



Addressing America's Dropout Challenge

State Efforts to Boost
Graduation Rates Require
Federal Support

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REQUIRE FEDERAL SUPPORT**

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Executive Summary

For much of the 20th century, rising high school graduation rates in an increasingly diverse U.S. society were a source of national pride. Yet recent research shows that graduation rates are far lower than previously understood—and constitute a national embarrassment.

According to the research consensus, despite several decades of intensive efforts to improve educational outcomes, the U.S. graduation rate has not climbed above 70 percent and some states appear to be losing ground. For African Americans and Hispanic young people, on-time graduation rates hover between 50 percent and 55 percent. The economic and social consequences of not completing high school have steadily intensified. Today, dropouts are twice as likely to be unemployed; for those who work, pay is low, advancement limited and health insurance less available.

With U.S. global competitiveness and the economic self-sufficiency of our citizens at stake, the dropout problem no longer can be ignored. We need all our youth to succeed and advance. It is time for an aggressive national effort to pursue a new, dual agenda for high school reform—one that embraces high standards *and* high graduation rates.

We Know How to Do Better

We now know how to help more students succeed. Advances in both research and practice point the way to new, promising strategies and solutions. Educators in urban districts ranging from New York City to Portland, OR, are designing research-based interventions for keeping students on track, especially in the first year of high school, and are developing new options and pathways to get dropouts back on track to high school graduation. These interventions and options include a more intensive focus on fundamental English and math skills in the early months of 9th grade, coupled with quick response to academic failure; and small, personalized schools where students who have dropped out can reengage with academic learning.

In addition, researchers have identified leading indicators of dropping out that very reliably identify students who, absent a school-based intervention, are unlikely to graduate from high school. Failing a core academic course in 9th grade is one of a few highly predictive signals.

The dropout problem has long been viewed as confined to a small—and particularly troubled or unmotivated—group of young people. But this view misreads the reality of high school-aged youth's educational trajectories. More than half the young people who do not graduate from high school on time demonstrate remarkable determination to continue their education. Close to 60 percent of dropouts earn a high school credential within 12 years of starting high school—in most cases by passing the tests for a General Educational Development, or GED, certificate.

Even more impressive, nearly half of GED holders ultimately enroll in a degree-granting two-year or four-year postsecondary institution. Unfortunately, fewer than 10 percent of GED earners who enroll ever complete a degree, leaving 90 percent with limited career prospects, at best. The mismatch of educational aspirations and attainment has serious consequences for young people, their families and communities, the states, and the nation.

The Time Is Right for Federal Action

Congress can play a vital role by passing the proposed Graduation Promise Act of 2007. This Act would establish a federal commitment to partner with states, districts, and schools to raise graduation rates. The new Act would seed and scale up effective strategies and school designs for keeping high school-aged students in school and achieving at a high level of academic performance. And it would put these proven strategies to use immediately in the nation's worst-performing high schools.

Significant progress will require federal action. Through the No Child Left Behind Act, the federal government has created widespread pressure to improve academic achievement. Creating incentives to improve graduation rates will require an equally strategic effort. Federal appropriations of between \$1 billion to \$1.5 billion a year for five to six years can speed adoption and expand the scale of state and local innovation and help create conditions for states to be laboratories of innovative solutions to the dropout problem.

The time is right for the Graduation Promise Act. Recent media attention has helped the public appreciate the scope of the dropout problem and raised public demand for solutions. Recent research has provided more information than ever before on how to identify young people at risk for dropping out and how to help them get back on track to graduation. Drawing on the research, a number of states have enacted innovative policies that address low graduation rates.

Congress is about to start the reauthorization process for NCLB, but the legislative process promises to be long and complex. Moreover, it is unclear whether Congress will adequately address the complexity of secondary education and the full range of issues underlying low graduation and high dropout rates. Passing the Graduation Promise Act now would ensure that the kind of spur that federal action provided around academic achievement will now also be applied to the challenge of raising graduation rates.

Key Provisions of the Act

The proposed Graduation Promise Act will enable Congress to catalyze and accelerate state and district action and expand its impact through three major initiatives:

- **Enabling New State and District Strategies to Improve Graduation Rates Without Compromising Academic Standards.** One of the key challenges facing educators working to increase the number of young people earning a high school diploma is to do so without letting themselves or their students off the hook for academic performance. This will require a powerful and systemic effort to align policies, recalibrate accountability systems to include meaningful dropout and graduation measures, and develop an array of evidence-based strategies that schools and districts can employ to put policies into practice. The Act proposes competitive five-year grants to enable cohorts of states and districts that have already begun to gain traction on improving graduation rates within a high standards environment to become laboratories of systemic change. The investment will enable 15-20 states to implement independently evaluated demonstrations of effective policies and strategies.
- **Investing in the Supply of Proven Models.** Another major obstacle to improving graduation rates is the limited capacity of state/district leaders and outside collaborators to expand and spread proven practices and models for improving graduation rates within a high standards environment. Most states and districts have made only a small investment in alternative education programming, while the non-profit and community-based organizations that step in to fill the gap are likely underfunded and understaffed themselves. The Act proposes competitive five-year grants to school development organizations, youth development intermediaries, districts, and/or states to support replication of proven models for improving achievement and increasing graduation rates of students who are not on track to earn a diploma.
- **Interrupting the Dropout Flow from the Worst-Performing High Schools.** Another significant challenge is accurately identifying and turning around the high schools with the lowest graduation rates in a state. By one researcher's estimate, there are at least 1,000 high school "dropout factories" in the country, graduating 50 percent or less of their students. But most states still fail to use accurate, consistent methods to calculate graduation rates and do not know how best to intervene if the worst schools are identified. The Act proposes formula grants to states to develop the data capacity to include accurate graduation rates as part of accountability formulas and to reliably identify which high schools are losing the most students. The grants would help fund immediate interventions in these schools, based on effective, research-based practices.

A relatively modest federal investment, guided by new advances in research and practice, can leverage significant change in state and local policy and practice—change that can address the other half of the critical dual agenda of high achievement for all with a simultaneous increase in the graduation rate in schools, districts, and states across the nation.

Introduction

In 1989, when President George H.W. Bush met with the nation's governors to establish the first national education goals, they agreed on a target high school graduation rate of 90 percent by the year 2000. At the time, this seemed reasonable. For much of the twentieth century, rising graduation rates in an increasingly diverse society were a source of national pride and reinforced the sense of America as a land of opportunity. In the late 1980s, most states were reporting annual dropout rates of five percent or lower. The most commonly cited U.S. graduation rate (including alternative diplomas) was around 85 percent.¹ Compared with some of the other goals the governors set, hitting the 90 percent graduation target must have seemed like an easy win.

Yet today, six years after the target date, the U.S. graduation rate is no better, and in some states appears to be losing ground. The United States has now dipped to nineteenth among industrialized democracies in the ability to graduate its students from high school in the expected number of years—a reality that has serious consequences for our economic standing and social well being.² The loss of large numbers of young people from the education system between their first day of high school and their expected graduation date has increasingly become a matter of public record and public concern.

The public is now aware of what only a handful of researchers understood before: the dropout problem is much bigger than previously recognized. The most common methods of calculating dropout rates in the past masked their true magnitude.³ Using a more accurate method, such as comparing the number of graduating seniors with the number of students who entered high school four years earlier (with adjustments for mobility and transfers) reveals that only 70 percent of our young people are graduating from high school on schedule.⁴ For African American and Hispanic students, the percentage dips to 55 percent. In high-poverty schools and communities across the United States, which are disproportionately African American and Hispanic, a student's chance of graduating from high school is often, at best, a "fifty-fifty proposition."⁵

Over the past several decades, the economic and social consequences of failing to complete high school have steadily worsened. The unemployment rate among adults who dropped out is twice that of high school graduates. For those who find work, salaries are low and career advancement limited. Between 1974 and 2004, the median earnings of families headed by a high school dropout declined by nearly a third.⁶ But the costs of a truncated education go far beyond lost income: high school dropouts are likely to be in worse health than graduates and less likely to receive job-based health insurance. They also are more likely to receive public assistance, commit crimes, and become incarcerated, and are less likely to vote or make other civic contributions.⁷

At a time when many of the new jobs being created (or vacated by baby-boomer retirees) require at least some post-secondary education or training, few employers will even consider people without a high school diploma. The current high school graduation rate signals an ever more visible crisis that warrants increased federal attention, as well as additional state and local effort.

Fortunately, a number of states and cities around the country are hard at work rectifying this dismal high school graduation rate. Indiana and Louisiana, North Carolina and Texas, Oregon and Minnesota all boast varying kinds of policies and programs to identify and then help high school students in danger of dropping out. And in big, urban school districts such as New York and Chicago, Philadelphia, Boston, and Milwaukee, Chattanooga and Portland, OR, a variety of effective and innovative practices and partnerships are helping students in high school graduate on time and dropouts return to earn a critical diploma.

In this report, we examine these key state and local initiatives and argue that Congress can play a vital role in substantially raising the percentage of young people who graduate from high school—even as it continues to press forward on the goal of ensuring that all students reach academic proficiency. The first section of our report describes why it is critical for Congress to act now on this issue, through the immediate passage of a proposed, time-limited federal policy action: The Graduation Promise Act of 2007. The second section reviews the research base for this action, as well as recent growth in proven educational practices and policies based on verifiable evidence that can be leveraged and expanded. The remainder of the report provides a detailed account of the three provisions of The Graduation Promise Act.

The Opportunity and Imperative for Congress to Act

Congress now has both the opportunity and the imperative to take action through the immediate enactment of a Graduation Promise Act. Through a combination of systemic initiatives, comprehensive data systems, and competitive grants, the proposed Act would seed and scale up critically needed innovative approaches to the dropout problem. The intent of the Act is threefold:

- To enable states and districts to demonstrate the effectiveness of new systemic strategies for improving graduation rates without compromising academic standards
- To increase the supply of proven school models and strategies for improving the graduation rate of students who are not on track to graduate
- To identify high schools with the highest dropout rates and draw on proven practices and models to take immediate steps to improve the graduation rate in those schools

Much of the necessary work to increase the percentage of young people earning high school diplomas will occur at the state and local level, but significant progress cannot be made without federal action. The federal government has demonstrated its ability to create widespread pressure to improve academic achievement through the concrete goals and accountability provisions of the No Child Left Behind Act. Improving the nation's graduation rate will require an equally robust focus on keeping struggling students in school.

Realizing this ambitious goal will take a powerful and systemic effort to align policies, recalibrate accountability systems to include meaningful dropout and graduation measures and develop an array of evidence-based strategies that schools and districts can employ to put policies into practice. Federal action can make a significant difference in the speed of adoption and the scale of the effort. The federal government also can create conditions for more states to become laboratories of innovation, providing the flexibility states need to test new packages of incentives, rules and supports.

Although the reauthorization process for the No Child Left Behind, or NCLB Act, will begin shortly, this paper advocates the immediate enactment of the Graduation Promise Act for several important reasons. First, with the nation's high schools failing to graduate 30 percent of their students, the U.S. cannot reach the NCLB goal of proficiency for all students by 2014 without ensuring that all young people are indeed in school and making adequate progress toward proficiency. Second, the NCLB reauthorization is likely to be long and complex; the nation simply cannot afford to wait while losing such large numbers of young people from the education system.

Finally, and perhaps most critically, NCLB has proven to be a weak instrument for improving high schools, especially those that are seriously under-performing. While reauthorization may address the complexity of secondary education more directly, it will not necessarily address the full complement of issues underlying low graduation rates and high dropout rates.

The NCLB Act did take a first step toward increasing the number of students who make it to high school graduation by establishing graduation rates as a key element of measuring school and district performance. Yet NCLB created little real accountability for graduation rates at the state or district level and offered no incentive for high schools to hold onto struggling students. Regulations set by the U.S. Department of Education required states to account, by population subgroup, for how many students reach academic proficiency standards in the 3rd, 5th, 8th and 10th grades, but did not require them to account for graduation by subgroups.

Furthermore, NCLB has allowed states to set their own (in many cases, very low) graduation-rate improvement goals and propose their own methods for calculating these rates. These discrepancies too often allow states to seriously under count the problem.⁸

A New Agenda: High Standards and High Graduation Rates

It is now time to ignite an aggressive national effort to pursue a new, dual agenda for high school reform—one that embraces high standards and high graduation rates. The moment is right to demonstrate both the necessity and the potential synergies of addressing these goals simultaneously. Opinion polls continue to show education to be one of the highest priority issues to voters. Public awareness of the low graduation rates of many of our high schools has grown, as a result of high-profile reports in national media outlets such as *Time* magazine and *The Oprah Winfrey Show*.

Amid increasing public attention to the dropout problem, all 50 of the nation’s governors recently signed a “Graduation Compact,” a commitment to measure graduation rates accurately and consistently. Under this agreement, states are setting up data systems to calculate so called “cohort graduation rates,” or the proportion of entering 9th graders who graduate four years later, adjusted for students who transfer into a district and out to different districts. This work is helping to solidify understanding of the scope of the dropout problem and lay the foundation for development of solutions.

At the same time, the majority of states have begun to pay increasing attention to their high schools, which have emerged as the weakest link in the educational system, particularly in poor, urban and rural districts, and many have committed to ensuring that graduates have the skills and knowledge to be successful in college and beyond.⁹ The only way to make good on these promises is to develop much more effective strategies and options for the large number of students who are not being well-served in their high schools today.

Fortunately, the building blocks needed to support a dual agenda of high standards and high graduation rates are squarely in place. Recent research has yielded important new information to support just such an approach. It is more possible than ever before to identify the young people whose school performance and behavior indicate a high likelihood of their dropping out of high school. Equally important, evidence on the most promising and effective practices points to what works to put these young people back on track to graduation, as efforts around the nation at state and local levels attest (see sidebars on pages 14, 16, 17 and 18)

The large percentage of young people not graduating from high school, combined with the worsening position of these young people in economic and civic life, constitute a national problem with serious ramifications not just for individuals, but for whole neighborhoods, communities, and even states. We can no longer afford to base public policy on misleading data about the size of the problem or on misconceptions about the aspirations of the young people who leave school. Nor must we.

Closing the Gap Between Aspirations and Attainment

While the nation’s “dropout problem” long has been viewed as confined to a very small—and particularly troubled or unmotivated—group of young people, Jobs for the Future’s recent analysis of data from the National Education Longitudinal Study tell a very different story. More than half of the young people who do not graduate from high school on time demonstrate through their behavior that they understand the importance of education and are willing to work hard to get a diploma—despite the lack of options available from their school system. These young people may have given up on their high school, but most do not give up on their education. They persist in their efforts to get an alternative high school diploma, and many then go on to try to obtain a post-secondary credential.¹⁰

Only a small percentage of those who do not graduate in four years complete a regular high school diploma in a fifth or sixth year. However, close to 60 percent of dropouts do earn a high school credential within 12 years of starting high school—in most cases by passing the tests for a General Educational Development, or GED certificate. These young people do not stop there; they persist in seeking education beyond high school, as well. Unfortunately, this persistence does not pay off the way young people might hope. Although nearly half of these primarily GED holders enroll in a two-year or four-year postsecondary institution, fewer than 10 percent of those who enroll ever earn a degree, leaving them with limited career prospects at best.¹¹

The educational persistence of dropouts is part of a more general trend of rising aspirations among our youth. Young people have become, as one researcher puts it, “keen economists.”¹² During the same period in which no improvement occurred in the graduation rate, the percentage of 10th graders reporting high educational aspirations (of a bachelor’s degree or higher) increased from 40 percent to 80 percent, with the largest increases among low-income youth. But as the national data on graduation rates suggest, many of these young people fall far short of their goal of taking the traditional path of four years in high school followed by two to four years of post-secondary study.

Once off track, these young people find themselves offered no other routes to a successful future.

This gap between the rising aspirations of young people and static or declining educational attainment cries out for new approaches to the “graduation problem.” When high school non-completion could be viewed as a contained and marginal problem—with even the young people themselves not caring enough to try to change their predicament—then possible solutions to the problem could remain a relative afterthought of educational policy. Clearly this is no longer the case.

Putting Breakthrough Research into Action

What’s more, the knowledge base about how to identify likely dropouts and keep them on track has been growing, making it more possible than ever before to target investments to the most promising and effective practices and policies. Drawing from research-based evidence, a handful of pioneering states and districts have already begun to fashion new policies aimed at gaining traction in improving graduation rates. School and youth development entrepreneurs—both inside and outside of school districts—are using the new information to invent new practices and programming models.

In a series of ground-breaking studies in large urban districts with high dropout rates, researchers have pinpointed indicators that reliably identify students who, absent a school-based intervention, are unlikely to graduate. Recent studies conducted by Elaine Allensworth and colleagues at the Consortium on Chicago School Research at the University of Chicago, using data from the Chicago public schools, showed that an on-track indicator that signals when 9th graders are falling seriously off the track to earning a diploma is 85 percent predictive of future dropouts. A student is considered on-track at the end of 9th grade if he or she has earned at least five full-year course credits and no more than one F (based on semester marks) in a core academic course.¹³

The Office of Multiple Pathways to Graduation of the New York City Department of Education, working with researchers at the Parthenon Group, found that only one-fifth of “overage and under-credited”¹⁴ students in the large comprehensive high schools (of 1,000 or more students) ultimately receive any kind of diploma from high school. These students tend to fall behind early and leave the system rapidly once becoming off-track.¹⁵ In the Philadelphia public schools, Robert Balfanz at Johns Hopkins University and Liza Herzog at the Philadelphia Education Fund found that school-based factors such as behavior reports and poor grades as early as 6th grade have value in predicting who later will drop out.¹⁶

This research, while offering discouraging data on the scope of the problem, also opens up possibilities for new and more effective approaches to policy and programming. Previous generations of research had identified a range of risk factors associated with dropping out, but none of the factors, alone or in combination, were strong predictors of whether a particular student would graduate. In fact, they yielded about a 30 percent predictability rate, at best; that is, 70 percent of young people with the factor or combination of factors would have graduated anyway.¹⁷

As a result, dropout prevention programs often have served many students who would have graduated without the benefit of the program, and probably failed to reach many of the students who most needed support. Furthermore, the usual placement of dropout or alternative programs on the margins of daily school life has left these programs without adequate staffing or funding and has kept them largely isolated from recent advancements in curricula and methods for accelerating the learning of adolescents with prior histories of school failure. Such issues have made it unlikely that schools, districts, or states would ever make meaningful progress on this issue.

The new research challenges the common misperception that dropping out is a singular, idiosyncratic event, an individual decision at one moment in time that is largely influenced by personal or social circumstances beyond a school’s influence or control. On the contrary, dropouts seem to follow identifiable patterns of performance and behavior—patterns that schools, districts, and states can and should analyze and address.¹⁸ For example, the research on leading dropout indicators appropriately focuses attention on the current high rates of 9th grade course failure, and allows school leaders to intervene before it is too late.

However, while improved early warning systems are necessary, they are not sufficient. Designing successful interventions also requires credible and consistent information about what measures ensure high school completion while also improving academic performance. The perception has long been widespread that “we do not know what, if anything, works” in dropout prevention or re-entry. Here too, recent research offers reason for optimism—a growing body of evidence about highly effective practices and strategies for addressing early academic difficulty in high school. This research further advances the possibility, and the obligation, to address these issues across local, state and national levels.

Among the most notable studies, evidence analyzed in the MDRC study of the Ninth Grade Success Academy component of the Talent Development Comprehensive School Redesign model shows strong results from particular practices to improve students' skills in the first six months of 9th grade. Specifically, researchers have validated the efficacy of practices such as: more intensive focus on literacy and numeracy skills in the early months of 9th grade, with the goal of helping students improve their skills enough to handle high school level texts and assignments; extended learning time in the after-school hours, as part of the catch-up and acceleration strategy; and quick response to academic failure, even before the reporting of first-semester grades.

Such strategies resulted in significantly more students passing “gateway” academic courses such as algebra and in higher promotion rates from 9th to 10th grade, both of which are highly predictive of whether a student graduates from high school.¹⁹

The recent research breakthroughs described here are already leading to breakthroughs in policy and practice. A growing number of states and school districts challenged by low graduation and high dropout rates have begun to apply the knowledge to help design effective interventions.

In Indiana, for example, the Dropout Prevention Act of 2006 requires schools and districts to report the number of students who are “off-track” to graduation—that is, the number of 9th graders who do not have enough credits to be promoted to 10th grade—and to advise such students of ways to recover missing credits and/or remediation options.

At the local level, a number of large, urban districts—Chicago and New York City, as described above, as well as Boston, Philadelphia, Milwaukee, Chattanooga, Portland, OR, among others—are using predictive factors and research on effective practices to put in place systemic strategies aimed at making dramatic improvements in graduation rates while continuing their push to increase college and career readiness.

These evidence-based efforts include improving programs to ensure that students stay on track in high school, especially during the critical 9th-grade year. They also include innovative partnerships with school and youth development intermediaries to develop new schooling models for students who need a substantially different and more flexible approach.

One of the most promising efforts is New York City's development of “multiple pathways to graduation,” an ambitious attempt to offer a differentiated range of options to students at different points (in terms of age and credits) in their academic trajectory toward a New York State diploma. For example, the approach recognizes the potentially different strengths and needs of: students who are 16 or older and have not completed 9th grade; older students (ages 17 to 21) who accumulated a large number of credits before dropping out; and older students with few credits and low skills. A recent Office of Multiple Pathways to Graduation report identifies transfer schools—small, personalized high schools designed to help overage and under-credited students get back on track to a diploma—as particularly powerful in re-engaging and supporting these students. The best examples of this

model are graduating two times to three times more of their off-track students than are comprehensive high schools. (see sidebar: “Multiple Pathways to Graduation: New York City’s Systemic Approach to Dropout Prevention and Recovery”).²⁰

A Proposal for Action: The Graduation Promise Act of 2007

Clearly, this is a propitious moment to push the frontier of proven practice, enabling continued innovation while ensuring that practices known to be effective are implemented in high school districts nationwide. Based on the pioneering work underway, a growing number of states and districts are poised to develop policies, interventions, strategies, and models that can extend the knowledge base for future action.

With targeted funding of \$1 billion to \$1.5 billion per year over the next five-to-six year period, the proposed Graduation Promise Act will enable Congress to accelerate this change and expand its impact. The Graduation Promise Act is designed to be time-limited, with lessons from the independent evaluations proposed within the provisions of the Act used to inform future reauthorization cycles of NCLB and other relevant pieces of federal legislation.

The Graduation Promise Act encompasses three major initiatives:

- *Enabling States and Districts to Develop Systemic Strategies to Improve Graduation Rates Without Compromising Academic Standards* (\$300 million to \$400 million per year). One of the key challenges facing educators working to increase the number of young people earning a high school diploma is to do so without letting themselves or their students off the hook for academic performance. This will require a powerful and systemic effort to align policies, recalibrate accountability systems to include meaningful dropout and graduation measures, and develop an array of evidence-based strategies that schools and districts can employ to put policies into practice. The Act proposes competitive five-year grants to enable cohorts of states and districts that have already begun to gain traction on improving graduation rates within a high standards environment to become laboratories of systemic change. The investment will enable selected states to implement independently evaluated demonstrations of effective policies and strategies. As a result, 15 to 20 states will be able to develop accountability and measurement systems, as well as school-level solutions that will be able to serve as models for others.
- *Investing in the Supply of Proven Models* (\$50 million to \$150 million per year). Another major obstacle to improving graduation rates is the limited capacity of state/district leaders and outside collaborators to expand and spread effective practices and school models for reaching high graduation rates within a high standards environment. The Act proposes competitive five-year grants to school development organizations, youth development intermediaries, community colleges and post-secondary institutions, districts, and/or states to support replication of school organizational and instructional designs with a track record of improving achievement and increasing graduation rates of students who are not on track to earn a diploma.

- *Interrupting the Dropout Flow from the Worst-Performing High Schools (\$700 million to \$950 million per year).* Another significant challenge is accurately identifying and turning around the high schools with the lowest graduation rates in a state. The Act proposes formula grants to states to develop the data capacity to include accurate graduation rates as part of accountability formulas and to reliably identify which high schools are losing the most students. The grants would help fund immediate interventions in these schools, based on the most effective, research-based practices.

The remainder of this paper describes each of these major provisions of the Graduation Promise Act in detail. Each section includes a discussion of the problem this initiative addresses, the rationale for the approach proposed, and the expectations of states, districts, and other school development and support entities.

Provision I

Improving Graduation Rates Without Compromising on Academic Standards: Competitive Grant Program for States and Districts

A key challenge confronting state policymakers is how to combine their efforts to improve the academic performance of students in the K-12 system with an equally active effort to improve the high school graduation rate. Over the past decade, most state leaders have adopted a set of standards for and measures of academic proficiency; more recently many have proceeded to add new tests and enact rigorous graduation requirements (among them Indiana, Kentucky, Texas, Michigan, and Arkansas) that align with the skills and knowledge needed for post-secondary education and a growing number of careers. In the face of increased public scrutiny of cohort graduation data, many states have also begun to experience rising concerns about their high school graduation rate.

Despite the often unstated fear that raising the graduation rate could lower overall state academic performance, a growing number of states and districts are committed to the twin goals of high standards and high graduation rates. The question is how to put in place the policies, programs and practices that will enable them to meet these goals synergistically, especially in the schools and districts that are not currently performing well. While several states have gained traction through innovative policies and practices designed to reduce dropping out and improve rates of graduation, (see sidebar, “State Policies Build Momentum for Change,” page 14) too often these efforts are piecemeal and lack adequate funding.

States do not have the capability to track implementation of these policies or to partner with districts to build the needed capacity to carry out evidence-based practices and programming. States are also lacking opportunities to leverage and adapt innovations from other states or districts, or to engage in collective problem solving around the graduation crisis.

State Policies Build Momentum for Change

When envisioning a comprehensive and systemic approach to raising graduation rates, policy and practice leaders can look to the building blocks that a small but growing number of states have begun to put into policy. Drawing on the growing base of research and practice on dropouts, these states are trying a variety of strategies to keep more students on track to high school graduation and success in post-secondary education and careers.

In its 2006 dropout legislation, for example, **Indiana** draws on current research regarding the value of identifying patterns of school disconnection early enough to provide timely and targeted support. The law requires schools and districts to use an “off-track indicator” to report the number of 9th graders who do not have enough credits to be promoted to 10th grade and to advise those students of credit recovery and/or remediation options.

Another key provision is directed at expanding the supply of educational options available to youth not enrolled in school. The law calls for establishing “fast-track-to-college” programs that offer individuals, including dropouts at least nineteen years of age, the opportunity to earn a high school diploma while earning credits towards a post-secondary degree.¹

Accelerated instruction, including post-secondary credits, for students who are at risk of dropping out of high school can also be found in earlier legislation in **North Carolina**. In 2003, the First in America Innovative Education Initiatives Act was passed, authorizing community colleges and local school boards to jointly establish innovative programs such as Early College High Schools that blend secondary and post-secondary education for students who would benefit from accelerated instruction and/or are at risk of dropping out.²

Texas is another state that has taken action to enlarge the supply of programs and schools aimed at serving at-risk youth—using state charter law to do so. State law exempts charters that serve at least 75 percent at-risk youth or dropouts from the statewide cap on open-enrollment charter schools.³

To address the challenge of adequate funding for educational options for dropouts or struggling students, **Oregon and Minnesota** have provisions in regulation and law that allow critical resources to flow to alternative programs. In Oregon, for example, providers that contract to run alternative high schools receive funding at a minimum rate of 80 percent of the state per pupil funds. Beyond this guaranteed floor, they receive more funds based on the categories of the students.⁴

¹ Indiana. 114th General Assembly. House Enrolled Act. No. 1347. A Bill to Amend the Indiana Code concerning Education. 2006.

² “Innovative Education Initiatives Act.” North Carolina General Statutes, Chapter 116C Sec. 116C-4. Session Law 2003-277.

³ *Texas Charter Schools*. US Charter Schools. October 2006. Online Available: <http://www.uscharterschools.org/cs/sp/view/sp/5>.

⁴ Thakur, Marla B. and Kristen Henry. 2005. *Financing Alternative Education Pathways, Profiles and Policy 2005*. National Youth Employment Coalition. Washington, DC.

All of these issues limit the ability—even among the states stepping out front in responding to the crisis—to adopt a more integrated and strategic approach, pushing and supporting districts to implement the combination of strategies that will enable solutions to occur at a larger scale. What’s needed is an infusion of political momentum and resources to support and accelerate bolder, more strategic and coordinated action. At similar moments of opportunity, federal education initiatives have been effective in spurring such action.

One useful precedent, for example, can be found in the National Science Foundation’s Statewide Systemic Initiatives Program of 1991. Having determined that it was critical to enable dramatic changes in the way mathematics, science, and technology were taught, Congress seeded efforts in 25 states to align policy, develop new standards and assessments, and set up research and demonstration schools that would serve as models for statewide reform. The results: demonstrable improvements in hands-on school work and small-group work in motivating student inquiries; better instructional materials; and more standards-based policies for curriculum improvements, student assessments and teacher preparations.

Similarly, the intent of the first initiative of the Graduation Promise Act is to accelerate the development and implementation of systemic solutions to the graduation crisis by enabling states and districts that have already begun to gain traction on improving their graduation rates to become “laboratories” of systemic change. Using a process similar to that of previous state systemic initiatives, the federal government will offer a competitive grant process to select at least three cohorts of five to seven states (totaling 15 to 20 altogether). The intent will be for each cohort to include a range of states, with sufficient geographic spread and combination of rural and urban issues to demonstrate solutions that are applicable nationally.

These states will offer a living demonstration of how to achieve high graduation rates, without conceding ground on the push to academic proficiency. In fashioning policies and initiatives, states and partnering districts will draw on groundbreaking research on leading indicators, high-impact evidence-based practices and policies (see sidebar: “What Can We Learn from Beat the Odds Schools,” page 16), policy innovations underway in states (see sidebar: “State Policies Build Momentum for Change,” page 14) and “break the mold” reform efforts in districts (see sidebar: “Multiple Pathways to Graduation: New York City’s Systemic Approach to Dropout Prevention and Recovery,” page 17).

At the same time, they will substantively add to the knowledge base regarding how to reach higher graduation rates without compromising on the standards of academic proficiency aligned with college and career success. In this way, they will demonstrate the progress possible when states and districts partner to systemically and strategically apply what is known about what works. Independent evaluators, selected by the Institute of Education Sciences, will assess the progress made, how and why and under what circumstances positive effects were achieved and the cost-benefit of such strategies.

What Can We Learn from “Beat the Odds” Schools?

Findings from recent studies converge around a set of school organizational and instructional practices that characterize high poverty high schools that “beat the odds” with struggling students.¹

- 1. Focus on the transition into high school**—It is not left up to the students alone to negotiate the often bumpy transition from the middle grades into high school. Teachers and counselors meet individually and or in groups with incoming students. Some models include summer programs between 8th and 9th grade, and/or a special intensive first semester focus on skills to help students prepare for high school—both socially and academically.
- 2. Support students to stay on track**—Early warning systems are in place to identify and immediately reach out to students and families when students evidence attendance or performance problems, especially in literacy or numeracy skills. Schools are organized to provide referrals or to offer necessary supports, opportunities, and services to students and families.
- 3. Extend learning time**—Teachers and administrators take responsibility for ensuring that students get the instructional time they need—during and beyond school hours—so as to stay on track with college preparatory requirements. Schools enable older students to accumulate or recover credits over shorter periods of time by organizing the calendar differently (for example, by trimesters), using technology for distance learning, customized instruction and feedback, and using extended learning time for projects geared to “real world” standards. (see no. 5 below)
- 4. Provide academic challenge for all**—All students are expected to take on academic challenges (honors level work, or college-level work while in high school) and are supported in doing so. Teachers feel part of a professional learning community in which they are supported with high quality curricula and professional development particularly focused on keeping the intellectual level high, even while helping students to catch up on skills.
- 5. Align performance standards to college and career readiness**—Schools focus explicitly on preparing students for life beyond high school, rather than on graduation as an end goal. They use college and work-level standards as benchmarks against which to assess the academic rigor and relevance of their courses. They embrace external standards and use assessment data to improve curricula and school practices, not just to measure students’ past performance.
- 6. Focus on transition from high school to college and careers**—Schools make explicit links among academic work, student interests, college success and careers, by creating opportunities for upper grade students to pursue accelerated academic learning, college exposure and course-taking, as well as work internships (paid or unpaid). Such experiences are used as opportunities for students to develop 21st century skills of self-management, communication, and continuous learning that will help them succeed in college and careers.

¹ Quint, Janet. *Meeting Five Critical Challenges of High School Reform. Lessons from Research on Three Reform Models*. May 2006. New York: MDRC, inc.

Just for the Kids Best Practice Studies and Institutes: Findings from 20 States. 2006. Online Available: http://www.just4kids.org/jftk/twenty_states.cfm.

Gaining Traction, Gaining Ground: How Some High Schools are Accelerating Learning for Struggling Students. November 2005. Washington, DC: The Education Trust.

Multiple Pathways to Graduation

New York City's Systemic Approach to Dropout Prevention and Recovery

Faced with the grim reality that close to half of the students entering high school were not graduating four years later, the New York City Department of Education has undertaken an ambitious, evidence-based strategy that in its first few years is already producing an upward trend in the high school graduation rate. The multi-pronged strategy includes:

- Replacing 20 of the lowest performing high schools with 189 new small schools.
- Introducing new options and pathways for students who are overage for their grade, seriously lacking in credits needed for graduation, or out-of-school altogether.

This comprehensive effort in New York City demonstrates what even very large districts can accomplish by making a commitment to tackle the problem across an entire school system, using data strategically to understand the educational profiles of the young people who are not graduating, to unpack what works for these young people, and to design solutions based on this knowledge.

The Office of Multiple Pathways to Graduation, or OMPG, was established to analyze the situation and needs of the overage and under-credited high school population and to develop a differentiated portfolio of educational models designed to bring these students to New York State graduation standards. In a recently released study, for example, OMPG found that nearly 140,000 of New York City's approximately 1.1 million youth are 16- to 21-year-olds who are off-track or have dropped out relative to expectations for high school graduation—a population large enough to be the fifth-largest school district in the U.S.

Nearly a quarter of the students still enrolled in New York City high schools fit the profile of being “overage and under-credited,” including a range of young people from 16- to 17-year-olds who have accrued very few, if any, high school credits, to 17- to 21-year-old who are only a few credits short of graduation but have responsibilities that make it difficult to finish at traditionally structured high schools.¹

Such analyses have led to a series of strategic investments in promising programs and models, including: **college preparatory “transfer schools,”** such as South Brooklyn Community High School, for students who dropped out or stopped coming to school while still young enough to spend two or more years earning a high school diploma in a small, personalized learning environment; and **Young Adult Borough Centers,** a model offering afternoon and evening classes for older students who dropped out of high school with at least half the credits necessary to graduate, but have adult responsibilities that make it hard to impossible for them to matriculate at a traditional high school. Both of these designs include collaborative partners to assist students to reach the high standards for the New York State diploma.

A mayoral initiative called Learning to Work has further advanced such designs by offering additional developmental support and career development opportunities to dropouts enrolled in some of the new programs. Finally, OMPG is investing in “GED plus” models and “blends” in conjunction with community organizations and post-secondary institutions, to help older youth with too few credits toward a diploma move onto a GED-to-college pathway.

Other cities undertaking similarly large-scale and systemic efforts to effect dramatic changes in the graduation rate include: Boston, Milwaukee, Philadelphia, Chicago, and Portland, OR.

¹ Cahill, Michelle. October 23, 2006. Office of Multiple Pathways to Graduation research presented to the New York State Board of Regents. New York City.

Lynch, JoEllen. June 22, 2006. Office of Multiple Pathways to Graduation research presented to the New York City Commission for Economic Opportunity. New York City.

Louisiana's Accountability Model

Encouraging "Good Behavior" of High Schools

Over the past two years, Louisiana education leaders have established a keen focus on improving state high schools that have historically been plagued with low levels of academic achievement, as well as low graduation rates. State K-8 academic performance data showed significant performance improvements, but those gains were not sustained in high schools.

Education leaders in the state, guided by one of the nation's most highly regarded educational data systems, turned their attention to the state accountability system to determine if it was encouraging the type of behaviors desired from high schools. Leaders quickly came to realize that the state accountability system was not creating the right incentives for high schools in three critical areas: drop out prevention; helping struggling students to meet the graduation requirements, and encouraging students to develop the more sophisticated academic skills required for success in college and careers.

As a result, Louisiana high school graduation rates continued to hover at 65 percent, even lower among the large number of minority students in the state's public high schools. Consequently, efforts were initiated to design an accountability system aligned with the outcomes and behavior the state wants to see from high schools.

First, the state increased the "penalty" to schools for dropouts. Now, a school that keeps a low-performing student in school gets a higher score than a school that lets that student drop out. Second, in the newly adopted model, 30 percent of high school performance is determined by the number of points high schools receive for getting students across the finish line with a high school diploma, and with a diploma plus "endorsements" signifying readiness for college and careers.

Under this system, high schools now have a built-in incentive both to keep students and provide a rigorous curriculum through the senior year. And the state is already seeing a better alignment of high school behavior to desired results. There has been significantly more uptake of strategies for increasing the holding and promotion power of high schools.

Louisiana is now set to launch a statewide ninth-grade initiative that will address one of the main "leakage" points from high school. High schools are also showing more interest than ever before in developing the kinds of partnerships with colleges and employers that lead to a more robust senior year and to more students receiving diploma endorsements.

¹ Jacobs, Leslie. October 19, 2006. Interview by Cassius Johnson and Adria Steinberg. Metairie, LA: Strategic Comp.

Expectations of States and Districts

The selection criteria for states will ensure that those participating have the necessary conditions of readiness. First and foremost, they will be expected to demonstrate that they already have developed some traction on the issues, such as having taken significant steps to align current academic standards and graduation requirements with college and career expectations, and having fashioned new policies and initiatives directed at improving the graduation rate. In addition, states will need a leadership vehicle that brings together the range of stakeholders and policymakers, among them state superintendents of education, key legislators, heads of boards of education, and district leaders) required to move this agenda forward. This group will need data systems with sufficient sophistication to track progress and measure the impact of new research-based strategies on student outcomes.

Those selected will be expected to:

- Conduct a policy “gap analysis” with the intent of strengthening and expanding the impact of existing policies and in order to enact new legislative and/or regulatory policies or initiatives drawing on knowledge of what works to improve graduation rates at scale.
- Recalibrate accountability systems to make dropouts count, better align with the twin goals of high standards and high graduation rates, and create incentives for schools to pay attention to struggling students (see sidebar, “Encouraging Good Behavior of High Schools: Louisiana Accountability Model,” page 18.)
- Test impact of policies on development of local solutions at scale, and build a body of evidence on what works by supporting a select number of frontrunner districts that work in concert with community, youth, and school development partners to improve graduation rates.
- Designate high schools with low graduation rates as high priority for intervention and support, including immediate implementation of evidence-based practices in those schools.
- Identify ways to reallocate and/or leverage existing state investments to match the competitive grant and to address long-term issues of funding equity for schools and programs serving returning dropouts, including the removal of barriers to combining funding from now disparate funding streams and per-pupil funding following students to alternative education settings.
- Build capacity to support the work on the ground through investment in the state department of education, as well as partnership with school development and support organizations.
- Measure progress and results through internal and external review.

States will conduct a competitive grant process to select partner districts that meet an additional set of readiness criteria including demonstrated need, commitment, and capacity to take on the challenges of significantly improving graduation rates. Both states and districts will pay particular attention to addressing policies and practices to the high schools with the lowest graduation rates, with a portion of the district grants dedicated to investigating various approaches for turning around these high schools including those found in district or community operated alternative schools.

The districts will serve as on-the-ground laboratories to test the implementation and impact of innovative policies, and assess the effectiveness of various models, practices and strategies for improving graduation rates within a high standards environment. Examples of this include: the use of data to inform decisions about models and programming for different segments of the population of young people not on track to graduation; the development of quick response strategies for getting young people back on track; and, in large districts, the development and expansion of a system of multiple pathways to graduation in partnership with community, youth, and school development organizations.

In all of these efforts, district and school leaders will work closely and collaboratively with outside evaluators to build a solid body of evidence on what works and to conduct a cost-benefit analysis. Specifically, the evaluation will seek to answer five basic questions:

- Does the intervention lead to improvement in achievement, graduation rates, and other key school outcomes above and beyond what would have occurred without the intervention?
- Why and how were these effects achieved?
- What aspect of the reform drove the effects?
- What was the role of enabling conditions? (including new policies)
- Was the cost worth it in terms of outcomes?

Participating districts, states and the federal government will make provisions for tracking and publicizing data on the performance of the various school program design options, and for making mid-course corrections according to findings from this data. The study will test the results of the different options, analyze the costs and/or savings, and shed light on long-term financing options as well as likely high-impact policies for improving graduation rates while simultaneously pushing for proficiency.

Provision II

Investing in the Supply of Proven Models: Competitive Grant Program to Build Capacity of District, State, and/or Private School Development /Support Entities

The demand is growing for schools that can “beat the odds” and succeed in putting struggling and out-of-school students back on track to graduation, while holding firm on high expectations for all students. A combination of factors are fueling the sense of urgency, including the continued federal and state pressure for academic proficiency and the increased visibility of more accurate measures revealing disturbingly low state and district graduation rates.

At this point the demand cannot be met. States and districts that become committed to making significant improvements in their graduation rate quickly come up against a serious shortage of tested, replicable school designs with a track record of reengaging students in school, especially once they have fallen seriously off track. Failure to address this shortage will consign large numbers of struggling and out-of-school students to poor educational outcomes and limited futures. And it will have serious economic and social consequences for entire communities with concentrations of these young people.

Longitudinal data on the educational pipeline indicates that a majority of young people who leave high school without a diploma continue to pursue the goal of high school graduation and a college credential. The problem is the dearth of investment in school models and pathways to get them to this goal.

Most states and districts have only been able to afford a small investment in alternative education programming, and these schools and programs have often been targeted primarily to students with histories of behavioral difficulties inside and outside of school. Furthermore, these schools are not popular assignments for teachers and hence are often staffed by teachers from the “excess pool” of less qualified or substitute teachers. In many cases, funding policies and practices leave them with fewer dollars per student than other high schools, and school leaders and faculty may not even be included in system-wide curricular and instructional initiatives.

States and districts have little or no experience taking on school development functions and roles. At the same time, many of the model developers for off-track youth are non-profit youth development and community-based organizations which are themselves very likely to be under-resourced and lacking in staff capacity. Given these constraints, some have responded to district or philanthropic requests to replicate their school designs by agreeing to do so only in a concentrated geographic area.

Case in point: Good Shepherd Services in New York City is working with the city Department of Education’s Office of Multiple Pathways to replicate the South Brooklyn High School model within New York. A small number of model developers have the interest and potential capacity to engage in broader replication, such as The Center for Youth Development and Education with its

Diploma Plus model. But they would need additional resources to provide the necessary codification of evidence-based practices within the model to implement performance management systems with sufficient data capacity to prove the efficacy of the model, and to provide sufficient leadership and teacher development and support.²¹

The second provision of the Graduation Promise Act addresses this set of challenges. It sets up a competitive grant process open to existing or proposed school development entities formed by states, districts, private and non-profit organizations (including youth development organizations and/or community-based organizations with alternative education models). The aims of the competitive grant are to:

- Support the spread of organizational and instructional practices and school models that are effective in improving educational outcomes for students who are not on track to graduation.
- Build or strengthen the capacity of existing and proposed school and youth development entities to become centers for replication of such proven practices/models nationally or for a specific geographic area.

Selection Process for School Development Entities

To compete for federal funding, school development entities formed by states, districts, and private and nonprofit organizations will have to demonstrate through a comprehensive plan the ability to implement practices and models that employ proven methods and strategies. Specifically, they must be backed by research specific to young people not on track to a high school diploma, such as over-age or under-credited students, and they must have been found to result in or have demonstrated strong evidence that they significantly improve the graduation rate among these students. Special consideration will be given to programs that can also demonstrate high rates of college participation and completion of their graduates.

Selected school development entities will be expected to engage in performance management so as to assess ongoing effectiveness and to ensure continuous improvement of the model. This will include using segmented data analysis to monitor success with sub-groups of young people at different points on the trajectory to a high school graduation (by age or by credits), to set measurable goals for student achievement benchmarked to best-in-class with similar groups of students, and to evaluate annually strategies for the implementation of the model and for student results, using a student information system with a user-friendly and relational database across all the schools in that developer's network.

To build and support their own capacity, the school development and support organizations will allocate a portion of the funds to developing and providing high-quality professional development and support for teachers, administrators, and staff. They must codify key practices and key elements of models and develop training modules and materials. And they must develop performance management systems that include a data/student information system for all replication sites.

To contribute to the growth of evidence-based practice and policy, selected organizations will also be expected to participate in an independent evaluation that will seek to answer five basic questions:

- Does the model lead to improvement in achievement, graduation rates, and other key school outcomes above and beyond what would have occurred in schools with a comparable population of students?
- Why and how were these effects achieved?
- What aspect of the model drove the effects?
- What was the role of enabling conditions? (including district and state policies)
- Is the cost justified by the outcomes?

Provision III

Interrupting the Dropout Flow from Low-Performing High Schools: Formula Grant Program to States

One of the most serious educational challenges in the country is what to do to interrupt the stream of young people from the subset of large, underperforming high schools where graduation is not the norm. Using a measure of four-year cohort graduation rates, Robert Balfanz and Nettie Legters of Johns Hopkins University looked for all of the public high schools across the country that appear to be graduating 60 percent or fewer of their students. They identified 2,000 such high schools across the country. Half of those schools lose 50 percent or more of their students, functioning, in their words, as “dropout factories.”²²

While found in every state, these high schools are concentrated in the nation’s cities and in high-poverty areas (urban and rural) throughout the South and Southwest. The 2,000 high schools represent only 15 percent of the roughly 14,000 public high schools in the U.S., but they produce more than half of the nation’s dropouts. Two-and-a-half million young people attend these schools, including over one-third of the country’s African American and Hispanic public high school students.²³

Clearly it should be a very high priority to intervene, turn-around, and/or replace these high schools, and potentially some others that are doing only slightly better in graduating their students. Doing so would have an enormous impact on the graduation rate. Why then are such policies not in place? One reason is that many states are still a number of years away from having accurate cohort graduation rate data. Although state governors have committed to measuring graduation rate in this way, these states still lack the capacity to put it into place.

A second, and related reason, (and perhaps why state officials are not rushing to implement and report on such a measure) is that state leaders know that they lack the capacity to intervene effectively in the schools that are already identified as low-performing. In fact, states are becoming increasingly overwhelmed by the number of schools on lists for intervention because they have not met Adequate Yearly Progress for multiple years. Most do not have a policy of prioritizing within these lists those high schools that are losing the most students. Nor do they have the data capacity to allow them to develop ways to calibrate interventions to levels of urgency and intensity.

There is some evidence that schools not in high-poverty areas and those that are relatively close to moving out of under-performing status can benefit from forms of support such as professional development for teachers, tutoring for low-performing students, and technical assistance in modifying curriculum or adopting school models.²⁴ However, for high schools with long histories of under-performance and of losing half or more of their students, such approaches have not gained traction in turning these schools into places where students from all subgroups make steady progress toward meeting academic standards and graduating from high school. Many of these schools, after years of neglect, lack the internal capacity—even with technical assistance—to reach the level of improvements called for.

The high schools that are losing the most students often present a thick stew of problems that make it difficult to turn them around. The challenges include: the poverty level of the students and surrounding community; the disproportionate number of special education and English language learners assigned to the school; the discouragement and in some cases the level of experience and expertise of the teaching staff; the disrepair of the school buildings; and the calcification of practices and procedures that seem to defy attempts at improvement and innovation.

The school districts in which such schools are most commonly found are often themselves beleaguered by a similar set of challenges. In a standards-based environment that puts a premium on academic achievement, district leaders struggle to meet the needs of a changing and diverse student population—especially in the face of accountability requirements that often penalize rather than reward them for holding onto struggling students. This is a task further complicated by a lack of flexibility caused by a combination of long-standing bureaucratic and top-down management practices, collective bargaining agreements, and tight budgets with competing priorities.

Despite such challenges, it is essential to immediately and effectively stop the steady flow of students from low-performing high schools. The growing social, economic, and personal consequences of allowing current trends to continue are enormous, and cannot be tolerated. As discussed in this paper, there are strong reasons to be optimistic about the efficacy of taking action now. More is known than ever before about how to get students on track and keep students on track, even when they enter high school seriously behind.

All states need to apply this knowledge. In addition, other states can learn and apply early lessons from the implementation of new systemic approaches to improving graduation rates that will be validated in the competitive grants program under Provision I. And they can potentially contract with school development entities whose models are validated in the competitive grants program under Provision II.

As knowledge emerges, it is critical for all states to have the foundation of data, policies and practices in place to make use of that knowledge. Provision III of the GPA will provide formula grants to states to build this foundation and make immediate progress in three critical areas:

- Develop capacity to calculate and report accurate cohort graduation rates by state, school, and district
- Recalibrate accountability to ensure that dropouts count and to create incentives for schools to pay attention to struggling students
- Use currently available data to identify the high schools with the lowest graduation rates, and begin to implement evidence-based practices, such as the use of early warning indicators and 9th grade catch-up and acceleration strategies, and to keep abreast of emerging practices and models being validated under Provisions I and II of the GPA.

This provision of the GPA also charges the U.S. Department of Education with convening multi-state learning institutes to facilitate learning on the results emerging from the pioneering work in competitive grant states, support collective problem solving and help guide state development of action plans.

Immediate Attention to Data and Accountability

By the winter of 2007, 11 states will be reporting on cohort graduation rates using a common measure.²⁵ A goal of the GPA is to speed up this process, enabling all states to be ready to report cohort rates within 12 months of passage and to designate high schools with the lowest graduation rates, by sub-population as well as for the whole student body.

Specifically, the GPA will fund expansion of the existing federal data grant program to all 50 states for immediate implementation of the data elements identified by the Data Quality Campaign as most critical to the ability of states to track accurately the students who fall out of the education pipeline. These include: a unique statewide student identifier; student-level enrollment, demographic and program participation information; student-level graduation and dropout data; and a state data audit system assessing data quality, validity, and reliability.

According to the 2005 NCEA Survey of State Data Systems, only 15 states have all four of these elements in place. The survey (www.dataqualitycampaign.org) assessed states anticipated capability as of the 2005-2006 school year.²⁶

The imperative to interrupt the steady flow of students from low-performing high schools requires that states take immediate steps to identify the schools losing the most students, either by using an approved “proxy” for a cohort graduation rate, such as a cumulative promotion index or Averaged Freshman Graduation Rate to calculate which schools have graduation rates of 50 percent or lower or to identify the 10 percent to 15 percent of high schools with the lowest graduation rate in the state.

The intent is to begin to make dropouts count more within state and district accountability systems, to create incentives for schools to pay immediate attention to struggling students, and to develop state policies and procedures for transforming or replacing schools with persistently low graduation rates and high levels of dropping out. In pursuing these goals, it will be important to ensure that those schools specifically designed for returning dropouts are not unintentionally identified as a cause, rather than as a response, to the dropout crisis.²⁷

At the same time, it is important to undertake this work with the recognition that the accountability provisions of NCLB are likely to be a key area of focus during the reauthorization process. The U.S. Department of Education has already granted approval for several states to test the use of “growth measures” that allow them to count students who meet certain improvement targets—even when they are not yet at the proficiency benchmark in their “adequate yearly progress” calculations. As of yet, states have not begun to work out how this might apply to high school. The work undertaken under Provisions I and III of the proposed Graduation Promise Act has the potential to inform the debates around accountability in NCLB, particularly as they relate to the challenges and conditions of high schools with a large proportion of struggling students.

Turning Around the Lowest-Performing High Schools

A central condition of the formula grant is that states take the necessary steps to make immediate progress in interrupting the dropout flow from the lowest-performing high schools. In doing so, states will be expected to make use of evidence-based practices and models as well as promising emerging practices and models being validated under Provisions I and II of the GPA, and to use data to inform decisions on interventions and school models, as well as to track progress and measure impact. The intent is to target immediate intervention where it is most needed. An identifiable group of high schools produce more than half of the nation’s dropouts. A targeted expenditure and effort will make a major impact.

The GPA grants will provide states with a supplemental fund that, combined with matching state investments, will allow for the development of the necessary capacity to carry out a comprehensive intervention process in designated high schools. The foundation for this process is a data analysis with a segmentation of the student population by age, credits, and learning-warning indicators of dropping out and an analysis of the qualifications of the teaching staff (for example, the percentage of inexperienced teachers and percentage teaching outside of their certification area).

A turnaround plan, developed by an intervention team (comprised of a combination of state, district, and school-based people) should be aligned with the findings of this needs assessment, and include a set of short-term and longer-term benchmarks for assessing the school's progress. Failure to make progress on these benchmarks within a period set by the state (not to exceed two years) would result in the state using its authority (or designating to the district the authority) to select a new external school operator or to convert the school into smaller autonomous schools, developed and supported by outside entities such as school and youth development organizations with experience in designing, testing, and spreading proven models.

Finally, the state will be expected to develop a comprehensive action plan that addresses the strategies the state will use to remove policy barriers, and to refine, revise, or create the necessary new policy to support implementation of the turnaround/replacement plans for high schools that are losing the most students.

Closing the Graduation Gap: A Call to Action

Late in 1989, policymakers set a 10-year goal of a 90 percent high school graduation rate. That goal still has not been met. The current U.S. high school graduation rate of 70 percent is neither acceptable nor inevitable. More is known now than ever before about how to close this “graduation gap” and a growing number of states, districts, and school development organizations are poised to extend this knowledge base further. Steady progress on the graduation rate is within reach.

Thus far, NCLB has proven to be a weak instrument for improving either educational attainment or achievement in our high schools. Absent a concerted effort now to close the graduation gap, reauthorization may well offer “too little, too late.” Across the country, states and districts are struggling to maintain momentum for educational improvement and reform, in the face of discouraging data about their graduation and dropout rates.

The Graduation Act of 2007 would have a galvanizing effect on such efforts. It would signal a federal commitment to partner with states, districts, and schools in developing effective strategies and options for keeping high school-aged students in school and helping them achieve at a high level of academic performance.

An annual appropriation of \$1 billion to \$1.5 billion over a five-to-six year period would enable the development of policies, interventions, strategies and models that build on and extend the current knowledge base, as well as the immediate application of the growing evidence base in the nation's 2,000 worst performing high schools that together produce more than half of the dropouts.

Each year that we wait, 1.2 million more students will leave high school without a diploma. The cost is far too great to young people, their families and communities, the states, and the nation.

Endnotes

- ¹ U.S Department of Education, National Center for Education Statistics, Common Core of Data. Data for the 1999-2000 school year.
- ² Education at a Glance 2006. Highlights. 2006. Organisation for Economic Co-operations and Development. Online available: http://www.oecd.org/document/52/0,2340,en_2649_34515_37328564_1_1_1_1,00.html
- ³ For discussion of the problems and challenges associated with calculating accurate graduation and dropouts rates see for example: Pinkus, Lyndsay. June, 2006. *Who's Counted? Who's Counting? Understanding High School Graduation Rates*. Washington, DC: Alliance for Excellent Education; and National Research Council. 2001. *Understanding Dropouts: Statistics, Strategies, and High-Stakes Testing*. Washington, DC: National Academy Press.
- ⁴ Swanson, Christopher. February 25, 2004. *Who Graduates? Who Doesn't? A Statistical Portrait of Public High School Graduation, Class of 2001*. Washington, DC: Education Policy Center, the Urban Institute.
- ⁵ Balfanz, Robert, and Nettie Legters. September 2004. *Locating the Dropout Crisis—Which High Schools Produce the Nation's Dropouts? Where are they Located? Who Attends Them?* Baltimore, MD: Johns Hopkins University.
- ⁶ Postsecondary Education Opportunity. 2006. Median Family Income in Constant 2004 Dollars: 1974 and 2004. Oskaaloosa, IA. Online available: www.postsecondary.org/archives/Posters/MedFamInc04.pdf.
- ⁷ Bridgeland, John M., John J. Dilulio, Jr., and Karen Burke Morison. March 2006. *The Silent Epidemic. Perspectives of High School Dropouts*. Washington, DC: Civil Enterprises, LLC.
- ⁸ For example, states were allowed to calculate graduation rates based on 12th grade enrollment only and set graduation targets that were equal to and in some cases lower than currently reported rates. See Pinkus, Lyndsay. 2006. *Who's Counted? Who's Counting? Understanding High School Graduation Rates*. Washington, DC: Alliance for Excellent Education.
- ⁹ Over half the states are participating in one or both of two different national initiatives directed at high schools, the American Diploma Project (ADP), led by Achieve, Inc. and the National Governors Association Honors States Program. ADP Network states have a shared goal of adopting rigorous high school standards that are aligned with workforce and college readiness skills. The NGA Honors States are working to implement policies focused on high school redesign, high-quality teachers, accountability, and governance.
- ¹⁰ Almeida, Cheryl, Cassius Johnson, and Adria Steinberg. April 2006. *Making Good on a Promise: What Policymakers Can Do to Support the Educational Persistence of Dropouts*. Boston, MA: Jobs for the Future.
- ¹¹ Ibid.
- ¹² Roderick, Melissa. *Closing the Aspirations-Attainment Gap*. April 2006. *Implications for High School Reform. A Commentary from Chicago*. New York: MDRC, Inc.
- ¹³ Allensworth, Elaine and John Q. Easton. June 2005. *The On-Track Indicator as a Predictor of High School Graduation*. Chicago, IL: Consortium on Chicago School Research.
- ¹⁴ An overage and under-credited student was defined as a student who is 2 years behind his or her expected age and credit accumulation in high school.
- ¹⁵ Local, Regents, and GED diplomas are included in this calculation. See: Cahill, Michelle. October 23, 2006. Office of Multiple Pathways to Graduation research presented to the New York State Board of Regents. New York City; and Lynch, JoEllen. June 22, 2006. Office of Multiple Pathways to Graduation research presented to the New York City Commission for Economic Opportunity. New York City.
- ¹⁶ Balfanz, Robert and Liza Herzog. March 18, 2005. *Keeping Middle Grades Students On Track to Graduation*. Philadelphia, PA: Presentation at the Regional Middle Grades Symposium.
- ¹⁷ As Cited by Jerald, Craig: Gleason, P. & Dynarski, M. 2002. "Do We Know Whom To Serve? Issues in Using Risk Factors To Identify Dropouts." *Journal of Education for Students Placed at Risk*. Mahwah, NJ: Lawrence Erlbaum Associates, Inc.
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- ²¹ Thirteen youth and school development organizations are replicating school designs geared to struggling and out-of-school students, as part of the Alternative High School Initiative, funded by the Bill and Melinda Gates Foundation. More information available at: www.ahsi.info
- ²² Balfanz, Robert, and Nettie Legters. September 2004. *Locating the Dropout Crisis—Which High Schools Produce the Nation’s Dropouts? Where Are They Located? Who Attends Them?* Baltimore, MD: Johns Hopkins University.
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- ²⁴ Kirby, Sheil Nataraj, Scott Naftel, Mark Berends, Jennifer Sloan McCombs August, 2005. *Schools Identified as in Need of Improvement Under Title I*. Rand Education.
- ²⁵ *Implementing Graduation Counts: State Progress to Date*. 2006. Washington, DC: National Governors Association.
- ²⁶ *Results of 2005 NCEA Survey of State Data Collection Issues Related to Longitudinal Analysis*. October 18, 2006. Online available: http://www.dataqualitycampaign.org/activities/survey_result_2005.cfm
- ²⁷ One approach would be to replace the requirement of “on-time” graduation (in four years) for students in those schools designed for dropout recovery with one that allows for graduation within 5 or 6 years of that student’s original entry into high school. This will minimize the accidental identification of dropout recovery schools and enable the recovery schools to “get credit” whenever a reenrolled student ultimately graduates.

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