

Understanding High School Graduation Rates in the United States

Graduation rates are a fundamental indicator of whether or not the nation's public school system is doing what it is intended to do: enroll, engage, and educate youth to be productive members of society. Since almost 90 percent of the fastest-growing and highest-paying jobs require some postsecondary education, having a high school diploma and the skills to succeed in college and the workplace are essential. Yet nationally, one-third of students—about 1.3 million each year—leave high school without a diploma, at a high cost to themselves and society at large. Unacceptably low graduation rates, particularly among poor and minority students, have been obscured for far too long by inaccurate data, calculations, and reporting, and inadequate accountability systems at the state and federal levels.

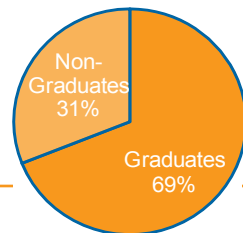


Critical Indicator of Success

Graduation rates are an important indicator of school performance for parents, policymakers, and other concerned community members. As a result, graduation rates must be a cornerstone of high school accountability and used in decisionmaking about the targeting of resources and interventions to low-performing schools. Holding schools, districts, and states responsible for aggressively increasing graduation rates while also improving student performance is necessary to discourage schools from “pushing out” students who might not score high enough on achievement tests.

Who's Graduating in the United States?

According to the Editorial Projects in Education Research Center, about 69 percent of all students in the United States graduate from high school with a regular diploma in four years.



Costs of the United States' Dropouts to Individuals and Society

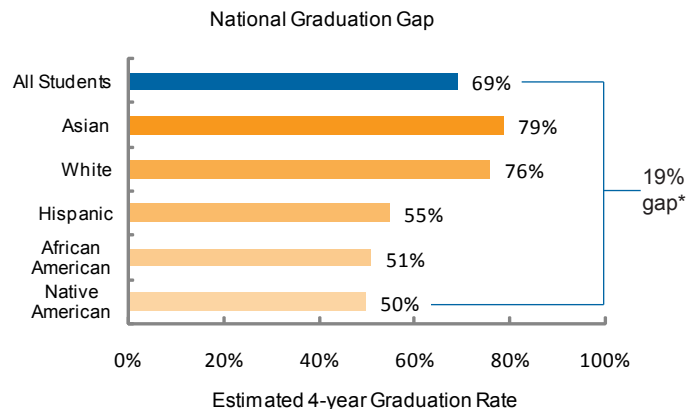
There is a well-documented earnings gap between high school graduates and dropouts—an annual difference of nearly \$10,000. There is also a growing challenge for individuals with only a high school diploma to find stable, well-paying jobs. The costs of dropping out are born not just by individuals, but by the communities in which they live, and the rest of society. The potential economic benefit of improving students' academic outcomes should be a wake-up call to the importance of reforming America's high schools. Dropouts from the class of 2008 will **cost the United States almost \$319 billion** in lost wages over their lifetimes.

Problematic Calculations

For graduation rates to be useful, they must be reliable, consistent across states, and comparable. Although the No Child Left Behind Act of 2001 (NCLB) requires states to use a particular graduation rate calculation, poor definitions and inconsistent implementation have resulted in a range of confusing graduation rate calculations that do not provide the accurate measurement intended by the law. Over the last few years, independent researchers have confirmed that many more of the nation's youth are dropping out during high school than had been reported, and they have issued estimates that most experts agree are far more accurate than those of most government sources. In most states there is a wide variation between state-reported, federally-reported, and independently-reported rates. Recently announced federal regulations require that states implement a common formula by school year 2010–2011; however, further federal action is needed to clarify the role of graduation rates in reporting and accountability systems. Currently, the average difference between states' and independent sources is about 11 percent.

Graduation Gaps and Inequities

There are significant graduation gaps among student subgroups. To help close these harmful achievement gaps and raise graduation rates for all students, graduation rates must be disaggregated for both reporting and accountability purposes.



*Figures calculated prior to rounding.

All graduation rates are for the school year 2005–06.

For access to sources and notes please visit http://www.all4ed.org/publication_material/understanding_HSgradrates.

© July 2009 by the Alliance for Excellent Education