

CRS Report for Congress

High School Graduation, Completion, and Dropouts: Federal Policy, Programs, and Issues

July 24, 2007

Jeffrey J. Kuenzi
Specialist in Education Policy
Domestic Social Policy Division



Prepared for Members and
Committees of Congress

High School Graduation, Completion, and Dropouts: Federal Policy, Programs, and Issues

Summary

This report discusses federal policy, programs, and issues related to high school graduation, completion, and dropouts. The discussion covers the provisions enacted in federal law that govern the definition, calculation, and reporting requirements of these critical high school outcomes. (Note: this report does not address the issue of academic achievement among high school graduates.) The report then looks at historical data as well as the most recent indicators of these outcomes. That analysis is followed by a description of the federal programs designed to help youth who have dropped out, or who are at risk of dropping out, in completing high school or an equivalency certificate program. Finally, the report discusses issues that may arise as Congress considers reauthorizing the laws that pertain to this topic.

The United States has made great strides in secondary school participation during the last century. Yet more than one-quarter of first-year high school students do not receive their diploma in four years. By age 24, more than one in 10 still do not have a high school degree or its equivalent. During the 2003-2004 school year alone, nearly 5% of students dropped out of high school. In addition, dropout rates vary significantly by race/ethnicity and immigration status, with very high rates among Hispanics and new immigrants.

The Elementary and Secondary Education Act, as amended by the No Child Left Behind Act, authorizes several dropout prevention programs and contains the main federal requirements that stipulate how graduation, completion, and dropout rates are to be calculated and reported. Additional dropout prevention programs are authorized in the Higher Education Act and the Workforce Investment Act. These programs may be categorized as having: (1) the primary purpose of helping students complete high school, (2) multiple purposes, at least one of which is targeted toward dropout recovery or dropout prevention, or (3) broad purposes not explicitly encompassing dropouts but whose funds may be used at local discretion to help students complete high school.

Each of these acts is likely to be considered for reauthorization in the 110th Congress. Several issues may be debated as Congress considers reauthorizing some, and perhaps all, of the federal programs and provisions pertaining to high school graduation, completion, and dropouts. These issues include program coordination, targeting, and effectiveness; the quality and reporting of data required to assess high school outcomes; whether the federal effort should focus on “at-risk” students or “out-of-school” youth; and whether recently enacted testing and accountability requirements have the perverse effect of increasing high school dropout rates.

Contents

Introduction	1
Federally Mandated High School Indicators	2
Graduation Rate	3
Adequate Yearly Progress	3
Title I Impact Assessment	3
Dropout Rate	3
Dropout Prevention Program	3
NCES Event Dropout Rate	4
CPS Completion Rate	4
Education Sciences Reform Act	4
Average Freshman Graduation Rate	5
Published Indicators of High School Outcomes	7
Historic Rise in Educational Attainment	7
Rates of High School Completion	7
NCES Event Dropout Rates	9
National Dropout Rate	9
Dropout Rates by State	9
Estimating the High School Graduation Rate	11
Average Freshman Graduation Rate	11
Federal High School Dropout Prevention Programs	13
Primary Purpose Programs	14
Dropout Prevention Program	14
Neglected and Delinquent Program	14
Migrant High School Equivalency Program	14
Multiple Purpose Programs	15
Talent Search	15
Upward Bound	15
GEAR UP	15
Adult Education and Literacy State Grants	15
Youth Activities	16
Job Corps	16
Migrant Seasonal Farmworker Program	17
YouthBuild	17
Broad Purpose Programs	17
Title I-A LEA Grants	17
Migrant Education Program	18
21 st Century Community Learning Centers	18
Safe and Drug-Free Schools and Communities	18
Developing Hispanic-Serving Institutions	18
Temporary Assistance for Needy Families	19
Reauthorization Issues	19
Program Coordination	19
Program Effectiveness	20

Data Quality and Reporting	20
Program Targeting	21
At-Risk Versus Out-of-School Youth	21
Unintended Consequences of Testing	21

List of Figures

Figure 1. Rate of Secondary School Attainment, 1910-2005	7
--	---

List of Tables

Table 1. Four Indicators of High School Outcomes	6
Table 2. Completion Rates by Student Characteristics, October 2004	8
Table 3. Event Dropout Rates by State, Selected Years	10
Table 4. Graduation Rates by State, 2002-2003 School Year	12

High School Graduation, Completion, and Dropouts: Federal Policy, Programs, and Issues

Introduction

The United States has made great strides in secondary school participation during the last century. Yet more than one-quarter of first-year high school students do not receive their diploma in four years. By age 24, more than one in 10 still do not have a high school degree or its equivalent. During the 2003-2004 school year alone, nearly 5% of students dropped out of high school. In addition, rates of graduation, completion, and dropping out vary significantly by race/ethnicity and immigration status with very high rates among Hispanics and new immigrants.¹

The Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act of 2001 (NCLBA, P.L. 107-110), contains several provisions pertaining to the issue of high school graduation, completion, and dropping out. The law authorizes several programs and activities intended to prevent students from dropping out or to encourage non-completers to reenter school or enroll in a high school equivalency program. The law also contains requirements for state and local education agencies that stipulate how graduation, completion, and dropout rates are to be calculated and to whom they must be reported.

Two of the three federal programs whose purpose is primarily intended to prevent students from dropping out of high school are authorized in ESEA, Title I, Parts D and H. Both Part D, the Neglected and Delinquent program (N&D), and Part H, the Dropout Prevention Program (DPP) have dropout prevention as their primary purpose. The third federal program with dropout prevention as its primary purpose is the Migrant High School Equivalency Program, authorized in Title IV, Part A of the Higher Education Act of 1965 (HEA), as amended by the Higher Education Amendments of 1998 (P.L. 105-244).

The federal government supports additional programs that have dropout prevention as one of several purposes. These include some of the Trio programs and the GEAR UP program (authorized in Title IV of the HEA) as well as several programs authorized in the Workforce Investment Act of 1998 (P.L. 105-220).²

¹ This report distinguishes between graduation, those who finish high school with a regular diploma, and completion, those who obtain a high school credential either through graduation or completion of a high school equivalency program.

² For additional information on the Trio and GEAR UP programs, see CRS Report RL31622, (continued...)

Support for dropout prevention is also part of the broad array of programmatic purposes covered by large federal programs such as the ESEA, Title I-A, Program of Education for the Disadvantaged.

Each of the act's authorizing the major federal dropout prevention programs is likely to be considered for reauthorization in the 110th Congress. Passage of the NCLBA authorized the ESEA programs through FY2007. A one-year automatic extension, through FY2008, is provided under the General Education Provisions Act (Title IV of P.L. 90-247, as amended). Authorization for the HEA programs is extended through June 30, 2007, under the Third Higher Education Extension Act of 2006 (P.L. 109-292). Authorization for WIA programs expired on September 30, 2003, although annual appropriations have continued funding for WIA through FY2007.

It is likely that the 110th Congress will consider reauthorizing some, and perhaps all, of the federal programs and provisions pertaining to high school graduation, completion, and dropouts. This report will provide background on high school graduation, completion, and dropout rates in the United States. First, it will discuss the NCLBA provisions related to the calculation and reporting of these indicators. Second, the report will present the latest data on high school outcomes. The third section of the report will describe the federal programs designed to improve these outcomes. And finally, the report will discuss and analyze issues that may arise as Congress considers the reauthorization of these programs and provisions.

Federally Mandated High School Indicators

The NCLBA contains a handful of provisions that require the calculation and reporting of high school outcomes.³ Graduation rates are among the indicators states must report under the NCLBA Adequate Yearly Progress (AYP) provisions. Dropout rates must be reported by states as a condition of their participation in the N&D and DPP programs. In addition to these ESEA provisions, the Education Sciences Reform Act of 2002 (P.L. 107-279) charged the National Center for Education Statistics (NCES) with compiling rates of high school completion. A fourth measure of high school outcomes discussed in this section (although not statutorily mandated) is what NCES calls the "average freshman graduation rate."

² (...continued)

Trio and GEAR UP Programs: Status and Issues, by Jeffrey J. Kuenzi. For additional information on WIA programs, see CRS Report RL33687, *The Workforce Investment Act (WIA): Program-by-Program Overview and FY2007 Funding of Title I Training Programs*, by Blake Alan Naughton and Ann Lordeman.

³ Prior to the NCLBA, the ESEA, as amended by the Improving America's Schools Act of 1994 (IASA, P.L. 103-382), was silent on the measurement of high school outcomes. Section 403(b) of the National Education Statistics Act of 1994, enacted along with the IASA, simply charged the Education Department with implementing "a definition and data collection process for school dropouts in elementary and secondary schools".

Graduation Rate

Adequate Yearly Progress. Through passage of the NCLBA, high school graduation rates were added to existing Title I, Part A, requirements for state-developed standards of AYP.⁴ That is, in addition to assessments of academic achievement in mathematics and reading, state AYP standards must also include at least one additional academic indicator. Public schools and local educational agencies (LEAs) must meet state-specified levels on this indicator in order to make AYP. In the case of high schools, this additional indicator must be the graduation rate.

The NCLBA defines the graduation rate as “the percentage of students who graduate from secondary school with a *regular diploma* in the standard number of years” (ESEA, Section 1111(b)(2)(C)(vi)). The standard number of years is determined by each state and is generally based on the structure of schools, usually three or four years. The NCLBA does not require a minimum graduation rate or that states increase their rate over time. The law also does not require states to report graduation rates to the Education Department (ED); it simply requires each state to place the statewide graduation rate on its report card to the general public.⁵

Title I Impact Assessment. The NCLBA also charged the Secretary of ED with assessing the impact of Title I on states, districts, schools, and students (ESEA, Title I-E). A portion of this research is to be “an independent study of assessments used for State accountability purposes and for making decisions about the promotion and graduation of students” (ESEA, Section 1503(a)). The statute goes on to specify that the research should address the effect of assessment and accountability systems on, among other things, changes in the graduation rate. The Secretary was given authority to award a contract to an independent research entity and not more than five years to complete the study.⁶

Dropout Rate

Dropout Prevention Program. The NCLBA authorized the DPP (ESEA, Title I-H) and stipulated the method to be used in calculating the high school dropout rate. The provision states that,

⁴ More information on AYP and related reporting requirements is in CRS Report RL32495, *Adequate Yearly Progress (AYP): Implementation of the No Child Left Behind Act*, and CRS Report RL33731, *Education for the Disadvantaged: Reauthorization Issues for ESEA Title I-A Under the No Child Left Behind Act*, both by Wayne C. Riddle.

⁵ The contents of the annual state report card, including the graduation rate, are given in Section 1111(h)(1). The contents of the annual state report to the Secretary of Education, which do not include the graduation rate, are given in Section 1111(h)(4).

⁶ To date, the Secretary has released two reports from this assessment (available at [<http://www.ed.gov/rschstat/eval/disadv/title1interimreport/index.html>]). Neither of these reports has discussed graduation rates.

For purposes of calculating an annual school dropout rate under this subpart, a school shall use the annual event school dropout rate for students leaving a school in a single year determined in accordance with the National Center for Education Statistics' Common Core of Data [CCD]. (ESEA, Section 1829)

The NCES defines an event dropout rate as the percentage of students who were enrolled in grades 9 through 12 during a given school year, were not enrolled in school during the following school year, and had not earned a high school diploma or completed a state- or district-approved education program.⁷

NCES Event Dropout Rate. The NCES calculates an event dropout rate in the following manner:

The *denominator* of the rate is the October 1 membership count for the grades for which the dropout rate is being calculated. For example, the dropout rate for grades 9 through 12 would use a denominator that equals the October 1 enrollment count for grades 9 through 12.

The *numerator* (dropouts) is all individuals who:

- were enrolled in school at some time during the previous school year;
- were not enrolled on October 1 of the current school year;
- have not graduated from high school or completed a state- or district-approved education program; and
- do not meet any of the following exclusionary conditions: transferred to another public school district, private school, or state- or district-approved education program; temporary absence due to suspension or school-approved education program; or death.⁸

It is important to note that this method does not include individuals outside of the public school system nor individuals who may have dropped out during a preceding school year. For the 2001-2002 school year, NCES was able to calculate rates for 45 states and the District of Columbia (this is the most recent school year for which data have been made available). Five states did not follow the NCES reporting rules that year; consequently, NCES could not calculate a national event dropout rate using the CCD.

CPS Completion Rate

Education Sciences Reform Act. The Education Sciences Reform Act of 2002 (ESRA) reauthorized the NCES and charged it with collecting, compiling, and disseminating statistics on secondary school completion, among other data. Put simply, the NCES high school completion rate, “is based on CPS [Current Population Survey] data and represents the percentage of 18- through 24-year-olds who are not

⁷ U.S. Department of Education, *Dropout Rates in the United States: 2004*, November 2006.

⁸ Ibid.

enrolled in high school and who have earned a high school diploma or equivalent credential, including a GED.”⁹

The NCES high school completion rate differs from the Title I graduation rate (discussed above) in three key respects:

- Unlike the Title I-A graduation rate, the NCES completion rate includes all those with a high school credential. That is, while the graduation rate stipulated in the NCLBA includes only those obtaining a *regular diploma*, the high school completion rate includes those obtaining an equivalency certification; e.g., a district- or state-sponsored General Educational Development (GED) certificate.
- The NCES completion rate is not restricted to those completing high school in a *standard number of years*. Rather, it is restricted to those in a specific age group — i.e., those 18 to 24 years old — and is simply the proportion of the group who hold a high school credential.
- Whereas the Title I-A graduation rate is tabulated by each state (from district-reported administrative data), the NCES completion rate is estimated using survey data from a large, nationally-representative sample.

Average Freshman Graduation Rate

In addition to the previously described high school outcomes required by the ESEA and ESRA, NCES has recently begun calculating a fourth high school indicator — the *average freshman graduation rate* (AFGR). Similar to the Title I Graduation Rate required by the NCLBA AYP provisions, the AFGR is an estimate of the percentage of public high school students who graduate on time with a regular diploma. In estimating the AFGR, NCES uses statistical averaging to stabilize the denominator — i.e., the number of enrolled students. According to NCES,

The Averaged Freshman Graduation Rate provides an estimate of the percentage of high school students who graduate on time by dividing the number of graduates with regular diplomas by the size of the incoming freshman class 4 years earlier, expressed as a percent. The rate uses aggregate student enrollment data to estimate the size of an incoming freshman class and aggregate counts of the number of diplomas awarded 4 years later. The size of the incoming freshman class is estimated by summing the enrollment in eighth grade in one year, ninth grade for the next year, and tenth grade for the year after and then dividing by three.¹⁰

⁹ Ibid.

¹⁰ U.S. Department of Education, *The Averaged Freshman Graduation Rate for Public High Schools From the Common Core of Data: School Years 2002-2003 and 2003-2004*, July (continued...)

The counts of enrollments by grade and graduates for the AFGR are taken from the CCD subfile called the *State Nonfiscal Survey of Public Elementary/Secondary Education*. Graduates include those students who are reported as diploma recipients and do not include GED recipients except in states that have in-school GED programs that lead to a regular diploma. Although enrollments are reported by grade, some states report ungraded students. NCES adjusts for this by redistributing these students across grades in proportion to the graded enrollment of the state.¹¹

Table 1 summarizes the four high school indicators described above. Each of these rates provides a different perspective on high school outcomes and applies to different policy issues. The Title I Graduation Rate mandated by the NCLBA is intended to be part of a larger school, LEA, and state accountability system. With no statutory requirement that this indicator be reported to ED or Congress, this rate is mainly intended to shed light on school performance and enhance public notification on the state and local level. The Event Dropout Rate has historically been NCES' best attempt at producing a national standard for measuring high school outcomes. Although data reporting has improved in recent years, this indicator continues to fall short of consistency and completeness. The CPS Completion Rate has long been the most straight-forward, consistent, nationwide estimate of the nation's educational attainment; however, it cannot (and was never intended to) be used for accountability purposes. Finally, the Average Freshman Graduation Rate is the recent culmination of a major undertaking by NCES (along with a body of expert researchers) to produce a national estimate of high school completion (like the CPS rate) using data derived from the local level (like the Event Dropout Rate) to produce an accountability-friendly indicator (like the Title I rate).

Table 1. Four Indicators of High School Outcomes

	Title I Graduation Rate	Event Dropout Rate	CPS Completion Rate	Average Freshman Graduation Rate
Definition	Percent of students who graduate with a regular diploma in the standard number of years	Percent of students enrolled in grades 9-12 in October in a given year who were not enrolled and did not possess a diploma or its equivalent in the following October	Percent of persons age 18 to 24 not enrolled in school and in possession of a high school diploma or its equivalent	Percent of a freshman cohort for a given year who graduate with a regular diploma four years later
Data source	State-collected	Common Core of Data	Current Population Survey	Common Core of Data

¹⁰ (...continued)
2006.

¹¹ Ibid.

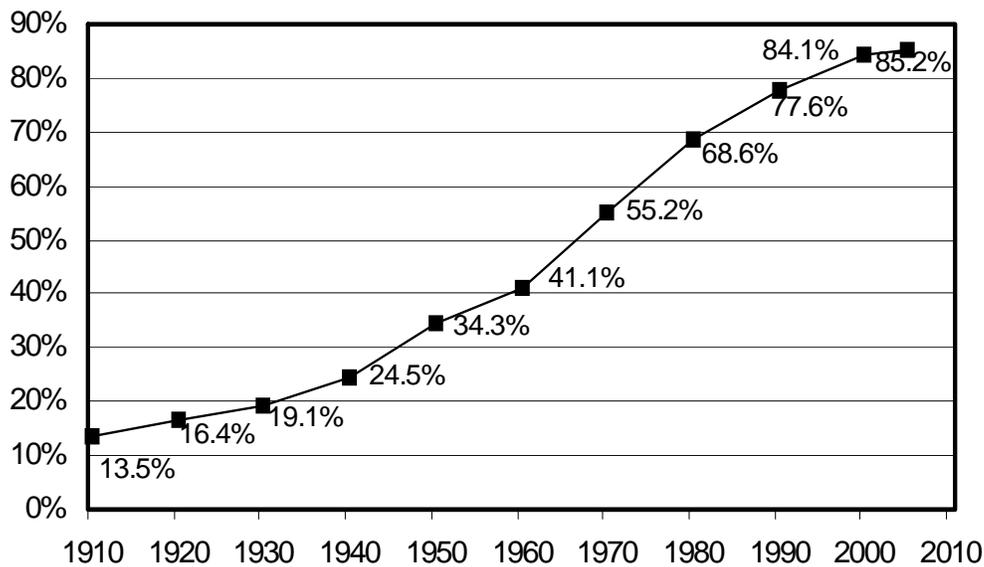
Published Indicators of High School Outcomes

Historic Rise in Educational Attainment

As clearly seen in **Figure 1**, the United States has achieved a dramatic increase in secondary school participation since the beginning of the twentieth century. According to the U.S. Census Bureau, in 1910, only 13.5% of the adult population had completed secondary school. By mid-century, one-third (34.3%) of the population had completed 12 years of school. And by century's end, 84.1% of the adult population held a high school diploma.

It is important to note that the completion rates displayed in Figure 1 are not calculated in the same manner as the NCES completion rate described in the previous section. These historic rates differ from the NCES rate in two critical ways. First, the rates in Figure 1 prior to 1993 are for those completing 12 years of schooling, rather than those obtaining a high school diploma. Second, the population base for the rates in Figure 1 are those 25 years old and older; as opposed to the NCES rate which is based on the population between 18 and 24 years old.

Figure 1. Rate of Secondary School Attainment, 1910-2005



Source: U.S. Department of Education, *Digest of Education Statistics, 2005*, Table 8.

Rates of High School Completion

According to NCES' most recent estimate, the high school completion rate was 86.8% in 2004 — as compared to 85.2% in 2004 calculated by the Census Bureau and shown in Figure 1). The NCES estimate represents the proportion of all persons between 18 and 24 years old who held either a high school diploma or its equivalent in October of 2004. The data used to estimate this estimate, as well as those in **Table 2**, are taken from the October supplement to the CPS.

As seen in **Table 2**, this rate varies somewhat by student characteristics. Females are slightly more likely to finish high school than males. Older persons are slightly more likely to have completed high school than younger persons. However, the most striking differences in the table are those that show completion rates by race/ethnicity and immigration status.

Hispanics are far less likely to have obtained a high school degree by age 24 than all other racial/ethnic groups. In 2004, only 69.8% of Hispanics between the ages of 18 and 24 had completed high school; compared to 91.7% for white, non-Hispanics, 83.4% for black, non-Hispanics, and 95.1% for Asian, non-Hispanics.

Table 2. Completion Rates by Student Characteristics, October 2004

Characteristic	Completion rate	Population (thousands)	Completers (thousands)
Total	86.8	26,476	22,991
Sex			
Male	84.9	13,201	11,205
Female	88.8	13,275	11,786
Race/Ethnicity			
White, non-Hispanic	91.7	16,537	15,162
Black, non-Hispanic	83.4	3,490	2,912
Hispanic	69.8	4,633	3,234
Asian/Pacific Islander, non-Hispanic	95.1	1,177	1,120
More than one race	93.1	445	414
Age			
18 - 19	85.9	6,428	5,521
20 - 21	87.2	7,850	6,846
22 - 24	87.1	12,199	10,625
Recency of immigration			
Born outside the 50 states and the District of Columbia			
Hispanic	54.7	2,002	1,095
Non-Hispanic	91.0	1,553	1,413
First generation			
Hispanic	80.8	1,462	1,181
Non-Hispanic	95.9	1,411	1,353
Second generation or higher			
Hispanic	82.0	1,169	958
Non-Hispanic	90.0	18,879	16,991

Source: U.S. Department of Education, *Dropout Rates in the United States: 2004*, November 2006, Table 9.

The lower high school completion rate among the nation's Hispanic population is due in large part to the fact that over 40% of those in this group are immigrants born outside of the United States. The rate of high school completion among 18- to 24-year-old, foreign-born Hispanics in 2004 was 54.7%. The rate of high school

completion for 18- to 24-year-old, native-born Hispanics is much higher: 80.8% among the first-generation and 82.0% among the second-generation and higher.

NCES Event Dropout Rates

As discussed earlier, states participating in the DPP are to provide dropout data to the Secretary in accordance with NCES requirements for reporting to the CCD. Even though fewer than half of the states have participated in the DPP since it was authorized for FY2002; currently, all but five states are reporting appropriate dropout data. While only a small number of states continue to report data incompatible with CCD requirements (and many fewer states than just a few years ago), this prevents NCES from estimating a national dropout rate based on data from the CCD. This section presents dropout data from the only annual source of national estimates, the CPS, followed by state-level dropout data for the states that properly report data meeting the CCD criteria.

National Dropout Rate. As stated above, the event dropout rate is the percentage of public school students who left high school between the beginning of one school year and the beginning of the next without earning a high school diploma or GED. Based on CPS data, the NCES estimates that, between the 2003 and 2004 school years, 4.7% of students dropped out of high school. That year, Hispanic students were more likely to drop out (8.9%) than black, non-Hispanic students (5.7%), white, non-Hispanic students (3.7%), and Asian, non-Hispanic students (1.2%). NCES analysis also found that low-income students were more likely to drop out (10.4%) than middle-income students (4.6%) and high-income students (2.5%).¹²

Dropout Rates by State. The NCES event dropout rates by state for selected years in the past decade are contained in **Table 3** (2001-2002 is the most recent year reported).¹³ The table shows data for states that reported in accordance with CCD requirements; dashes are shown for states that did not report such data in a given year. The table reveals a trend toward more comprehensive state reporting over the decade. Five states did not report according to NCES guidelines for the 2001-2002 school year; the number of states that did not do so for 1999-2000 was 13 and the number for 1993-1994 was 17.

For the 2001-2002 school year, the event dropout rates ranged from 1.9% in Wisconsin to 10.5% in Arizona. In all, event dropout rates for public school students were lower than 3% in nine states: Wisconsin (1.9), North Dakota (2.0), Indiana (2.3), Iowa (2.4), New Jersey (2.5), Connecticut (2.6), Maine (2.8), South Dakota

¹² U.S. Department of Education, *Dropout Rates in the United States: 2004*, November 2006. NCES analysts did not run event dropout rates by recency of immigration as they did with the completion rates discussed earlier in this report. “Low-income” was defined as the lowest 20 percent of all family incomes, “high-income” as the top 20 percent, and “middle-income” between 20 and 80 percent of all family incomes. In 2004, low-income families included those with \$16,333 or less in family income, while high-income families included those with \$77,235 or more in family income.

¹³ NCES reports the state event dropout rate for public school students only.

(2.8), and Virginia (2.9). Nine states had event dropout rates of 6% or more: Delaware (6.2), Illinois (6.4), Nevada (6.4), Georgia (6.5), Louisiana (7.0), Washington (7.1), New York (7.1), Alaska (8.1), and Arizona (10.5).

Table 3. Event Dropout Rates by State, Selected Years

State	1993-94	1995-96	1997-98	1999-2000	2001-02
Alabama	5.8	5.6	4.8	4.5	3.7
Alaska	—	5.6	4.6	5.5	8.1
Arizona	13.7	10.2	9.4	—	10.5
Arkansas	5.3	4.1	5.4	5.7	5.3
California	—	—	—	—	—
Colorado	—	—	—	—	—
Connecticut	4.8	4.8	3.5	3.1	2.6
Delaware	4.6	4.5	4.7	4.1	6.2
District of Columbia	9.5	—	12.8	7.2	—
Florida	—	—	—	—	3.7
Georgia	8.7	8.5	7.3	7.2	6.5
Hawaii	—	—	5.2	5.3	5.1
Idaho	8.5	8.0	6.7	—	3.9
Illinois	6.8	6.4	6.9	6.2	6.4
Indiana	—	—	—	—	2.3
Iowa	3.2	3.1	2.9	2.5	2.4
Kansas	—	—	—	—	3.1
Kentucky	—	—	5.2	5.0	4.0
Louisiana	4.7	11.6	11.4	9.2	7.0
Maine	3.1	3.1	3.2	3.3	2.8
Maryland	5.2	4.8	4.3	4.1	3.9
Massachusetts	3.7	3.4	3.2	3.5	—
Michigan	—	—	—	—	—
Minnesota	5.1	5.2	4.9	4.3	3.8
Mississippi	6.1	6.2	5.8	4.9	3.9
Missouri	7.0	6.5	5.2	4.4	3.6
Montana	—	5.6	4.4	4.2	3.9
Nebraska	4.6	4.5	4.4	4.0	4.2
Nevada	9.8	9.6	10.1	6.2	6.4
New Hampshire	—	—	—	—	4.0
New Jersey	4.3	4.1	3.5	3.1	2.5
New Mexico	8.1	8.3	7.1	6.0	5.2
New York	—	—	3.2	4.1	7.1
North Carolina	—	—	—	—	5.7
North Dakota	2.7	2.5	2.8	2.7	2.0
Ohio	—	—	—	—	3.1
Oklahoma	4.6	5.7	5.8	5.4	4.4
Oregon	7.3	7.0	6.8	6.2	4.9
Pennsylvania	3.8	4.0	3.9	4.0	3.3
Rhode Island	4.9	4.6	4.9	4.8	4.3
South Carolina	—	—	—	—	3.3
South Dakota	5.3	5.7	3.1	3.5	2.8
Tennessee	4.8	4.9	5.0	4.2	3.8
Texas	—	—	—	5.0	3.8

State	1993-94	1995-96	1997-98	1999-2000	2001-02
Utah	3.1	4.4	5.2	4.1	3.7
Vermont	4.8	5.3	5.2	4.7	4.0
Virginia	4.8	4.7	4.8	3.9	2.9
Washington	—	—	—	—	7.1
West Virginia	3.8	3.8	4.1	4.2	3.7
Wisconsin	3.1	2.4	2.8	2.6	1.9
Wyoming	6.5	5.7	6.4	5.7	5.8

Source: U.S. Department of Education, *Dropout Rates in the United States: 2004*, November 2006, Table 5.

Estimating the High School Graduation Rate

Both of the graduation rates described above — the Title I-mandated rate and the NCES average freshman graduation rate — define this rate as the proportion of students who enter high school and finish on time with a regular diploma. As mentioned earlier, states are not required under the NCLBA to report their graduation rates to ED; they need only include them in *report cards* to the public. State report card data on graduation rates for the 2002-2003 school year were compiled by the Editorial Projects in Education Research Center (see **Table 4**).¹⁴

In addition, NCES convened a task force of education research experts to determine the best method for estimating state-level, on-time graduation rates with currently available data reported to ED. The AFGR was chosen after a technical review and analysis of a set of alternative estimates (see **Table 4**).¹⁵

Average Freshman Graduation Rate. The AFGR was 74% in 2002-2003 (the most recent year for which all necessary data were reported by all states). This means that just under three-quarters of the students entering high school in the fall of 1999 finished in four years with a regular high school diploma.

As shown in **Table 4**, the state with the highest AFGR in 2002-2003 was New Jersey at 87%. Four additional states had rates of at least 85%: North Dakota (86), Wisconsin (86), Iowa (85), and Nebraska (85). The District of Columbia had the lowest AFGR in 2002-03 (60%). The *state* with the lowest AFGR that year was South Carolina at 60%. Seven additional states had rates at or below 65%: Georgia (61), New York (61), Mississippi (63), New Mexico (63), Tennessee (63), Louisiana (64), and Alabama (65).

¹⁴ Education Week, *Diplomas Count: An Essential Guide to Graduation Policy and Rates*, June 2006.

¹⁵ For technical documentation of this review see, U.S. Department of Education, *Users Guide to Computing High School Graduation Rates, Volume 1: Review of Current and Proposed Graduation Indicators*, August 2005; and U.S. Department of Education, *Users Guide to Computing High School Graduation Rates, Volume 2, Technical Evaluation of Proxy Graduation Indicators*, August 2005.

The far-right column in **Table 4** displays the difference between the state-reported (i.e., Title I) graduation rate and the AFGR. The range of differences between these estimates is quite large — 22 states differ from the AFGR by 6% or less, while five states differ by 18 percent or more.

Table 4. Graduation Rates by State, 2002-2003 School Year

State	State reported graduation rate	Average freshman graduation rate	AFGR - state reported graduation rate
United States	—	74	—
Alabama	—	65	—
Alaska	67	68	1
Arizona	74	76	2
Arkansas	82	77	-5
California	87	74	-13
Colorado	84	76	-8
Connecticut	89	81	-8
Delaware	83	73	-10
District of Columbia	—	60	—
Florida	66	67	1
Georgia	63	61	-2
Hawaii	80	71	-9
Idaho	81	81	0
Illinois	86	76	-10
Indiana	91	76	-16
Iowa	90	85	-5
Kansas	86	77	-9
Kentucky	79	72	-7
Louisiana	—	64	—
Maine	87	76	-11
Maryland	85	79	-6
Massachusetts	95	76	-19
Michigan	85	74	-11
Minnesota	88	85	-3
Mississippi	81	63	-18
Missouri	84	78	-6
Montana	84	81	-3
Nebraska	86	85	-1
Nevada	75	72	-3
New Hampshire	85	78	-7
New Jersey	89	87	-2
New Mexico	76	63	-13
New York	97	61	-36
North Carolina	91	70	-21
North Dakota	84	86	2
Ohio	84	79	-5
Oklahoma	86	76	-10
Oregon	81	74	-7
Pennsylvania	87	82	-5
Rhode Island	81	78	-3

State	State reported graduation rate	Average freshman graduation rate	AFGR - state reported graduation rate
South Carolina	78	60	-18
South Dakota	96	83	-13
Tennessee	76	63	-13
Texas	84	76	-8
Utah	85	80	-5
Vermont	84	84	0
Virginia	82	81	-1
Washington	66	74	8
West Virginia	83	76	-7
Wisconsin	92	86	-6

Sources: Education Week, *Diplomas Count: An Essential Guide to Graduation Policy and Rates*, June 2006. U.S. Department of Education, *Dropout Rates in the United States: 2004*, November 2006, Table 13.

Federal High School Dropout Prevention Programs

A number of programs are administered by ED and other federal agencies to help dropouts (and students at risk of dropping out) complete their secondary education. The major federal dropout prevention programs are briefly described below, along with FY2006 appropriations and the Administration's FY2008 budget request.¹⁶ Generally, federal programs for high school dropout prevention may be categorized as follows:

- programs with the *primary purpose* of preventing students from dropping out and/or helping dropouts re-enter and complete high school or an equivalency program,
- programs having *multiple purposes*, at least one of which is targeted to dropout recovery or dropout prevention, and
- programs with *broad purposes* not explicitly encompassing dropouts but whose funds may be used to help individuals complete high school.

The extent of dropout and potential dropout participation in the latter two categories is unknown. However, these programs may reach more dropouts or potential dropouts than the explicitly focused programs in the first category, particularly given that their funding levels are generally higher. For example, the

¹⁶ A few minor programs are not discussed in this report. For example, the ESEA provides minimal support for dropout prevention under the Safe and Drug Free Schools Program, the Women's Educational Equity Act, the Rural and Low-Income School Program, the Alaska Native Education Act, and the Indian Education Act. Two Department of Justice programs receive a small amount of earmarked funding for dropout prevention — the Truancy Reduction Demonstration Program and Youth Crime Watch. Since FY2007 funding levels for specific programs were not available at the time of writing, figures for that year are not reported.

FY2006 appropriation for ESEA Title I-A grants for local educational agencies (LEAs) is \$12,713,125,000. If only 0.04% of these Title I-A funds are used for dropout programs, they could serve more students than the DPP, which received \$4,851,000 for FY2006.

Primary Purpose Programs

Dropout Prevention Program. The DPP, ESEA Title I, Part H, provides support for ED to coordinate a national strategy for reducing dropout rates.¹⁷ The DPP also authorizes grants to state educational agencies (SEAs) and LEAs to establish programs for early prevention, to identify and prevent potential dropouts from leaving school, and to encourage dropouts to reenter and complete school. Authorized activities include professional development, reduction in pupil-teacher ratios, counseling and mentoring for students at risk of dropping out, and implementing comprehensive school reform. At appropriation levels of \$75 million or less, the Secretary makes competitive awards to SEAs and LEAs that serve students in grades 6 through 12 and have annual dropout rates above the state average. If the appropriation level exceeds \$75 million, grants would be awarded on a formula basis. The appropriation for the DPP was \$4,851,000 in FY2006. The Administration is not seeking to reauthorize this program and its budget request for FY2008 is \$0.

Neglected and Delinquent Program. The N&D, ESEA Title I, Part D, provides grants to SEAs and LEAs for instructional services for youth in delinquent, community day, or correctional institutions as well as youth at risk of dropping out of school. Subpart 1 grants are awarded to SEAs for services provided to those in institutions under state jurisdiction. These grants are awarded on a formula based on the number of youth in state-operated institutions and per-pupil educational expenditures for the state. Subpart 2 grants are for services provided to youth in schools and institutions under local jurisdiction. Each SEA is required to reserve funds for Subpart 2 from its Title I-A allocation and award grants to LEAs based on the number of children in locally-operated institutions. The FY2006 appropriation for Subpart 1 grants was \$49,797,000, and the FY2008 request is \$49,797,000.

Migrant High School Equivalency Program. The migrant High School Equivalency Program, HEA Title IV, Part A, Subpart 5, provides five-year competitively awarded grants to institutions of higher education and other public and private nonprofit organizations to support educational programs designed for migrant students ages 16 and up. Grantees operate residential and commuter projects that provide academic and support services to help migrant students obtain their high school equivalency certificate and move on to employment or enrollment in higher education institutions. Appropriations for FY2006 were \$18,550,000 and the FY2008 request is \$18,550,000.

¹⁷ The DPA revived the School Dropout Demonstration Assistance Program authorized by the Improving America's Schools Act of 1994 (unfunded since the 1995 fiscal year) and was first funded in FY2002.

Multiple Purpose Programs

Talent Search. Talent Search, HEA Title IV, Part A, Subpart 2, Chapter 1, is one of several federal Trio¹⁸ programs that provides grants to programs sponsored by institutions of higher education, public or private agencies or organizations, and in some cases, high schools. Talent Search programs provide services to disadvantaged youth such as academic, personal, and career counseling with the goal of increasing the number of youth who complete high school and enroll in postsecondary education. Talent Search also serves high school dropouts by encouraging them to reenter the educational system and complete their education. Participants must be between the ages of 11 and 27 and have completed the fifth grade. Talent Search was allocated \$145,330,000 of the \$828,178,000 appropriated for all Trio programs in FY2006.¹⁹

Upward Bound. Upward Bound, HEA Title IV, Part A, Subpart 2, Chapter 1, is one of the federal Trio programs that provides grants to programs operated by institutions of higher education, public and nonprofit agencies, and occasionally some high schools. Upward Bound projects provide residential programs for disadvantaged students between the ages of 13 and 19 to improve their academic skills and motivation to complete high school and enroll in postsecondary education. Upward Bound was allocated \$278,238,000 of the \$828,178,000 appropriated for all Trio programs in FY2006.²⁰

GEAR UP. Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP), HEA Title IV, Part A, Subpart 2, Chapter 2, awards grants on a competitive basis to states and eligible partnerships to increase high school completion and postsecondary enrollment. Grantees provide continuous mentoring, counseling, outreach, and support services to cohorts of disadvantaged students beginning in 7th grade, through high school completion, and into postsecondary enrollment. FY2006 appropriations were \$303,423,000 and the FY2008 budget request is \$303,423,000.²¹

Adult Education and Literacy State Grants. The Workforce Investment Act of 1998 (WIA), Title II, Subpart A, Chapter 2, authorizes grants to states for increasing adult literacy, obtaining employment skills, helping adult parents to become active participants in their children's education, and helping adults complete

¹⁸ For additional information on Trio, see CRS Report RL31622, *Trio and GEAR UP Programs: Status and Issues*, by Jeffrey J. Kuenzi.

¹⁹ Trio receives a single appropriation which is then distributed among eight sub-programs. The FY2006 appropriation for all of the Trio programs was \$828,178,000 and the FY2008 request is \$828,178,000. Final appropriations figures for individual Trio programs for FY2008 have not been released.

²⁰ Ibid.

²¹ For additional information on GEAR UP, see CRS Report RL31622, *Trio and GEAR UP Programs: Status and Issues*, by Jeffrey J. Kuenzi.

their secondary education.²² Eligible participants are between the ages of 16 and 61, beyond the compulsory school attendance age under state law, have not obtained a secondary education degree or equivalent, and are not enrolled in a secondary completion program. FY2006 appropriations for this program were \$563,975,000 and the FY2008 budget request is \$564,074,000.

Youth Activities. The Youth Activities program (WIA Title I, Subtitle B, Chapter 4) awards formula grants to states that provide eligible youth assistance in achieving academic and employment success, effective and comprehensive activities which include a variety of options for improving educational and skill competencies and provide connections to employers. At least 30% of the funds currently allocated to local areas have to be spent on activities for out-of-school youth. An eligible youth is defined as a low-income individual between the ages of 14 and 21 and who is one or more of the following: deficient in basic literacy skills; a school dropout; homeless, a runaway or a foster child; pregnant or a parent; an offender; or, requires additional assistance to complete an educational program or secure and maintain employment. A three-part formula is used to make allocations to states based on the number of disadvantaged youth and unemployed persons.²³ Dropout prevention and secondary educational completion programs are included in the list of allowable activities. The FY2006 Youth Activities appropriation was \$940,500,000. The Administration is proposing to consolidate this program with others under its Career Advancement Accounts. Under current law, the FY2008 Youth Activities budget request is for \$840,500,000.²⁴

Job Corps. Job Corps (WIA, Title I, Subtitle C) provides residential education and training programs for disadvantaged individuals between the ages of 16 and 24, meeting at least one of the following criteria: basic skills deficient; high school dropout; homeless, a runaway, or foster child; a parent; or an individual who requires additional education, vocational training, or intensive counseling and related assistance, in order to participate successfully in regular schoolwork or to secure and hold employment. Among other things, Job Corps centers — located in all 50 states — are to provide opportunities for participants to receive high school equivalency

²² For additional information on WIA programs, see CRS Report RL33687, *The Workforce Investment Act (WIA): Program-by-Program Overview and FY2007 Funding of Title I Training Programs*, by Blake Alan Naughton and Ann Lordeman. While most programs authorized by the WIA are administered by the Department of Labor, the Adult Education and Literacy Act programs are administered through ED. For information on this program, see CRS Report RL32867, *Adult Education and Literacy: Overview and Reauthorization Proposals of the 109th Congress*, by Paul Irwin.

²³ The term “disadvantaged youth” is defined as an individual between the ages of 16 and 21 who received an income (or is a member of a family that received a total family income) that, in relation to family size, does not exceed the higher of either the poverty line or 70% of the lower living standard income level. WIA §127(b)(2)(C). For detailed information on formula allocations to states see WIA § 127(b)(1)(C)(ii).

²⁴ For additional information on the Career Advancement Accounts, see CRS Report RL33687, *The Workforce Investment Act (WIA): Program-by-Program Overview and FY2007 Funding of Title I Training Programs*, by Blake Alan Naughton and Ann Lordeman.

certificates. The program appropriation for FY2006 was \$1,573,270,000 and the FY2008 budget request is \$1,522,372,000.

Migrant Seasonal Farmworker Program. This program (WIA, Title I, Subtitle D) awards competitive grants to entities having a significant understanding of the problems faced by migrant and seasonal farmworker families, familiarity with the service area, and capability to provide workforce development and other related services to migrant families. Funded projects carry out workforce investment activities and other related assistance which may include dropout prevention activities, English literacy, and education assistance, among others, for economically disadvantaged migrant farmworkers and their dependents. In FY2006 the program appropriation was \$79,252,000 and the budget request for FY2008 is \$0.

YouthBuild. YouthBuild was originally authorized under the Housing and Community Development Act of 1992 (P.L. 102-550), which added YouthBuild as a subtitle in the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625). By FY2008, the Department of Labor (DOL) will have assumed full administrative responsibility for this program from the Department of Housing and Urban Development (HUD).²⁵ YouthBuild awards competitive grants to public and private non-profit organizations to assist disadvantaged young adults with education and employment skills. In these programs, low-income young people ages 16-24 work toward their GED or high school diploma while learning job skills by building affordable housing for homeless and low-income people. For FY2006, YouthBuild was funded at \$49,500,000 and the budget request for FY2008 is \$50,000,000.

Broad Purpose Programs

Title I-A LEA Grants. The ESEA Title I-A LEA grant program provides assistance to state and local educational agencies for the education of disadvantaged children. Grants are used to provide supplementary educational and related services to low-achieving children attending schools with high concentrations of children from low-income families. The FY2006 appropriation for Title I-A LEA grants was \$12,713,125,000.²⁶ The FY2008 budget request for these grants is \$13,909,900,000.

²⁵ The President's FY2007 request and both of the Appropriation Committees' reports included funding for YouthBuild, contingent on passage of pending legislation for transferring the YouthBuild Program from HUD to DOL as a program under WIA. The transfer proposal was recommended in 2003 by the White House Task Force for Disadvantaged Youth and was included in the budget request for FY2006, but no action was taken at that time. The YouthBuild Transfer Act was signed by the President on September 22, 2006 (P.L. 109-281).

²⁶ For detailed information on the Title I-A program see CRS Report RL33731, *Education for the Disadvantaged: Reauthorization Issues for ESEA Title I-A Under the No Child Left Behind Act*, by Wayne C. Riddle.

Migrant Education Program. The Migrant Education Program (MEP), ESEA Title I, Part C, provides grants to SEAs to assist in the education of migratory children between the ages of 3 and 21.²⁷ These formula grants are awarded based on the number of migratory children in the state and per-pupil educational expenditures for the state. FY2006 appropriations were \$386,524,000 and the FY2008 budget request is \$380,295,000.

21st Century Community Learning Centers. The 21st Century Community Learning Center program, ESEA Title IV, Part B, supports the establishment of centers in inner-city and rural public school buildings to provide educational, recreational, cultural, health and social services to persons of all ages in the surrounding community. Program funds are targeted to communities with low achieving students and high rates of juvenile crime, school violence, and student drug abuse that need resources to establish an after-school center. FY2006 appropriations were \$981,166,000 and the FY2008 budget request is \$981,180,000.²⁸

Safe and Drug-Free Schools and Communities. The Safe and Drug-Free Schools and Communities state grants program, ESEA Title IV, Subpart 1, provides support for comprehensive, integrated approaches to drug and violence prevention. States award sub-grants to parent and community groups and other organizations for local drug and violence prevention activities.²⁹ Priority for funding goes to programs and activities serving: (1) children and youth not normally served by state or local educational agencies, or (2) populations needing special services, including school dropouts. Appropriations for FY2006 were \$346,500,000 and the budget request for FY2008 is \$100,000,000.

Developing Hispanic-Serving Institutions. HEA Title V, Part A awards five-year competitive grants to Hispanic-serving institutions (HSIs)³⁰ to assist them in planning, developing, undertaking and carrying out programs to improve and expand the institutions' capacity to serve Hispanic and other low-income students. Among the authorized activities is establishing community outreach programs to encourage elementary and secondary school students to develop the academic skills and the interest to pursue higher education. Priority for assistance goes to HSIs that enter into collaborative agreements with at least one LEA or community-based organization to provide them assistance in reducing dropout rates of Hispanic students, improving rates of academic achievement among Hispanics, and increasing

²⁷ For more detailed information on the MEP, see CRS Report RL31325, *The Federal Migrant Education Program as Amended by the No Child Left Behind Act of 2001*, by Jeffrey J. Kuenzi.

²⁸ For additional information on the 21st CCLC see CRS Report RL31240, *21st Century Community Learning Centers: Background and Funding*, by Gail McCallion.

²⁹ For more detailed information on this program see CRS Report RL30482, *The Safe and Drug-Free Schools and Communities Program: Background and Context*, by Edith Fairman Cooper.

³⁰ For more information on HSIs and institutional aid in the HEA see CRS Report RL31647, *Title III and Title V of the Higher Education Act: Background and Reauthorization Issues*, by Charmaine Mercer.

the Hispanic enrollment rate into institutions of higher education. Appropriations for FY2006 were \$94,914,000 and the FY2008 budget request is \$94,911,000.

Temporary Assistance for Needy Families. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended by the Deficit Reduction Act of 2005, authorizes Temporary Assistance for Needy Families (TANF). TANF provides cash assistance to low-income families with children and requires that recipients work within 24 months of first receiving assistance. Recipients who lack a high school diploma may engage in two educational activities to meet the work participation requirement — education directly related to employment and attendance at a qualified secondary school — either of which should lead to a high school diploma or its equivalent. FY2006 appropriations were \$16.798 billion, and the FY2008 budget request is \$16.808 billion.

Reauthorization Issues

Each of the act's authorizing the programs discussed above is likely to be considered for reauthorization in the 110th Congress. This section discusses several issues pertaining to dropouts that may arise as these Acts are considered for reauthorization.

- The ESEA is currently authorized through FY2008 as a result of an automatic one-year extension provided by the General Education Provisions Act (P.L. 90-247).
- The funding authorization for the HEA programs discussed above is extended through June 30, 2007, under the Third Higher Education Extension Act of 2006 (P.L. 109-292).
- The authorization for WIA programs expired on September 30, 2003, although annual appropriations have continued funding for WIA through FY2007.

Program Coordination. *Would the various dropout programs be more cost effective and better serve students through additional coordination?* The three primary purpose programs in ED — DPP, N&D, and the Migrant High School Equivalency Program — are administered by three different offices within ED. The degree of coordination between these offices is not clearly apparent. Moreover, these programs serve similar students as several of the multiple purpose programs; many of which are further administered by separate offices in ED and DOL. In its FY2006 and FY2007 budget requests, ED proposed eliminating some of the current programs (specifically, DPP, Talent Search, Upward Bound, and GEAR UP) and replacing them with a new high school reform program which, among other things, was intended to improve graduation rates. The high school reform proposal was not made in the FY2008 budget request. ED maintains that eliminating the four programs in favor a single program under one office would improve program coordination.

The Dropout Prevention Act authorized the Secretary of ED to establish an interagency working group to, “address inter- and intra-agency program coordination issues at the federal level with respect to school dropout prevention” (ESEA, Section

1811(a)(4)); however, this group has not been set up. In its recommendations for ESEA reauthorization, the Aspen Commission on NCLB urged Congress to improve federal, state, and local dropout prevention coordination.³¹ Congress may consider requiring the Secretary to establish the working group or some other coordinating body and may also debate whether students are best served by the current array of decentralized programs.

Program Effectiveness. *How effective have current federal programs been at promoting secondary degree completion among dropouts or potential dropouts?*

Findings from evaluations of federally supported local dropout programs show that most programs did not reduce dropping out by statistically significant amounts, but that some programs did improve some outcomes.³² Research on programs funded at the district and school levels have produced more promising results.³³ Determining the degree to which dropouts or potential dropouts have been served, as well as the effectiveness of services offered, may help Congress determine a course of action regarding dropouts or youth at risk of dropping out; these locally-successful models may enlighten that effort.

Data Quality and Reporting. *Should states be required to report graduation rates to ED along with its annual report on academic assessments? Should Congress require consistent and better quality graduation, dropout, and enrollment data reporting from states to NCES? And should ED be required to disseminate these data to Congress and the public in a timely manner?* The reporting of data appears to have improved as a result of the NCLB amendments; however, a few gaps in the data remain. A handful of states continue to report dropout data incompatible with NCES guidelines. Further, inconsistent reporting and missing data require NCES to undertake substantial data manipulation to estimate the AFGR. In its suggestions for reauthorizing the NCLBA, ED argues that “States must demonstrate real progress in accurately reporting and improving high school graduation rates.³⁴ Several other groups have also advocated for more accurate reporting and better data quality.³⁵ ED and the Aspen Commission joined the National Governors Association in calling for data reporting on high school outcomes to be disaggregated by student subgroups similar to the AYP requirements.

³¹ The Commission on No Child Left Behind, *Beyond NCLB: Fulfilling the Promise to Our Nation’s Children*, the Aspen Institute, Washington, DC, February 2007.

³² These evaluations were funded under the School Dropout Demonstration Assistance Program authorized by the Improving America’s Schools Act. For more information on this evaluation, see the final report, Mark Dynarski, *Making Do With Less: Interpreting the Evidence from Recent Federal Evaluations of Dropout-Prevention Programs*, Mathematica Policy Research, Inc., December 2000.

³³ Martin, N., & Halperin, S., *Whatever It Takes: How Twelve Communities Are Reconnecting Out-Of-School Youth*, American Youth Policy Forum, Washington, DC, 2006.

³⁴ U.S. Department of Education, *Building on Results: A Blueprint for Strengthening The No Child Left Behind Act*, January 2007.

³⁵ These groups include the Aspen Commission, the Education Trust, the Center for American Progress, the National Governors Association, the Data Quality Campaign, and the National High School Alliance.

Since the strength of the ESEA accountability system depends on accurate data reporting, Congress may consider strengthening the requirements around reporting of high school outcomes.

Program Targeting. *Are current programs well targeted in light of their objectives?* The data presented in this report indicate that, for white non-Hispanics, high school attainment has become nearly universal in the last two decades. These data further suggest that perhaps the educational system is reaching something like a “ceiling effect” — making further progress toward 100% high school completion increasingly difficult. At the same time, the data in Table 2 show that certain groups in the population still have a way to go. Hispanic immigrants have, by far, the lowest rates of high school completion, but Hispanic, non-immigrants and black, non-Hispanics also have rates significantly lower than whites and Asians. Few of the programs described above are targeted to serve students by race/ethnicity. It is not clear that existing programs are optimally targeted to at-risk individuals in these groups. Some argue that our level of knowledge about the risk factors associated with dropping out could provide for a much more precise targeting of the federal effort.³⁶

At-Risk Versus Out-of-School Youth. *Should the federal effort to encourage high school completion and prevent dropouts be divided between those at risk of dropping out and those who have already dropped out?* Some argue that DOL programs should focus on those who have already left school and the ED programs should focus on retaining at-risk students who haven’t dropped out yet. While this may seem to be a logical programmatic organization, others argue that this view of the dropout problem fails to recognize that youth do not cleanly move from being students to being dropouts. An underlying issue pertains to whether one believes dropouts are more indicative of problems with the educational system or family and economic hardships. The latter may be more difficult to address with discrete dropout programs.

Unintended Consequences of Testing. *Do NCLBA assessments and accountability provisions encourage students to drop out of school?* Some argue that more frequent and early testing of students may cause some to avoid the shame and discouragement associated with poor performance. Such students may also be subtly encouraged to leave school by administrators and teachers whose attention is focused on meeting AYP targets. The Aspen Commission report calls attention to this problem and argues that schools must be held accountable for graduation rates as well as student achievement to avoid the problem of “pushing out” low-performing students to raise assessment scores.³⁷

As mentioned earlier in this report, the NCLBA required the Secretary of ED to conduct a national assessment of the Title I programs and their impact on SEAs, LEAs, schools, and students. Two preliminary reports have been released but neither

³⁶ For a recent review of research on these risk factors see, Robelen, E., “Detailed Dropout Studies Guide Policy in City Schools,” *Education Week*, vol. 26, no. 12, (Nov. 15, 2006).

³⁷ The Commission on No Child Left Behind, *Beyond NCLB: Fulfilling the Promise to Our Nation’s Children*, the Aspen Institute, Washington, DC, February 2007.

have discussed the effect of assessments on dropouts. Congress may call for additional information on this issue as it considers amending the current ESEA assessment and accountability provisions.