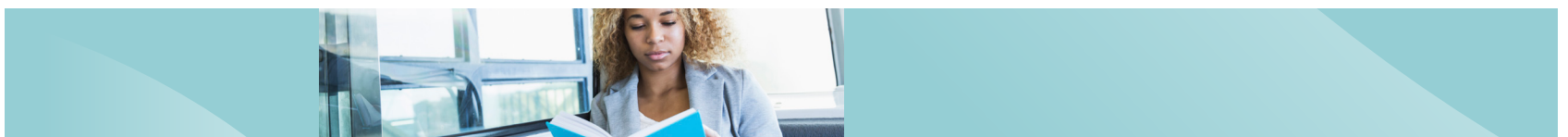
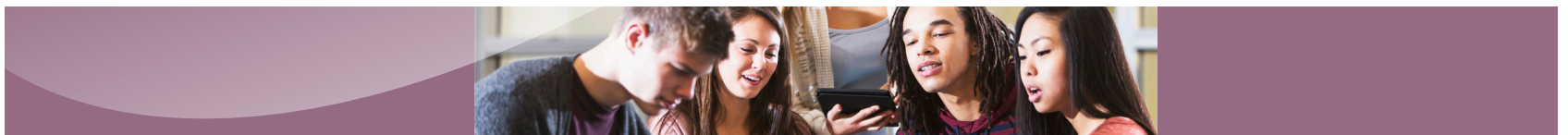


Building a Grad Nation:

Progress and Challenge in Raising High School Graduation Rates



A REPORT BY:

Civic Enterprises

Everyone Graduates Center

at the School of Education
at Johns Hopkins University

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ANNUAL UPDATE
2016



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A Report by:

Civic Enterprises
Everyone Graduates Center at the
School of Education at Johns Hopkins
University

In Partnership with:

Alliance for Excellent Education
America's Promise Alliance

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Letter from General and Mrs. Powell

A decade ago, we helped to launch the GradNation campaign, a national effort to put more young people on the path to success in school, work and life by increasing high school graduation rates. We are happy that this year, once again, graduation rates have continued to rise. As a result of progress made in the past decade, nearly 2 million additional young people have graduated from high school. These young people have strengthened their chances for productive, engaged, meaningful and long lives, which is a huge benefit to them, their families, their communities, and the nation.

This progress is the result of years of hard work on the part of millions of students, parents and educators who have kept this issue front and center. Thousands of dedicated leaders of nonprofits and businesses, schools and school districts, states and communities have kept at it, working to improve educational outcomes, provide struggling students with the support they need in and outside of school, and build better data and stronger accountability systems.

As pleased as we are with the progress, our work is hardly done. Despite new heights in graduation rates, for the first time in four years, the nation is slightly off the pace needed to reach a 90 percent on-time graduation rate by 2020. This is an early-warning call to action that cannot be ignored.

As this *Building a Grad Nation* report shows, persistent graduation rate gaps hold back large numbers of minority, low-income, homeless, Limited English Proficient (LEP) and disabled students across our nation. These students continue to graduate at significantly lower rates than their peers in nearly every state, leaving them poorly prepared for the next steps of college and career and at a significant disadvantage in today's demanding workforce. As we get closer to 2020, we must focus our attention on achieving a 90 percent graduation rate for *all* students. We cannot meet our obligations as a nation of opportunity until we give every young person, regardless of background, race, or life circumstances, the chance to succeed.

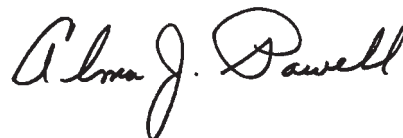
We continue to believe our goals are critical and achievable. We have as evidence the strong and steady progress made over the past decade. We have seen communities rally around schools and students. We have seen an increasing commitment to high standards. We have seen improved capacity to use data not only to track progress, but to provide well-informed and timely interventions when students begin to struggle and fall off track.

As we move forward, this spirit of collaboration, commitment to excellence, and smart use of all the tools available can help us overcome barriers and lift all students toward success. Now that we know progress is possible, we must double down on what works and continue to innovate to overcome the challenges ahead. Now is not the time to let up on the gas.

Together, we can and must build a nation in which *all* students have the opportunity to reach their American dream.



General Colin L. Powell, USA (Ret.)
Founding Chair, America's Promise Alliance



Alma J. Powell
Chair, America's Promise Alliance



Executive Summary

The nation has achieved an 82.3 percent high school graduation rate – a new record high – and had another year of significant gains for nearly all student subgroups. These gains have been made possible by the schools, districts, and states that prioritized raising their graduation rates and made sure more students leave high school equipped with a high-quality diploma. Over the past decade, a majority of states increased the number of students graduating high school on time, and put themselves in good position to reach a 90 percent high school graduation rate by the Class of 2020. At the same time, the number of high schools failing to graduate one-third or more of students has been reduced, meaning fewer students are attending high schools where graduation is not the norm.

All of this progress, however, is tempered by the fact that this year the national rate of improvement – 0.9 percentage points – puts the nation off pace to reach the 90 percent goal, and marked the first time since 2011 the national graduation rate increased by less than one point. There are also very real concerns that too many of our most vulnerable students remain in low-graduation-rate schools, and that the alternative pathways that have been created to meet their needs may, in many cases, not be up to the task. Additionally, questions have been raised about the validity of rising graduation rates and whether the increasing number of high school diplomas being earned is translating into success in postsecondary education and careers. In this year's *Building a Grad Nation* report, we examine these issues further and explore both the important progress the nation has made and the considerable challenges that remain.

The National Picture

When the Adjusted Cohort Graduation Rate (ACGR) hit 80 percent in 2012, we calculated that the national graduation rate would need to increase by roughly 1.2 percentage points per year to achieve 90 percent by the Class of 2020. Between 2013 and 2014, the nation missed this mark, and will now have to average closer to 1.3 percentage points over the next six years to reach the goal.

At the state level:

- Of the 47 states reporting ACGR since 2011, Iowa became the first state to reach 90 percent, and 20 other states are on pace to reach a 90 percent graduation rate. Five of these on-pace states – Nebraska, New Jersey, New Hampshire, Texas, and Wisconsin – are within two percentage points of the goal. The majority of these on-pace states started within 10 to 12 points of the goal and steadily climbed each year.

- When solely examining rates of increase between 2013 and 2014 – the last two years of federally reported data – seven additional states exceeded the pace needed to get them to 90 percent. These states will have to maintain this accelerated pace to achieve the goal.
- Twenty-one remaining states are currently off track to reaching 90 percent by 2020. Of these states, most started with graduation rates in the 60s and 70s in 2011, and have been unable to meet the higher rate of growth needed to get them to the 90 percent mark. One-quarter of these states, however, started in 2011 with graduation rates in the 80s (Hawaii, North Dakota, Ohio, Pennsylvania, South Dakota, and Wyoming), but have since seen stagnation, and even backsliding, that has put them off pace to the goal.

The state-level data also showed troubling trends for student subgroups:

- Sixteen states had graduation rates below 70 percent for low-income or Black students, and 11 states had graduation rates below 70 percent for Hispanic/Latino students.
- Thirty-five states graduated less than 70 percent of English Language Learners, and 33 had graduation rates below 70 percent for students with disabilities.
- Nearly half of 2014 graduates came from low-income families, but only 74.6 percent of all low-income students graduated compared to 89 percent of non-low-income students.

For both the nation and individual states, getting on pace to 90 percent and honoring America's commitment to equality of opportunity will require raising graduation rates for *all* student subgroups, not just those already on pace. Altogether, raising the graduation rate from its current 82.3 percent to 90 percent would require graduating an additional 284,591 students. To graduate this additional number of students equitably, schools, districts, and states will have to focus on getting significantly more students of color, students with disabilities, English Language Learners, and low-income students on track to earning a diploma.

Roadblocks on the Path to 90

In previous *Building a Grad Nation* reports, we highlighted roadblocks that will prevent the nation from reaching a 90 percent graduation rate if not addressed. This year's report focuses on five major roadblocks, including complacency in states that have graduation rates in the 80s and have stagnated. A failure to understand that students who are not graduating need the greatest supports; seeing graduation for all students as someone else's concern and passing vulnerable students off to others; not maintaining strong graduation rate accountability under ESSA; and creating different types of diploma pathways for different groups of students. Though there is clear evidence of these roadblocks across the country, none have yet reached a critical mass. Therefore, as a nation, we must remain keenly aware of these challenges and move forward armed with the knowledge to overcome these barriers successfully.

America's Low-Graduation-Rate High Schools

Low-graduation-rate high schools – those graduating 67 percent or less of students – are on the decline, but there are still significant numbers of them across the country. These high schools tend to enroll larger populations of Black, Hispanic/Latino, and low-income students, and it is therefore critical that low-graduation-rate high schools be targeted for additional reforms and support. The new *Every Student Succeeds Act of 2015 (ESSA)* requires just this, prompting states to use evidence-based approaches to improve the high schools enrolling 100 or more students with an ACGR of 67 percent or less. Keeping in line with the new legislation, we examined the schools that meet the ESSA definition for low-performing high schools to see where they are and what kind of high schools tend to fall into this category. Some of our findings include:

- Nationwide, there are four high-graduation-rate high schools (85 percent ACGR and above) for every one low-graduation-rate high school (67 percent ACGR and below).
- **Twenty-four percent of all high schools were located in cities, but urban areas were home to more than half of 2014 low-graduation-rate high schools.** Just 17 percent of high schools graduating 85 percent or more of students were in cities in 2014.
- Forty-one percent of low-graduation-rate high schools were regular public schools (non-charter) in 2014. **Seven percent of regular district high schools, or roughly 1,000 schools nationwide, were low-graduation-rate schools.** The number of low-graduation-rate regular public high schools across states ranges from zero in Delaware, Hawaii, and Kentucky to more than 276 in New York and 203 in Florida. In eight states, low-graduation-rate high schools represent more than one-quarter of all schools, and in two of those states – Alaska and New Mexico – low-graduation-rate high schools represent 40 percent or more of all schools.

The number of alternative, charter, and virtual schools is growing. These schools are disproportionately represented among low-graduation-rate high schools and are substantial producers of non-graduates in a number of states:

- Twenty-eight percent of low-graduation-rate high schools were alternative high schools (geared toward meeting the needs of “at-risk” students), and 10 percent of all non-graduating students came from this type of school. **In all, 57 percent of alternative high schools nationwide were low-graduation-rate high schools, while only eight percent of alternative**

schools were high-graduation rate high schools.

Alternative high schools had an average graduation rate of just 52 percent.

- Twenty-six percent of low-graduation-rate high schools were charter schools and 12 percent of non-graduates came from charter schools. **Thirty percent of charter schools reporting ACGR in 2014 were low-graduation-rate high schools, and 44 percent were high-graduation-rate high schools.** Charter schools had an average graduation rate of 70 percent, meaning the depth of low performance in the low-graduation-rate high schools is drastically pulling down the overall performance of these schools.
- Virtual schools made up seven percent of low-graduation-rate high schools and produced four percent of non-graduates; however, **roughly 87 percent of virtual schools were low-graduation-rate high schools in 2014.** Only four percent were high-graduation-rate high schools.

Though alternative, charter, and virtual schools collectively make up only about 14 percent of high schools and enroll just eight percent of high school students, they make up around 50 percent of low-graduation-rate high schools nationwide and produce 20 percent of non-graduates. It should be noted that many of these schools exist to serve a vulnerable student population, and therefore deal with significant challenges that can make it difficult to get students on track to graduation in four years. That is why we are calling on states to mandate the reporting of five- and six-year graduation rates, which would provide a better understanding of how these high schools are really doing in getting students to graduation. Beyond that, the analysis in this report indicates that too many of the growing number of alternative, charter, and virtual high schools are not graduating high percentages of students in four years. It is vital that we meaningfully examine all of the nation's low-graduation-rate high schools to ensure that *all* students are being given the opportunities and support they need to succeed in life.

Setting the Record Straight on High School Graduation Rates

As the national high school graduation rate continues to rise, questions have been raised about whether this growth is real and if it leads to postsecondary success for students. To begin investigating these questions, this report first examined indicators of high school rigor and college readiness, including high school exit exams, ACT and SAT test-taking and scores, and AP course-taking and passing rates. These indicators show that the

number of students taking the ACT, SAT, and AP courses has increased over time. The number of students passing at least one AP course has increased, while ACT and SAT exam scores have stagnated. This clearly shows that more effort is needed to ensure all high school graduates are fully ready for postsecondary schooling, but it is not evidence that standards have been lowered as high school graduation rates have risen.

The second part of this examination explored trends in state graduation rate reporting and student enrollment. It revealed little to no initial proof at the state level that increases in graduation rates have been driven by removing students from the cohort rather than graduating more students. A more thorough examination needs to be performed to determine if this is happening at school or district levels.

Finally, we examine available evidence on how many students are graduating from high school in five or six rather than four years. Examining extended-year graduation rates across all states currently reporting them reveals that, on average, measuring students graduating in five years led to an additional three percentage point increase in the overall graduation rate, and including students who graduated in six years added an additional percentage point. These factors can have a significant impact on how schools, districts, and states are assessed on graduating students, and therefore, deserve more in-depth study and attention to help understand the reality of high school graduation rates.

Policy Recommendations

To move the needle to 90 percent by the Class of 2020 and help ensure accuracy in graduation rate reporting, we recommend the following:

- **Set clear definitions and give graduation rates the weight they deserve in ESSA.** ESSA requires evidence-based, targeted intervention in schools with “consistently underperforming” student subgroups, but should more clearly define what this means to ensure that schools and districts are held accountable for graduating traditionally underserved students.
- **Resolve issues in graduation rate collection and reporting regulations.** A lack of clarity in federal graduation rate guidelines provides room for states to calculate high school graduation rates in different manners. These issues of clarity and variability hold meaningful consequences for comparability across states and accuracy in graduation rate reporting, and they must be resolved to make sure states are not straying from the intent of the law.



- **Create evidence-based plans to improve low-graduation-rate high schools.** With the new ESSA requirement that states intervene in high schools graduating 67 percent or less of students, it is vital that state leaders support schools and districts in creating and implementing evidence-based plans to improve low-graduation-rate high schools.
- **Require the reporting of extended-year graduation rates.** This report shows that, on average, reporting five- and six-year graduation rates leads to additional percentage point gains in overall graduation rates. Reporting these extended-year graduation rates would provide a more accurate picture of who is and is not graduating.
- **Ensure alternative, charter, and virtual schools are included in state accountability and improvement systems.** ESSA requires that any school failing to graduate one-third or more of its students be identified for comprehensive improvement and support. In light of this report's finding that alternative, charter, and virtual schools make up only about 10 percent of high schools, yet make up more than 50 percent of low-graduation-rate high schools nationwide, states should not be permitted to exclude alternative, charter, and virtual schools from the statewide accountability and improvement system required under ESSA.
- **Provide real pathways to engage students who have fallen off track.** Students who have fallen off track to graduation need the things that all students need to be successful: positive relationships with caring adults, strong and tailored instruction, opportunities to engage in learning experiences that connect school to careers and life beyond, and the support and resources to help them figure out what they want to do once they have earned their diploma. These should be at the core of any school or program, particularly those serving vulnerable student populations.

