

112TH CONGRESS  
1ST SESSION

# S. 767

To improve the calculation of, the reporting of, and the accountability for,  
secondary school graduation rates.

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## IN THE SENATE OF THE UNITED STATES

APRIL 7 (legislative day, APRIL 5), 2011

Mr. HARKIN introduced the following bill; which was read twice and referred  
to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To improve the calculation of, the reporting of, and the  
accountability for, secondary school graduation rates.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Every Student Counts  
5 Act”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

8               (1) In order for the United States to retain a  
9       competitive edge in the world economy, it is essential  
10      that youth in the United States be prepared for the

1 jobs of today and for the jobs of the future. Such  
2 jobs increasingly require postsecondary education,  
3 and according to a 2008 Department of Labor re-  
4 port, almost 90 percent of the fastest growing and  
5 best paying jobs require some postsecondary edu-  
6 cation.

7 (2) Individuals without a regular secondary  
8 school diploma experience higher rates of unemploy-  
9 ment, incarceration, poverty, and receipt of public  
10 assistance than individuals with a regular secondary  
11 school diploma.

12 (3) According to the 2009 Center for Public  
13 Education report “Better late than never? Exam-  
14 ining late high school graduates”, on-time gradua-  
15 tion with a regular secondary school diploma leads  
16 to the best outcomes for students, but students who  
17 graduate late with a regular secondary school di-  
18 ploma are still more likely to earn an associate or  
19 a baccalaureate degree, to be employed full-time,  
20 and to obtain a job with retirement benefits and  
21 health insurance than are either students who drop  
22 out of secondary school or students who receive a  
23 GED.

24 (4) About 1,300,000 secondary school students,  
25 which is approximately  $\frac{1}{3}$  of all secondary school

1 students in the United States, fail to graduate with  
2 their peers every year. According to the Department  
3 of Education, the United States secondary school  
4 graduation rate is only 75 percent.

5 (5) The graduation rates for historically dis-  
6 advantaged minority groups are far lower than that  
7 of their White peers. Little more than half of all Af-  
8 rican-American and Hispanic students finish sec-  
9 ondary school on time with a regular secondary  
10 school diploma, while more than  $\frac{3}{4}$  of White stu-  
11 dents finish secondary school on time with a regular  
12 secondary school diploma.

13 (6) Nearly 2,000 secondary schools (about 12  
14 percent of all secondary schools in the United  
15 States) produce about half of the Nation's secondary  
16 school dropouts. In these schools, the number of sen-  
17 iors is routinely 60 percent or less than the number  
18 of freshmen 3 years earlier. While 34 percent of the  
19 Nation's African-American students and nearly 28  
20 percent of Latino students attend these "dropout  
21 factories", only 16 percent of White students do.

22 (7) The average gap between State-reported  
23 graduation rates and independently reported gradua-  
24 tion rates is approximately 11 percent.

1           (8) In 2005, all 50 of the Nation’s Governors  
2 signed the National Governors Association’s Gradua-  
3 tion Rate Compact, pledging to use a common, accu-  
4 rate graduation rate.

5           (9) In 2008, the Secretary of Education re-  
6 leased final regulations that also require States to  
7 report a common graduation rate calculation. How-  
8 ever, since the Department of Education did not  
9 specify in the regulations what graduation rate goals  
10 and growth targets are appropriate and how States  
11 should include 4-year rates and extended year rates  
12 in calculating adequate yearly progress, it is nec-  
13 essary to clarify these goals, targets and rates in  
14 order to create a meaningful Federal accountability  
15 system for secondary schools.

16           (10) State-set targets to make adequate yearly  
17 progress under the Secretary of Education’s 2008  
18 regulations are numerous in type and varied in ag-  
19 gressiveness. Twenty-eight States have set a gradua-  
20 tion rate goal of less than 90 percent. At least 8  
21 States have set status targets that do not take into  
22 consideration progress toward the State-set goal.  
23 Furthermore, only 2 of the 9 States that include ex-  
24 tended year rates in measures of adequate yearly

1 progress do so in a way that places a priority on  
2 graduating students within 4 years.

3 (11) The most accurate graduation rate calcula-  
4 tions rely on high-quality longitudinal data systems  
5 that track individual student data from the time a  
6 student enters kindergarten through the time such  
7 student finishes 12th grade. Forty-eight States plan  
8 to have data systems that will provide secondary  
9 school data that will allow such States to use the  
10 graduation rate formula specified in the Department  
11 of Education's 2008 final regulations not later than  
12 the 2011–2012 school year.

13 (12) An accountability system with meaningful  
14 graduation rate goals—

15 (A) holds schools, school districts, and  
16 States responsible for both student achievement  
17 and outcomes; and

18 (B) ensures that low-performing students  
19 are not unnecessarily held back or encouraged  
20 to leave school without a diploma.

21 (13) Prior to the 2008 regulations, the amend-  
22 ments to the Elementary and Secondary Education  
23 Act of 1965 (20 U.S.C. 6301 et seq.) made by the  
24 No Child Left Behind Act of 2001 (Public Law  
25 107–110) did not require consistent calculations,

1 meaningful goals, or disaggregation of graduation  
2 rates. Without clear guidance from the Department  
3 of Education, most secondary schools can continue  
4 to make adequate yearly progress by making as little  
5 as 0.1 percent improvement or less in secondary  
6 school graduation rates each year and can do so  
7 with a consistent, or even growing, secondary school  
8 graduation gap among subgroups of students.

9 **SEC. 3. PURPOSES.**

10 The purposes of this Act are—

11 (1) to require consistent calculations and re-  
12 porting of secondary school graduation rates across  
13 schools, school districts, and States;

14 (2) to provide educators with critical informa-  
15 tion about student progress toward secondary school  
16 graduation; and

17 (3) to ensure meaningful accountability for the  
18 improvement of secondary school graduation rates  
19 for all students, particularly for poor and minority  
20 students.

21 **SEC. 4. SECONDARY SCHOOL GRADUATION RATES.**

22 Subpart 1 of part A of title I of the Elementary and  
23 Secondary Education Act of 1965 (20 U.S.C. 6311 et  
24 seq.) is amended by inserting after section 1111 (20  
25 U.S.C. 6311) the following:

1 **“SEC. 1111A. SECONDARY SCHOOL GRADUATION RATES.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) ADJUSTED COHORT; ENTERING COHORT;  
4 TRANSFERRED INTO; TRANSFERRED OUT.—

5 “(A) ADJUSTED COHORT.—Subject to sub-  
6 paragraphs (D)(ii) through (G), the term ‘ad-  
7 justed cohort’ means the difference of—

8 “(i) the sum of—

9 “(I) the entering cohort; plus

10 “(II) any students that trans-  
11 ferred into the cohort in any of grades  
12 9 through 12; minus

13 “(ii) any students that are removed  
14 from the cohort as described in subpara-  
15 graph (E).

16 “(B) ENTERING COHORT.—The term ‘en-  
17 tering cohort’ means the number of first-time  
18 9th graders enrolled in the secondary school 1  
19 month after the start of the secondary school’s  
20 academic year.

21 “(C) TRANSFERRED INTO.—The term  
22 ‘transferred into’ when used with respect to a  
23 secondary school student, means a student  
24 who—

1 “(i) was a first-time 9th grader dur-  
 2 ing the same school year as the entering  
 3 cohort; and

4 “(ii) enrolls after the entering cohort  
 5 is calculated as described in subparagraph  
 6 (B).

7 “(D) TRANSFERRED OUT.—

8 “(i) IN GENERAL.—The term ‘trans-  
 9 ferred out’ when used with respect to a  
 10 secondary school student, means a student  
 11 who the secondary school or local edu-  
 12 cational agency has confirmed has trans-  
 13 ferred—

14 “(I) to another school from which  
 15 the student is expected to receive a  
 16 regular secondary school diploma; or

17 “(II) to another educational pro-  
 18 gram from which the student is ex-  
 19 pected to receive a regular secondary  
 20 school diploma.

21 “(ii) CONFIRMATION REQUIRE-  
 22 MENTS.—

23 “(I) DOCUMENTATION RE-  
 24 QUIRED.—The confirmation of a stu-  
 25 dent’s transfer to another school or



1 educational program described in  
2 clause (i) requires documentation  
3 from the receiving school or program  
4 that the student enrolled in the receiv-  
5 ing school or program.

6 “(II) LACK OF CONFIRMATION.—  
7 A student who was enrolled, but for  
8 whom there is no confirmation of the  
9 student having transferred out, shall  
10 remain in the cohort as a nongraduate  
11 for reporting and accountability pur-  
12 poses under this section.

13 “(iii) PROGRAMS NOT PROVIDING  
14 CREDIT.—A student enrolled in a GED or  
15 other alternative educational program that  
16 does not issue or provide credit toward the  
17 issuance of a regular secondary school di-  
18 ploma shall not be considered transferred  
19 out.

20 “(E) COHORT REMOVAL.—To remove a  
21 student from a cohort, a school or local edu-  
22 cational agency shall require documentation to  
23 confirm that the student has transferred out,  
24 emigrated to another country, or is deceased.

1           “(F) TREATMENT OF OTHER LEAVERS  
2           AND WITHDRAWALS.—A student who was re-  
3           tained in a grade, enrolled in a GED program,  
4           aged-out of a secondary school or secondary  
5           school program, or left secondary school for any  
6           other reason, including expulsion, shall not be  
7           considered transferred out, and shall remain in  
8           the adjusted cohort.

9           “(G) SPECIAL RULE.—For those secondary  
10          schools that start after grade 9, the entering  
11          cohort shall be calculated 1 month after the  
12          start of the secondary school’s academic year in  
13          the earliest secondary school grade at the sec-  
14          ondary school.

15          “(2) ALTERNATIVE EDUCATIONAL SETTING.—  
16          The term ‘alternative educational setting’ means—

17                 “(A) a secondary school or secondary  
18                 school educational program that—

19                         “(i) is designed for students who are  
20                         under-credited or have dropped out of sec-  
21                         ondary school; and

22                         “(ii) awards a regular secondary  
23                         school diploma; or

24                         “(B) a secondary school or secondary  
25                         school educational program designed to issue a

1 regular secondary school diploma concurrently  
2 with a postsecondary degree or not more than  
3 2 years of postsecondary education credit.

4 “(3) CUMULATIVE GRADUATION RATE.—The  
5 term ‘cumulative graduation rate’ means, for each  
6 school year, the percent obtained by calculating the  
7 product of—

8 “(A) the result of—

9 “(i) the sum of—

10 “(I) the number of students  
11 who—

12 “(aa) form the adjusted co-  
13 hort; and

14 “(bb) graduate in 4 years or  
15 less with a regular secondary  
16 school diploma (which shall not  
17 include a GED or other certifi-  
18 cate of completion or alternative  
19 to a diploma except as provided  
20 in paragraph (6)(B)); plus

21 “(II) the number of additional  
22 students from previous cohorts who  
23 graduate in more than 4 years with a  
24 regular secondary school diploma  
25 (which shall not include a GED or

1 other certificate of completion or al-  
 2 ternative to a diploma except as pro-  
 3 vided in paragraph (6)(B)); divided by  
 4 “(ii) the sum of—

5 “(I) the number of students who  
 6 form the adjusted cohort for that  
 7 year’s graduating class; plus

8 “(II) the number of additional  
 9 student graduates described in clause  
 10 (i)(II); multiplied by

11 “(B) 100.

12 “(4) 4-YEAR ADJUSTED COHORT GRADUATION  
 13 RATE.—The term ‘4-year adjusted cohort graduation  
 14 rate’ means the percent obtained by calculating the  
 15 product of—

16 “(A) the result of—

17 “(i) the number of students who—

18 “(I) formed the adjusted cohort 4  
 19 years earlier; and

20 “(II) graduate in 4 years or less  
 21 with a regular secondary school di-  
 22 ploma (which shall not include a GED  
 23 or other certificate of completion or  
 24 alternative to a diploma except as pro-  
 25 vided in paragraph (6)(B)); divided by

1                   “(ii) the number of students who  
2                   formed the adjusted cohort for that year’s  
3                   graduating class 4 years earlier; multiplied  
4                   by  
5                   “(B) 100.

6                   “(5) ON-TRACK STUDENT.—The term ‘on-track  
7                   student’ means a student who—

8                   “(A) has accumulated the number of cred-  
9                   its necessary to be promoted to the next grade,  
10                  in accordance with State and local educational  
11                  agency policies;

12                  “(B) has a 90 percent or higher school at-  
13                  tendance rate;

14                  “(C) has failed not more than 1 semester  
15                  in English or language arts, mathematics,  
16                  science, or social studies; and

17                  “(D) has failed not more than any 2 cred-  
18                  it-bearing courses.

19                  “(6) REGULAR SECONDARY SCHOOL DI-  
20                  PLOMA.—

21                  “(A) IN GENERAL.—The term ‘regular sec-  
22                  ondary school diploma’ means the standard sec-  
23                  ondary school diploma awarded to the prepon-  
24                  derance of students in the State that is fully  
25                  aligned with State standards, or a higher di-

1           ploma. Such term shall not include GEDs, cer-  
2           tificates of attendance, or any lesser diploma  
3           award.

4           “(B) SPECIAL RULE.—For a student who  
5           has a significant cognitive disability and is as-  
6           sessed using an alternate assessment aligned to  
7           an alternate achievement standard, receipt of a  
8           regular secondary school diploma or a State-de-  
9           fined alternate diploma aligned with completion  
10          of the student’s right to a free and appropriate  
11          public education under the Individuals with  
12          Disabilities Education Act shall be counted as  
13          graduating with a regular secondary school di-  
14          ploma for the purposes of this section, except  
15          that not more than 1 percent of students served  
16          by the State or local educational agency, as ap-  
17          propriate, shall be counted as graduates with a  
18          regular secondary school diploma under this  
19          subparagraph.

20          “(7) UNDER-CREDITED STUDENT.—The term  
21          ‘under-credited student’ means a secondary school  
22          student who is a year or more behind in the ex-  
23          pected accumulation of credits or courses toward an  
24          on-time graduation as determined by the relevant  
25          local educational agency’s and State educational

1 agency's secondary school graduation requirements  
2 for an on-time graduation.

3 “(b) CALCULATING AND REPORTING ACCURATE  
4 GRADUATION RATES.—

5 “(1) CALCULATING GRADUATION RATES.—Not  
6 later than school year 2011–2012, and every school  
7 year thereafter, each State educational agency and  
8 local educational agency that is assisted under this  
9 part shall calculate, using a statewide longitudinal  
10 data system with individual student identifiers for  
11 each school served by the State or local educational  
12 agency, as the case may be—

13 “(A) the 4-year adjusted cohort graduation  
14 rate; and

15 “(B) the cumulative graduation rate.

16 “(2) CALCULATION AT SCHOOL, LEA, AND  
17 STATE LEVELS; DISAGGREGATION AND CROSS TAB-  
18 ULATION.—The 4-year adjusted cohort graduation  
19 rate and the cumulative graduation rate shall be cal-  
20 culated at the school, local educational agency, and  
21 State levels in the aggregate and disaggregated and  
22 cross tabulated by race, ethnicity, gender, disability  
23 status, migrant status, English proficiency, and sta-  
24 tus as economically disadvantaged, and made public,  
25 except that such disaggregation or cross tabulation

1 shall not be required in a case in which the number  
2 of students in a subgroup is insufficient to yield sta-  
3 tistically reliable information or the results would re-  
4 veal personally identifiable information about an in-  
5 dividual student.

6 “(3) STATEWIDE EXIT CODES.—Not later than  
7 1 year after the enactment of the Every Student  
8 Counts Act, each State that receives funds under  
9 this subpart shall—

10 “(A) design a statewide exit code system,  
11 in consultation with local educational agencies;

12 “(B) require all local educational agencies  
13 to use the statewide exit code system; and

14 “(C) provide technical assistance and sup-  
15 port to local educational agencies to assist such  
16 agencies with the implementation of the state-  
17 wide exit code system.

18 “(4) REPORTING GRADUATION RATES.—Subject  
19 to paragraph (5), not later than school year 2011–  
20 2012, and every school year thereafter, each State  
21 that is assisted under this part shall ensure that the  
22 State, all local educational agencies in the State, and  
23 all secondary schools in the State report annually, as  
24 part of the State and local educational agency report



1 cards required under section 1111(h), each of the  
2 following:

3 “(A) 4-YEAR ADJUSTED COHORT GRADUA-  
4 TION RATE.—The 4-year adjusted cohort grad-  
5 uation rate, in the aggregate and disaggregated  
6 by each of the subgroups described in para-  
7 graph (2).

8 “(B) 4-YEAR ADJUSTED COHORT SIZE AND  
9 4-YEAR GRADUATES.—The final number of stu-  
10 dents in the 4-year adjusted cohort and the  
11 total number of 4-year graduates in the aggre-  
12 gate and disaggregated by each of the sub-  
13 groups described in paragraph (2).

14 “(C) CUMULATIVE GRADUATION RATE.—  
15 The cumulative graduation rate, in the aggre-  
16 gate and disaggregated by each of the sub-  
17 groups described in paragraph (2).

18 “(D) NUMBER AND PERCENTAGE OF STU-  
19 DENTS GRADUATING IN MORE THAN 4 YEARS.—  
20 The number and percentage of secondary school  
21 students graduating in more than 4 years with  
22 a regular secondary school diploma as described  
23 in subsection (a)(3)(A)(i)(II), disaggregated by  
24 the number of years it took the students to

1 graduate and by each of the subgroups de-  
2 scribed in paragraph (2).

3 “(E) NUMBER AND PERCENTAGE OF STU-  
4 DENTS REMOVED FROM COHORT.—The number  
5 and percentage of secondary school students  
6 who have been removed from the 4-year ad-  
7 justed cohort by exit code (as described in sub-  
8 section (b)(3)), in the aggregate and  
9 disaggregated by each of the subgroups de-  
10 scribed in paragraph (2).

11 “(F) NUMBER AND PERCENTAGE OF CON-  
12 TINUING STUDENTS.—The number and percent-  
13 age of students from each previous adjusted co-  
14 hort that began 4 years or more earlier who  
15 have not graduated from and are still enrolled  
16 in secondary school.

17 “(5) USE OF INTERIM GRADUATION RATE.—In  
18 the case of a State that does not have an individual  
19 student identifier longitudinal data system, with re-  
20 spect to each graduation rate calculation or report-  
21 ing requirement under this section, the State and  
22 local educational agencies and secondary schools in  
23 the State shall temporarily carry out this section by  
24 using an interim graduation rate calculation that  
25 meets the following conditions:

1           “(A) NUMBER OF GRADUATES COMPARED  
2 TO NUMBER OF STUDENTS.—The calculation  
3 shall measure or estimate the number of sec-  
4 ondary school graduates compared to the num-  
5 ber of students in the secondary school’s enter-  
6 ing grade.

7           “(B) DROPOUT DATA.—The calculation  
8 shall not use dropout data.

9           “(C) REGULAR SECONDARY SCHOOL DI-  
10 PLOMA.—The calculation shall count as grad-  
11 uates only those students who receive a regular  
12 secondary school diploma.

13           “(D) DISAGGREGATION.—The calculation  
14 shall be disaggregated by each of the subgroups  
15 described in paragraph (2).

16           “(E) ANNUAL BASIS AND RATE OF  
17 GROWTH.—The calculation shall be used on an  
18 annual basis to determine a rate of growth, as  
19 described in subsection (c).

20           “(F) TIMEFRAME LIMITATION.—The in-  
21 terim graduation rate calculation may only be  
22 used through the end of school year 2012–  
23 2013.

24           “(G) REPORTING USE OF INTERIM GRAD-  
25 UATION RATE.—Each State that receives assist-

1           ance under this part and does not have an indi-  
2           vidual student identifier longitudinal data sys-  
3           tem shall describe in the State’s plan submitted  
4           under section 1111 the interim graduation rate  
5           used in accordance with this paragraph.

6           “(6) REPORTING ON ALTERNATIVE SET-  
7           TINGS.—Not later than school year 2011–2012, and  
8           every school year thereafter, each State educational  
9           agency and local educational agency that receives as-  
10          sistance under this part and contains an alternative  
11          education setting that establishes an alternative 4-  
12          year completion requirement as described in sub-  
13          section (c)(4)(C)(iii), shall report annually as part of  
14          the State and local educational agency report cards  
15          required under section 1111(h), the following:

16               “(A) The name of each alternative edu-  
17               cation setting that establishes an alternative 4-  
18               year completion requirement as described in  
19               subsection (c)(4)(C)(iii).

20               “(B) A description of the program pro-  
21               vided at each setting and the population served.

22               “(C) The enrollment of such settings in  
23               the aggregate and disaggregated by each of the  
24               subgroups described in paragraph (2), including  
25               as a percent of overall enrollment.

1           “(D) Whether the setting is a new school  
2           or setting.

3           “(E) The alternative 4-year completion re-  
4           quirement as described in subsection  
5           (c)(4)(C)(iii).

6           “(7) REPORTING PERCENT OF ON-TRACK STU-  
7           DENTS.—Not later than school year 2011–2012, and  
8           every school year thereafter, each State educational  
9           agency, local educational agency, and school that re-  
10          ceives assistance under this part shall report annu-  
11          ally, as part of the State and local educational agen-  
12          cy report cards required under section 1111(h), the  
13          percent of on-track students for each secondary  
14          school grade served by the State educational agency,  
15          local educational agency, and school, respectively,  
16          other than the graduating grade for the secondary  
17          school, in the aggregate and disaggregated by each  
18          of the subgroups described in paragraph (2).

19          “(8) REPORTING ADDITIONAL INDICATORS.—

20                 “(A) IN GENERAL.—A State may report  
21                 additional complementary indicators of sec-  
22                 ondary school completion, such as—

23                         “(i) a college-ready graduation rate;

24                         “(ii) a dropout rate;

25                         “(iii) in-grade retention rates;

1           “(iv) percentages of students receiving  
2           GEDs, certificates of completion, or alter-  
3           natives to a diploma;

4           “(v) average attendance rates in the  
5           aggregate and disaggregated by each of the  
6           subgroups described in paragraph (2); and

7           “(vi) in the case of a State with exit  
8           examinations, students who have completed  
9           course requirements but failed a State ex-  
10          amination required for secondary school  
11          graduation.

12          “(B) DEFINITIONS FOR INDICATORS.—The  
13          Secretary shall promulgate and publish in the  
14          Federal Register regulations containing defini-  
15          tions for the indicators described in clauses (i),  
16          (ii), and (iii) of subparagraph (A) that are con-  
17          sistent with the definitions used by the National  
18          Center for Educational Statistics, in order to  
19          ensure that the indicators are comparable  
20          across schools and school districts within a  
21          State.

22          “(C) PROHIBITION.—For purposes of re-  
23          porting or accountability under this section, the  
24          additional indicators shall not replace the 4-

1 year adjusted cohort graduation rate or the cu-  
2 mulative graduation rate.

3 “(D) RULE OF CONSTRUCTION.—Nothing  
4 in this Act shall be construed to prohibit a  
5 State from reporting indicators of secondary  
6 school completion that are not described in sub-  
7 paragraph (A).

8 “(9) DATA ANOMALIES.—

9 “(A) IN GENERAL.—When an individual  
10 student record indicates a student was enrolled  
11 in more than 1 secondary school or a student  
12 record shows enrollment in a secondary school  
13 but no subsequent information, such student  
14 record shall be assigned to 1 adjusted cohort  
15 for the purposes of calculating and reporting  
16 school, local educational agency, and State 4-  
17 year adjusted cohort graduation rates and cu-  
18 mulative graduation rates under this sub-  
19 section.

20 “(B) SPECIAL RULE.—A student who re-  
21 turns to secondary school after dropping out of  
22 secondary school, or receives a diploma from  
23 more than 1 school or educational program  
24 served by any 1 local educational agency, shall  
25 be counted—

1                   “(i) only once for purposes of report-  
2                   ing and accountability under this section;  
3                   and

4                   “(ii) as part of the student’s original  
5                   adjusted cohort.

6                   “(10) MONITORING OF DATA COLLECTION.—

7                   Each State that receives assistance under this part  
8                   shall conduct regular audits of the data collection,  
9                   use of exit codes (as described in subsection (b)(3)),  
10                  reporting, and calculations that are carried out by  
11                  local educational agencies in the State. The Sec-  
12                  retary shall assist States in their efforts to develop  
13                  and retain the capacity for collection, analysis, and  
14                  public reporting of 4-year adjusted cohort gradua-  
15                  tion rate and cumulative graduation rate data.

16                  “(c) SCHOOL, LOCAL EDUCATIONAL AGENCY, AND  
17                  STATE ACCOUNTABILITY.—

18                  “(1) GRADUATION RATE GOAL.—Each State  
19                  that receives assistance under this part shall—

20                         “(A) seek to have all students graduate  
21                         from secondary school prepared for success in  
22                         college and career; and

23                         “(B) meet the graduation rate goal as de-  
24                         scribed in this subsection.



1           “(2) GRADUATION RATE CALCULATION.—Each  
2 State that receives assistance under this part shall  
3 use aggregate and disaggregated 4-year adjusted co-  
4 hort graduation rates or cumulative graduation rates  
5 as the additional indicator described in section  
6 1111(b)(2)(C)(vi) for the purposes of determining  
7 each secondary school’s and local educational agen-  
8 cy’s adequate yearly progress.

9           “(3) MEETING GRADUATION RATE GOAL.—In  
10 order to meet the graduation rate goal, a State, local  
11 educational agency, or school shall demonstrate that  
12 it has a 4-year adjusted cohort graduation rate or a  
13 cumulative graduation rate above 90 percent in the  
14 aggregate and for all subgroups described in sub-  
15 section (b)(2).

16           “(4) ANNUAL MEASURABLE OBJECTIVES.—The  
17 Secretary shall require a State, local educational  
18 agency, or school that receives assistance under this  
19 part and that has not met the graduation rate goal  
20 in the aggregate or for any subgroup described in  
21 subsection (b)(2) to increase the 4-year adjusted co-  
22 hort graduation rate or the cumulative graduation  
23 rate, in the aggregate or for such subgroup, respec-  
24 tively, in order to make adequate yearly progress  
25 under section 1111(b)(2), as follows:

1                   “(A) BASELINE FOR 4-YEAR ADJUSTED CO-  
2                   HORT AND CUMULATIVE GRADUATION RATES.—

3                   “(i) IN GENERAL.—Subject to sub-  
4                   paragraph (B), the 4-year adjusted cohort  
5                   graduation rate calculated and reported in  
6                   accordance with this section for the first  
7                   school year that begins after the date of  
8                   enactment of the Every Student Counts  
9                   Act shall serve as the baseline 4-year ad-  
10                  justed cohort graduation rate and the cu-  
11                  mulative graduation rate calculated and re-  
12                  ported in accordance with this section for  
13                  such first school year shall serve as the  
14                  baseline cumulative graduation rate.

15                  “(ii) ANNUAL GROWTH.—Each school  
16                  year after the baseline year described in  
17                  clause (i), 4-year adjusted cohort gradua-  
18                  tion rates and cumulative graduation rates  
19                  calculated at the school, local educational  
20                  agency, and State levels in the aggregate  
21                  and disaggregated by each subgroup de-  
22                  scribed in subsection (b)(2) shall be evalu-  
23                  ated for annual growth in accordance with  
24                  subparagraph (C).

1           “(B) BASELINE ADJUSTMENT.—In the  
2 case of a State that uses an interim graduation  
3 rate, after the State has implemented an indi-  
4 vidual student identifier longitudinal data sys-  
5 tem and can calculate the 4-year adjusted co-  
6 hort graduation rate and the cumulative grad-  
7 uation rate, but not later than the 2013–2014  
8 school year, the State shall use the cumulative  
9 graduation rate as the baseline graduation rate  
10 for reporting and accountability under this sec-  
11 tion.

12           “(C) ANNUAL GROWTH.—

13           “(i) IN GENERAL.—In order for a  
14 State, local educational agency, or school  
15 to make adequate yearly progress under  
16 section 1111(b)(2), the State, local edu-  
17 cational agency, or school, respectively,  
18 shall demonstrate increases in the 4-year  
19 adjusted cohort graduation rate from the  
20 baseline 4 year adjusted cohort graduation  
21 rate or increases in the cumulative gradua-  
22 tion rate from the baseline cumulative  
23 graduation rate, in the aggregate and for  
24 each subgroup described in subsection  
25 (b)(2), by an average of 3 percentage

1 points per school year, until the 4-year ad-  
2 justed cohort graduation rate or the cumu-  
3 lative graduation rate, in the aggregate  
4 and for each such subgroup, equals or ex-  
5 ceeds 90 percent.

6 “(ii) AYP NOT MADE.—A secondary  
7 school shall not be considered to have  
8 made adequate yearly progress under sec-  
9 tion 1111(b)(2) if—

10 “(I) the school’s 4-year adjusted  
11 cohort graduation rate, in the aggre-  
12 gate or for any subgroup described in  
13 subsection (b)(2), falls below the ini-  
14 tial baseline 4-year adjusted cohort  
15 over a 4-year period; or

16 “(II) fewer than 90 percent of  
17 the students included in the cumu-  
18 lative graduation rate, in the aggre-  
19 gate or for any subgroup described in  
20 subsection (b)(2), are students who  
21 graduate from secondary school in 4  
22 years.

23 “(iii) ALTERNATIVE 4-YEAR COMPLE-  
24 TION REQUIREMENT.—Notwithstanding  
25 clause (ii), a secondary school or secondary

1 school educational program that is an al-  
2 ternative education setting may apply to  
3 the State for a waiver of the requirement  
4 in clause (ii) that at least 90 percent of the  
5 students included in the cumulative grad-  
6 uation rate, in the aggregate or for any  
7 subgroup described in subsection (b)(2),  
8 are students who graduate from secondary  
9 school in 4 years if—

10 “(I) the secondary school or edu-  
11 cational program submits to the  
12 State—

13 “(aa) a description of the  
14 secondary school or educational  
15 program; and

16 “(bb) an alternative 4-year  
17 completion requirement; and

18 “(II) the State approves the use  
19 of the alternative 4-year completion  
20 requirement for such purposes.

21 “(5) DELAYED APPLICABILITY TO SCHOOLS.—  
22 Paragraphs (2), (3), and (4)(C) shall not apply to  
23 a secondary school until the beginning of school year  
24 2012–2013 or, in the case of a State using an in-  
25 terim rate, shall not apply to a secondary school

1       until the first school year after such State adjusts  
2       its baseline graduation rate as described in para-  
3       graph (4)(B).

4       “(d) REPORTING REQUIREMENT.—Not later than 90  
5       days after the date of enactment of the Every Student  
6       Counts Act, and annually thereafter, each State edu-  
7       cational agency that receives assistance under this part  
8       shall submit to the Secretary, and make publicly available,  
9       a report on the implementation of this section. Such report  
10      shall include—

11           “(1) a description of each category, code, exit  
12           code, and the corresponding definition that the State  
13           has authorized for identifying, tracking, calculating,  
14           and publicly reporting student status;

15           “(2) if using an interim graduation rate pursu-  
16           ant to subsection (b)(5), a description of the efforts  
17           of the State to implement the 4-year adjusted cohort  
18           graduation rate and the cumulative graduation rate  
19           and the expected date of implementation, which date  
20           shall be not later than the school year 2013–2014;  
21           and

22           “(3) a description of waivers granted in the  
23           State under subsection (c)(4)(C)(iii), which shall in-  
24           clude—

1           “(A) the total number of waivers granted  
2           in the State under subsection (e)(4)(C)(iii);

3           “(B) a description of each waiver granted;

4           “(C) the number of students who are en-  
5           rolled in secondary schools or secondary school  
6           education programs receiving such waivers; and

7           “(D) the cumulative graduation rates of  
8           the secondary schools or secondary school edu-  
9           cation programs receiving such waivers.”

10 **SEC. 5. AYP CONFORMING AMENDMENTS.**

11           Section 1111(b)(2)(C) of the Elementary and Sec-  
12           ondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(C))  
13           is amended—

14           (1) in clause (vi), by striking “and” after the  
15           semicolon;

16           (2) in clause (vii), by striking the period and in-  
17           serting “; and”; and

18           (3) by adding at the end the following:

19                           “(viii) complies with the requirements  
20                           of section 1111A.”.

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