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Over 1.2 Million Students Will Not Graduate From High School In 2006, Report Warns; Freshmen the Most Likely to Drop Out

***Study Provides Comparable Data for Every District, State, and the Nation;
Racial and Ethnic Minorities, Boys Less Likely to Graduate***

WASHINGTON—June 20, 2006—One of the most fundamental tasks of public education is to ensure that students graduate with a diploma that prepares them for future education, work, and citizenship. But for the school year now ending, an estimated 1.2 million U.S. students, most of them members of minority groups, will fail to graduate with their peers, according to a new analysis conducted by the Editorial Projects in Education Research Center. That's about 30 percent of the class of 2006.

The analysis by the EPE Research Center is included in a special issue of *Education Week*, *Diplomas Count: An Essential Guide to Graduation Policy and Rates*. The report, the first in an annual Graduation Project series, supported by the Bill & Melinda Gates Foundation, provides detailed data on graduation rates for the 2002-03 school year, the most recent data available, for all 50 states and the District of Columbia, and in the nation's 50 largest school districts.

"Our research paints a much starker picture of the challenges we face in high school graduation. When 30 percent of our 9th graders fail to finish high school with a diploma, we are dealing with a crisis that has frightening implications for our country's future," said EPE Research Center Director Christopher B. Swanson, who oversaw the development of the report.

In addition, the EPE Research Center has created a powerful new online mapping service, at www.edweek.org/dc06. Produced in collaboration with the Redlands, Calif.-based ESRI, a leading designer and producer of geographical mapping applications, it allows users to zoom in on each of the nation's individual school districts and create a special report for that district, including comparisons with state and national figures.

"While we are moving in the right direction in our efforts to provide all young people with the skills and knowledge they need to succeed in today's economy, the results of *Diplomas Count* also expose vast inequities in graduation rates throughout the country," said Tom Vander Ark, executive director of education for the Bill & Melinda Gates Foundation. "This report can be a vital resource for our state and local leaders, educators, parents and others working to find the best ways to prepare our young people for college and career success."

Large Gender and Racial Gaps

A more detailed analysis of data for the school year 2002-03, the most recent available, finds large gaps in graduation rates across racial and ethnic groups, and by gender.

Nationally, about 7 in 10 students graduate from high school with a regular diploma. But about half of American Indian and black students graduate, compared with more than three-quarters of non-Hispanic whites and Asians. The Hispanic graduation rate is 55.6 percent.

Male students are consistently less likely to graduate than females, a pattern that holds true across every racial and ethnic group examined. While 57.8 percent of black female students graduate, that's true for only 44.3 percent of black males. This nearly 14-percentage-point gender gap is the widest among racial and ethnic groups. For Hispanics, the female and male graduation figures are 59.9 percent and 50.1 percent, respectively.

District Graduation Rates Vary Widely

Graduation rates were calculated by the EPE Research Center using the Cumulative Promotion Index (CPI) method, developed by Mr. Swanson. Using information from a federal data set, the CPI estimates the probability that a student in the 9th grade will complete high school on time with a regular diploma.

The report found that graduation rates vary widely across the nation's largest districts, from a high of 82.5 percent in Fairfax County, Va., the nation's 14th largest district, to a low of 21.7 percent in the Detroit Public Schools, the nation's 11th largest district.

On average, 60 percent of all students in urban districts graduate from high school, a rate 10 percentage points lower than the national average and nearly 15 percentage points lower than the suburban average.

Districts where most students are members of racial or ethnic minorities have graduation rates almost 20 percentage points lower than majority-white districts. School systems with high levels of racial segregation also have much lower graduation rates (56.2 percent) than those with low levels of racial segregation (75.1 percent).

The patterns that emerge based on the poverty level and economic segregation of school districts mirror those found for racially segregated districts.

Lost in the Pipeline

The Cumulative Promotion Index method of calculating graduation rates can be used to estimate the numbers of students who fall off track for earning a diploma at various points between the 9th grade and the expected time of graduation.

Nationally, more than one-third of the students (35 percent) lost from the high school pipeline fail to make the transition from the 9th to the 10th grade.

And for every 100 students in 9th grade, 89 will remain in the education pipeline until sophomore year, 81 until junior year, and 75 until senior year. Only 70 of those 100 freshmen earn a regular diploma within four years.

The rate of student loss during the freshman year is more severe for more-disadvantaged groups and school systems. About 40 percent of the student loss in high-poverty districts occurs at the 9th grade, compared with only 27 percent in low-poverty settings.

State-Reported Rates Almost Always Higher

The report found that state graduation rates for the 2002-03 school year, using the Cumulative Promotion Index, range from a high of 84.5 percent in New Jersey to a low of 52.5 percent in South Carolina.

Official state-reported rates for that same year were almost always higher, sometimes much higher. In New Mexico and North Carolina, state-reported rates exceeded the CPI by over 30 percentage points (89 percent vs. 57 percent, and 97 percent vs. 66 percent, respectively).

Washington was the only state that reported a lower rate than the EPE Research Center found using the CPI. A major reason for these differences is the variety of methods states use to calculate their own graduation rates.

The No Child Left Behind Act: An Unfulfilled Promise

Because earning a diploma is so crucial, Congress made high school graduation rates one element for measuring school and district performance under the federal No Child Left Behind Act, which President Bush signed into law in 2002. By making graduation rates part of the calculations for whether high schools and districts make adequate yearly progress (AYP) under the law, federal legislators hoped to discourage schools from pushing out students who were unlikely to meet achievement targets.

But the U.S. Department of Education has allowed each state to choose its own method for calculating graduation rates and to set its own goals for how much improvement schools and districts must make each year. As a result, the report identified eight different (and often misleading) methods states are using to calculate graduation rates this school year.

The report also found that while states must bring 100 percent of students to proficiency on state reading and math tests by the 2013-14 school year, states have set much lower targets for high school graduation rates. Nevada has set a target of 50 percent for that year; New York state, 55 percent. Several states have yet to set a final target for graduation rates.

Moreover, 33 states will permit schools and districts that miss the current graduation-rate target to make adequate yearly progress if they show any improvement in graduation rates, however small. In Delaware, New Mexico, South Carolina, and Vermont, schools and districts can fail to improve graduation rates at all and still make AYP.

A Road Map to State Graduation Policies

In addition to tracking graduation rates, *Diplomas Count* includes information on four areas of state policy tied to high school completion. Among the findings:

- For the 2005-06 school year, students nationwide are expected to earn 20.5 total credits, on average, to earn a standard diploma. State requirements range from a low of 13 total credits in California, Wisconsin, and Wyoming to a high of 24 total credits in Alabama, Florida, South Carolina, and West Virginia.
- States differ considerably in the variety of credentials they offer to students who successfully complete a high school program. While 17 states offer only a single credential—a standard high school diploma—six have multiple standard-diploma options. Also, 24 states offer students exceeding the standard requirements special recognition, such as an honors diploma. In 26 states, students not meeting all the requirements for a standard diploma may receive an alternative credential, such as a certificate of attendance.
- Between 2002 and 2006, the number of states with exit or end-of-course exams increased from 17 to 23. During that time, the exams also became more rigorous. In 2002, only six states based their exit exams on 10th grade standards or higher. By 2006, that number had climbed to 18. The number of states financing remediation for students failing exit exams, however, remained flat.

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The EPE Research Center is the research division of the Bethesda, Md.-based nonprofit Editorial Projects in Education. The Research Center conducts annual policy surveys and collects data for the *Quality Counts* and *Technology Counts* annual reports, and the Education Counts online database. It also contributes research and data to special reports in *Education Week*, *Teacher Magazine*, and edweek.org. The EPE Research Center is on the Web at www.edweek.org/rc.