Briefing: Graduation Rates and School Accountability

I. Context and Current Practice

Adjusted cohort graduation rates

In alignment with federal requirements, all states have calculated four-year graduation rates using the same method, known as the *adjusted cohort graduation rate*, since the 2010-11 school year. ESSA continues to require this rate be used when calculating graduation rates for accountability purposes. Information about the calculation of the adjusted cohort rate follows to provide context.

Per a U.S. Department of Education (USDE) definition of the adjusted cohort graduation rate,

> The four-year adjusted cohort graduation rate is the number of students who graduate in four years with a regular high school diploma divided by the number of students who form the adjusted cohort for the graduating class. From the beginning of 9th grade (or the earliest high school grade), students who are entering that grade for the first time form a cohort that is "adjusted" by adding any students who subsequently transfer into the cohort and subtracting any students who subsequently transfer out, emigrate to another country, or die.

USDE has represented the calculation in the following way, using as its example a class of students entering 9th grade in 2008-09 with an expected graduation year of 2011-12:

$$\frac{\text{Number of cohort members who earned a regular high school diploma by the end of the 2011-12 school year}}{\text{Number of first-time 9th graders in fall 2008 (starting cohort) plus students who transferred in, minus students who transferred out, emigrated, or died during school years 2008-09, 2009-10, 2010-11, and 2011-12}}$$

When calculating this rate, students are assigned one of four ending statuses. A student is considered a **graduate** when they earn a high school diploma and is included in both the numerator and denominator of the calculation above. Students can also be categorized as **continuing** if they have not yet graduated but are still pursuing studies, as **dropouts** when the school confirms that they have left the school system without receiving a diploma, and as **unknown** when their school cannot confirm their status as a graduate, a continuing student, or a dropout. Students in the continuing, dropout, and unknown categories are only included in the denominator of the graduation rate calculation.

Students who graduate during the summer after their senior year are considered graduates for the purposes of the four-year rate. Waiting to determine summer graduate status means that the graduation rate runs a year behind test scores when calculating a school's MMR. For example, the 2016 MMR will include test data from the 2015-16 school year and graduation rate data from the 2014-15 school year.

Graduation rates in the MMR

Graduation rates are included in the MMR rates for high schools. Schools are evaluated based on the 4-year, 5-year, and 6-year graduation rates for all students and for specific student groups (students eligible for free or reduced price meals; American Indian, Asian, Hispanic, black, and white students; English Learners; and students with disabilities). A school does not receive a five- or six-year graduation rate calculation if fewer than 20 students were included in the calculation of the four-year graduation rate.

Schools can demonstrate success for a given group by meeting one or more of the following expectations:

- Four-Year Rate Meets Goal (90%)
- Five-Year Rate Meets Goal (90%)
- Six-Year Rate Meets Goal (90%)
- Two Year Averaging (4 year rate) Meets Goal (90%)
- Two Year Averaging (5 year rate) Meets Goal (90%)
- Two Year Averaging (6 year rate) Meets Goal (90%)
- Three Year Averaging (4 year rate) Meets Goal (90%)
- Three Year Averaging (5 year rate) Meets Goal (90%)
- Three Year Averaging (6 year rate) Meets Goal (90%)
- Four-Year Rate Meets Target (3 point improvement)
- Five-Year Rate Meets Target (4 point improvement)
- Six-Year Rate Meets Target (5 point improvement)

Groups are weighted proportionally to calculate a single measurement, which is used to assign points in the Graduation Domain of the MMR. Schools that make targets in all groups will receive the maximum possible score for the Graduation Domain.

II. Decision Points for Graduation Rates Under ESSA

Review of ESSA's requirements

ESSA requires that the accountability system include the four-year adjusted cohort graduation rate for public high schools. Inclusion of extended-year graduation rates is at the state's discretion.

Decision Point (DP) 1: Goal setting

ESSA requires the state to set goals and interim measures of progress for graduation rates. Goals must be set for all students and for each student group included in the accountability system, and they must reflect a closure of achievement gaps between groups.

These goals must include four-year rates, and they can also include extended-year rates provided the goals for extended-year rates are higher than those for four-year rates. For example, if Minnesota sets goals for the five-year rate, the five-year goals must be higher than the four-year goals.

As context, goals can take many forms. Currently, the goals used in the MMR are set at the state level and do not account for a school's starting point. They are also fixed at 90% every year – while giving schools credit for improvement towards that fixed goal – rather than setting specific annual targets that increase to a final goal in a given year. However, goals under ESSA are not required to have these same characteristics, and the committee can analyze a variety of other options.

DP 2: Assignment of dropouts

One choice specific to the calculation of graduation rates involves how students who drop out are assigned to schools. When a student drops out (i.e. exits without receiving a diploma or transferring to another high school) after spending less than half a year at the school they dropped out of, that student can be included in the graduation rate of either:

A) The school at which they were enrolled for the greatest proportion of school days during grades 9-12

OR

B) The school in which they were most recently enrolled (i.e. the school they dropped out of).

Example:

Chris Student attends Wobegon High School for grades 9-11, then transfers to the Keillor Area Learning Center, an alternative program, in April of grade 12. Chris drops out two weeks after transferring to the ALC.

Using Option A, Chris would count as a dropout in Wobegon High School's graduation rate.

Using Option B, Chris would count as a dropout in the Keillor Area Learning Center's graduation rate.

ESSA's draft regulations require that the state indicate in its state plan which option for dropout assignment it will use. This choice was not available when designing Minnesota's current system, which assigns students who drop out to the school in which they were most recently enrolled (Option B) in accordance with the pre-ESSA federal requirements.

DP 3: Use of seven-year graduation rate

ESSA's draft regulations limit the length of extended-year cohort rates to seven years. Minnesota currently uses four-, five-, and six-year rates, and can decide whether or not to add the seven year rate.

DP 4: Levels of performance

As with all indicators, the graduation rate indicator must include at least three levels of performance.

While Minnesota's current system allows several ways for schools to meet graduation rate goals, it does not indicate levels of performance on the Graduation Domain in the MMR. Based on how the graduation rate indicator is calculated, Minnesota will have to designate at least three levels of performance.

The discussion of levels of performance will take place at a later meeting.

A note about schools with low graduation rates

Separate from the creation of the graduation rate indicator, ESSA requires that any public high school that graduates less than two-thirds of its students must be identified for comprehensive support and improvement (the improvement category that involves MDE actions). The draft regulations specify that this includes any public high school with a four-year graduation rate less than 67%.