

# Making Every Diploma Count: Using Extended-Year Graduation Rates to Measure Student Success

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The American Youth Policy Forum, Gateway to College National Network, and the National Youth Employment Coalition

*States and districts are under increasing pressure to ensure all students complete high school in four years; while this should continue to be the expectation for all students, many students who fall off-track on the way to graduation take longer than the traditional four years to earn a high school diploma or its equivalent. Unfortunately, those schools and districts serving overage, under-credit students, many of whom successfully complete high school beyond a four-year time frame, often are designated as “in need of improvement” due to low four-year graduation rates. In an effort to recognize schools and districts for their successful efforts to get struggling and out-of-school students back on-track to graduation, some states are beginning to gather five- and six-year graduation rates and are incorporating these extended-year rates into their accountability measures. States gathering such data are able to document increases in graduation rates when comparing four-year rates to five- and six-year rates. **To ensure that schools’ and districts’ efforts to serve struggling and off-track students are recognized, not discouraged, states should calculate five- and six-year high school graduation rates in addition to four-year rates.***

## Background

To succeed in today’s economy, young people must complete high school, yet a quarter of the nation’s youth do not earn a high school diploma.<sup>1</sup> Those without a high school credential are much more likely to be unemployed and earn less than their counterparts with a high school credential.<sup>2</sup> In 2009, the average annual earnings for dropouts were \$20,241 – much less than the \$30,627 earned by those with a high school credential.<sup>3</sup>

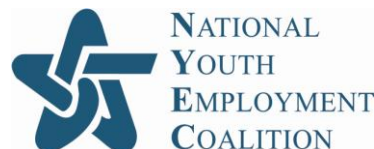
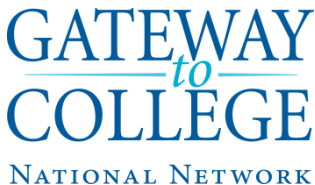
While four years is the length of time traditionally associated with high school completion and current accountability measures place emphasis on four-year graduation rates, the reality is that about one-quarter of students do not graduate within this time frame.

Relying solely on four-year graduation rates for purposes of accountability can have a punitive effect on schools and districts working to educate the hardest to serve youth and can create disincentives to concentrating on this

population’s needs. Schools and districts may be designated as “in need of improvement,” in part, because they serve students who take longer than four years to graduate; and federal and state accountability systems include penalties for districts and schools not meeting established four-year graduation targets.

## Common Graduation Rates

In 2005, all 50 governors signed the Graduation Counts Compact, created by the National Governors Association (NGA), pledging to compute a common cohort graduation rate that tracks the number of students who receive a regular high school diploma within four years of entering ninth grade.<sup>4</sup> By 2011, 45 states will do so, creating comparable graduation rates for the first time.<sup>5</sup> These efforts sparked a national conversation about graduation rates and accountability. As states began to implement data systems with the capability to track individual students, they also began integrating the new rates into state accountability systems.



## Calculating the Adjusted Cohort Graduation Rate

The four-year adjusted cohort graduation rate is calculated as follows:

$$\frac{\text{\# of students in cohort who graduate in 4 years or less}}{\text{[\# of 1st time entering 9th graders four years earlier] - transfers out + transfers in}}$$

Three years later, the United States Department of Education (USED) built on the efforts of the NGA Compact and established new graduation accountability rules requiring all states to begin reporting a four-year adjusted cohort graduation rate.<sup>6</sup> The USED also required states to begin using the new four-year adjusted cohort graduation rate in Adequate Yearly Progress (AYP) determinations starting with their reporting of 2011-2012 assessment results. As part of these regulations, states have an option to apply for permission to use an extended-year adjusted cohort graduation rate for purposes of AYP determinations.<sup>7</sup>

### Extended-Year Graduation Rates

Extended-year graduation rates count those graduates who do not complete high school within the traditional four-year time frame. They are calculated using the same formula as the four-year adjusted cohort graduation rate, except that an extended-year cohort graduation rate measures the number of students who graduate within five and/or six years of entering ninth grade.

Many states are now giving significant energy to creating incentives for schools and districts to engage in dropout prevention and recovery. With the expansion of high school options designed to re-engage struggling and off-track students, including flexible programming and programs that blur the line between secondary and postsecondary education, it is important to develop an accountability system that reflects the range of educational options available to students. Extended-year graduation rates allow schools and districts to document their real successes graduating struggling students and former out-of-school youth, students often not able to graduate from high school within four years.

While the federal government allows states to use extended-year graduation rates for purposes of federal and state accountability, this option is underutilized as a strategy to encourage schools to serve struggling and off-track students. As of May 2011, 22 states report or plan to report extended-year graduation rates, but only four explicitly use them for purposes of state accountability. To date, just ten states have received approval from the USED to use an extended-year graduation rate for AYP calculations.<sup>8,9</sup>

### Examples of States Using Extended-Year Graduation Rates

#### Michigan's Extended-Year Graduation Rates<sup>10</sup>

Michigan's extended-year graduation data are encouraging. Comparing four- and six-year graduation rates, the six-year rate represented the following gains over the four-year rate:

- A 9 percentage point increase in the graduation rate for economically disadvantaged students.
- More than a 6 percentage point increase in the graduation rate for African American students.

#### Graduation Accountability in Texas<sup>11</sup>

The Accountability Rating System for Texas Public Schools and Districts includes a measure that encompasses both high school completers and those that remain on track to high school graduation beyond the specified four-year time frame. As this measure includes students that are still on track to graduate, it does not penalize schools for recovering students. In addition, Texas has developed a separate measure for its alternative education providers so these programs are held accountable for the progress they make with students in their system.

## Recommendations

While the goal for all students should be high school graduation within four years, schools and districts should also be encouraged to continue to serve students beyond four years and should be given incentives to provide additional options leading to high school completion or its equivalent for students who do not complete high school in four years. An increasing number of states are using improved data systems and flexibility in the graduation accountability system to give schools credit for graduating students in five or six years, thereby creating the incentives for districts to serve under-credited students and returning dropouts. In fact, many states currently using extended-year rates have indicated that their decision to adopt the five- and/or six-year graduation rates was driven by a desire to remove disincentives to serve academically at-risk students.

**States should take the following steps to create an accountability system that reflects their commitment to serving off-track and struggling students:**

***In addition to four-year graduation rates, states should gather and report extended-year graduation rates.***

Currently, about one-quarter of students do not graduate in the traditional four-year time frame. Adding five- and six-year rates increases the information available about this very large group of students who do not graduate in four years, but who are ultimately successful in completing high school given enough time. States gathering

this additional graduation data are able to document increases in graduation rates when comparing four-year rates to five- and six-year rates. This information can also help schools and districts to continually improve programming, both in traditional four-year high schools and in alternative and re-engagement programs.

***States should use extended year graduation rates for purposes of accountability.***

As with four-year graduation rates, states should include extended-year graduation rates in their accountability measures both for AYP and within their state accountability framework. This ensures crucial information is gathered about students who take longer than the traditional four years to graduate. In addition, the programs and schools that help struggling students and disconnected youth are not penalized for working with these student populations.

***States should use extended graduation rates to create incentives for schools and districts to serve struggling and off-track students.***

Few young people who drop out of school are able to recover lost time and complete high school in four years. Extended-year graduation rates are *essential* to understanding the effects of most dropout re-engagement and recovery strategies. In order to encourage schools and districts to keep struggling and off-track students engaged in school until they graduate, states should begin using additional measures, including extended-year rates, beyond the traditional four-year graduation rate.

*This brief was written by the American Youth Policy Forum, Gateway to College National Network, and the National Youth Employment Coalition, who, along with the following organizations, encourage states to report extended-year graduation rates and use these rates for accountability purposes in order to create incentives for schools and districts to serve students who fall off-track to graduation.*

American Association of School Administrators  
Association for Career and Technical Education  
Big Picture Learning  
Campaign for Youth  
Center for Law and Social Policy  
CEOs for Cities  
Diplomas Plus  
FHI 360  
Institute for Youth, Education, and Families, National League  
of Cities  
Jobs for the Future  
Latin American Youth Center  
League of United Latin American Citizens  
Middle College Consortium at LaGuardia Community College

National Association of Secondary School Principals  
National Association of State Directors of Career  
Technical Education Consortium  
National School Boards Association  
Our Piece of the Pie  
Philadelphia Youth Network  
See Forever Foundation  
Schools for the Future  
Street Schools Network  
The Corps Network  
The Forum for Youth Investment  
Woodrow Wilson National Fellowship Foundation  
YouthBuild USA  
Youth Transition Funders Group

## References

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- <sup>2</sup> U.S. Department of Labor Bureau of Labor Statistics. (2008). *Unemployment rate 26.9 percent among recent dropouts*. Available at: <http://www.bls.gov/opub/ted/2008/apr/wk4/art03.htm>
- <sup>3</sup> U.S. Bureau of the Census. Current Population Survey Historical Time Series Tables. Table A-3. *Mean Earnings of Workers 18 Years and Over, by Educational Attainment, Race, Hispanic Origin, and Sex: 1975 to 2009*. (Accessed June 9, 2011)
- <sup>4</sup> National Governor's Association. 2005. "Graduation Counts: A Compact on State High School Graduation Data." <http://www.nga.org/Files/pdf/0507GRADCOMPACT.pdf>
- <sup>5</sup> Curran, B. & Reyna, R. (2010) "Implementing Graduation Counts: State Progress to Date, 2010." Washington, DC: National Governor's Association Center for Best Practices.
- <sup>6</sup> 34 CFR 200.19(b)—Improving the Academic Achievement of the Disadvantaged; Final Rule <http://www2.ed.gov/legislation/FedRegister/finrule/2008-4/102908a.pdf>
- <sup>7</sup> U.S. Department of Education. 2008. "High School Graduation Rate, Non-Regulatory Guidance." <http://www2.ed.gov/policy/elsec/guid/hsgrguidance.pdf>
- <sup>8</sup> Reyna, Ryan. (2011) "NGA Graduation Counts Compact and Extended Year Graduation Rates." Presented April 26, 2011 in "Understanding Extended-Year Graduation Rates: Lessons Learned by States." <http://www.aypf.org/Webinars/documents/UPDATEDCombinedslides.pdf>
- <sup>9</sup> Thelma Meléndez de Santa Ana, Assistant Secretary, Office of Elementary and Secondary Education, U.S. Department of Education, letter to Colorado Commissioner of Education Robert Hammond, April 7, 2011, [http://www.cde.state.co.us/FedPrograms/dl/danda\\_acctworkbooks\\_extyrgrad.pdf](http://www.cde.state.co.us/FedPrograms/dl/danda_acctworkbooks_extyrgrad.pdf).
- <sup>10</sup> Corey, Michele. (2011) "Many Michigan Voices Creating Big Results." Presented April 26, 2011 in "Understanding Extended-Year Graduation Rates: Lessons Learned by States." Available at: <http://www.aypf.org/Webinars/documents/UPDATEDCombinedslides.pdf>
- <sup>11</sup> Texas Education Agency, Department of Assessment, Accountability, and Data Quality Division of Performance Reporting. (May 2010). *2010 Accountability Manual*. Available at: <http://ritter.tea.state.tx.us/perfreport/account/2010/manual/ch02.pdf>.