Measuring Graduation to Measure Success

Policymakers and the public are demanding increased accountability from the nation's educational system. In many areas, requirements for information on achievement and attainment are producing useful data that provide important indicators of the progress being made by students and schools.

However, decidedly mixed messages are being sent about the numbers of students who are actually graduating from the country's high schools. The National Center for Education Statistics (NCES), whose measures are used by the Department of Education, quoted a national high school completion rate of 86 percent for the class of 1998. At the same time, leading researchers from the Manhattan Institute for Policy Research, the Urban Institute, and the Civil Rights Project at Harvard University estimate that the national rate is closer to 68–70 percent.[1][2][3]

High school graduation serves as one of the most important markers of student educational progress, and is a crucial indicator of future success in school and work as well as a harbinger of the individual's likely quality of life. Individuals who drop out of high school earn almost 30 percent less than those students who graduate,[4] are 3.5 times more likely to be incarcerated,[5] and are significantly more likely to rely on public assistance.[6]

Graduation rates also provide important information about how well schools are serving certain student populations. Research from the Urban Institute suggests that approximately 50 percent of students from historically disadvantaged racial and ethnic backgrounds do not finish high school. Males from these racial and ethnic groups are faring substantially worse than females, and the situation is especially dismal for students in our nation's largest high-poverty urban districts, where as few as a third of all students graduate.[7]

Accurate, reliable information about how many of the nation's children are not completing high school—and who those children are—is critical. Without it, policymakers and school administrators will be unable to effectively assess school quality, determine school progress, and propose reforms to improve outcomes.

Inconsistent and Inaccurate Data

The No Child Left Behind Act (NCLB) requires states to annually report graduation rates, by subgroups (socioeconomic background, race and ethnicity, English proficiency, and disability). That law and accompanying regulations outline requirements for graduation rate calculations, which must meet one of the following two requirements:[8]

1. *The percentage of students measured from the beginning of high school, who graduate from high school with a regular diploma (not including an alternative degree that is not fully*

aligned with the state's academic standards, such as a certificate or a GED) in the standard number of years; or

2. *Another definition, developed by the state and approved by the U.S. Department of Education, that more accurately measures the rate of students who graduate from high school with a regular diploma. State definitions must avoid counting dropouts as transfers.*

On the surface, the NCLB requirements for calculating graduation rates seem rigorous. Unfortunately, the Department of Education has not effectively clarified what states must do meet these requirements.[9] Rather than ensure that state definitions more accurately measure graduation rates, the Department of Education has approved state-developed definitions that fail to account for large numbers of students who were enrolled but never graduated.

Many states, for example, measure high school graduation based on twelfth-grade enrollment only. By measuring their graduation rates based on the number of students who start the twelfth-grade year against those who graduate at the end of that year, these states are not accounting for the hundreds—or thousands—of students who drop out in grades nine, ten, and eleven.

Most states use the method developed by the National Center for Education Statistics (NCES) to calculate rates. This method relies heavily on a count of the number of students who are officially reported as having dropped out, rather than a count of the number of enrolled students. By measuring in this way, states inflate their graduation rate figures because collected dropout data exclude all those students who leave the educational system without officially notifying the school of their departure. The sad reality is that many of the students who drop out disappear from school without formal notice or effective follow-up by the school.

Investing in Accurate Measures

To remedy this situation, both in terms of poor methodology and faulty data collection, significant financial resources will be required. To date, Congress has not made calculating accurate graduation rates a priority, appropriating NCES with only $1 million for graduation rate tracking. In contrast, the federal government allocated $40 million to track student achievement through the National Assessment of Educational Progress (NAEP), the nationally representative measure of what America's students know in the areas of reading, mathematics, science, writing, U.S. history, civics, geography, and the arts.[10] Additionally, NCLB also provided roughly $400 million for other testing in grades three through eight in 2005.

Making States Truly Accountable

Improving the ways that graduation rates are calculated is only half the battle. According to the research done by the Civil Rights Project at Harvard University, most state plans demonstrate no real accountability when it comes to graduation rates. For example, in the state of California, where the goal is a 100 percent graduation rate, if a school or district makes just one-tenth of 1 percent improvement in graduation, it has met its accountability requirements. At this rate of improvement, it would take black and Latino students in the state five hundred years to reach 100 percent graduation. Alarmingly, most state accountability plans operate in similar ways.[11]

Recommendations for Change

To address and help correct the problems outlined above, the Alliance for Excellent Education has developed a set of recommendations that the federal government can—and should—implement.

1. Enforce current NCLB requirements for calculating graduation rates and set explicit national rules for state formulas.

NCLB already provides rigorous definitions for graduation rate calculations. For the most part, the problem has been in the implementation of the law. The U.S. Department of Education should begin aggressively enforcing graduation rate provisions in the law to reflect the intent of Congress. Specifically, the department should not allow states to use alternative calculations that provide less-accurate graduation rate information than the NCLB definition mandates.

Ideally, every state would implement a longitudinal method for calculating graduation rates with adequate resources for comprehensive data collection and clear definitions for dropouts. Such a system would allow each state to accurately distinguish between a variety of student outcomes: diploma recipients; recipients of another credential; dropouts; transfers from the district; and students who have exited from the public school system. However, implementing this method correctly would be complicated and costly; and therefore it is unlikely to be a broad policy option for the immediate future.

However, states should make efforts to move toward instituting a comprehensive longitudinal method. Until then, explicit national rules that result in the most accurate graduation rates possible must be put in place. An important first step is to require that every state base their formulas on **enrollment** rather than on **dropout** data. This relatively simple change, combined with strict enforcement of current NCLB requirements, could have a substantial impact on the quality of graduation rate data produced by states.

The U.S. Department of Education's National Center for Education Statistics compiles a comprehensive, annual, national statistical database of information concerning all public elementary and secondary schools—the Common Core of Data (CCD). [12]   Using this data, the Manhattan Institute for Policy Research and the Urban Institute, have developed methodologies that have produced more accurate estimates of graduation rates. These estimates reveal that the national graduation rates are much lower than those commonly reported by NCES today—about 69 percent versus 86 percent nationally. These estimates, and others like them, should be used to provide a check against official state figures.

2. Modify NCLB so that disaggregated graduation data carry consequences for Adequate Yearly Progress.

NCLB holds states accountable if subgroups of student populations in schools and districts do not regularly improve their achievement levels as a measure of Adequate Yearly Progress (AYP). This is not true for graduation rates. Yet the Manhattan Institute for Policy Research, the Civil Rights Project at Harvard University, the Schott Foundation for Public Education, and

others have conclusively demonstrated that there large gaps in graduation rates between subgroups. This problem is particularly severe for black and Hispanic students.

Test scores tell only part of the story about how well America's educational system is doing. Strong anecdotal evidence indicates that some schools are—implicitly or explicitly— encouraging lower-performing students to leave school, pushing them out to avoid the repercussions of their lack of progress. Ensuring that schools are also improving the graduation rates of subgroups would offset the unintended negative consequences of focusing exclusively on test scores.

Just as test scores in reading and math are reported and evaluated based on subgroup performance levels, meaningful goals for improving graduation rates for all groups of students should be set. Schools and districts that do not make AYP on test scores face sanctions under NCLB; so, too, should graduation rates for all groups of students be counted fully in determining whether AYP has been met.

Additionally, Congress and states should consider providing incentives to help schools improve their graduation rates. Nor should schools and districts showing sustained and substantial improvement be subjected to additional sanctions.

Title I funds (those which are distributed by the federal government to improve teaching and learning for students in high-poverty schools) are primarily targeted to grades K–3; only about 15 percent of Title I funds are used in middle and high schools. To ensure that the investment made in the early grades is not lost, and to meet the goals of NCLB, secondary school funding must be increased and used for reform measures that will increase adolescent literacy levels, recruit and retain new teachers, help students develop and implement graduation plans, create personalized learning communities, and support extended learning time and supplemental services for students.

3. Provide additional funding for data collection and technical assistance to state departments of education and local education agencies.

Presently, state departments of education and local education agencies lack the technology, infrastructure, and expertise necessary to appropriately institute the reforms required by NCLB. The federal government should provide additional funding to state departments of education and local education agencies for improved data collection, reporting capabilities, additional technical assistance, and staff training. In the 2005 budget, Congress allocated $25 million in new funding for states to build data systems. This funding is a crucial first step in helping states get the data systems they need.

Conclusion

Graduation from high school is a key indicator of educational success. Without valid, state-by-state calculations of high school graduation rates, it is impossible to assess the progress being made by the nation's schools and students. A careful analysis of high school graduation patterns provides essential insight into the performance of the public education system and should be a

critical component in the development of future education policy. The federal government must play a leadership role in ensuring these data are available, consistent across the nation, and accurate.

The United States is in the midst of an educational crisis that, if left unresolved, is likely to have devastating effects on our national economy and competitive position in the world.

Nationally, only about 70 percent of our high school students graduate on time, and in many urban districts the percentage drops to around 50 percent. Fewer than 35 percent of those who do graduate are ready for college. And of our country's eighth graders, only around 30 percent are proficient readers, ready for the challenges of increasingly complex textbooks and materials.

The nation needs to understand the challenges and opportunities that accompany these dismal statistics. To promote a larger national discussion about the problems and solutions related to graduation, the Alliance for Excellent Education will, over the next several months, work to extend the conversation through meetings, publications, and other mechanisms. Please visit our website, at www.all4ed.org, to find out more about our activities and efforts.

Additional Resources

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Acknowledgments

The Alliance for Excellent Education would like to thank the individuals and organizations who shared their expertise with us as this brief was prepared:
- Dr. Robert Balfanz, Johns Hopkins University
- Dr. Duncan Chaplin, Urban Institute
- Dr. Greg Forster, Manhattan Institute for Policy Research
- Dr. Michael Holzman, The Schott Foundation for Public Education
- Mr. Daniel Losen, Civil Rights Project at Harvard University
- Mr. Scott Palmer, Holland & Knight, LLP
- Dr. Christopher Swanson, Urban Institute

The opinions expressed in this paper do not necessarily reflect the views of these contributors. Additionally, any errors are the sole responsibility of the Alliance for Excellent Education.

We are also particularly grateful to our interns: Alex MacRae, Darya Mattes, Erica McKnight, Elizabeth Paci, and Sai Pidatala.

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[11] Conversation with Dan Losen, the Civil Rights Project at Harvard University.

[12] CCD is a compilation of data from individual schools and districts.