A Uniform, Comparable Graduation Rate

How the final regulations for Title I hold schools, districts, and states accountable for improving graduation rates

October 2008

The reforms introduced into the Elementary and Secondary Education Act of 1965 (ESEA) by the No Child Left Behind Act of 2001 (NCLB) fundamentally changed the way that states and districts approach the challenge of educating all students to achieve high standards. The U.S. Department of Education announced new regulations for Title I of the No Child Left Behind Act that respond to the lessons learned from six years of implementing these reforms and build on the advancements of state assessment and accountability systems. The Department carefully considered the more than 400 comments received after issuing the proposed regulations in April 2008 and made several substantive changes based on those comments.

The final regulations establish a uniform and more accurate measure of calculating high school graduation rate that is comparable across states; strengthen public school choice and supplemental educational services requirements; and increase accountability and transparency.

Graduation Rates Within NCLB

A Uniform and Accurate Definition of Graduation Rate: The Four-year Adjusted Cohort Graduation Rate

An accurate method of calculating graduation rates that is uniform across states is necessary to improve high school accountability. Requiring school officials to have written confirmation before removing a student from a cohort will improve the accuracy of graduation rate calculations. Written confirmation will also ensure that students who have dropped out of school are not counted as transfers and will consequently hold schools accountable for dropouts and others who do not graduate from high school with a regular diploma.

The final regulations define the “four-year adjusted cohort graduation rate” as the number of students who graduate in four years with a regular high school diploma divided by the number of students who entered high school four years earlier (adjusting for transfers in and out, émigrés and deceased students—see below).

- Students who graduate in four years include students who earn a regular high school diploma at the end of their fourth year; before the end of their fourth year; and, if a state chooses, during a summer session immediately following their fourth year.
- To remove a student from a cohort, a school or district must confirm in writing that a student has transferred out, emigrated to another country, or is deceased.
- For students who transfer out of a school, the written confirmation must be official and document that the student has enrolled in another school or in an educational program that culminates in a regular high school diploma.
Timeline to Implement the Four-year Adjusted Cohort Graduation Rate

According to the 2008 report from the National Governors Association, the great majority of states will have the capability to implement an adjusted cohort graduation rate by the 2010–11 school year. This timeline will maximize the number of states using the rate as soon as possible, and as a result, the Averaged Freshman Graduation Rate (AFGR) that was included in the proposed regulations is not required as the interim measure for all states.

- The four-year adjusted cohort graduation rate must be reported at the high school, district, and State levels in the aggregate as well as disaggregated by subgroups beginning with report cards providing results of assessments administered in the 2010-11 school year. For adequate yearly progress (AYP) decisions, states must use the four-year adjusted cohort graduation rate at the state, district, and school levels, including disaggregated graduation rates for all required subgroups, based on assessments administered in the 2011-12 school year.

Option to Use an Extended-Year Adjusted Cohort Graduation Rate or Rates

An extended-year adjusted cohort graduation rate will give states, districts, and schools credit for students who take longer than four years to graduate with a regular high school diploma.

- The final regulations permit states to propose, for approval by the secretary, one or more extended-year adjusted cohort graduation rates that take into account students who graduate in more than four years.
  - Any extended-year adjusted cohort graduation rate must be reported separately from the four-year adjusted cohort graduation rate.
  - A state desiring to use one or more extended-year adjusted cohort graduation rate or rates must describe to the Secretary how it plans to use the extended-year rate along with the four-year adjusted cohort graduation rate in determining whether its schools and districts make AYP, while still holding them accountable for graduating the vast majority of their students within four years.

Graduation Rate Goal, Targets, and AYP

At a time when a high school diploma is the minimum credential needed for success in the labor force, high schools and districts with low rates of graduation should be held accountable for improving their graduation rates. States must set aggressive goals and annual targets in order to hold districts and schools accountable for graduating more of their students each year.

- The final regulations provide that for a school or district to make AYP, it must meet or exceed the state’s graduation rate goal or demonstrate continuous and substantial improvement from the prior year toward meeting that goal. Each state must submit the following for peer review and approval by the secretary:
  - A single graduation rate goal that represents the rate the state expects all high schools in the state to meet; and
  - Annual graduation rate targets that reflect continuous and substantial improvement from the prior year toward meeting or exceeding that goal.

Disaggregating Graduation Rate Data

High school graduation rates vary widely by student subgroup, reflecting the achievement gaps between poor and minority students and their more advantaged peers. Requiring the use of disaggregated graduation rate data for both reporting and determining AYP will ensure that schools, districts, and states focus their efforts on improving the graduation rate of all student groups.
The final regulations require:

- Prior to school year 2010–11, reporting the graduation rate in the aggregate and disaggregated by subgroups at the high school, district, and state levels using either the four-year adjusted cohort graduation rate or a transitional graduation rate;
- Reporting the four-year adjusted cohort graduation rate in the aggregate and disaggregated by subgroups at the high school, district, and state levels on report cards providing results of assessments administered in the 2010–11 school year; and
- Using the four-year adjusted cohort graduation rate, in the aggregate and disaggregated by subgroups, for school, district, and state AYP determinations, beginning with those determinations based on school year 2011–12 assessment results.

Extension of the Deadline

For the few states that may not be able to meet the deadline for implementing the four-year adjusted cohort graduation rate, the final regulations permit the state to request an extension of the deadline.

The final regulations permit a state that cannot meet the 2010–11 deadline for reporting the four-year adjusted cohort graduation rate to request an extension of time from the secretary. In order to receive an extension, a state must:

- Submit its request by March 2, 2009;
- Provide evidence demonstrating that it cannot meet the deadline; and
- Provide a detailed plan and timeline addressing the steps the state will take to implement, as expeditiously as possible, the four-year adjusted cohort graduation rate.

A state that receives an extension must use its transitional graduation rate, in the aggregate and disaggregated by subgroups, to make AYP determinations based on the 2011–12 school year assessment results.