

# Fast Facts

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## Calculating High School Graduation Rates

### What —

The CEEP Education Policy Brief, *Calculating High School Graduation Rates*, by Kylie Stanley, Terry Spradlin, and Dr. Jonathan Plucker, examines various graduation rate calculation methods, the history behind the use of particular methodologies, and the strong nationwide trend toward a cohort rate. Additionally, it looks specifically at Indiana legislation that has shaped the Indiana graduation rate methodology. Finally, the brief considers the recent announcement by U.S. Secretary of Education Margaret Spellings that she will push for a uniform national methodology.

### Why —

Research and financial analyses have repeatedly shown that a high school diploma is not only of value to the individual learner, but also to their community. The Milton & Rose D. Friedman Foundation recently reported that Indiana loses approximately \$62.5 million annually for one year's worth of dropouts. Most educators readily acknowledge the importance of dropout prevention and the significance of a high school diploma; however, there has recently been much attention paid to the way in which high school graduation rates and dropout rates are calculated. The lack of uniform federal guidelines for calculating state graduation rates has led to a diverse array of methodologies, and often inaccurate or misleading calculations.

### How —

While the implementation of a four-year, cohort-based high school graduation rate has some obstacles, the need for consistent, reliable, and comparable data outweighs any arguments against the cohort rate. The National Governors Association has laid out a clear process for adopting the cohort model. Although only 16 states are currently reporting data using the cohort rate, many states are working towards cohort rate reporting capabilities. Moreover, the U.S. Department of Education is taking steps to require all states to calculate graduation rates with the same formula by 2013.

### Recommendations —

- Across Indiana in 2007, only 70 percent of Native Americans, 63 percent of Hispanics, and 57 percent of African American students graduated, compared with 80 percent of Caucasian students. The High School Graduation Taskforce convened by Dr. Suellen Reed, State Superintendent of Public Instruction, should consider initiatives aimed at targeting minority youth and youth in poverty.
- The state of Indiana should consider adding a three-year graduation rate to give educators and policymakers a better idea of the number of students who accelerated their secondary education in order to attend postsecondary institutions early.
- States which are logistically unable to report cohort data, but are working towards the ability, should consider using a method more accurate than the leaver rate in the interim.

To read this Education Policy Brief, go to:  
<http://ceep.indiana.edu/>