



Goal Seeking: The Pursuit of Higher Graduation Rates

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Over the last few years, there has been significant media coverage of the rising high school graduation rates in states throughout the country.[1] However, in the last year, whistleblowers have cast doubt over the reality of those gains. In hindsight, many stakeholders have come to the realization that the speed at which graduation rates have increased may be symptoms of underlying issues. Though these issues have been highlighted in school districts in Chicago,[2] Orlando,[3] Los Angeles,[4] Prince George's County in Maryland,[5] Dallas[6] and Washington, D.C.[7], there is a strong likelihood that these issues are not isolated to these jurisdictions.

Alvarez & Marsal (A&M) has recently performed a number of these graduation rate investigations on behalf of states and school districts.

Graduation Rates and State Accountability

The Elementary & Secondary Education Act (ESEA) of 1965 was originally passed with the goal of improving educational equity for students from lower-income families by providing federal funds to school districts serving poor students. In return for this federal funding, states and districts must show that they are working to meet the needs of, and providing a quality education to, all of their students. In 2002, the ESEA was reauthorized as the No Child Left Behind Act (NCLB) of 2001, significantly increasing state and district accountability to the federal government for educational results. The NCLB was reauthorized in 2015 as Every Student Succeeds Act (ESSA) and though many changes were made to allow states more flexibility, the state accountability plans were still focused on testing results and high school graduation rates. ESSA requires districts to report college enrollment rates in addition to graduation rates.[8]

In years following the enactment of the NCLB of 2001, reports of soaring test scores over short periods of time were commonplace. The testing gains were significant and found to be statistically impossible in many instances. Schools in cities across the U.S. – including Denver, Washington, D.C., New York and most notably, Atlanta[9] – were implicated in test tampering fraud as schools struggled to keep up with the strict test accountability requirements of NCLB. After significant test security enforcement, many investigations revealing these test security breaches, and improved monitoring, talk of testing fraud appears to have dissipated as test scores have remained flat or decreased over the last few years. However, as test scores have remained stagnant over the last five years, graduation rates have risen in the double digits across many states.

Prior to school year 2010-2011, the methodology for calculating graduation rates was left to the discretion of the states. Many states only considered the final year of high school and the number of students from that graduating class that earned a diploma, failing to consider transfers and dropouts who left prior to their senior year. However, starting with school year 2011-2012, the U.S. Department of Education (USDOE) implemented the adjusted cohort graduation rate methodology – a more rigorous measure to be applied consistently across all U.S. high schools.[10] The new measure looks at the student cohort that starts in ninth grade,

adjusts for transfers, dropouts and deaths, and then tracks the number of students who successfully graduated with a diploma in four years.

Graduation Rate Inflation

The graduation rates of U.S. high schools have been soaring in recent years. The overall U.S. rate has increased approximately one percent each year over the last five years reported – from 79 percent in school year 2010-2011 to 81 percent by school year 2015-2016.^[11] Some states, however, have reported double-digit increases over the same period including Alabama, West Virginia, Georgia, Nevada, Florida and the District of Columbia.

Graduation rate gains in many school districts have recently come under scrutiny due, in significant part, to allegations made by current and former teachers and other school personnel. These allegations highlight the pressures felt by many teachers to pass failing and chronically absent students, forcing teachers to graduate unqualified students due to the fear of losing their jobs. Teachers have complained that their students' grades or attendance records have been changed without their authorization and that students who do not qualify for credit recovery have been allowed to take credit recovery courses. Allegations have also been made that students are graduating without having satisfied graduation requirements.

Investigation Findings

During our graduation rate investigations, A&M has corroborated many of the alleged improprieties. Some of the widespread findings uncovered during our graduation rate investigations include the following:

1. **Failure to Follow Attendance-Related Grading Policies** – The school districts that were investigated have policies that mandate that student grades be reduced, or the student be awarded a failing grade if he accumulates a specified number of unexcused absences in a class. Teachers were largely unaware of these policies and the school districts failed to monitor the implementation of these policies or to provide training to school personnel.
2. **Inappropriate Use of Credit Recovery Programs** – Credit recovery courses are intended to offer alternative pathways for students to earn credits in courses that they have already failed. A&M found significant instances of credit recovery misuse including students taking credit recovery courses without first failing an original credit course, and the unauthorized use of credit recovery programs developed by individual schools.
3. **School Systems Fail to Provide Support and Oversight to Schools** – Poor training, monitoring and communication of policies and procedures from school system central offices to schools played a significant part in the resulting violations of policies and procedures related to grading, credit recovery, attendance and graduation certification.
4. **Pressure to Pass Students** – School systems embed indirect pressures through the performance evaluation and other administrative processes which deter teachers from giving failing grades to their students. Schools require teachers to exert significant time, effort and documentation before they can fail a student (e.g. multiple phone calls, home visits and make-up work). Many school performance evaluations take into account high student pass rates, attendance and graduation rates – this serves as a deterrent from failing students due to the potential negative impact on teacher evaluations which could impact employment. Teachers and administrators working with high needs student populations are empathetic to the students' extenuating circumstances (e.g. those living in poverty, those with special needs and immigrant populations) resulting in a bias towards leniency. These factors all contribute to a culture of passing students who have otherwise failed to master the content of their coursework.

Investigations in Chicago^[12] revealed that the state was manipulating their four-year adjusted cohorts by improperly accounting for students in a way that makes the graduation rate more favorable (e.g. reflecting students who dropped out as transfers out of state). In Orlando,^[13] schools transferred their problem students to private Alternative High Schools, thereby removing the students that they knew would be unable to graduate on time from the cohort so that graduation rates would not be negatively impacted.

Conclusion

These findings are not isolated to the states where investigations have been performed, and raise many questions regarding the value of a U.S. high school diploma. Though it is likely that the vast majority of students graduating have properly met graduation requirements, some argue that many others are being pushed through the high school system unprepared for academic or work life ahead. Many parents have reported that their kids have graduated high school but are still unable to read and others state that their students are signing up for remedial English and math classes at colleges and universities, putting a financial burden on the

families.[14]

This graduation rate phenomenon in many ways resembles the test cheating scandals of NCLB era, resulting from the heavy sanctions that states faced for not making progress in test scores. Ultimately, the graduation rate as an accountability metric is not the problem. However, the findings of these investigations suggest that relying so heavily on metrics to highlight school progress inevitably results in educators and administrators feeling pressured to keep up, compromising their integrity and sacrificing quality of education in the process.

[1] Balingit, M. (2017, December 4). *U.S. High School Graduation Rates Rise to New High*. Retrieved on April 23, 2018 from https://www.washingtonpost.com/news/education/wp/2017/12/04/u-s-high-school-graduation-rates-rise-to-new-high/?utm_term=.357bc8ab503a

[2] Perez, J. (2015, October 2). *Chicago Public Schools downgrades four years of inflated graduation rates*. Retrieved on April 23, 2018 from <http://www.chicagotribune.com/news/ct-chicago-school-graduation-rate-change-met-1002-20151001-story.html>

[3] Vogell, H. and Fresques, H. (2017, February 21). *'Alternative' Education: Using Charter Schools to Hide Dropouts and Game the System*. Retrieved on April 23, 2018 from <https://www.propublica.org/article/alternative-education-using-charter-schools-hide-dropouts-and-game-system>

[4] Times Editorial Board (2016, June 25). *In the search for better graduation rates, schools are fudging the numbers*. Retrieved on April 23, 2018 from <http://www.latimes.com/opinion/editorials/la-ed-graduation-rates-20160624-snap-story.html>

[5] Wilkins, T. (2017, November 3). *Prince George's County Public Schools Audit Finds Grading Irregularities*. Retrieved from <https://www.nbcwashington.com/news/local/Prince-Georges-Grade-Tampering-Report-Graduation-454970073.html>

[6] Smith, M. (2014, September 26). *Texas High School Graduation Rates Improving, Mysteriously*. Retrieved on April 23, 2018 from <http://www.governing.com/news/headlines/texas-high-school-graduation-rates-improving-mysteriously.html>

[7] McGee, K. (2018, January 29). *In D.C., 34 Percent of Graduates Received A Diploma Against District Policy*. Retrieved on April 23, 2018 from <https://www.npr.org/sections/ed/2018/01/29/581036306/in-d-c-thirty-four-percent-of-graduates-received-a-diploma-against-district-policy>

[8] Jimenez, L. (2017, December 13). *Analysis: ESSA, Like NCLB, Encourages Schools to Fudge Graduation Rates. Here's How to Make the Numbers Really Count*. Retrieved on April 23, 2018 from <https://www.the74million.org/article/analysis-essa-like-nclb-encourages-schools-to-fudge-graduation-rates-heres-how-to-make-the-numbers-really-count/>

[9] Strauss, V. (2015, April 1). *How and Why Convicted Atlanta Teachers Cheated on Standardized Tests*. Retrieved on April 23, 2018 from <http://www.washingtonpost.com/blogs/answer-sheet/wp/2015/04/01/how-and-why-convicted-atlanta-teachers-cheated-on-standardized-tests>

[10] U.S. Department of Education Press Release (2012, November 26). *States Report New High School Graduation Rates Using More Accurate, Common Measure*. Retrieved on April 23, 2018 from

[11] *Public high school 4-year adjusted cohort graduation rate (ACGR), by race/ethnicity and selected demographic characteristics for the United States, the 50 states, and the District of Columbia: School year 2015–16*. Retrieved on April 23, 2018 from https://nces.ed.gov/ccd/tables/ACGR_RE_and_characteristics_2015-16.asp; *Public high school 4-year adjusted cohort graduation rate (ACGR) for the United States, the 50 states and the District of Columbia: School years 2010-11 to 2012-13*. Retrieved on April 23, 2018 from https://nces.ed.gov/ccd/tables/ACGR_2010-11_to_2012-13.asp; Due to a lag in reporting, the most recent national graduation rate data available is for SY 2016-17 though most, if not all, states have already published their rates for School Year 2016-17.

[12] Perez, J. (2015, October 2). *Chicago Public Schools downgrades four years of inflated graduation rates*. Retrieved on April 23, 2018 from <http://www.chicagotribune.com/news/ct-chicago-school-graduation-rate-change-met-1002-20151001-story.html>

[13] Vogell, H. and Fresques, H. (2017, February 21). *‘Alternative’ Education: Using Charter Schools to Hide Dropouts and Game the System*. Retrieved on April 23, 2018 from <https://www.propublica.org/article/alternative-education-using-charter-schools-hide-dropouts-and-game-system>

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Authors:

Joe Gardemal