

**Accountability System Development for 2013
Accountability Technical Advisory Committee (ATAC)**

Dropout, Graduation, and Completion Performance Indicators

Background. Statute requires that dropout rates or completion rates, and graduation rates be used as indicators in the new accountability system. Federal statute requires that graduation rates be used as indicators in AYP. A summary of the use of indicators in the former system and considerations for the new system follow.

From 2004 through 2011, the state accountability system included three types of school leaver indicators in the standard procedures.

- Grade 9-12 four-year longitudinal completion rates (graduates and continuing students)
- Grade 7-8 annual dropout rates
- Data quality measure of underreported students (district *Recognized* and *Exemplary* ratings)

The alternative education accountability (AEA) procedures used different school leaver indicators because of the size of the schools and population of students served.

- Grade 9-12 longitudinal completion rates (graduates, continuing students, and GED recipients)
- Grade 7-12 annual dropout rates

For Adequate Yearly Progress (AYP) under federal accountability, the school leaver indicators are graduation rates.

- Grade 9-12 four-year longitudinal graduation rate
- Grade 9-12 five-year longitudinal graduation rate (since 2010)

Definitions. The TEA is required to use the NCES dropout definition for both state and federal accountability. However, beginning with the annual dropout rate for 2010-11, and completion rates for the class of 2011 (with the change fully phased in for the class of 2014), state statute requires that six groups of students be removed from the dropout definition used for state accountability:

- a) students previously reported as dropouts;
- b) students who are not in membership for purposes of average daily attendance;
- c) students who have been ordered by courts to attend General Educational Development (GED) programs but have not earned GED certificates;
- d) students who are incarcerated in state jails and federal penitentiaries as adults and as persons certified to stand trial as adults;
- e) students whose initial enrollment in a school in the United States in Grades 7 through 12 was as unschooled refugees or asylees; and
- f) students detained in county detention facilities that are located outside the students' home districts.

Because dropouts are a component of the longitudinal graduation rate as well as the annual dropout rate, the dropout definition affects both rates. The state required exclusions are not allowed under the federal definition used for AYP. Consequently, graduation rates calculated for state accountability will no longer align with those calculated for federal accountability in the new system.

Using Longitudinal Completion and Graduation Rates for State Accountability. The state moved from use of an annual dropout rate to a longitudinal completion rate in 2003 for a number of reasons. Graduation and completion rates are more positive indicators than the dropout rate, measuring school success rather than failure. In addition, a longitudinal rate is a more stable measure over time and is more consistent with the public's understanding of graduation and dropout rates. A longitudinal rate also gives districts more time to encourage dropouts to return to school before being held accountable. The completion rate was chosen for the state accountability indicator rather than the graduation rate so that districts and campuses would not be penalized for students who took longer than four years to graduate from high school.

In 2010, the USDE gave states the option of using an extended year graduation rate for AYP as well as the four-year graduation rate. Texas received approval for use of a five-year graduation rate. Most continuing students (students who did not graduate with their class but returned to school the following year) have left school by the end of the fifth year. The five-year graduation rate more accurately credits campuses and districts for students who graduated but took longer than four years to do so.

Recommendation 1: Include Grade 9-12 four-year graduation rates and Grade 9-12 five-year graduation rates in the Postsecondary Readiness Index.

- Calculation: The four-year graduation rate follows a cohort of first-time ninth-graders through their expected graduation three years later. (The five-year graduation rate follows the same cohort of students for one additional year.) Students who later enter the Texas public school system after Grade 9 in the grade level expected for the cohort are added. Students who transfer out of the Texas public school system over the four or five years for non-dropout reasons are removed from the cohort. Only students who receive a regular high school diploma from a Texas public school count as graduates. Students, including those served in special education, are awarded diplomas following satisfactory completion of all curriculum, credit, and assessment requirements. The graduation rate calculation is below.

$$\frac{\text{graduates}}{\text{graduates} + \text{continuers} + \text{GED recipients} + \text{dropouts}}$$

- Campuses/districts with graduation rate indicators: Four-year graduation rates are calculated for campuses and districts with students in Grade 9 and either Grade 11 or 12 in both year 1 and year 5, or with Grade 12 in both year 1 and year 5. Five year graduation rates follow the same cohort of students for one additional year; therefore, most campuses and districts that have a four-year graduation rate will have a five-year graduation rate for that cohort in the following year.
- Student groups: Graduation rates are included in the performance index for All Students, and for the race/ethnicity student groups and any other student groups whose performance is included in the Postsecondary Readiness Index.

Rationale: The Grade 9-12 four-year graduation rates reflect the goal of the high school program – for students to receive a high school diploma within four years of entering Grade 9. The Grade 9-12 five-year graduation rate emphasizes the importance of keeping all students in school until they complete all

graduation requirements and recognizes the efforts of campuses and districts that retain students who have fallen behind and recover students who leave school before graduating. The five-year graduation rate more accurately credits campuses and districts for all graduates than the completion rate. Although the indicator definitions differ slightly due to differences in statutory requirements, the indicators in the state and federal accountability systems are aligned to the greatest extent possible.

Use of three-year average rates is not recommended for these indicators because they are longitudinal measures that already incorporate data across five or six school years.

The recommendation does not include the Grade 9-12 longitudinal dropout rate. The longitudinal dropout rate is one of four components of the calculation that produces the graduation rate. As such, the two rates are measuring the same campus/district performance. The ATAC Performance Index Workgroup recommended use of a Grade 9-12 longitudinal dropout rate rather than annual dropout rate to meet statutory requirements for inclusion of a dropout rate in the accountability system.

Recommended High School Program/Advanced High School Program. The percent of graduates meeting requirements for the Recommended High School Program (RHSP) or a more difficult diploma program has been an acknowledgement indicator in the state accountability system since 2000. Although the RHSP/AHSP indicator is not a statutory requirement, one of the statutory goals specifically references closing gaps among groups in the percentage of students graduating under the recommended high school program and advanced high school program. Almost 83 percent of 2009-10 graduates met or exceeded the RHSP graduation requirements. Performance on this indicator may decline initially in 2014-15 because of the more difficult end-of-course assessment requirements for graduation under the STAAR assessment program.

Recommendation 2: Include RHSP/AHSP Graduates in the Postsecondary Readiness Index.

- Calculation: The RHSP/AHSP Graduates is the percent of graduates who were reported as having satisfied the course requirements and EOC cumulative score requirements for the Recommended High School Program or Advanced High School Program.

$$\frac{\text{number of graduates with graduation codes for RHSP or AHSP}}{\text{number of graduates}}$$

- Campuses/districts with RHSP/AHSP indicators: The RHSP/AHSP indicators are calculated for campuses and districts that report graduates.
- Student groups: RHSP/AHSP Graduates are included in the performance index for All Students, and for the race/ethnicity student groups and any other student groups whose performance is included in the Postsecondary Readiness Index.

Rationale: Although not statutorily required for the base ratings, this indicator directly addresses one of the goals of the new accountability system. It is recommended by the Performance Index Workgroup as a measure of performance beyond the minimum graduation requirements.

Use of three-year average rates is not recommended for this indicator. Although it is an annual indicator, it incorporates performance across a student's high school career.

Annual Dropout Rate. When the Grade 9-12 longitudinal completion rate replaced the Grade 7-12 annual dropout rate for those grades in the state accountability system in 2004, the annual dropout rate was retained for Grades 7-8 to allow monitoring of students who drop out before they can be included in a longitudinal high school cohort. The Grade 7-12 annual dropout rate was included in AEA procedures in part because the alternative education campuses and charters that were eligible for AEA procedures did not have completion rates or did not meet minimum size criteria on the completion rate. Grade 7-12 annual dropout rates have declined over time and are very low statewide, 1.7 percent in 2009-10. However, there are performance gaps among student groups – in 2009-10 the Grade 7-12 annual dropout rate for African American students (2.7%) was over three times that for white students (0.8%), and the rate for Hispanic students was over two times higher (2.1%).

Recommendation 3: Include Grade 7-12 annual dropout rates in the Postsecondary Readiness Index.

- Calculation: The annual dropout rate is calculated by dividing the number of students in Grades 7-12 designated as dropouts by the number of students enrolled in Grades 7-12 at any time during the school year.

$$\frac{\text{number of students who dropped out during the school year}}{\text{number of students enrolled during the school year}}$$

For the three-year average rate, the numerators and denominators for three years are summed and a new rate calculated.

- Campuses/districts with annual dropout rate indicators: An annual dropout rate is calculated for campuses and districts with students in any of the grades included in the dropout rate.
- Student groups: Annual dropout rates are included in the performance index for All Students, and for the race/ethnicity student groups and other student groups whose performance is included in the Postsecondary Readiness Index.
- Three-year average. If All Students or a student group meets minimum size requirements, the better of the current annual dropout rate and the three-year average rate will be used in the Postsecondary Readiness Index.

Rationale: The Grade 7-12 annual dropout rate satisfies the statutory requirement that accountability indicators include dropout rates. The Grade 7-12 rate monitors performance of students who drop out before they can be included in a longitudinal graduation rate cohort, and strengthens requirements for middle schools in the Postsecondary Readiness Index. The Grade 7-12 annual dropout rate also provides an indicator for small campuses, districts, and charter schools that do not meet minimum size requirements for the graduation rate. Of the 1669 campuses for which a longitudinal graduation rate is calculated, over 99 percent would meet a minimum size requirement of 10 students? for the Grade 7-12 annual dropout rate; over 97 percent would meet a minimum size requirement of 30. In addition, an annual dropout rate is calculated for high school campuses that do not have a longitudinal graduation rate, such as ninth grade centers, new campuses and charters, and campuses that have changed grade configurations.

The Grade 7-12 annual dropout rate provides a current year measure of students dropping out of all secondary grades as a complement to the Grade 9-12 four-year graduation rate, which tracks a single

cohort, and the Grade 9-12 five-year graduation rate, which measures final outcomes and credits campuses and districts for dropout recovery as well.

Although annual dropout rates are low statewide, especially for Grade 7-8, this can be attributed in part to including the Grade 7-8 annual dropout rate in the state accountability system. As noted above, there are performance gaps among student groups, and some campuses and districts have much higher annual dropout rates.

The Performance Index Workgroup recommended not including a Grade 7-8 annual dropout rate in the Postsecondary Readiness Index because of the small numbers of dropouts at these grades. The option to use the three-year average annual dropout rate will help in situations in which a small change in numbers in one year translates to a dropout rate that does not accurately reflect the performance of the campus or district dropout prevention programs.

Leaver Data Quality. The longitudinal high school graduation rates require tracking a cohort of students over a number of years, from the time they enter Grade 9 until after their anticipated graduation date. Using information submitted through the Public Education Information Management System (PEIMS) and other data files, most students are assigned one of four final statuses: graduate, continuer, GED recipient, or dropout. Two groups of students from a cohort are not assigned final statuses:

- 1) students who cannot be tracked from year to year because districts submitted their records to TEA with identification errors; and
- 2) students for whom districts did not submit final status records, who are considered underreported.

For the class of 2010 cohort, 1,356 students (0.4%) could not be tracked because of identification errors, and 5,129 students (1.4%) were underreported by districts. If these students were included in the denominator of the longitudinal rate calculations, the graduation rate for the class of 2010 would drop 1.7 percentage points from 84.3 percent to 82.6 percent. Although most districts would see no change in their graduation rates, some district graduation rates would be as much as 10 percentage points lower. Also, data errors and underreported students are higher for some student groups.

Accuracy of the leaver data reflects on the fairness of the ratings assigned to districts and campuses. As noted above, underreported students indicators could prevent a district from receiving an *Exemplary* or *Recognized* rating in the former state accountability system. An issue that must be addressed under the new accountability system is application of data quality safeguards to campuses as well as districts. Safeguard measures can be built into the performance index to prevent districts and campuses from benefitting from graduation rates when data errors reach a certain threshold. Following is one example of how a data quality safeguard would work in the Postsecondary Readiness Index.

If a district or campus meets all of the following criteria:

- error rate for the cohort meets minimum size criteria, AND
- number of identification errors and underreported students exceeds threshold, AND
- error rate for identification errors and underreported students exceeds XXth percentile;

then a graduation rate value of zero would be assigned to Performance Index 4 (rather than points assigned based on the graduation rate).

Recommendation 4: Incorporate leaver data quality indicators into the Postsecondary Readiness Index as system safeguards rather than as additional indicators. TEA will research use of both annual and longitudinal data quality indicators at the campus and student group levels. Models results for the leaver data indicators with data quality safeguards will be presented at the August ATAC meeting.

Rationale: Using data quality indicators as a safeguard directly addresses the primary concern with data errors – the data do not produce reliable measures of performance for the campus or district. This approach avoids assigning an overall Data Integrity Issues rating due to one data source but also does not allow the district or campus to benefit from indicators calculated with data that contain excessive errors.

Minimum Size Criteria. In a performance index framework, minimum size criteria determine whether performance on a measure is included in the index. Decisions about minimum size criteria need to address issues of student confidentiality, face validity, test reliability, and statistical reliability.

Recommendation 5: For all leaver indicators, use an All Students minimum size criterion of 10 students. The minimum size criteria apply to the denominator of the indicator as shown below. For student groups, use a minimum size criterion of 30 students.

- Grade 9-12 four-year graduation rate: number of students in the graduating class (graduates, continuing students, GED recipients, and dropouts)
- Grade 9-12 five-year graduation rate: number of students in the graduating class (graduates, continuing students, GED recipients, and dropouts)
- RHSP/AHSP graduates: number of graduates in the school year
- Annual dropout rate: number of students enrolled during the school year in Grades 7-12
- Data quality indicator: denominator of the indicator (which may also have a numerator minimum size criteria)

Rationale: The minimum size criteria are based on the criteria for the former state accountability system. Two safeguards built into the minimum size criteria that were necessary under a separate indicators system are not included in the minimum size requirements for the performance index.

- 1) The requirement that the student group make up at least 10 percent of All Students or at least 50 students is not necessary because one indicator alone cannot result in a lower accountability rating. This safeguard is not necessary for purposes of confidentiality, validity, or reliability.
- 2) The numerator minimum size requirement of at least five dropouts was a safeguard against lowering a rating for a campus or district based on fewer than five students dropping out of school. Under the performance index framework a single indicator cannot lower a rating. Furthermore, the numerator minimum size criteria would prevent campuses and districts with very few dropouts from receiving credit in the performance index for high graduation rates. The option to use the three-year average for the annual dropout rate will provide an additional safeguard for a small campus or district.