

An Introduction to the Adjusted Cohort Graduation Rate Calculation in New Jersey

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Background

In 2005, the National Governors Association (NGA) introduced the adjusted cohort graduation rate calculation in an effort to move all states toward using a common calculation. The adjusted cohort formula has been deemed more accurate than other calculations in its ability to track student movement over time. In 2008, the federal government adopted NGA's formula and mandated that states calculate cohort rates beginning with 2011 graduates. The adoption of a common national standard in calculating graduation rates ensures that student movement in and out of districts is tracked over time and results in a graduation rate that accounts for all students more accurately and consistently than in the past.

The New Jersey Department of Education (NJDOE) introduced the adjusted cohort graduation rate calculation in 2011 to determine rates for schools and districts. Through NJ SMART, the state's longitudinal student data warehouse, adjusted cohort graduation rate calculations are used to derive the graduation rates of students across the state. Graduation rates are published annually in the New Jersey School Performance Reports and ESSA Accountability Profiles.



Beginning in the 2020-2021 school year, the NJDOE was required to make changes to the methodology used to calculate the adjusted cohort graduation rate for federal reporting and accountability purposes. The United States Department of Education (USED) determined that the NJDOE must only include students who receive a diploma that is fully aligned with the state's standards, meaning they have met the state course requirements, local attendance requirements, and, depending on the year of graduation, the state graduation assessment requirements. This means that students with disabilities who did not meet some or all graduation requirements because of a modification or exemption in their Individualized Education Programs (IEPs) may not be counted as graduates in the calculation of the adjusted cohort graduation rate used for federal reporting and accountability purposes.

It is important to note that this was only a change to how graduation rates are calculated for federal reporting. It did not affect the requirements to earn a diploma or the type of diploma that the state awards to students with disabilities.

As a result of these changes, the NJDOE began calculating two versions of the adjusted cohort graduation rate starting with 2021 graduation rates. The "federal version" aligns with ESSA requirements and <u>USED guidance</u> and is used for federal reporting and ESSA accountability. The "state version" uses the same methodology used prior to 2021 and reflects all students who receive a state-endorsed diploma.

To be included as a graduate in the federal version of the graduation rate, students must have met:

- State course requirements;
- Local attendance requirements; and
- Graduation assessment requirements for the year they graduated, regardless of their graduation cohort.
 - This means that a student in Cohort 2024 who graduates in five years during the 2024-2025 school year (between September 1, 2024, and August 31, 2025) must meet the graduation assessment requirements for the class of 2025.

Districts identify students who did not meet the state course requirements and/or the local attendance requirements for graduation due to an exemption or modification in their IEPs using the NJ SMART SID Management IEP Graduation Course Requirement and IEP Graduation Attendance fields, respectively. Districts identify how students have met the state graduation assessment requirements using the NJ SMART SID Management ELA and Math Graduation Pathway Indicators.

Students with disabilities who do not meet all the graduation requirements for their year of graduation because of modifications or exemptions in their IEPs will not be included in the graduates count (the numerator) when calculating the federal version of the adjusted cohort graduation rate, but they will still be included in the adjusted cohort (the denominator) for the calculation.

The graduation assessment requirements for the classes of 2021 through 2025 have differed as a result of executive orders in response to the pandemic and new legislation. As a result, the calculation of the federal version of the graduation rate has also changed. Any student who does not meet course and/or attendance requirements will not be included in the graduation count, regardless of graduation year. However, students were only excluded for not meeting graduation assessment requirements in years when the graduation assessment requirements were in effect. The following table summarizes the graduation requirements for the classes of 2021 through 2025.



Graduation Class	Students must meet course and attendance requirements	Students must meet assessment requirements	Graduation assessment requirements status
Class of 2021	Yes	No	Graduation assessment requirements waived ¹
Class of 2022	Yes	Yes	Students required to meet graduation assessment requirements ²
Class of 2023	Yes	No	No graduation assessment requirements ³
Class of 2024	Yes	Yes	Students required to meet graduation assessment requirements ⁴
Class of 2025	Yes	Yes	Students required to meet graduation assessment requirements ⁴

Table 1: Graduation Requirements by Class

1 Graduation assessment requirements were waived through Executive Order 214 in January 2021 for any grade 12 student expected to graduate with the class of 2021 and who had not yet met the graduation assessment requirements but had met all the credit, curriculum, and attendance requirements for graduation. 2 Students graduating during the 2021-2022 school year were required to meet graduation assessment requirements by demonstrating proficiency on the New Jersey Student Learning Assessment (NJSLA)/PARCC assessments, by meeting the designated cut score on a substitute competency test, or by submitting a student portfolio appeal. 3 There were no graduation assessment requirements for students expected to graduate with the class of 2023 per P.L.2022, c.60 (ACS for A-3196/S-2349) which was signed in July 2022 and required the State Board of Education to administer the New Jersey Graduation assessment requirements by demonstrating proficiency on the New Jersey Graduation Proficiency Assessment (NJGPA) as a field test for the class of 2023. 4 Students graduating during the 2023-2024 school year or later are required to meet graduation assessment requirements by demonstrating proficiency on the New Jersey Graduation Proficiency Assessment sy demonstrating proficiency on the New Jersey Graduation Proficiency Assessment (NJGPA) as a field test for the class of 2023.

Adjusted Cohort Graduation Rate Calculation

The four-year adjusted cohort graduation rate calculation divides the number of students who graduated in four years or less by the number of first-time ninth graders who entered the cohort four years earlier. As noted above, the students considered "graduates" will differ depending on whether calculating the "federal version" or the "state version" of the graduation rate.

In equation form, the rate calculates:

4-Year Cohort Graduates in Year X

[First-Time 9th Graders in Year X-4] + [Transfers In] – [Verified Transfers Out] – [Excluded From Cohort]

The five-year adjusted cohort formula divides the number of students who graduate in five years or less by the number of first-time ninth graders who entered the cohort five years earlier. The numerator includes students who graduated both in four years and five years.

The six-year adjusted cohort formula divides the number of students who graduate in six years or less by the number of first-time ninth graders who entered the cohort six years earlier. The numerator includes students who graduated in four years, five years, and six years.



In the "state version" of the calculation, the graduates (numerator) count includes any students who have graduated with a state-endorsed diploma.

In the "federal version" of the calculation for 2024-2025, the graduates (numerator) includes any students who have graduated with a state-endorsed diploma who have met the state course requirements, local attendance requirements, and state graduation assessment requirements for the year they graduated. Students with disabilities who have not met all the graduation requirements are not included in the graduates (numerator) count but remain in the adjusted cohort (denominator).

Graduation Cohorts

Under the adjusted cohort methodology, each incoming 9th Grader in New Jersey is assigned to a graduation cohort based on the expectation that they will graduate in four years. For example, if a student entered ninth grade in Fall 2021, then they would be assigned to the 2025 Cohort. Once a student is assigned a cohort year, they remain in that same cohort regardless of when they graduate. In other words, cohorts are assigned once and are not changed if a student becomes "off-track."

While students are actively enrolled in high school, their status is tracked to determine whether they are on-track or off-track to achieving graduation in four years. Students' grade levels determine their progress toward graduation. For example, if a student in Cohort 2025 is in eleventh grade during the Fall of 2023, they would be considered "on-track". However, if a student from Cohort 2025 is enrolled in tenth grade during the Fall of 2023, then they would be considered "off-track" since they would be at risk of not graduating within four years.

When a student exits or enters a district, it may affect the district's cohort size, resulting in an *adjusted cohort*. For example, if a Cohort 2025 student transfers from District A to District B, then District B's cohort count is increased by one student, and District A's cohort count is decreased by one student. However, if that student dropped out of District A before being successfully transferred to another district, then District A would be responsible for that student and their cohort count would not be adjusted. Rules determining "district ownership" of individual students have not changed and are documented in NJDOE regulations. See the NJDOE School Register page for guidance on tracking enrollment and student transfers.

Cohort Statuses

For the purposes of graduation calculations, students are categorized into different cohort statuses based on their graduation and enrollment status. Students who have graduated will fall into the Graduated (All) category, and for the purposes of the federal graduation rate calculation, they will also fall into either the Graduated (Federal) or Graduated (State, Not Federal) category. For students who have not graduated, there are seven possible statuses into which students will be categorized and these categories are the same for both the state and federal calculations. Three of these non-graduate statuses refer to inactive students (i.e., students who have exited the school district and have not transferred to another New Jersey public school district), and four statuses refer to active students (i.e., students who are currently enrolled in a New Jersey school).

The cohort status for individual students is updated through the mandatory submission of SID Management in NJ SMART, which provides supplemental information for those same students, including grade level and demographic indicators. At the beginning and end of each school year, LEAs submit this data to NJ SMART. The quality of the data submitted in these collections impacts the accuracy of



students' cohort statuses. Table 1 lists the possible cohort statuses for both active and inactive students in a given cohort year.

Note that the "Graduated" cohort status is calculated differently depending on whether the state or federal version of the calculation is used. The "Graduated (State, Not Federal)" status is for students who can only be included in the "Graduated" status in the state version of the calculation, i.e., students with disabilities who did not meet the state course requirements, local attendance requirements, or the state assessment requirements for graduation because of a modification or exemption in their IEPs. This status only applies to the federal version of the calculation because in the state version these students would be included in the "Graduated" status. All other cohort status categories are the same in both the state and federal versions of the calculation.

Cohort Status	Calculation Type	Submission for Updates	Enrollment Status	Description
Graduated (All Graduated)	State Version	SID Management	Inactive	Students who have been exited with a School Exit Withdrawal Code of 'L' (Graduated).
Graduated (Federal)	Federal Version	SID Management	Inactive	Students who have been exited with a School Exit Withdrawal Code of 'L' (Graduated) and have met all graduation requirements.
Graduated (State, Not Federal)	Federal Version	SID Management	Inactive	Students who have been exited with a School Exit Withdrawal Code of 'L' (Graduated) but did not meet either state course requirements, local attendance requirements, or state graduation assessment requirements because of a modification or exemption in their IEPs.
On-Track Continuing	State and Federal Version	SID Management	Active	Submitted Grade Level suggests that a student is on-track to graduate by their assigned cohort year.
Off-Track Continuing	State and Federal Version	SID Management	Active	Submitted Grade Level suggests that a student is still attending school but is at least one year behind their assigned cohort year.
Active Student - Status Unknown	State and Federal Version	SID Management	Active	Students who have not been currently submitted to SID Management but were already assigned a cohort year and were recently reported as on-track or off-track continuing; therefore, it could not be determined whether the student is on- or off-track.

Table 2: Cohort Statuses in NJ SMART



Cohort Status	Calculation Type	Submission for Updates	Enrollment Status	Description
Transfer In	State and Federal Version	SID Management	Active	Students who were exited with a valid School Exit Withdrawal Code and have been successfully uploaded by another NJ SMART submitting district. These students will not yet have an 'On-Track Continuing' or 'Off-track Continuing' status until they are submitted to SID Management and their current Grade Level is compared to their assigned cohort year.
Transfer Out – Unverified*	State and Federal Version	SID Management	Inactive	Students who were exited with a transfer-out School Exit Withdrawal Code but have not yet been uploaded by another NJ SMART submitting district.
Dropout	State and Federal Version	SID Management	Inactive	Students who were exited with a dropout School Exit Withdrawal Code and not uploaded by another NJ SMART submitting district.
Excluded From Cohort	State and Federal Version	SID Management	Inactive	Students who are excluded from the adjusted cohort under special circumstances, including death of a student and transfer out of state/country.

*Note: Transfer Out – Verified is not an official cohort status for a student, because once a transfer has been verified, that student officially exits the initial district and appears as a "Transfer In" at the new district.

As students transfer enrollment into and out of their respective districts, the cohort count of each district is continually adjusted. Since the graduation rate is calculated by dividing the number of graduates by the adjusted cohort count, this movement will affect a given district's graduation rate. Chart 1 illustrates how the different cohort statuses affect cohort count.



Chart 1: How is Cohort Size Adjusted Over Time?



High School Graduation Cohort Status Profile

NJ SMART's District Reports feature, which grants school districts the ability to view their graduation data from multiple points of analysis, empowers districts to track the status of students and their cohorts throughout their high school tenure. Using this tool, districts can identify emerging trends and effective interventions based on the student-level data that they submit through required and optional NJ SMART data submissions.

Data from NJ SMART profiles will serve as graduation data for the state. The High School Graduation Cohort Status Profile is available on the District Reports tab in the NJ SMART portal for LEA use. It is highly encouraged that superintendents, business administrators, curriculum coordinators, principals, and other critical education staff familiarize themselves with these profiles. Trainings on these and other profiles are offered on a continual basis and the NJ SMART Help Desk is available each day to provide any necessary guidance for district users. Beyond serving as a data warehouse, the NJ SMART system is a critical and useful educational tool for educators, school administrators, and school districts.

The Cohort Status Profile summarizes student counts in each of the cohort statuses for schools within a given district. In addition, the profiles disaggregate each cohort status by various student group indicators, such as Gender, Lunch Status, and Special Education Status. From the Profile, districts have the ability to drill down to look at individual student lists in each of these categories. For example, a district could drill down to view a list of all of their female graduates, or a list of all of their 11th graders who have dropped out. From the student list, districts can drill down further to view an individual student's enrollment record, which displays key demographic data, enrollment history, and many other valuable pieces of information for any given student.

In addition to identifying trends across different indicators, districts can utilize this profile to investigate their student data. Also, districts can access information on students who have exited their district through NJ SMART. Districts can drill down to identify students who have transferred to another NJ district, but who never enrolled in the new district. These students would fall into the Transfer Out – Unverified cohort status and the previous district would still be accountable for these students, even though they are no longer attending the district. District personnel responsible for tracking transfer documentation can use this list as a basis for tracking down these students, verifying documentation of transfers, and communicating with the intended transfer district.

Official vs. Unofficial Profiles

The High School Graduation Cohort Status Profile allows districts to view their submitted student data using either Official Snapshots (data they reported to the NJDOE) or Unofficial Data (Local Data Mart, which is for district use/view only).

In viewing a given cohort over the course of a year, districts have three options for the Official Profile, which will display students' cohort statuses at the time of that SID Management Snapshot: the Fall Snapshot (mid-October), End-of-Year Snapshot (end of June), and Official High School Graduation Snapshot (August 29th).

Graduation rates will be calculated using the August 29th Official High School Graduation Snapshot. August 29th marks the NJDOE's official end to a given school year for graduation rate calculation purposes. This end-of-summer deadline allows for the inclusion of summer graduates. The August 29th SID Snapshot is unique to the Graduation Profile and is displayed only in graduation-related



district profiles. It captures student movement in and out of districts during the summer months. This snapshot is used to calculate high school graduation rates for the state, and is, therefore, only applicable to viewing graduating cohorts. For example, the August 29th, 2025 snapshot will be available solely for viewing Cohort 2025, 2024, and 2023 students.

Official snapshot profiles reflect student data at a specific point in time. This data is reported to the NJDOE. In addition to snapshot profiles, districts have the option of running Local Data Mart (LDM) profiles that allow them to review and analyze current data in the portal. This data is for district's individual use only and is not reported to the state. The LDM is intended to be a tool that allows districts real-time access to critical data and analysis tools. Districts that regularly use LDM functionality typically perform better in managing year-end submissions and find greater benefits from the NJ SMART system.

Viewing the Cohort Status Profile with LDM data is particularly useful to districts in examining their graduating cohort's status in the time between the End of Year SID Management Snapshot and the official August 29th Graduation Snapshot. In order to run this LDM profile, districts must have uploaded data into SID Management and cleared all errors.

Official State Snapshot Reports

- Periods of time when all LEAS must submit official student data for state and federal reporting purposes.
- Official snapshots include: Fall Snapshot (mid-October), End of Year Snapshot (early August), and Official High School Graduation Snapshot (August 29th).
- Snapshots include the most recent official SID Management data.
- To view official state data from these periods in District Reports, choose "Official State Snapshot Report."

Local Data Mart Reports

- Periods of time between official snapshots when LEAs can update student records and run district reports with refreshed data.
- LDM data is pulled from real-time SID Management data. An automatic nightly refresh occurs after districts upload data into SID Management.

State and Federal Graduation Rates in Profile

As noted earlier in this document, the NJDOE calculates both a "federal version" and a "state version" of the adjusted cohort graduation rate. When using the High School Graduation Cohort Status Profile report in NJ SMART, both the "federal version" and "state version" of the graduation rate will be displayed.

Districts should review both versions of the adjusted cohort graduation rate and note the differences. The differences between the two calculations are based on which students are included in the Graduated category. In the "state version," students who have earned a state-endorsed diploma, but who did not meet the state course, state assessment, and/or local attendance requirements because of a modification or exemption in their IEPs are included in the numerator and denominator. In the "federal version" of the graduation rate calculation, these students, noted in the High School Graduation Cohort Status Profile under the column "Graduated (State, Not Federal)", will be included in the denominator, but not in the numerator. This may result in a "federal version" of the graduation rate that is lower than the "state version" of the graduation rate.



At the time of this August 29th Snapshot, students with any cohort status besides 'Graduated' or 'Excluded from Cohort' will count as non-graduates in the rate calculation.

Federal Version:



*Note: Districts may see On-Track Continuing students in their August 29th Snapshot. This would represent students who were in twelfth grade in 2024-2025 but had not graduated by August 29th, 2025.

Student Group Data

In most NJ SMART District Reports, districts view their most recent data for students – either reported (Snapshots) or recently refreshed (LDM). The High School Graduation Cohort Status Profile is unique in that the student group variables are not based on the most recent, but instead they are based either on "Entering Values" or "Overall Values."

Entering Values refers to the student group values that districts assigned to students when they entered their 4-year graduation cohort. The student groups that are based on Entering Values are gender and race/ethnicity. For example, for most Cohort 2025 students, student group data for race/ethnicity will reflect the 2021-2022 values that districts assigned to these students in relevant NJ SMART submissions when the students were in grade 9. The values assigned for these variables will be unaffected by later submissions once this initial (or, entering) value has been assigned. As a note, the NJDOE is considering switching to using most-recent values of gender and race/ethnicity, instead of entering values. More information will be provided when that switch is made.

Starting with the 2021 cohort, the NJDOE began reporting on Overall Values for other student groups, based on updated guidance from USED. The Overall Value reflects if a student was identified in that student group at any time since they entered the graduation cohort. The student groups that will be based on Overall Value are:

- Economically Disadvantaged Students ("Lunch Status");
- Students with Disabilities ("Special Education Status");
- Multilingual Learners ("Limited English Proficiency");
- Migrant students;
- Homeless students;
- Students in Foster Care; and
- Military-Connected students.

For example, if a student became eligible for free or reduced lunch in the 10th grade, the student's Overall Economically Disadvantaged Status would be "Y," even if the student was not eligible for free or reduced lunch in 9th, 11th, or 12th grade.



Student Group Variable	Submission for Updates	Source
Entering Gender	SID Management	Derived from the snapshot when the Cohort Year was first assigned.
Entering Race/Ethnicity	SID Management	Derived from the snapshot when the Cohort Year was first assigned.
Overall Economically Disadvantaged (Lunch Status)	SID Management	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Special Education	Special Education Submission	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Multilingual Learner Status	SID Management	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Migrant Status	SID Management	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Homeless Status	SID Management	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Military- connected Status	SID Management	Derived from the snapshot data during student's tenure in the Graduation Cohort.
Overall Foster Status	N/A	Derived from data provided by the Department of Children and Family (DCF).

Table 3: Entering and Overall Values for Student Group Data in Graduation Profiles

Five-Year & Six-Year Graduation Rate Profiles

Since 2012, the NJ SMART High School Graduation Cohort Status Profile has been displaying five-year graduation rates for graduation cohorts in addition to four-year rates, and six-year rates were added in 2021. Students will remain in their same four-year adjusted cohorts, and the profile will show cohort status after five or six years from the cohort entry point. For example, most Cohort 2025 students entered their cohort in September of 2021 when they were in ninth grade. Their four-year graduation rate will be calculated through the August 29th, 2025 Official Graduation Snapshot. Districts will later be able to view that cohort's five-year graduation rate in summer 2026 and the cohort's six-year graduation rate in summer 2027.



Chart 2: Illustration of 4-, 5-, and 6-Year Graduation Rates



Graduation Appeals Process

LEAs will have the opportunity to appeal specific graduation data in Fall 2025 in the New Jersey Statewide Longitudinal Education Data System (NJSLEDS). More information will be provided in the coming months about the fall 2025 appeals process.

An example of a potential appeals scenario would be if District A exited a student from NJ SMART as a transfer, knowing that they would be transferring and enrolled in District B, but District B did not upload the student to NJ SMART in a timely fashion. In all appeals scenarios related to conflicts with other districts, LEAs must first make a reasonable attempt to resolve the situation through inter-district communication. Districts must document these outreach attempts. If communication fails, then District A can appeal that student's status as a "non-graduate" in their district through the Appeals Process.

Reporting of Graduation Data

After appeals decisions have been finalized, the NJDOE will use the final school, district, and state level graduation rates for both state and federal reporting and accountability. The "federal version" of the four-year, five-year, and six-year graduation rates, will be submitted to USED and used in national comparisons of high school graduation rates. To view the version of the High School Graduation Cohort Status Profile that will be used for federal reporting and accountability purposes, use the following parameters, and review the federal graduation rate:

- 1. August 29th Snapshot, amended by any district appeal decisions made by the NJDOE
- 2. Accountable Perspective, showing graduation rates for schools/districts of the students that they are *accountable* for, which may not always correspond to the students *attending* their schools, per outlined regulations

In addition to overall school and district graduation rates, the NJDOE will also publicly report graduation rates by the following student groups:



- Gender
- Race/Ethnicity
- Economically Disadvantaged Students ("Lunch Status")
- Students with Disabilities ("Special Education Status")
- Multilingual Learners ("Limited English Proficiency")
- Migrant students
- Homeless students
- Students in Foster Care; and
- Military-Connected students.

Other variables appear in the Cohort Status Profile, like Time in District and Attendance, but these breakdowns by Cohort Status are not currently reported publicly by the NJDOE.

Training & Resources

NJ SMART hosts a series of web-based trainings throughout the summer and fall seasons to instruct school district personnel on state and federal graduation rates and on how to utilize the High School Graduation Cohort Status Profile. It is highly recommended that superintendents, business administrators, and other relevant district personnel begin to familiarize themselves with the adjusted cohort formula and this NJ SMART reporting tool. Scheduled live webinars and on-demand eLearning videos are posted on the eLearning Videos & Webinars section of the NJ SMART Resources & Trainings page. In addition, numerous resources are available in the Documents for Downloads section, including the webinar PowerPoint presentation, FAQs, <u>and the User Guide to the High School Graduation Cohort Status Profile</u>, which describes the components found in the profile and how to drill-down to student-level data.

The <u>NJDOE's Graduation webpage</u> has additional information including a link to <u>USED's ESSA graduation</u> guidance, links to New Jersey's graduation <u>course requirements</u> and <u>assessment requirements</u>, and a short guide to <u>Understanding Adjusted Cohort Graduation Rates</u>.

Finally, for further information on NJ SMART and available resources, please visit the <u>NJ SMART</u> <u>Resources & Trainings page</u>. Questions regarding NJ SMART functions and data submissions should be directed to the NJ SMART Help Desk by calling (800) 254-0295 or emailing <u>njsmart@pcgus.com</u>.