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TO: Chief School Administrators
Charter School Lead Persons

FROM: Christopher D. Cerf
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SUBJECT: Graduation Rate

Today, we made two significant announcements in our continued collective effort to ensure that all students in New Jersey, regardless of birth circumstance, graduate from high school truly ready for college and career.

Over the last year, we have taken a number of steps as a state to meet this central goal. We have developed a new and more meaningful school accountability system in place of No Child Left Behind (NCLB) to focus our resources on improving the lowest-performing schools while freeing up high-performing schools and districts from state interference; we are developing new teacher and principal evaluation systems to help all educators continually improve their practice; we have proposed changes to the school funding formula to more fairly distribute state aid; we have expanded options for families through both the Interdistrict School Choice program and charter schools for our neediest students; and we have rolled out new standards of what students should know at every grade level in every subject through the Common Core.

As a next step, we announced today the new high school graduation rate for New Jersey developed using a more complete and accurate method of counting required by the federal government. In addition, we announced that New Jersey will transition away from our current high school assessments – High School Proficiency Exam (HSPA) and Alternative High School Assessment (AHSA) – to a new series of end-of-course assessments that will measure student readiness at each grade level and provide new and exciting opportunities for remediation to put all students on track to high school completion.

Graduation rate

For the first time, New Jersey has calculated its high school graduation rate using a new federally-mandated methodology for the 2011 cohort of students. This new methodology, called the “four-year adjusted cohort graduation rate,” is required of every state in the country and presents a more complete and accurate way of calculating the high school graduation rate.

Because this is the first year that New Jersey is using the new methodology to calculate the graduation rate, direct comparisons to previous year’s rates are not possible. Rather, it represents a different way of reporting the graduation rate for the state. Last year’s graduation rate was calculated using a less complete and inferior method, resulting in a statewide rate of 94.7%. This year’s graduation

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rate was calculated using a superior method of accounting for all students who began high school four years earlier, resulting in a more accurate rate of 83%.

New Jersey continues to rank among the top states in the nation by any number of measures, and we owe our outstanding educators and school leaders a debt of gratitude for that. But the new 2011 cohort graduation rate presents us with a more accurate picture of the true level of high school completion across the state, and we should all take this opportunity to study the data carefully to help target our programs and supports. I want to stress that this does not mean that fewer students received a diploma this year than last year, in fact more students graduated in 2011 than in 2010, but it does mean that when we count accurately, the true graduation rate in New Jersey is 83%.

In previous years, New Jersey used the National Center for Education Statistics (NCES) “Leaver Rate” to calculate the graduation rate. Under this methodology, districts would report their graduation rate to the state by looking at the reported graduates in the current year out of a cohort of those graduates plus the reported drop outs from previous years. Districts reported overall numbers to the state each year, but did not report the status of every student that attended the school. The summary below outlines this methodology.

NCES “Leave Rate” Methodology (for 2010 as an example)	
Numerator	Count of graduates in 2010
Denominator	Count of graduates in 2010 Plus: <ul style="list-style-type: none"> • The number of 12th grade dropouts in 2009-10 • The number of 11th grade dropouts in 2008-09 • The number of 10th grade dropouts in 2007-08 • The number of 9th grade dropouts in 2006-07

Based on a recommendation from the National Governor’s Association, the U.S. Department of Education has required all states to report their graduation rate using the “four-year adjusted cohort graduation rate” beginning with the 2011 cohort.

Under this formula, districts have submitted student-level data into our statewide data system, NJSMART, over the past four years. Using this data, the Department of Education calculates a graduation rate for the state, each district, and each school. The new formula creates the percentage by looking at the number of students that graduated out of a cohort of students that began four years earlier in that school in 9th grade. The only adjustments that are made to that cohort are to add students who transfer into the school during those four years, and to subtract students that the district can document as transferred to another school or state, emigrated out of the country, or died. The cohort is only adjusted if the district can document these changes for an individual student. All other students are calculated in the graduation rate cohort.

Four-year Adjusted Cohort Graduation Rate (2011)	
Numerator	Count of graduates in 2011
Denominator	Entering 9 th grade class Plus: <ul style="list-style-type: none"> • Any student who (who started 9th grade in the same year) that transferred into the school Minus: <ul style="list-style-type: none"> • A student who transfers to another school or state • A student who emigrates to another country • A student who dies

Additional details about this methodology can be found on the U.S. Department of Education's website at the link below:

<http://www2.ed.gov/policy/elsec/guid/hsguidance.pdf>

Although many students take more than 4 years to graduate from high school, the federal requirements do not allow the exclusion of students on a 5 or 6 year track, whether for special education students as indicated in their Individualized Education Plan (IEP) or otherwise. In future years, the Department will be able to also calculate an extended-year graduation rate to help account for these students.

In order to inform districts about this change, the Department held technical training sessions in every county over the past year both on the change in methodology and the requirements for districts to ensure that they properly track all students in NJSMART. NJSMART allows districts to track each student for every year they are enrolled, and allows districts to update a student's history from 9th through 12th grade with the click of a mouse. In this way, a district can update a student's status in real time based on a transfer or other change in status. In addition, NJSMART took 7,000 data appeals in the fall in our effort to work with each of you to make sure that we have complete and accurate data.

New graduation requirement to better measure and prepare students for college and career

In spite of the fact that New Jersey students are graduating from high school at high rates, there is significant evidence that even high school graduates are not truly ready for college and career.

College ready

- 90% of students in Bergen and Essex County Community Colleges need remediation before taking a college course
- 1/3 of students at Rutgers need remediation
- Only 25% of students who take remediation courses graduate college within 8 years

Career ready

- The Chamber of Commerce reports that only half of recent high school graduates could pass eight grade mathematics aptitude tests, the gateway to entry level jobs
- Business spend substantial time and money to train entry-level high school graduates

In October 2011, we convened the College- and Career-Ready Task Force to clearly articulate the knowledge and skills that students should master to be college and career ready, and to ensure that New Jersey has the appropriate graduation requirements and high school assessments in place to evaluate the mastery of these readiness standards. Members of the task force include the Vice President of the New Jersey Chamber of Commerce, Presidents or Vice Presidents of 6 New Jersey Universities and Community Colleges, and representatives of K-12 education including two superintendents, a principal, and a teacher.

For the first time, leaders from K-12, higher education, and the business communities have come together to agree both on what students need to know to be ready for college and career and also how measure that knowledge so that a high school diploma prepares students to take a college course or being work immediately after graduation.

In 2010, the State Board of Education adopted the Common Core State Standards (CCSS) which, unlike previous state standards, are specifically designed to progress students from grades K-12 with the knowledge and skills they will need to graduate from high school ready for college and career. Put another way, students who master the CCSS by definition will not need remediation to begin college

after high school graduation. These standards serve as the definition for college and career readiness in New Jersey.

The Task Force found that the current high school tests – HSPA and AHSA – are not aligned to the CCSS and therefore are not the right assessments to measure college and career readiness. Given this, it is no surprise that students can pass the HSPA, which studies show is only aligned to an 8th grade level, and still need remediation in college.

Instead, the Task Force recommends that New Jersey migrate to end-of-course exams in high school that will measure college and career readiness in each grade and each subject. The new end-of-course exams will differ from previous exams in two important ways. First, they will measure the mastery of knowledge and skills at the end of a specific course, such as Algebra or Geometry, rather than folding all subjects into one comprehensive 11th grade exam as was the case under HSPA. Second, these exams will not simply measure the knowledge students have attained through traditional multiple choice questions, but rather half of the exam will measure the application of knowledge and critical thinking skills through essays and other problem solving questions.

To prepare students for the demands of the 21st century, we need them not only to master the content of the Common Core but be able to apply that knowledge in real-world situations. These new assessments will be specifically designed to measure the application of knowledge through writing and critical thinking skills in ways that previous exams have not truly been able to. With our standards and curriculum aligned with our assessments, we will finally as a state ensure that every student is on track for college and career throughout their K-12 experience.

The transition to end-of-course assessments will have two advantages.

- In partnership with institutes of higher education, students who pass the assessments will demonstrate a true readiness for college or a career at each grade level and will not need remediation when they enter community colleges.
- For students who do not pass an assessment, there will now be new and unprecedented opportunities for remediation at each grade level to get students back on track for college and career readiness. Under the new system, districts will be able to develop individualized remediation in the targeted area of weakness based on assessment results, and a student can retake only the specific module in which they were unsuccessful to get them back on track for high school graduation.

In order to develop a transition that will give both students and schools a chance to adapt to the new assessments, the state will transition to the new assessments over several years.

- **Students currently in high school (grades 9-12)**
 - We will extend the current HSPA contract to allow these students to take the HSPA/AHSA as a graduation requirement to maintain continuity for students and schools.
 - Students will have the option to take the ACT, SAT, and Accuplacer (college placement test) to measure college readiness. If students do not meet the college-ready bar, schools will be able to offer bridge courses to students to ensure they are ready for college without the need for remediation after graduation.
- **Students currently in grades 5-8**
 - We will begin to phase in end-of-course assessments in high school. Students will take these assessments and scores will be recorded on their transcript, but these assessments will not be graduation requirements while the state transitions.

- Students will graduate based on satisfactory completion of required courses, with accountability coming from a more robust transcript.
 - We will test the reliability and validity of these new assessments, set passing scores, and teachers will align courses and instructional strategies to the new exams.
 - Students will have the option to take the ACT, SAT, and Accuplacer to measure college readiness. If students do not meet the college-ready bar, schools will be able to offer bridge courses to students to ensure they are ready for college without the need for remediation after graduation.
- **Students currently in grades 4 and earlier**
 - Students will need to take and pass a certain number of end-of-course assessments in high school as defined by the NJDOE to graduate, which will accurately measure college and career readiness and eliminate the need for college remediation

The development of end-of-course assessments aligned to the CCSS is already under development through the Partnership for Assessment of Readiness for College and Careers (PARCC) in both language arts literacy and math in grades 9 through 11. New Jersey is on the governing board of PARCC, which has committed to making these assessments ready for the 2014-15 school year. The Task Force also recommends that the Department of Education develop and administer end-of-course assessments in science and social studies, but they should not be mandated and districts should be able to establish their own assessments if they meet the state's standards. The Department is reviewing this recommendation. New Jersey will also migrate to the new PARCC end-of-course assessments to replace the New Jersey Assessment of Skills and Knowledge (NJASK) in 2014.

Over the next several years, the Department of Education will work to identify both the number of end-of-course assessments required for graduation and the passing scores for each assessment over several years of administration.

While we recognize the importance of measuring student performance in a consistent way across the state, we also want to make sure that our standards and assessments encourage the type of critical thinking and problem solving skills that are crucial in the 21st century. By developing assessments that measure these skills in a new way, we are confident that the result will be a continued expansion of the curriculum and a continued emphasis on critical thinking skills. In addition, because most districts already offer end-of-year assessments, by eliminating the HSPA and AHSA we hope that this change will actually decrease the number of assessments that students need to take in high school.

We will continue to share information about this transition on an ongoing basis to ensure that all schools and all students have adequate time to prepare and adapt. As always, if you have any questions, please do not hesitate to reach out to your Executive County Superintendent.

CDC/jb

c: State Board Members
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