%	Any progress
Washington*	69%	Two percentage points
West Virginia	80%	Any progress
Wisconsin	90% of state average	Any progress
Wyoming	80%	Any progress

N/A = Improvement targets not specified in state accountability workbooks.
 * These states have set graduation-rate goals that increase over time.
Source: Consolidated State Application Accountability Workbooks posted on the U.S. Department of Education Web site as of August 2008 and state departments of education documents.

Table 3. Acceptable Graduation-Rate Progress in North Carolina and Maryland Under Current Policy

State	Group	Class of 2006 Group Graduation Rate ¹¹	Graduation-Rate Goal ¹²	Graduation-Rate Improvement Target ¹³	Year Group Will Reach Graduation-Rate Goal if Minimum Improvement Target Is Met Each Year ¹⁴
North Carolina	Students Overall	70.3%	80%	0.1 percentage point	2103
North Carolina	African American	60.8%	80%	0.1 percentage point	2198
North Carolina	Latino	52.3%	80%	0.1 percentage point	2283
Maryland	Students Overall	85.43%	90%	0.01 percentage point	2463
Maryland	African American	78.89%	90%	0.01 percentage point	3117
Maryland	Latino	81.34%	90%	0.01 percentage point	2872

Maryland, a state that currently uses a less accurate graduation-rate definition than North Carolina, also has set low expectations for improvement. These expectations are so low that it would take more than a millennium for the state’s African-American students to reach the graduation-rate goal if that group met the minimum improvement target each year.

At least North Carolina and Maryland are expecting schools eventually to reach a goal. As Table 2 shows, schools in Delaware, New Mexico, and South Carolina never will be required to meet the statewide goal as long as they maintain their same graduation rate year after year.

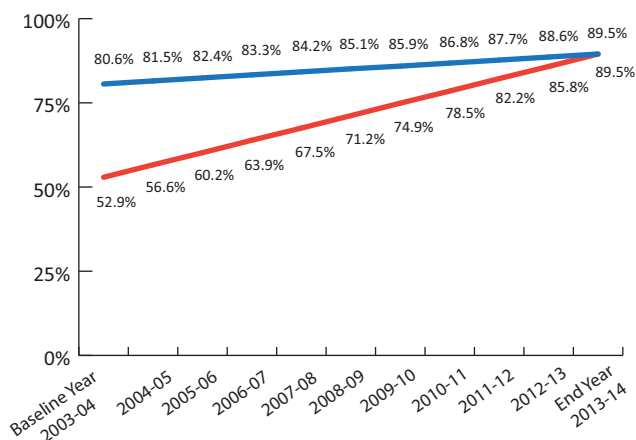
Graduation-rate goals and improvement targets are important reflections of state leaders’ expectations for students, schools, and themselves. Thankfully, several states have shown it is possible to set ambitious expectations – and meet them.

In Tennessee, each high school has its own graduation-rate improvement trajectory for AYP purposes. Under the state’s accountability rules, improvement targets were determined by taking the difference between the statewide goal for all schools (89.5 percent) and the actual graduation rate of each high school in 2004, then calculating the annual incremental

improvements each school must achieve to reach the statewide goal by 2014. This system results in individualized school plans and annual targets through 2013-14. Schools that started out with lower graduation rates must meet a more rigorous set of improvement targets than schools that started out with higher graduation rates (see Chart 1). And AYP data confirm that schools are meeting these improvement targets.¹⁵ In 2007, 77 percent of high schools in Tennessee met their graduation-rate target for that year.

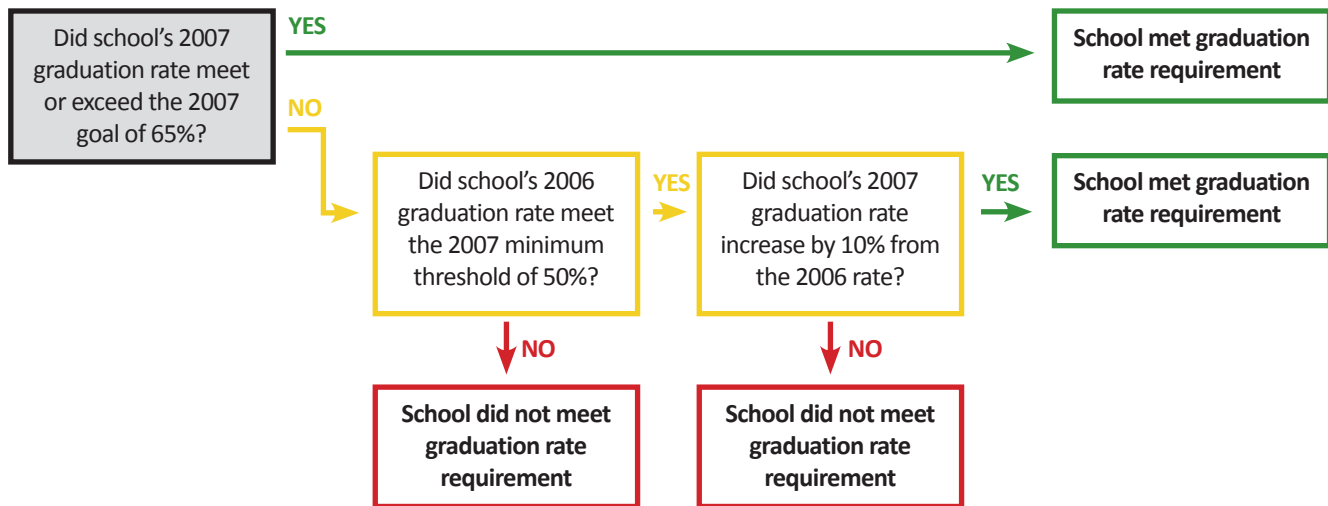
Georgia, a state that has had low graduation-rate expectations, shifted the way it evaluates schools’ progress on graduation rates, starting with the class of 2007.¹⁶ The state now requires each school to meet a graduation-rate goal that increases each year, looking toward a goal of 100 percent graduation in 2014. Schools with rates that do not meet this goal cannot fall below a state-set floor and must have improved their rate by 10 percent from the previous year in order to meet their accountability targets. Chart 2 describes the process.

Chart 1. Sample Tennessee Improvement Trajectories



This chart shows the improvement-target trajectories for two Tennessee high schools with very different baseline rates. Both schools will be required to improve, with much greater improvement expected of the school with the lower baseline. The annual improvement targets chart an aggressive but manageable course toward the statewide goal of 89.5 percent in 2014.

Chart 2. How Georgia Determined Whether Schools Met the Graduation-Rate Goal or Target in 2007



Massachusetts Shows How To Improve Graduation Rates

Raising graduation rates is a real challenge, but as data from Massachusetts show, success is possible. A leader in many aspects of education policy, Massachusetts already has begun to report and hold schools accountable for graduation rates calculated according to the more accurate definition agreed to by all 50 governors.

Confidence in the quality of graduation rate data in Massachusetts has allowed for meaningful analyses and in this case a deeper look at school-level improvement.¹⁸ The 20 percent of schools that increased their graduation rates the most from 2006 to 2007 did so by at least five percentage points. These schools were not limited to those with low 2006 graduation rates; their graduation rates ranged from a very low 13 percent to a high of 95 percent. And the demographics of this group of schools roughly mirrored the demographics of all Massachusetts high schools. Although many Massachusetts high schools' graduation rates did not improve, the subset of improvers provides proof that schools—no matter the demographics and initial graduation rates—can attain better student outcomes.

By performing their own analyses, states can identify and share the practices of schools that have had the most success in raising graduation rates.

Of course, it is not enough simply to set high expectations. State leaders also must ensure that schools receive the support they need to meet such expectations. Georgia is helping schools through a recent initiative that allows each high school to employ a graduation “coach.” These coaches identify students who show early warning signs of not graduating, and they work with these students to develop individual achievement and graduation plans. The coaches also provide training for parents and develop partnerships with community organizations.¹⁷

Make Improving Graduation Rates a High Priority

Significant numbers of young people leaving high school without a diploma is not an abstract problem. Virtually every community is affected, and the consequences are real. State officials can show leadership by creating the conditions necessary for collaboration and action.

An example of leadership comes from Mississippi, which has one of the lowest graduation rates in the nation. The governor, the legislature, the Mississippi Department of Education, educators, and local community members are working together to reduce the high number of students who drop out each year. This year, Mississippi became the first state to hold a summit on dropout prevention with the help of the America’s Promise Alliance, a group that has been working to help states take an active role in raising high school graduation rates. Mississippi then went above and beyond by organizing a separate teen summit, where students from across the state suggested ways to reduce dropouts and develop prevention goals for their own schools.¹⁹ Additionally, the legislature created an Office of Dropout Prevention within the State Department of Education and established a goal to decrease the state’s dropout rate by 50 percent over the next five years. Finally, each school district was asked to create its own dropout-prevention plan, with input from school staff, students, and community members.

As America's Promise Alliance helps more states hold their own summits to raise awareness,²⁰ states must remember that while organizing a summit can be a powerful first step, the status quo will only change if state leaders seize the opportunity to build on the summit and take steps toward making higher graduation rates a reality, as Mississippi has done.

If states are serious about raising graduation rates, then the issue should be evident on the state agenda and remain prominent until the problem is solved. Following are specific actions a state's elected and education leaders can take to improve graduation rates.

For governors:

- Make raising graduation rates a high priority.
- Address this issue in the "state of the state" speech.
- Assume personal responsibility for boosting the graduation rates of all groups of students.
- Ensure the state budget protects current dropout-prevention programs and, if possible, adds funds to improve data quality, support for schools and students, and research and dissemination of successful strategies.

For state boards of education:

- Set rigorous and gap-closing graduation-rate goals and improvement targets.
- Establish policies that define and clarify student exit codes.

For state departments of education:

- Provide professional development for district and school staff to ensure they understand coding policies.
- Establish quality-control mechanisms and audit protocols for graduation-rate data.
- Identify schools that have improved their graduation rates, celebrate and disseminate their successes, and commission research on their best practices.

For school district leaders:

- Ensure that staff members understand all rules and that data collection and quality are high priorities.
- Perform school-level graduation-rate audits.
- Use graduation-rate data to deploy resources to the schools and students who most need support.
- Enlist schools and their communities in all-out efforts to keep students in school and raise graduation rates.

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Schools and districts need support in their efforts to accurately account for all students, and they must be held accountable for real improvement.

Conclusion

The stakes could hardly be higher when it comes to raising the academic achievement of America's young people. But far too often, state policies and actions can betray indifference to the issue and a lack of confidence in students and educators alike. To avoid this, states can do at least three things: (1) support school and district efforts to accurately account for all students, (2) hold schools and districts accountable for real improvement, and (3) generate a statewide focus on improving graduation rates. Otherwise, states will continue to undercut their needs for a skilled and knowledgeable workforce and hinder young people in their desire to lead successful, productive lives.

Of course, such efforts alone will not improve graduation rates. Educators and students need to work harder, and policymakers must provide greater support to the schools and students who need it most. One thing is certain: State leaders must be more assertive in setting the conditions and expectations for higher graduation rates. With progress on all fronts, all students can enjoy independence and success, both of which begin with a high school diploma.

Endnotes

- ¹ OECD, *Education at a Glance 2007: OECD Indicators, Indicator A1, Table A1.2a*, www.oecd.org/document/30/0,3343,en_2649_39263238_39251550_1_1_1_1,00.html.
- ² Calculation from U.S. Census Bureau Projections data, population ages 5-24, www.census.gov/population/www/projections/stproj.html.
- ³ Stillwell, R. and Hoffman, L., "Public School Graduates and Dropouts from the Common Core of Data: School Year 2005-06" (NCES 2008-353), Washington, D.C.: National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, 2008, <http://nces.ed.gov/pubs2008/2008353rev.pdf>.
- ⁴ To learn more about how states have provided misleading graduation-rate data, see the following publications by The Education Trust: "Getting Honest About Grad Rates: How States Play the Numbers and Students Lose" and "Graduation Matters: Improving Accountability for High School Graduation," both available at www2.edtrust.org/edtrust/press+room.
- ⁵ National Governors Association, *Implementing Graduation Counts: State Progress to Date, 2008*, www.nga.org/Files/pdf/0807GRADCOUNTS.PDF.
- ⁶ Office of Elementary and Secondary Education, Department of Education, "Notice of Proposed Rulemaking for Title I of the No Child Left Behind Act," U.S. Department of Education, www.ed.gov/policy/elsec/prop/index.html.
- ⁷ National Forum on Education Statistics, "Accounting for Every Student: A Taxonomy for Standard Student Exit Codes," Washington, D.C.: National Center for Education Statistics, U.S. Department of Education, 2006, nces.ed.gov/pubs2006/2006804.pdf.
- ⁸ Correspondence with and news articles by Ann Doss Helms, *Charlotte Observer*.
- ⁹ Kansas State Department of Education, "Kansas Individual Data on Students Data Quality Certification Program," www.ksde.org/Default.aspx?alias=www.ksde.org/kids.
- ¹⁰ Office of Elementary and Secondary Education, Department of Education, "Notice of Proposed Rulemaking for Title I of the No Child Left Behind Act," www.ed.gov/policy/elsec/prop/index.html.
- ¹¹ Office of Elementary and Secondary Education, Department of Education, "North Carolina School Year 2006-07 Consolidated State Performance Report Part I," www.ed.gov/admins/lead/account/consolidated/sy06-07part1/index.html. Maryland, State Report Card. Available at mdreportcard.org/.
- ^{12,13} Maryland's graduation-rate goal increases over time. The state will require schools to meet a 90 percent goal by 2014. "Maryland Consolidated State Application Accountability Workbook" and "North Carolina Consolidated State Application Accountability Workbook," www.ed.gov/admins/lead/account/stateplans03/index.html.
- ¹⁴ Education Trust calculation.
- ¹⁵ Education Trust analysis of Tennessee high school AYP data, provided by the Tennessee Department of Education.
- ¹⁶ "Georgia Consolidated State Application Accountability Workbook," www.ed.gov/admins/lead/account/stateplans03/index.html.
- ¹⁷ For more information on Georgia's "Graduation Coach Initiative," see gadoe.org/tss_school_improve.aspx?PageReq=TSSGraduationCoach.
- ¹⁸ Graduation-rate data for schools in Massachusetts can be found at profiles.doe.mass.edu/gradrates.aspx.
- ¹⁹ Mississippi Department of Education, "Campaign, Summits Boost Dropout Prevention Efforts," news release, January 16, 2008, www.mde.k12.ms.us/Extrel/news/2007/08DropoutCampaign_2.html.
- ²⁰ The goal of America's Promise Alliance is to support dropout-prevention summits in all 50 states and in at least 50 cities by 2010. For a list of the states and cities that have already set a date for their summit, see www.americaspromise.org/APAPage.aspx?id=10158.

