

The National Governors Association Compact Rate: A Comprehensive Approach to Improved Accuracy and Consistency in High School Graduation Rates, Class of 2010 Update

Overview

The National Governors Association (NGA) "Compact Rate" is a four-year, adjusted cohort graduation rate used to determine the percentage of on-time high school graduates (those receiving diplomas) from a given four-year student cohort. It is widely considered a high-quality, practical graduation rate capable of improving consistency and accuracy among statewide reporting systems. The NGA has been the principal organization supporting the ongoing development and implementation of the Compact Rate, and has produced three reports detailing its efforts (2010, 2009, 2005).^{i,ii,iii} This brief draws from those reports.

Compact Rate Definition

The numerator of the Compact Rate is the number of graduates who receive regular or advanced diplomas within four years of entering ninth grade. Students who continue high school in the fall following their expected graduation date or receive General Educational Development (GED) certificates are not considered graduates in the Compact Rate.

The denominator of the Compact Rate is the number of students who begin ninth grade in a given school year adjusted for the number of students who transfer in or out over the next three years.

The NGA compact formula is as follows:

$$\text{graduation rate} = \frac{\text{on-time graduates in year } x}{(\text{first-time entering ninth graders in year } x - 4) + (\text{transfers in}) - (\text{transfers out})}$$

The Compact Rate differs from other graduation rates in two critical ways: (1) the numerator is made up of graduates who receive regular or advanced diplomas within four years of entering ninth grade, whereas other graduation rates use different criteria to define graduates; and (2) the Compact Rate is derived from actual student-level data, rather than the estimated student counts used to calculate measures such as leaver and attrition rates. These distinctions are thought to better align the methods of calculating, reporting, and analyzing graduation rates among the 50 states, thereby improving the accuracy and consistency of results.

An attrition rate, for example, does not take into account any of the reasons beginning and ending enrollments differ. The Grade 9-12 attrition rate, which is the percentage change in fall enrollment between Grade 9 and Grade 12 across years, does not take into account Grade 9 enrollment that may be high because some students are repeating Grade 9. The attrition rate also does not take into account Grade 12 enrollment that may be lower than Grade 9 enrollment three years earlier because some students left public school for other educational settings, graduated early, or are in school but not yet in Grade 12. Finally, the attrition rate does not take into account whether a student enrolled in Grade 12 goes on to graduate.^{iv}

Although states continue to have some discretion in determining which students are considered graduates and how the four-year cohorts are adjusted, the results of the reporting process are generally comparable, and efforts at improving accuracy and consistency continue.

Implementation

In 2005, the governors of all 50 states signed the Graduation Counts Compact, and the Compact Rate became the accepted measure for calculating graduation rates. The commitment to implement a four-year, adjusted cohort graduation rate was then mandated in 2008 by the U.S. Department of Education after it

approved new regulations requiring each state to report a four-year, adjusted cohort graduation rate at the state, district, and high school levels for the 2010-11 school year. States were also required to use the four-year, adjusted cohort graduation rate for determining Adequate Yearly Progress at the same levels, disaggregated by specified student groups, after the 2011-12 school year. Texas was a forerunner in the effort to institute the Compact Rate, having been the first state to begin calculating and reporting a four-year, adjusted cohort graduation rate beginning with the class of 1996.

In *Implementing Graduation Counts: State Progress to Date, 2010*, the NGA Center for Best Practices described the progress made to date in implementing the Compact Rate and its complementary efforts.

- Forty-five states planned to report their high school graduation rate using the Compact formula by the end of 2011, and three more states planned to report this rate by the end of 2012. Two states received a waiver from the U.S. Department of Education to report the Compact rate after 2012.
- In total, 48 states planned to report the Compact rate for the cohort graduating in 2011, and 49 states reported they had the data systems needed to track individual students and more accurately calculate the high school graduation rate using the NGA Compact Rate. (2010, p. 1).

In the report, the NGA further proposed that, to effectively promote consistency and accuracy in state data collection, reporting, and analysis, each state's adoption of the Compact Rate should be complemented by the following.

- **Build state data collection and reporting capacity** to ensure that the system can collect, analyze, and report the adopted indicators and other important information. Ultimately, states should adopt student-unit-record data systems that include unique student identifiers that can be used to track students through the education system from kindergarten through postsecondary education.
- **Develop additional student outcome indicators** to provide richer context and understanding about outcomes for students and how well the system is serving them, including the following: five- and six-year cohort graduation rates; a college-ready graduation rate; a dropout rate; completion rates for students earning alternative completion credentials from the state or GEDs; in-grade retention rates; and percentages of students who have not graduated but are still in school or who have completed course requirements but failed state examinations required for graduation.
- **Develop public understanding** about the need for good graduation and dropout rate data. State leaders should ensure that parents, educators, and the public understand that, initially, the numbers may be worse, but it is important to have better information on student outcomes to ensure that all students graduate from high school.
- **Report annually on progress** toward meeting these commitments.

The NGA believes that the combined effect of these educational reforms will ensure that each state is able to better understand and address the educational needs and interests of its students.

Results

Four-Year Graduation Rates, by Race/Ethnicity, Selected States Using the Compact Rate, Class of 2010

State	All Students	African American	American Indian	Asian/ Pacific Islander	Hispanic	White
Iowa	88.8	72.0	73.3	— ^a	76.5	90.5
<i>(http://educateiowa.gov/index.php?option=com_docman&task=doc_download&gid=12252&Itemid=4434)</i>						
Illinois	87.8	78.0	86.0	95.0	79.4	93.3
<i>(http://webprod.isbe.net/ereportcard/publicsite/getSearchCriteria.aspx then see State Report Card for Fiscal Year 2010)</i>						
Vermont	87.5	75.3	74.2	—	80.6	87.8
<i>(http://education.vermont.gov/new/pdfdoc/data/dropout/EDU-Dropout_and_High_School_Completion_Report_2009_2010.pdf)</i>						
North Dakota	86.2	79.5	60.5	88.5	67.8	89.7
<i>(http://www.dpi.state.nd.us/dpi/reports/Profile/1011/ProfileDistrict/99999.pdf)</i>						
Tennessee	86.1	78.5	83.4	93.7	85.2	88.8
<i>(http://edu.reportcard.state.tn.us/pls/apex/f?p=200:20:3531678093953041::NO)</i>						
New Hampshire	85.9	—	—	—	—	—
<i>(http://www.education.nh.gov/data/documents/cohort_report_09_10.pdf)</i>						
Wisconsin	85.7	60.5	67.7	83.4	69.0	90.7
<i>(http://data.dpi.state.wi.us/data/HSCompletionPage.aspx?OrgLevel=st&GraphFile=HIGH SCHOOL COMPLETION&S4orALL=1&SRegion=1&SCounty=47&SAthleticConf=45&SCESA=05&Qquad=performance.aspx&STYP=9&TmFrm=4&Group=AllStudentsFAY)</i>						
Virginia	85.5	78.9	82.2	93.9	76.1	88.9
<i>(http://www.doe.virginia.gov/statistics_reports/graduation_completion/cohort_reports/cohort_state_rate_4_results_2010.pdf)</i>						
Arkansas	84.8	81.3	—	—	78.8	85.4
<i>(http://normessasweb.uark.edu/schoolperformance/State/State.php)</i>						
Texas	84.3	78.8	84.2	93.8	78.8	91.6
<i>(http://www.tea.state.tx.us/acctres/dropcomp_index.html#reports then see Secondary School Completion and Dropouts in Texas Public Schools, 2009-10)</i>						
Indiana	84.1	72.2	77.0	89.2	76.5	86.5
<i>(http://www.doe.in.gov/gradrate/ then see 2009-2010 Public School Statutory Graduation Rate Data, Disaggregated Graduation Rate)</i>						
Maine	82.8	—	—	—	—	—
<i>(http://www.maine.gov/education/gradrates/gradrate0910.html)</i>						
Massachusetts	82.1	68.5	76.1	—	61.1	87.7
<i>(http://www.doe.mass.edu/info/services/reports/gradrates/10_4yr.pdf)</i>						
Maryland	82.0	74.0	75.9	93.0	73.4	88.3
<i>(http://mdreportcard.org/GraduationOverview.aspx?K=99AAAA then see 4-Year Adjusted Cohort)</i>						
Delaware	81.9	75.7	78.1	89.6	75.7	86.0
<i>(http://www.doe.k12.de.us/reports_data/gradrate/default.shtml then see Detailed School and District Level Graduation History (2003-2010))</i>						
Connecticut	81.8	68.7	72.9	88.8	64.0	88.7
<i>(http://www.csde.state.ct.us/public/cedar/GraduationRates/State_level.pdf)</i>						
Kansas	80.7	66.2	68.5	—	70.3	84.5
<i>(http://online.ksde.org/rcard/state_grad.aspx?org_no=D%)</i>						
Wyoming	80.4	80.0	44.9	—	67.8	83.3
<i>(http://edu.wyoming.gov/Libraries/Data_Information_and_Reports/WY_Graduation_Rates_State_2009-10.sflb.aspx)</i>						
Hawaii	80.0	72.0	76.0	80.0	72.0	77.0
<i>(http://arch.k12.hi.us/PDFs/nclb2011/NCLB999.pdf)</i>						
Florida	79.0	68.4	76.8	89.8	75.3	85.4
<i>(http://www.fldoe.org/eias/eiaspubs/pubstudent.asp then see Florida Public High School Graduation and Dropout Rates, 2010-11)</i>						
Pennsylvania ^b	78.7	—	—	—	—	—
<i>(http://www.education.state.pa.us/portal/server.pl/community/pennsylvania_department_of_education/7237/info/757639)</i>						
Ohio	78.0	56.0	62.6	86.2	59.9	83.8
<i>(http://education.ohio.gov/GD/Templates/Pages/ODE/ODEDetail.aspx?page=3&TopicRelationID=115&ContentID=34744 then see 2010-2011 State Report Card)</i>						
New York	76.1	62.1	61.3	85.3	61.4	85.6
<i>(http://www.p12.nysed.gov/firs/pressRelease/20110614/home.html then see 2006 Cohort Graduation Rates additional slides)</i>						
Michigan	76.0	58.0	65.9	87.1	63.5	82.0
<i>(http://www.michigan.gov/cepi/0,4546,7-113-21423_30451_51357---00.html then see 2010 Cohort Four-Year, 2009 Cohort Five-Year and 2008 Cohort Six-Year Graduation and Dropout Rates including Subgroups)</i>						
Minnesota	75.9	46.9	45.3	70.0	49.2	82.8
<i>(https://education.state.mn.us/MDEAnalytics/Data.jsp then see Student)</i>						
Rhode Island	75.8	67.1	61.3	81.0	66.3	79.3
<i>(http://www.ride.ri.gov/RIDE/GraduationRates.aspx then see 2010 Graduation Rates by Cohort, by NCLB Subgroups (4-year cohort))</i>						

^aNot available or not found. ^bData are preliminary.

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**Four-Year Graduation Rates, by Race/Ethnicity, Selected States Using the Compact Rate, Class of 2010
(continued)**

State	All Students	African American	American Indian	Asian/ Pacific Islander	Hispanic	White
West Virginia <small>(http://wveis.k12.wv.us/nclb/pub/enroll/repstatqr.cfm?xrep=1&sy=10)</small>	75.5	67.5	50.0	89.7	74.0	75.9
North Carolina <small>(http://accrpt.ncpublicschools.org/app/2010/cqr/)</small>	74.2	66.9	68.0	85.2	61.4	79.6
Colorado <small>(http://www.cde.state.co.us/cdereval/download/PDF/2010GradPressRelease.pdf)</small>	72.4	63.7	50.1	82.4	55.5	80.2
South Carolina <small>(http://ed.sc.gov/data/avp/2011/index.cfm)</small>	72.1	–	–	–	–	–
Mississippi <small>(http://www.mde.k12.ms.us/dropout_prevention/rate_information_2.html then see 4-Year DISTRICT-LEVEL GRADUATION Rates)</small>	71.4	64.9	72.5	87.5	67.5	78.6
New Mexico <small>(http://www.ped.state.nm.us/Graduation/dl114-Year%20Cohort%20Graduation%20Rates.%20Class%20of%202010.pdf)</small>	67.3	62.1	60.5	83.9	64.1	75.6
Louisiana <small>(http://doe.louisiana.gov/topics/cohort_rates.html)</small>	67.2	–	–	–	–	–
Oregon <small>(http://www.ode.state.or.us/search/page/?id=2644 then see Summary of 2009-10 Four-Year Cohort Graduation Rates)</small>	66.4	49.8	50.3	76.1	55.2	69.9

^aNot available or not found. ^bData are preliminary.

Four-year graduation rates for the class of 2010 were found for 34 of the 45 states that planned to report the Compact Rate by the end of 2011. In 2010, the overall graduation rate for Texas public school students was 84.3 percent. This was the tenth highest rate among the 34 states reported above. Across these states, Texas had the second highest graduation rate for White students (91.6%) and, along with Arkansas, the fourth highest rate for Hispanic students (78.8%). Texas had the fifth highest rate for African American students (78.8%). Of the Texas students who did not graduate within four years, 7.2 percent continued in high school the fall after their expected graduation date, 1.3 percent received GED certificates, and 7.3 percent dropped out.

ⁱNational Governors Association. (2005). *Graduation counts: A report of the National Governors Association Task Force on State High School Graduation Data*. Retrieved January 5, 2012, from <http://www.nga.org/files/live/sites/NGA/files/pdf/0507GRAD.PDF>

ⁱⁱNational Governors Association. (2009). *Implementing graduation counts: State progress to date, 2009*. Retrieved January 5, 2012, from <http://www.nga.org/files/live/sites/NGA/files/pdf/0907GRADCOUNTSPROGRESS.PDF>

ⁱⁱⁱNational Governors Association. (2010). *Implementing graduation counts: State progress to date, 2010*. Retrieved January 5, 2012, from <http://www.nga.org/files/live/sites/NGA/files/pdf/1012GRADCOUNTSPROGRESS.PDF>

^{iv}Texas Education Agency. (2011). *Secondary school completion and dropouts in Texas public schools, 2009-10* (Document No. GE11 601 08). Austin, TX: Author.