CALIFORNIA STATE AUDITOR

High School Graduation and Dropout Data

California's New Database May Enable the State to Better Serve Its High School Students Who Are at Risk of Dropping Out

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The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

As requested by the Joint Legislative Audit Committee, the California State Auditor presents this audit report concerning high school graduation and dropout data. Data reported by school districts to the California Longitudinal Pupil Achievement Data System (CALPADS) is used by the California Department of Education (department) to calculate graduation and dropout rates in accordance with state and federal requirements, including those established by the No Child Left Behind Act of 2001.

This report describes how, through the use of a unique student identifier, CALPADS allows the department to track a student's progress from when he or she enters high school to when he or she exits, and thus allows the department to calculate precise graduation and dropout rates for a particular cohort of students. Data from CALPADS compares favorably to older data, which was based on schools' aggregate counts of graduates or dropouts. In August 2011 the department used CALPADS to report graduation and dropout rates for the first cohort of students tracked from the 2006-07 through the 2009-10 school year. In fact, this cohort graduated at an overall rate of 74 percent. The data, however, shows a divide in graduation rates between various demographic groups; specifically African-American students, Hispanic or Latino students, and students of lower socioeconomic status generally dropped out of school at rates higher than their peers. By establishing this baseline, we believe the rates generated from CALPADS will prove useful for encouraging data-driven decision making in meeting the needs of all students.

We also conclude that there is room to increase the utility of CALPADS and improve the quality of data reported into CALPADS. School personnel varied in the extent to which they verified the reasons a student exited high school, in part because they did not consistently follow the department's guidance. Additionally, several districts reported that the process of uploading data into CALPADS can be time-consuming and some districts stated that maintaining and updating CALPADS has required significantly more resources than previously required to report data to the State. Finally, because the funding for CALPADS is primarily focused on meeting state and federal reporting requirements, the State may risk missing opportunities to be more innovative in using its longitudinal data.

Respectfully submitted,

Elaine M. Howle

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Summary

Results In Brief

The California Department of Education (department) designed the California Longitudinal Pupil Achievement Data System (CALPADS) to gather student-level data from public schools statewide so that it could comply with state and federal reporting requirements and more accurately calculate graduation and dropout rates. Unlike the California Basic Educational Data System (CBEDS), which the department used in the past to extrapolate graduation and dropout rates, CALPADS allows the department to track certain data, such as enrollment status, for individual students from the time they enter high school until they exit. Thus, it allows the department to calculate more precise graduation and dropout rates for a particular cohort of students by tracking them through all four years of high school. Although CALPADS' high school graduation and dropout data are currently published only for the class of 2009–10, the department, school districts, and other stakeholders can use this first cohort's data as a baseline against which to compare future graduation and dropout rates.

In August 2011 the department published its *First Annual Report on Dropouts in California*, which reported that the State's graduation rate for the 2009–10 cohort of students was 74.4 percent and that its dropout rate was 18.2 percent. (The remaining 7.4 percent of students were neither graduates nor dropouts.) CALPADS' data show that graduation and dropout rates varied for different demographic subgroups. Specifically, African-American students and Hispanic or Latino students generally dropped out at higher rates than their peers, as did students who were English Language learners (English learners). Further, white and Asian socioeconomically disadvantaged students were more likely to drop out than white or Asian students who were not socioeconomically disadvantaged; however, socioeconomic status did not have that same inverse relationship in the Hispanic or Latino student population. Finally, students who failed the California High School Exit Examination on their first attempt were significantly less likely to graduate than students who passed on their first attempt, although 94 percent of the cohort did eventually pass the examination.

Although CALPADS represents a significant improvement in California's collection and reporting of graduation and dropout data, school districts continue to face challenges in implementation. Specifically, our review of student records from six school districts suggests that schools have inconsistent practices for verifying the reasons students exit high school. The department requires that schools select from a standard list of exit codes whenever

Audit Highlights . . .

Our review of the high school graduation and dropout data highlighted the following:

» *The California Department of Education (department) gathers student-level data from public schools statewide through the California Longitudinal Pupil Achievement Data System (CALPADS).*

» *The State's graduation rate for the 2009–10 cohort of students was 74.4 percent, while the dropout rate was 18.2 percent.*

• *African-American students and Hispanic or Latino students dropped out at higher rates than their peers, as did students who were English Language learners.*

• *White and Asian socioeconomically disadvantaged students were more likely to drop out than students in those groups who were not socioeconomically disadvantaged.*

• *Students who failed the California High School Exit Examination on their first attempt were significantly less likely to graduate than students who passed on their first attempt.*

» *School districts continue to face challenges in implementing CALPADS.*

• *Schools have inconsistent practices for verifying the reasons students exit high school.*

• *Because the degree to which personnel verified and documented codes varied depending upon the reasons that students left, the data on some students may be less accurate than for others.*

• Several districts reported that the process of uploading information from their local systems into CALPADS can be time consuming.

» Because the funding for CALPADS is primarily focused on meeting state and federal reporting requirements, the State may risk missing opportunities to be more innovative in using its longitudinal data.

students leave high school. However, the degree to which school personnel verified and documented these codes varied depending upon the reasons that students left; consequently, the data on some students may be less accurate than they are for others. Although the department has provided school districts with clear guidance regarding the codes, including through the *CALPADS Data Guide*, the districts have not always fully aligned their procedures with this guidance. In addition, several districts reported that the process of uploading information from their local systems into CALPADS can be time-consuming. However, according to one district administrator, this particular challenge can be mitigated by frequently updating the system with enrollment changes rather than waiting to send large batches of data at once. Finally, some districts stated that maintaining and updating CALPADS has required significantly more resources than previously required to report data to the State.

Furthermore, we found that CALPADS' current capabilities may not allow the system to fully carry out the Legislature's goals of evaluating its educational progress and investments over time. Although the department provides data from CALPADS to researchers for certain projects, CALPADS currently does not provide the same robustness of data that certain other states' systems offer. For example, some states' systems can or will be able to track students' success through college and even into the workforce. Because the funding for CALPADS is primarily focused on meeting state and federal reporting requirements, the State may risk missing opportunities to be more innovative in using its longitudinal data.

Despite these limitations, CALPADS has long-term potential for enabling school districts to identify and develop effective strategies for reducing dropout rates. Although recent budget cuts have affected school districts' ability to provide dedicated dropout prevention programs, we found that the six districts we visited all have programs and strategies in place to help students who are at risk of dropping out. CALPADS does not currently track student participation in specific programs; however, its data should enable school districts to identify those schools that are able to reduce their dropout rates over time through best practices and innovative programs. This should create an opportunity for schools throughout the State to allocate resources and adopt practices that may effectively serve their at-risk students.

Recommendations

To increase consistency, the department should remind schools and school districts of the importance of aligning their procedures for recording pupil enrollment and exit data with the *CALPADS Data Guide.*

To improve efficiency, the department should inform school districts of the value of frequently updating the data they transfer from their local student information systems to CALPADS. Also, to the extent that the department becomes aware of ways that schools and school districts can perform CALPADS-related activities more efficiently, it should provide written guidance to schools and school districts on these best practices.

To improve the utility of CALPADS and fulfill the legislative intent of the system, the department should work with the Legislature, the State Board of Education, and the governor to identify priorities for building upon the system when funding is available. These priorities could include tracking student participation in dropout prevention programs or strategies to measure the effectiveness of those programs or strategies over time.

Agency Comment

The department agrees with the report's recommendations and outlined its plans to implement them.

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Introduction

Background

Numerous studies have shown that graduating from high school can be an important predictor of future achievement in life. Research suggests that individuals who successfully complete high school are more likely to obtain stable employment and earn more than dropouts; conversely, dropouts tend to experience higher unemployment and have lower average earnings. As Figure 1 illustrates, the 2010 American Community Survey conducted by the U.S. Census Bureau identified average income levels for Americans with different levels of education. The data indicates that those who do not graduate from high school earn less than graduates nationwide; this income gap is evident in California. Research also indicates that dropping out of high school may be linked to health-related conditions, such as depression, and a higher risk of incarceration.

Figure 1
Median Earnings by Educational Attainment, Among Wage Earners
25 Years of Age and Older

Source: U.S. Census Bureau's 2010 American Community Survey, one-year estimates.

In addition, students dropping out of high school also leads to consequences for the education system in general and for the State as a whole. When students drop out, it affects the resources available to the schools they leave because the funding California public schools receive is based primarily on average daily attendance. Therefore, when students drop out it may decrease the amount of funding the schools receive. In addition, the education

level of California's citizens may have long-term consequences for the State in terms of its revenue base and potentially its desirability as a place in which to locate businesses.
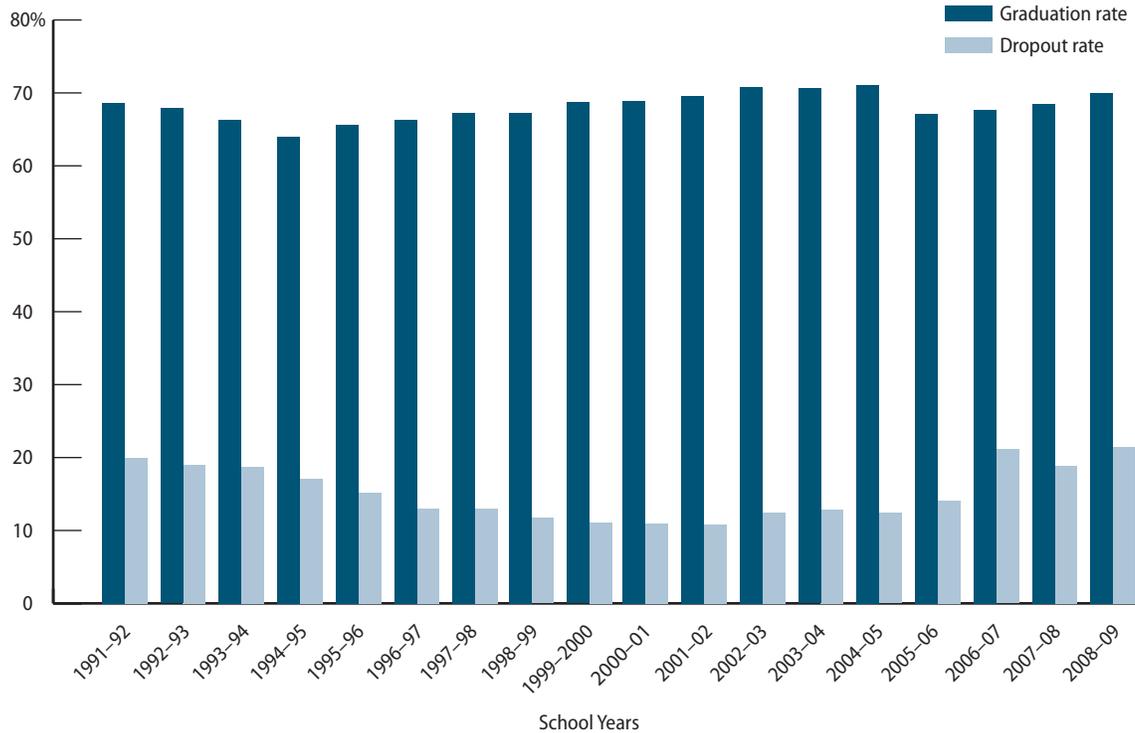
Graduation Rates and School Accountability

California has long recognized the importance of tracking graduation rates as one measure of the performance of its public school system. For more than 20 years, the California Department of Education (department) computed graduation rates based on data it collected through its California Basic Educational Data System (CBEDS). Specifically, the department asked the school districts to report through CBEDS the number of dropouts they had in a given year. From these aggregate counts, the department derived four-year dropout rates. As shown in Figure 2, CBEDS provided some indication of the number of dropouts in California: from school years 1991–92 through 2008–09, the dropout rates based on this data fluctuated between approximately 11 percent and 22 percent. However, because the CBEDS data used aggregate counts rather than tracking individual students, these dropout rates did not effectively account for transfers, whether within the State or to other states and countries. This contributed in part to concerns that the CBEDS-based rates were too imprecise to be a good measure.

More than a decade ago, California enacted sweeping education reforms through the Public Schools Accountability Act of 1999 (state accountability act), which requires that the department measure the academic performance of all schools using an Academic Performance Index (API). Under the act, the department uses a number of factors, including student performance on standardized tests and successful completion of the California High School Exit Examination (exit examination), to calculate and assign API scores to schools. The state accountability act also requires the inclusion of high school graduation rates in the API, contingent upon a determination by the state superintendent of public instruction (state superintendent) that the State's graduation rate data are accurate. Because of concerns about the reliability of the data, the department did not include graduation rates derived from CBEDS data in the API scores.

However, key changes to federal law in 2001 provided a strong incentive for California to implement a more effective system for measuring and reporting on graduation rates. Congress designed the federal Elementary and Secondary Education Act of 1965 (federal education act)—the historic law that made federal funding available to the states for education—to promote equal educational opportunity. It has since reauthorized the federal education act

several times, most recently through the No Child Left Behind Act of 2001 (No Child Left Behind), which made significant changes to the federal education act. In order to receive federal funding, each state must have a state plan that describes what constitutes progress toward various goals or targets related to academic achievement. No Child Left Behind also requires states to report certain data on students over time, regardless of where they attend public school, a concept known as longitudinal data.

Figure 2

Statewide Graduation and Dropout Rates Based on the California Basic Educational Data System School Years 1991–92 Through 2008–09

Source: The California Department of Education's DataQuest Web site.

No Child Left Behind evaluates academic progress through a measure known as Adequate Yearly Progress (AYP). This measure reflects the extent to which schools and school districts meet their targets in various areas, including improving student scores on standardized tests and increasing the rate at which students graduate from high school. Federal regulations adopted in 2008 to implement No Child Left Behind require that each state establish annual graduation rate growth targets that reflect "continuous and substantial improvement." The federal government requires that states subject schools that fail to meet AYP targets

to increasingly severe consequences, which range from placing certain schools in Program Improvement status (which requires focused attention on fixing the problems) to subjecting them to state takeover. Thus, there is a strong impetus for California to have an effective means of tracking and reporting this information to the U.S. Department of Education.

In response to the requirements of No Child Left Behind, the department issues AYP reports each year for all California public schools, school districts, and counties, and on a statewide basis. These reports reflect performance on a variety of metrics, including test scores, year-to-year improvement on California's API metric, and high school graduation rates. The department also makes its AYP reports available on its Web site.

Graduation and Dropout Rate Calculation Methods

The department now uses data contained in its recently developed statewide education database, the California Longitudinal Pupil Achievement Data System (CALPADS), to measure statewide high school graduation and dropout rates. (We describe the development of CALPADS in more detail beginning on page 10.) Federal regulations generally require states to calculate the graduation rate according to a formula referred to as the *four-year cohort rate*. California used this formula beginning with the graduating high school class of 2009–10. The department calculates the four-year cohort rate by dividing the number of students who graduate in four years or less with a regular high school diploma by the number of students who form the adjusted cohort for the graduating class. To determine the adjusted cohort over the four-year period, the department adjusts the number of students who enter the ninth grade by adding students who transfer into the cohort and subtracting students who transfer out, emigrate to another country, or die. In addition, state law requires the department to determine the dropout rate over four years by dividing the number of students who drop out by the number who remain in the adjusted cohort. Figure 3 visually depicts an example of the department's calculation of graduation and dropout rates.

It is worth noting that the number of students who drop out is not simply the difference between the number of students who graduate and the total number of students who remain in the adjusted cohort. Instead, the definitions of both *dropout* and *graduate* exclude students who pass the General Educational Development Test®, students who do not graduate at the end of four years but remain enrolled, and some special education students, as described in the following paragraph. The dropout rate includes students who

have permanently stopped attending school, as well as students who left school after attending four years of high school but did not meet graduation requirements.

Figure 3
Example of Four-Year Cohort Graduation and Dropout Rate Calculations

STUDENT ACTION	GRADUATES	DROPOUTS	COHORT
Begin Ninth Grade	+200	+ 0	+200
Inbound Transfers	+10	+ 0	+10
Outbound Transfers	− 11	− 0	− 11
Stop Attending (Dropout)	− 5	+ 5	− 0
Do Not Reenroll After Transfer (Dropout)	− 1	+ 1	− 0
Pass GED*	− 2	− 0	− 0
Complete Special Education Certificate†	− 4	− 0	− 0
Remain in School for Fifth Year	− 8	− 0	− 0
Do Not Meet Graduation Requirements (Dropout)	− 2	+ 2	− 0
Totals	177	8	199

Graphic labels: Inbound Transfers; Graduate; Students Begin Ninth Grade; Dropout; Other; Outbound Transfers‡; Indicates the adjusted cohort.

Graduation Rate Calculation

$$\text{Graduation Rate Percentage} = \frac{\text{Graduates}}{\text{Cohort}} \quad \frac{177}{199} = 89\%$$

Dropout Rate Calculation

$$\text{Droupout Rate Percentage} = \frac{\text{Dropouts}}{\text{Cohort}} \quad \frac{8}{199} = 4\%$$

Sources: California State Auditor's analysis of state and federal laws and regulations, as well as documentation provided by the California Department of Education.

* General Educational Development Test ®

† These students did not graduate with a standard diploma.

‡ Students who are removed from the cohort also include those that emigrate to another country or die during the four-year period.

California students are generally required to pass the exit examination as a condition of graduating from high school. However, changes to state law that took effect beginning with the 2009–10 school year allow special education students who have not passed the exit examination but otherwise satisfy high school graduation requirements to be treated as graduates. Thus, some special education students—namely, those who were exempted from that requirement as of the 2009–10 school year—are treated as graduates in the first four-year cohort graduation rate that California reported. Prior to that, special education students who did not pass the exit examination could not earn a high school diploma unless they had obtained a waiver from that requirement from their local school board, and these waivers were granted only under specific, limited circumstances. A special education student who has satisfied the exit examination requirement by passing

the examination, or by receiving either an exemption or a waiver and has met all other state and local graduation requirements, is considered a graduate.

In our report we focused our attention on the four-year cohort rates based on the audit objectives (see Table 1) on page 13. However, students may sometimes complete high school in five or six years, rather than in four years. According to an education research and evaluation consultant within the department's assessment and accountability division, the department is currently examining whether to use five- and six-year graduation rates, as allowed by federal regulations, to demonstrate that schools are meeting their AYP goals related to high school graduation. These rates are also factored into a school's or district's API score. In addition, some students may drop out in middle school rather than in high school, and the department includes an eighth grade dropout rate in a middle school's or district's API.

CALPADS

Recognizing that California needed longitudinal student data both to comply with No Child Left Behind and to assess the long-term value of its educational investments and programs, the Legislature authorized the department to develop and implement CALPADS in 2002, as indicated in Figure 4. The text box further details the Legislature's goals in authorizing CALPADS. As we will discuss in the Audit Results, the most significant difference between CALPADS and CBEDS is that CALPADS collects information about individual students rather than relying on aggregate information. This capability is a key component in satisfying the requirements of No Child Left Behind. CALPADS accomplishes this task by assigning all students unique identifying numbers that ensure students are consistently tracked even if they transfer from one California public school to another. School districts extract data from existing records contained in their student information systems and submit this data electronically to CALPADS.

The Legislative Intent Behind the California Longitudinal Pupil Achievement Data System

According to state law, the Legislature authorized California Longitudinal Pupil Achievement Data System (CALPADS) with the intention that the system would:
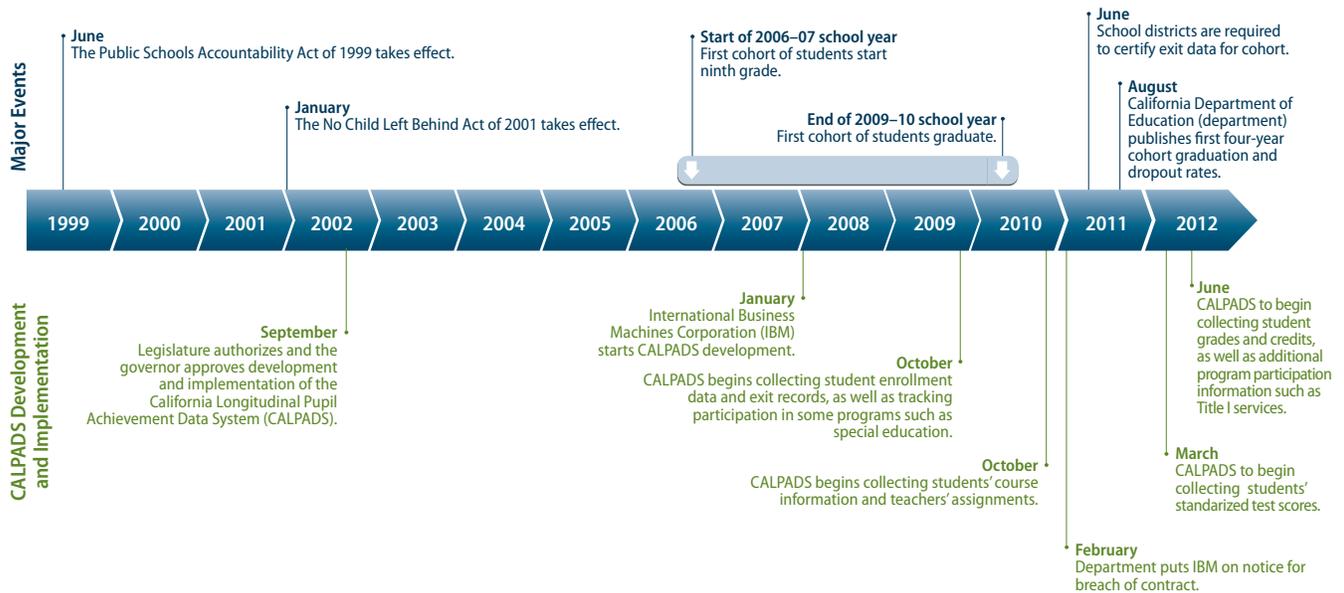
- Provide school districts and the California Department of Education (department) with access to the data necessary to comply with federal reporting requirements.

- Provide a better means of evaluating educational progress and investments over time.

- Provide school districts with information they can use to improve pupil achievement.

- Provide an efficient, flexible, and secure means of maintaining longitudinal statewide pupil-level data.

- Facilitate the ability of the State to publicly report data in accordance with federal requirements.

- Ensure that the department provides data access to researchers only to the extent allowed by federal privacy laws.

- Provide the ability to sort data by demographic element collected from certain statewide standardized tests.

- Have the capacity to be expanded to include pupil achievement data from multiple years.

- Have the capacity to monitor pupil achievement on certain statewide standardized tests from year to year and school to school.

- Have the capacity to provide data to the State and school districts upon their request.

Source: California Education Code, sections 60900–60901.

Figure 4
Development and Implementation of the California Longitudinal Pupil Achievement Data System

Major Events

June
The Public Schools Accountability Act of 1999 takes effect.

January
The No Child Left Behind Act of 2001 takes effect.

Start of 2006–07 school year
First cohort of students start ninth grade.

End of 2009–10 school year
First cohort of students graduate.

June
School districts are required to certify exit data for cohort.

August
California Department of Education (department) publishes first four-year cohort graduation and dropout rates.

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012

CALPADS Development and Implementation

September
Legislature authorizes and the governor approves development and implementation of the California Longitudinal Pupil Achievement Data System (CALPADS).

January
International Business Machines Corporation (IBM) starts CALPADS development.

October
CALPADS begins collecting student enrollment data and exit records, as well as tracking participation in some programs such as special education.

October
CALPADS begins collecting students' course information and teachers' assignments.

February
Department puts IBM on notice for breach of contract.

June
CALPADS to begin collecting student grades and credits, as well as additional program participation information such as Title I services.

March
CALPADS to begin collecting students' standarized test scores.

Sources: The Little Hoover Commission, the department, and federal and state laws.

Initially, the development of CALPADS did not meet all expectations, raising concerns in the department, some districts, and the governor's office that the system would not adequately meet the State's needs. In 2008 the department began a contract to pay International Business Machines Corporation (IBM) about $15.3 million to build CALPADS. Approximately $3 million for this project came from a federal grant that provided funding for states' development of longitudinal databases for education. Users and outside evaluators noted that early versions of the system—including the enrollment data component used to calculate graduation and dropout rates—appeared to work poorly, leading to doubts that CALPADS would ever operate effectively. Consequently, in February 2011 the department informed IBM that it was in breach of contract for failure to perform. An independent evaluator's report released around the same time noted significant problems with CALPADS' stability and performance.[1]

However, department officials state that IBM has since assigned better resources to CALPADS and is working to take various steps to address the concerns. The department believes that by the end of June 2012 the system will be fully built. Once completed, in addition

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[1] Sabot Technologies, a consulting firm, assessed CALPADS at the department's request.

to enrollment information, CALPADS will be able to store students' standardized test scores, courses completed, and grades. State law also specifies that CALPADS should include attendance data when the department has the necessary federal funding to build that functionality into the system; however, the federal government has not yet made this funding available. How schools would use or report this attendance data is also unclear. According to the director of the department's educational data management division, each school district and county office of education currently records individual student attendance in its student information systems and reports aggregate data to the state superintendent. After IBM finishes building the system, under the direction of the department, CALPADS will be operated by California School Information Services (CSIS), which is part of the Fiscal Crisis and Management Assistance Team, an agency administered by the Kern County Office of Education. CSIS already provides support to school districts across the State, including assisting them in efficiently reporting data to the department.

Scope and Methodology

We conducted this audit at the direction of the Joint Legislative Audit Committee, which approved the audit objectives listed in Table 1. Our fieldwork included work at the department and site visits to Delano Joint Union High School District, San Francisco Unified School District, Los Angeles Unified School District, Oroville Union High School District, Long Beach Unified School District, and San Diego Unified School District.

Assessment of Data Reliability

In performing this audit, we relied upon various electronic data files extracted from the information systems listed in Table 2 on page 15. We adhere to the standards of the U.S. Government Accountability Office, which require us to assess the sufficiency and appropriateness of computer-processed information. The table shows the results of this analysis.

Table 1
Methods to Address Audit Objectives

	AUDIT OBJECTIVE	METHOD
1	Review and evaluate the laws, rules, and regulations significant to the audit objectives.	Reviewed relevant sections of the California Education Code (education code), federal laws such as the No Child Left Behind Act of 2001 (No Child Left Behind), and other laws and regulations.
	Using a sample of small and large school districts, perform the following analyses:	
2a	Determine what guidance and assistance the California Department of Education (department) provided to the school districts regarding dropout data collection and reporting using the California Basic Educational Data System and the California Longitudinal Pupil Achievement Data System (CALPADS).	• Interviewed officials at the department and its contractor, California School Information Services. • Reviewed the pertinent materials, including those published on the online CALPADS portal. • Discussed the department's guidance with relevant officials at the school districts we visited.
2b	Review and evaluate the policies and procedures the school districts used to collect and report dropout data to the department.	Interviewed relevant officials and staff, such as attendance secretaries, at high schools we visited in six school districts and reviewed any documentation they provided.
2c	Determine whether the school districts applied a consistent definition of "dropout."	
2d	Determine which entity at the local level, if any, was responsible for classifying students as dropouts and determine how the entity made this classification. In addition, determine whether controls exist to monitor and ensure the proper classification of students as dropouts.	Reviewed CALPADS' documentation and spoke with the department's educational demographics office to determine how the department categorizes certain student exit codes as dropouts.
2e	Determine the extent to which the dropout and graduation information the school districts reported to the department takes into account the following: (i) Students who transferred from one school district to another during the school year. Also, determine whether and how the school district confirmed the transfer. (ii) Students who may have transferred into alternative education programs. Also, determine whether and how the school district confirmed the transfer. (iii) Students who did not attend school but did not formally inform the school that they had dropped out. Also, determine whether and how the school district confirmed the students' status.	Examined 20 student records at each district to determine how they assigned exit codes and whether they conformed to the department's instructions.
2f	To the extent data are available, assess the impact of race, culture, and language on the collection and coding of transfer and dropout data.	The necessary data were not available to perform this objective.
2g	Determine whether school districts shared their dropout rates with parents, school boards, and the general public. If so, determine the manner in which they shared this information (e.g., public meetings, Web sites, mailings, etc.) and the source of the information they shared.	• Reviewed the education code's requirements related to schools providing information by way of the School Accountability Report Card. • Spoke with district personnel to review how the districts distributed information.
2h	Determine whether schools have appropriate capabilities and resources committed to graduation and dropout data collection and reporting.	Interviewed school district officials responsible for transmitting data to CALPADS and interviewed department officials.
2i	Determine whether the school districts offer dropout prevention programs and what steps they take to engage teachers, parents, students, and the community in these programs.	• Interviewed educators and school district administrators. • Reviewed dropout prevention program materials, if available. • Spoke with officials at the department.

	AUDIT OBJECTIVE	METHOD
3	Determine whether the State's calculation of the school dropout rate differs for various purposes such as the State's Public Schools Accountability Act of 1999 (state accountability act) and No Child Left Behind, and if so, how the calculations differ.	• Reviewed relevant sections of the education code, federal laws such as No Child Left Behind, and other laws and regulations. • Determined that No Child Left Behind does not require a dropout rate calculation but does require a graduation rate calculation. Determined that the department calculates graduation rates using a formula that meets both No Child Left Behind and the state accountability act.
4	To the extent data are available, determine how dropout and graduation rates vary between urban, suburban, and rural school districts.	Reviewed graduation and dropout data generated by the department's educational demographics office that linked individual schools to location codes from the U.S. Census Bureau.
5	To the extent data are available, determine how dropout and graduation rates vary among different demographic categories (e.g., gender, ethnicity, household income level, English Language learner, special education services).	• Reviewed graduation and dropout data the department published on its Web site at data1.cde.ca.gov • Performed additional analysis with data from CALPADS.
6	To the extent data are available, assess the impact of the California High School Exit Examination (exit examination) on dropout rates. Specifically, to the extent possible, assess the relationship between failing the high school exit examination and dropping out of school.	• Analyzed data from CALPADS and from Educational Testing Services (the administrator of the exit examination). • Interviewed high school counselors and other officials about the impact of the examination.
7	Review and assess any other issues that are significant to the collection and reporting of dropout data.	• Examined ways in which CALPADS created challenges for districts to report information. • Reviewed information on certain other states' Web sites regarding their longitudinal data systems and spoke with a variety of stakeholders to determine ways in which the State could improve CALPADS' utility for researchers, school administrators, and policy makers.

Sources: Joint Legislative Audit Committee audit request #2011-117 for audit objectives, California State Auditor's planning and scoping documents, and analysis of information and documentation identified in the table column titled Method.

Table 2
Methods to Assess Data Reliability

INFORMATION SYSTEM	PURPOSE	METHOD AND RESULT	CONCLUSION
California Longitudinal Pupil Achievement Data System, California Department of Education (department) Data as of August 2011	To calculate dropout and graduation rates among various demographic categories and by California High School Exit Examination (exit examination) result for the 2009–10 cohort.	• We performed data-set verification procedures and electronic testing of key data elements and did not identify any issues. • We did not perform accuracy and completeness testing because the source documentation for this system is not centrally stored at the department, thereby making such testing impractical. • Alternatively, we examined 20 student records from each of the six school districts we visited to determine how schools assigned exit codes and whether they conformed to the department's instructions. See page 28.	Undetermined reliability for the purpose of this audit.
Department's California High School Exit Examination results Data for the 2007–08 school year The department contracted with Educational Testing Service (ETS) to provide for the development, administration, scoring, analysis, and reporting of the exit examination. ETS subcontracted for the design, printing, and scanning of hard-copy student answer documents.	To identify students' performance on their first attempt at the exit examination during the second half of grade 10.	• We performed data-set verification procedures and electronic testing of key data elements and did not identify any issues. • We were unable to perform accuracy and completeness testing as required by government auditing standards because ETS' subcontractor previously destroyed the hard-copy student answer documents in accordance with the terms of its contract. • Alternatively, we interviewed officials at the department and reviewed relevant documentation to determine whether it conducted any work to verify that student essays were accurately scored. We learned that the department contracted with Human Resources Research Organization (HumRRO) to conduct an independent evaluation of the exit examination test results through September 2008. As part of its evaluation, HumRRO analyzed the consistency with which student essays were scored for the 2007–08 school year and found that the results were generally comparable to the 2006–07 school year and somewhat improved in comparison to previous years. • We also interviewed officials at the department, ETS, and ETS' subcontractor and reviewed relevant documentation to determine whether they conducted any work to verify the accuracy of the electronic file of student multiple-choice answers against the hard-copy answer documents. Although ETS asserted to us that it performed quality control measures related to the accuracy of the data, it was not able to produce the detailed results of this analysis. We found that the level of detail ETS provides to the department when reporting the results of its quality control measures could be improved. This was communicated to the department in a separate management letter.	Undetermined reliability for the purpose of this audit.

Sources: Various documents and data collected from the department and its contractors.

Terminology Related to Racial and Ethnic Groups, Socioeconomic Status, and English Language Proficiency

Our data analysis grouped students by racial and ethnic subgroups based on how they self-identified when enrolling in school. We generally used the terminology the department included in the student records in CALPADS. As members of an ethnic group, Hispanic or Latino students may belong to any race. However, for clarity, no racial and ethnic subgroups referenced in our statistical discussions include students from Hispanic or Latino backgrounds, except for the Hispanic or Latino subgroup itself. In addition, we counted students who self-identified with more than one racial background as "two or more" and did not include them in the other racial and ethnic subgroups; such students comprise only about 1 percent of the 2009–10 cohort. About 1.6 percent of the cohort did not report their racial or ethnic background; we identify these students as "not reported" in our analysis.

Additionally, our data analysis identified whether students were socioeconomically disadvantaged and whether they were English Language learners (English learners). CALPADS recorded students as being socioeconomically disadvantaged if they were eligible for a free or reduced-price lunch program, also known as the National School Lunch Program, or if neither parent had received a high school diploma. CALPADS collects several data elements related to English learners, including their English language acquisition status. A student's status as an English learner may end during a student's time in high school if the student is reclassified as fluent English proficient. However, for the tables and data in this report, we included every student who was designated as an English learner at any time during grades nine through 12.

Audit Results

The California Longitudinal Pupil Achievement Data System Appears to Measure Graduation and Dropout Rates Effectively

In our review, we found that the California Longitudinal Pupil Achievement Data System (CALPADS) generally appears to be a useful tool for measuring graduation and dropout rates and that it should allow policy makers and educators to effectively identify groups of students with the highest dropout rates. Because CALPADS collects information about individual students and contains codes indicating the reasons each student leaves high school, the California Department of Education (department) can use it to determine dropout and graduation rates for individual high schools and districts, as well as for the State as a whole, in a way that meets requirements of state and federal law. Unlike data from the California Basic Educational Data System (CBEDS), which did not include student identifiers of any kind, CALPADS' data are longitudinal, meaning that the department can track individual student data from year to year. Further, because CALPADS avoids the aggregate reporting on which CBEDS depended, the precision in CALPADS data collection allows the department to more accurately calculate graduation and dropout rates.

To determine graduation and dropout rates using CALPADS, the department uses the formula described in the Introduction. This formula determines the four-year cohort rates, which identify the percentages of students who graduate, drop out, or have some other outcome four years after they started high school. This formula also properly accounts for students who transferred to another public school or district, something that calculations using CBEDS data could not do. In August 2011 the department calculated and published the initial four-year cohort rates for the class of 2009–10, which we refer to as the *first cohort*.

To ensure that schools and districts throughout the State utilize the same definition of *dropout* or *graduate*, the department established within CALPADS a set of student exit reason codes (exit codes) from which schools or districts can choose when identifying the reasons students leave school. Generally, when students leave school, school staff enter exit dates and exit codes in their school district's student information system. The district then extracts this

Reasons a Student Can Be Coded as a Dropout in the California Longitudinal Pupil Achievement Data System

The California Department of Education caterogizes a student as a dropout when a school or district determines that one of the following situations applies to that student **and the California Longitudinal Pupil Achievement Data System (CALPADS) contains no subsequent enrollment for the student for the same reporting year:**

• The student withdrew from or left school, and no evidence exists that he or she is in an academic program leading toward a diploma or its equivalent. This includes students who leave school for jobs, marriage, etc.

• The student left school after being expelled and was subsequently referred to another educational service institution but never showed up. The school's or district's attempts to locate the student were unsuccessful.

• The student left school for unknown reasons or reasons not listed in any of the other codes.

• The student withdrew from or left school to enroll in an adult education program in order to obtain a General Education Development Test ® certificate or high school diploma but subsequently dropped out of the adult education program.

• The student withdrew from or left school to enter an institution that is not primarily academic (military, job corps, justice system, etc.), and the student is not in a secondary program leading toward a high school diploma.

• The student completed an academic year at a school but did not return to the same school the following year as expected, and no other exit code is appropriate.

• The student withdrew from or left school for medical reasons.

• The student completed all local and state graduation requirements but failed the California High School Exit Examination (non-special education student).

• The student completed grade 12 without completing graduation requirements.

• The student withdrew from or left for nondisciplinary reasons and transferred to another public school (within or outside the district) in California, and CALPADS contains no subsequent enrollment record for the student for the same reporting year.

• The student withdrew from one school for disciplinary reasons and transferred to another public school in California (within or outside the district), and CALPADS contains no subsequent enrollment for the student for the same reporting year.

Source: California Department of Education.

information and submits it to CALPADS.[2] Depending on the assigned exit code, the department may classify individual students as graduates or dropouts for that high school or district, or, in some cases, it may remove them from the cohort. As a result, the department's ability to accurately calculate graduation and dropout rates is dependent on how uniformly schools and districts use the exit codes. The exit codes in CALPADS allow the department to employ a very precise definition of dropout. The text box explains the scenarios in which the department considers students to be dropouts.

Because CALPADS assigns each student a unique identifier, a key function of the system is its ability to track individual students, thereby leading to dropout rate calculations that are more accurate than those reported previously through CBEDS. For instance, according to the CALPADS coordinator at Long Beach Unified School District (Long Beach), if a student claims to be transferring to another school district but CALPADS does not show his or her subsequent enrollment in any public school district, the department counts the student as a dropout. The coordinator explained that in the past, when school districts were reporting the number of dropouts in CBEDS, these students would have been counted erroneously as transfers and not dropouts because the district lacked the capability of verifying student enrollment in another public school district. He stated that, for this reason, the dropout rates reported previously in CBEDS might have been underestimated.

Another significant improvement over the previous system is a built-in verification process, known as *anomaly resolution*, that allows CALPADS to detect discrepancies in student enrollment. Districts are required to reduce the rate of certain anomalies to less than 2 percent before they certify their enrollment data. Several types of anomalies are identified by CALPADS and displayed to districts, including a student being enrolled in more than one school simultaneously and one student being assigned

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2 Although districts may submit data to CALPADS on an ongoing basis, CALPADS collects snapshots of data, such as enrollment, on specific dates. It then uses these snapshots to create reports for districts to review and certify by specified deadlines. In particular, CALPADS takes snapshots of districts' enrollment, graduate, and dropout data on its fall census day, the first Wednesday in October. By mid-December, districts must review and certify this data; however, districts may amend their data, if need be, until mid-January. Once the districts certify the data, the department calculates the graduation and dropout rates for the State, as well as for each school and district.

more than one identification number. According to the administrator of the department's educational demographics office, most of these anomalies arise because districts enter inconsistent information into CALPADS and, as a result, they need to coordinate with each other to resolve the anomalies. He explained that once the data are certified, the department takes into account discrepancies in student exit codes— such as when a student is coded as a transfer but is never subsequently enrolled in another California public school— adjusts the dropout counts accordingly, and then proceeds to calculate dropout and graduation rates for the State, districts, and schools.

The process of anomaly resolution is an effective way to address some of the errors that would otherwise affect reported dropout and graduation rates. For example, CALPADS enables districts to review lists of students who may have had more than one identifier assigned to them and, where appropriate, to resolve the issue by selecting a single correct identifier to assign to each student. Uncorrected, this error may result in a lost transfer, which occurs when CALPADS loses track of a student during a transfer because he or she is assigned a new identifier upon arrival at a new school. Such errors increase the dropout count for the school the student transferred from. CALPADS can also identify whether a reported exit reason in a student's record conflicts with the information that a district subsequently reported in the system, an anomaly that the department can use directly to modify the dropout and graduation rates. For instance, if one school reported that a student left school for no known reason (which would result in the student being counted as a dropout) but then the student subsequently enrolled in a different California public school, the department would adjust the dropout count so that the student was no longer counted as a dropout.

CALPADS' Data Confirm That Graduation and Dropout Rates Vary Among Different Demographic Subgroups

As discussed, in August 2011 the department published graduation and dropout data from CALPADS for one four-year cohort, the class of 2009–10. The data related to this cohort suggest that graduation and dropout rates differ for certain demographic subgroups. Because the data are limited to this one cohort, the department, districts, and schools cannot yet use them to identify trends over time. However, the data do illustrate the quality and variety of information that CALPADS can provide to educators and policy makers. In particular, the department, districts, and schools can use these four-year

Because the dropout data from CALPADS are limited to this four-year cohort, the department, districts, and schools cannot yet use them to identify trends over time.

graduation rates as the baseline against which they can compare future four-year graduation rates in order to develop strategies to demonstrate Adequate Yearly Progress as required by the No Child Left Behind Act of 2001, which we discuss in the Introduction.

According to its *2011 Adequate Yearly Progress Report Information Guide*, the State's goal is to achieve a graduation rate of 90 percent. The State will require all schools and school districts with grade 12 students to meet this goal by 2019. The department's *First Annual Report on Dropouts in California*, which it released in August 2011, reported that the State's graduation rate for the 2009–10 cohort of students was 74.4 percent, and the dropout rate for this same cohort was 18.2 percent. The remaining 7.4 percent of students in the cohort were neither graduates nor dropouts; they included students who were still enrolled in high school after the fourth year, students who had left school but completed a General Educational Development Test®, and special education students who did not receive diplomas.
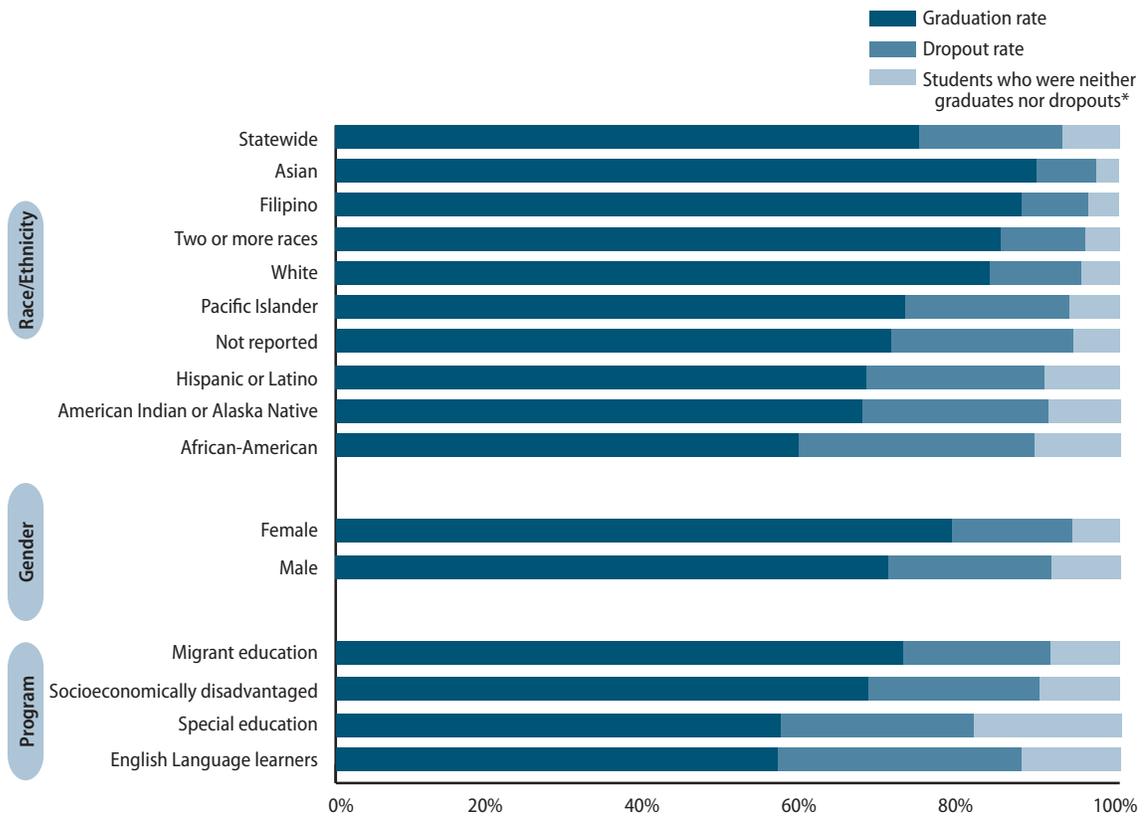
Figure 5 presents the various graduation and dropout rates, sorted by race and ethnicity, gender, socioeconomic status, and program status, such as migrant education. It shows that dropout rates are higher in certain racial and ethnic groups. For example, the dropout rate reported by the department for African-American students was 30.1 percent; for Hispanic or Latino students, it was 22.7 percent.

Socioeconomically disadvantaged students were in general more likely to drop out of high school than their peers—in the 2009–10 cohort, the department reported 21.8 percent of socioeconomically disadvantaged students dropped out compared to 12.9 percent of other students.

We found that socioeconomically disadvantaged students were in general more likely to drop out of high school than their peers. In the 2009–10 cohort, the department reported that 21.8 percent of socioeconomically disadvantaged students dropped out, compared to 12.9 percent of other students. However, when we disaggregated the data, we discovered that the degree to which socioeconomic status affected the likelihood that students might drop out varied significantly among certain racial and ethnic subgroups. As illustrated in Table 3 on page 22, socioeconomically disadvantaged white and Asian students had higher dropout rates than white and Asian students who were not socioeconomically disadvantaged. However, socioeconomic factors did not appear to affect the likelihood that African-American and Hispanic or Latino students would drop out.[3]

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[3] The data shows that socioeconomically disadvantaged Hispanic or Latino students dropped out slightly less frequently than other Hispanic or Latino students.

Figure 5
Graduation and Dropout Rates by Race/Ethnicity, Gender, and Program Participation in the 2009–10 Cohort

Source: August 2011 data from the California Longitudinal Pupil Achievement Data System, obtained from the California Department of Education's DataQuest Web site.

Note: In the Scope and Methodology section on page 16, we discuss our use of racial and ethnic terminology and our process for defining program participation.

* Includes students who were currently enrolled, non-diploma special education students, and students who passed the General Educational Development Test®.

Table 3
Dropout Rates by Socioeconomic Status for Race and Ethnicity Subgroups in the 2009–10 Cohort

RACE OR ETHNICITY	ALL STUDENTS WHO DROPPED OUT		STUDENTS WHO WERE NOT SOCIOECONOMICALLY DISADVANTAGED AND DROPPED OUT		STUDENTS WHO WERE SOCIOECONOMICALLY DISADVANTAGED AND DROPPED OUT	
	PROPORTION	NUMBER	PROPORTION	NUMBER	PROPORTION	NUMBER
Asian	7.7%	3,522	5.8%	1,358	9.7%	2,164
African-American	30.1	12,976	28.1	3,550	30.9	9,426
Not reported	23.3	1,958	21.3	970	25.7	988
Filipino	8.4	1,159	7.5	618	9.8	541
Hispanic or Latino	22.7	54,033	23.6	11,124	22.4	42,909
American Indian or Alaska Native	23.8	1,061	18.1	347	28.1	714
Pacific Islander	20.9	729	19.3	272	22.0	457
Two or more races	10.7	573	6.3	213	18.1	360
White	11.7	18,301	8.1	8,866	20.0	9,435
Totals	**18.2%**	**94,312**	**12.9%**	**27,318**	**21.8%**	**66,994**

Source: California State Auditor's analysis of data obtained from the California Department of Education's California Longitudinal Pupil Achievement Data System as of August 2011.

Note: In the Scope and Methodology section on page 16, we discuss our use of racial and ethnic terminology and our process for defining socioeconomic status.

Also, as illustrated in Table 4, the dropout rate for English Language learners (English learners) was higher than for those students who were not designated as English learners. Because California law generally requires classes to be taught in English, lack of proficiency is a predictable barrier to academic success. The dropout rate for all English learners was 31.1 percent. Our analysis of the data indicated the dropout rate for English learners in the Hispanic or Latino subgroup was about 16 percentage points higher than the dropout rate for students in the Hispanic or Latino subgroup not designated as English learners. The dropout rate for English learners in the Asian subgroup was about 14 percentage points higher than the dropout rate for students in the Asian subgroup not designated as English learners. However, the dropout rate in the African-American subgroup did not vary all that much when considering English learner status.

The data also show that schools in areas with very high or very low population densities generally had higher dropout rates than others. As illustrated in Figure 6, students attending high schools in cities dropped out more frequently than students in other locales. Students attending schools in rural areas were also slightly more likely to drop out.
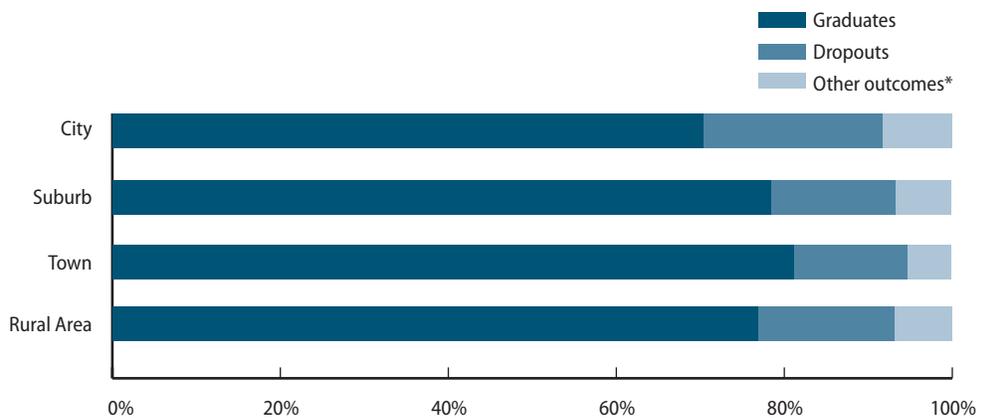
Table 4

Dropout Rates by English Language Learner Status for Race and Ethnicity Subgroups in the 2009–10 Cohort

RACE OR ETHNICITY	ALL STUDENTS WHO DROPPED OUT		STUDENTS WHO WERE NOT ENGLISH LANGUAGE LEARNERS AND DROPPED OUT		STUDENTS WHO WERE ENGLISH LANGUAGE LEARNERS AND DROPPED OUT	
	PROPORTION	NUMBER	PROPORTION	NUMBER	PROPORTION	NUMBER
Asian	7.7%	3,522	4.7%	1,668	18.3%	1,854
African-American	30.1	12,976	30.0	12,689	30.7	287
Not reported	23.3	1,958	22.5	1,686	30.1	272
Filipino	8.4	1,159	7.2	868	16.8	291
Hispanic or Latino	22.7	54,033	17.3	27,771	33.5	26,262
American Indian or Alaska Native	23.8	1,061	23.2	1,001	42.3	60
Pacific Islander	20.9	729	19.4	581	30.1	148
Two or more races	10.7	573	10.5	549	18.6	24
White	11.7	18,301	11.5	17,552	20.8	749
Totals	**18.2%**	**94,312**	**15.2%**	**64,365**	**31.1%**	**29,947**

Source: California State Auditor's analysis of data obtained from the California Department of Education's California Longitudinal Pupil Achievement Data System as of August 2011.

Note: In the Scope and Methodology section on page 16, we discuss our use of racial and ethnic terminology and our process for defining English Language learners.

Figure 6

Graduation and Dropout Rates by Locale for the 2009–10 Cohort

Source: The California Department of Education's Educational Demographics Office, based on data from its California Longitudinal Pupil Achievement Data System compared to schools' U.S. Census locale codes provided by the National Center for Education Statistics.

* Includes students who were currently enrolled, non-diploma special education students, and students who passed the General Educational Development Test®.
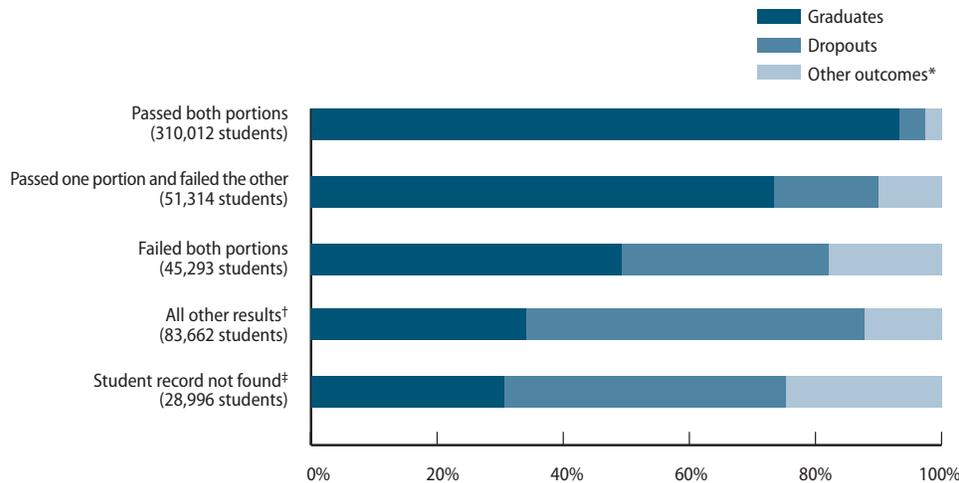
In addition to completing all mandatory coursework and fulfilling other local graduation requirements, most public high school students must pass the California High School Exit Examination (exit examination) to receive a high school diploma.

The examination contains two portions—an English-language arts assessment and a mathematics assessment—and most students must pass both sections to earn a high school diploma. The first opportunity students have to take the exit examination is in the second half of grade 10, although students who do not pass one or both parts of the exit examination in grade 10 can retake the part or parts they did not pass in grades 11 and 12, and in some adult education programs.

Our review of the 2009–10 cohort's test results shows that those students who passed the exit examination on their first attempt were much more likely to graduate within four years than those who did not. As illustrated in Figure 7, students who passed both the English-language arts and mathematics portions of the exit examination on their first attempt were much more likely to graduate from high school within four years than students who passed only one portion of the examination and failed the other on their first attempt. Similarly, students who passed only one portion and failed the other on their first attempt were more likely to graduate within four years than students who failed both portions of the examination.

Figure 7
The Effect of Students' California High School Exit Examination Results on Their First Attempt on Graduation and Dropout Rates for the 2009–10 Cohort

Sources: California State Auditor's analysis of data obtained from the California Department of Education's California Longitudinal Pupil Achievement Data System as of August 2011 and the California High School Exit Examination (exit examination) for the 2007–08 school year.
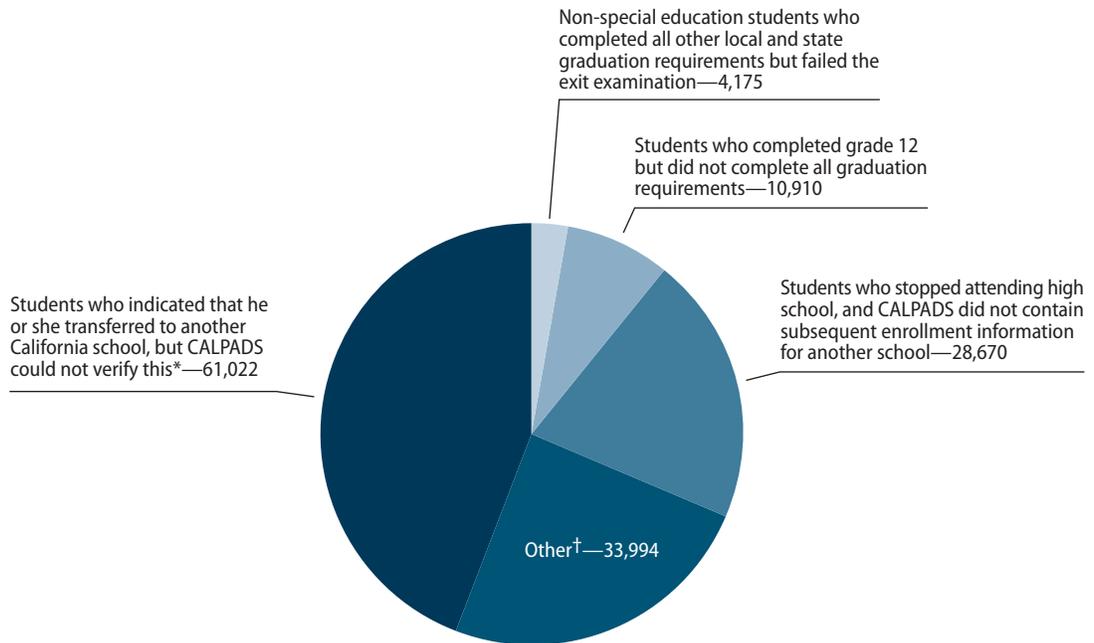
* This category includes students who were currently enrolled, or non-diploma special education students, or students who passed the General Educational Development Test®.

† This category includes students who had not yet entered the California school system as of the final exit examination administration date for the 2007–08 school year during the second half of grade 10, students who were absent on test day, students whose scores were invalidated, and students who attempted one section of the exit examination but not the other.

‡ Although these students were enrolled in the California school system at some point during the second half of grade 10, we found no record of the students attempting the exit examination during that time.

Despite the above-named result, the exit examination may not represent a substantial barrier to graduation for most students because the large majority eventually passed the examination. According to the department's *First Annual Report on Dropouts in California*, CALPADS and other data suggest that the overall passage rate on the exit examination for the 2009–10 cohort was 94.4 percent by the end of the students' fourth year of high school. According to the exit codes in CALPADS, failure to pass the examination precluded 4,175 students from receiving their diplomas, as illustrated in Figure 8. This number may shed only partial light on the impact of the exit examination on dropout rates, however, because we cannot determine if failing to pass the examination had other consequences for particular students. For example, students who dropped out without completing other graduation requirements may have also been motivated to drop out because of their poor performance on the exit examination.

Figure 8

Exit Status for Students in the 2009–10 Cohort Who Did Not Graduate

Non-special education students who completed all other local and state graduation requirements but failed the exit examination—4,175

Students who completed grade 12 but did not complete all graduation requirements—10,910

Students who indicated that he or she transferred to another California school, but CALPADS could not verify this*—61,022

Students who stopped attending high school, and CALPADS did not contain subsequent enrollment information for another school—28,670

Other†—33,994

Source: The California Department of Education's (department) Educational Demographics Office's analysis of data from its California Longitudinal Pupil Achievement Data System.

* When a school reports that a student is expected to transfer within the State but no subsequent California public school ever reports enrolling the student, the department refers to the student as a lost transfer.

† This category includes students who were still enrolled in high school, non-diploma special education students, students who passed the General Educational Development Test®, and students who exited under various other circumstances, such as passing the California High School Proficiency Examination or departing school for medical reasons.

Some Challenges Remain for the State in Ensuring That CALPADS Achieves Its Full Potential

Although CALPADS has substantially improved California's collecting and reporting of graduation and dropout data, school districts still face some challenges in implementing the system. Specifically, we noted inconsistencies in the school districts' processes for applying, confirming, and documenting the reasons why students left high school. These inconsistencies may impact the accuracy of the exit codes the districts enter into CALPADS, potentially affecting their graduation and dropout rates. Additionally, several school districts asserted that certain technical limitations in CALPADS make the process of uploading student data to the system cumbersome, and some districts have also found that maintaining and updating CALPADS has required significant time and resources.

In addition, CALPADS has yet to fully achieve all of the Legislature's stated goals for the system. Specifically, although one of the goals of CALPADS is to provide a better means of evaluating the State's educational progress and the effectiveness of its investments over time, the department's primary objective during the initial development of the system was to ensure it could fulfill federal reporting requirements. Nevertheless, certain other states have, or are developing, databases that can produce and track more robust data than can CALPADS, potentially enabling these states to further improve their education outcomes.

School Districts' Efforts to Confirm and Document the Reasons Students Exited High School Varied

Although CALPADS requires that districts use a standard set of exit codes when entering the reasons students leave high school, our review found that the extent to which districts verified and documented these reasons varied significantly. We reviewed a total of 120 records selected from listings of students from the 2009–10 cohort provided by the following school districts: Delano Joint Union High (Delano), San Francisco Unified (San Francisco), Los Angeles Unified (Los Angeles), Long Beach, Oroville Union High (Oroville), and San Diego Unified (San Diego). We found that many schools had no documentation or retained minimal support for certain exit codes they assigned. However, the variations we noted revealed that school districts could, in some cases, minimize inconsistencies in the data the department uses to calculate graduation and dropout rates by more carefully following the department's guidance.

We found that many schools had no documentation or retained minimal support for certain exit codes they assigned.

The degree to which school personnel verified and documented the reasons students left high school varied depending upon the related exit codes. When students graduate with a regular high school diploma, school personnel generally retained strong documentation in the form of transcripts showing that the students met all course and exit examination requirements. However, when students transferred to other California public schools, schools generally did not verify the exit code. In fact, of the student files we reviewed, only one contained evidence documenting that the student ultimately transferred. Federal regulations require schools to obtain official written documentation of a student's enrollment in another California public school to confirm that the student transferred. Thus, we expected schools to retain documentation verifying such transfers; however, the remaining student files we reviewed contained documentation limited to withdrawal and transfer forms, a note in the student information system, or nothing at all. In general, for exit codes other than graduating, we found that some schools retained hard copy documents as their main source of support, some used notes in their student information systems, and some relied on a combination of the two. However, in several instances, schools retained little or no supporting documentation.

In our review, we deliberately selected student records to ensure that we examined a full spectrum of exit codes across various schools within the school districts. Because we did not test a random sample, the results of our tests do not represent the overall accuracy of the data these school districts submitted to CALPADS.[4] Nonetheless, we present the result of our review of the 120 files in Table 5 on the following page to illustrate the variation we saw in the accuracy of the different types of exit codes the schools assigned. Table 5 shows that it was unclear whether the schools appropriately assigned exit codes for 18 students. The schools may have assigned some of these codes incorrectly, which could potentially impact dropout and graduation rates. We also determined that there were 21 students to whom school staff assigned incorrect exit codes, but these errors generally did not affect the graduation and dropout rates; only three of these students were not correctly assigned to the dropout category, and another student was not correctly assigned to the graduate category.

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[4]   Table 2 on page 15 in the Scope and Methodology section describes the reasons we did not perform accuracy and completeness testing of CALPADS.

Table 5
The Appropriateness of Exit Codes That School Districts Assigned to a Selection of Students in the 2009–10 Cohort

STUDENT EXIT STATUS	EXIT REASON	IS THE EXIT CODE CORRECT?			TOTAL NUMBER OF EXIT CODES
		YES	NO	NOT CLEAR	
Graduate	Graduated with a standard high school diploma	13	1		14
	Graduated with a California High School Exit Examination (exit examination) waiver	3			3
	Graduated with an exemption from the exit examination	4	1		5
Dropout	Completed all local and state graduation requirements but failed the exit examination (non-special education student)	4	3		7
	Completed grade 12 without completing graduation requirements	8			8
	Left school and there is no evidence of enrollment in an academic program leading towards a diploma or its equivalent	5	2	5	12
	Other or unknown reason	6	1	1	8
	Exited prior to the end of sixth grade		1		1
	Exited during a temporary break such as summer vacation but was expected to return to the same school after the break but did not	1	1		2
	Did not return to school the following school year when expected to return	7	2		9
	Left school to enroll in an adult education program, but the transfer to an adult school cannot be verified			2	2
	Transferred to an institution that is not primarily academic, such as the military and is not in a program leading towards a high school diploma	1			1
Removed from cohort or dropout	Transferred to another California public school	13	5	3	21
	Transferred to another California public school for disciplinary reasons	2			2
Removed from cohort	Was pre-enrolled but never attended school	2			2
	Transferred to a school in another state	2			2
	Transferred outside of the United States	2			2
	Verified transfer to an adult education program	1		7	8
Other	Still enrolled	1			1
	Passed the California High School Proficiency Examination	1			1
	Received a special education certificate of completion	2	1		3
	Passed the General Educational Development Test® (GED)	2			2
	Exited a special education transition program after previously receiving a certificate of completion, passing the proficiency exam, or passing the GED		2		2
	Left school for medical reasons	1	1		2
Totals		**81**	**21**	**18**	**120**

Sources: File review conducted by the California State Auditor and the California Department of Education's May 2011 *California Longitudinal Pupil Data System Data Guide*.

Note: We judgmentally selected 20 student records for review at six school districts (10 student records at each of two schools within each school district).

We noted that some schools had trouble properly documenting transfers to adult schools. The department designated two codes for transfers to adult schools: a verified transfer, which the department does not count as a dropout, and an unverified transfer, which the department does count as a dropout. A high school may mark a student as a verified transfer if it determines the student is still enrolled in the adult school at the beginning of the following school year. However, several of the schools we visited appeared to identify adult-school transfers as verified without determining whether the students were enrolled as required. This verification is important because, according to the administrator of its educational demographics office (data administrator), the department does not require adult schools to report data to CALPADS. Thus, in order for the department to properly categorize adult-school transfers as either graduates or dropouts, the prior high school needs to verify directly with the adult school whether the student was enrolled, as required by the department's guidance.

The variation we noted in schools' verification and documentation of some of the reasons students leave school appears to have stemmed in part from the inherent challenges schools face when trying to obtain the necessary information, such as difficulties in reaching students who stop attending school. While some of these challenges may be out of the schools' control, the schools could achieve greater consistency in their use of exit codes, such as transfers to adult schools, if their staff carefully followed the department's guidance related to verifying and documenting exit codes. According to the data administrator, the department began requiring all school districts to report exit data beginning in the fall of 2005 and has since provided exit code descriptions to school districts that include high-level guidance related to verifying and documenting support for exit codes. In May 2011 the department released its most recent version of the *CALPADS Data Guide*, which includes more specific verification and documentation standards than earlier versions and appeared to us to be sufficiently instructive.

However, in conducting our fieldwork at the six school districts between August 2011 and November 2011, we observed a potential information gap between the department's guidance and instructions that school staff consult when selecting an exit code. In fact, with one exception, the school districts' written procedures we reviewed during our fieldwork did not reflect the guidance from the department because it was either outdated or incomplete. For example, Long Beach provided its schools with general instructions for verifying certain exit codes without including the definitions of the exit codes to assist school staff in making the appropriate assessments. San Francisco's procedures, on the other hand, although revised in September 2011, provided basic definitions but omitted other important clarifications about the various exit codes.

Variation in schools' verification and documentation of some of the reasons students leave school appears to have stemmed in part from the inherent challenges in trying to obtain the necessary information—such as reaching students who stop attending school.

At six school districts, we observed a potential information gap between the department's guidance and instructions that school staff consult when selecting an exit code—the school districts' procedures were outdated or incomplete.

To reduce this information gap, the school districts should ensure that their procedures are fully aligned with the department's most recent version of the *CALPADS Data Guide.* Further, they should revise their procedures as necessary each time the department issues an update.

Finally, we noted that schools often could not obtain the strongest form of support to document student transfers to schools outside of the State or the country—types of withdrawals that result in the department removing the students from the cohort rather than counting them as dropouts. Although the department requires districts to obtain acceptable documentation of enrollment in another school when a student moves to another state, parents may not know which school their child will enroll in before they relocate. This may present a challenge for school staff in California, as they may not know which school to contact to request an official confirmation of enrollment.[5] In such cases, a school's reliance on less reliable evidence in the form of the parent's written confirmation appears reasonable. In fact, the department allows schools to rely on a parent's written confirmation to document a transfer outside of the country. Although such evidence leaves room for doubt about the accuracy of the exit code, the department's instructions appear reasonable given that the cost and time spent to overcome language barriers in order to verify enrollment in schools in other countries, or the cost and time spent to verify enrollment in other states, most likely outweigh the benefits of having completely reliable documentation.

Some School Districts Stated That CALPADS Can Be Unwieldy and May Require Significant Local Resources

Although school districts generally noted that the department has addressed many of the issues they had with CALPADS in the earlier stages of its implementation, most stated that they continue to face technical challenges in uploading data to CALPADS. This appears to stem in part from the technical design of CALPADS and not from a lack of technical support, as nearly all of the school officials we interviewed expressed that they received good technical support from California School Information Services (CSIS). CSIS offers advice and help to the districts over the phone and through trainings and Webinars.

As one example of CALPADS' limitations, districts have to first extract information from their student information systems and then upload the data into CALPADS. The process would have

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[5]   Although a similar challenge could present itself when a student moves within the State, CALPADS would generally detect the student's subsequent enrollment in a new California public school.

been more efficient if the system had been designed to regularly communicate with the various school districts' information systems and automatically harmonize the data between them. However, according to the director of the department's educational data management division (data management director), this kind of communication between systems would not be possible unless all schools and school districts were to adopt a common data-sharing framework. According to the data management director, this would be a cost-prohibitive and potentially challenging project. Various district officials stated that sending or retrieving data from CALPADS can sometimes take several days or require multiple attempts, depending in part on the size of the files and the number of other districts accessing the system at the same time. The CALPADS coordinator at Long Beach noted that one way districts can avoid these problems may be to upload data more frequently. The frequency with which districts send updates to CALPADS varies widely—some update every few months while others update weekly or even daily, with those updating on a weekly or monthly basis reporting that they have limited resources or staff. According to the coordinator at Long Beach, CALPADS only requires school districts to upload data for student enrollments that have changed. He stated that by reporting changes regularly, such as on a daily basis, school districts can avoid uploading large batches of data.

In addition, some school districts indicated that they have had to dedicate a substantial amount of time to maintaining CALPADS. In particular, officials from both San Francisco and Los Angeles explained that the State underestimated the burden that maintaining CALPADS would place on school districts. San Francisco stated that it had a team of four staff devoted to updating and maintaining CALPADS, whereas it previously employed only one person to maintain and report student data using CBEDS. The director of the school information branch at Los Angeles stated that budgetary pressures forced the branch responsible for maintaining CALPADS to cut a number of positions and as a result the workload for the remaining staff had become even heavier. She explained that currently Los Angeles relies on one full-time employee to serve as its CALPADS contact person plus five staff who work on the system in conjunction with their other responsibilities. According to a legislative representative in the government affairs division, the department acknowledges that the school districts lack adequate funding from the State for data management related to CALPADS. He stated that the department has regularly sought additional grant funding for the school districts but has yet to receive approval from the Legislature and the governor.

Some school districts indicated that they have had to dedicate a substantial amount of time to maintaining CALPADS.

CALPADS Can Provide Valuable Student-Level Data to Researchers but Is Not as Robust or Innovative as Some Other States' Systems

In implementing CALPADS, the Legislature intended the system to do more than simply enable the State to comply with federal reporting requirements. Rather, its goals for CALPADS included allowing the State to evaluate its educational progress and to utilize its investments over time to increase student achievement. In other words, the Legislature intended CALPADS to assist educators in making data-driven decisions. To help in reaching this goal, the Legislature intended that the State would make CALPADS' data available to outside researchers who have the resources to analyze and study it. However, CALPADS' current capabilities as well as restrictions in state law may limit the State's ability to do this in an efficient manner. The department has taken certain steps to make CALPADS data and other data public, such as publishing information on school performance, test scores, student demographics, and other topics through its DataQuest Web site.[6] Nevertheless, the department releases only aggregate information to the general public in order to protect student privacy, which limits the data's utility to outside researchers.[7]

To obtain and track individual students' data as units of measurement, outside researchers must request it directly from the department, which appears to be time consuming for both researchers and the department. According to the data management director, the department evaluates each request for student-level data to determine whether the requestor's research objectives are reasonable and whether the researcher has a genuine need for student-level data to accomplish these objectives. The data management director stated that recipients of student-level data must sign a confidentiality agreement, must not retain any copies of the data when their research is complete, can only use the data for the purposes the department authorizes, and must supply copies of their completed research products to the department.

Although the basic data that CALPADS collects for students from kindergarten through grade 12 are valuable, some other states may be taking fuller advantage of the potential for longitudinal data to improve their educational systems. Based on our review of Web sites of other states as well as the National Center for Education Statistics, some states' longitudinal databases are or will be capable of collecting more comprehensive data about students than CALPADS. For example, Massachusetts has an

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[6] The public can access the DataQuest Web site at data1.cde.ca.gov/dataquest.

[7] The Family Educational Rights and Privacy Act, a federal law, as well as provisions of state law, generally prevent the department from releasing student records except under very limited circumstances.

early warning system that uses statewide data to assist local school districts to identify students who may be at risk of not graduating on time from high school. In particular, the system assigns incoming freshmen to one of five risk levels based on their middle school academic performance and attendance record. In addition, Florida has implemented a student-centric longitudinal system that stores various data, including information about student demographics, enrollment, courses, test scores, awards, and employment information. These data are longitudinally linked to information about students' employment and earnings and the system provides capabilities to track students over time and perform trend analyses. Meanwhile, Texas is developing a system that it expects to longitudinally link information from the State's pre-kindergarten, kindergarten through grade 12, higher education, and workforce systems.

By comparison, according to California's chief deputy superintendent of public instruction (chief deputy), when the department originally secured funding for CALPADS, the Department of Finance directed the department to limit the system's functionality to fulfilling federal reporting requirements. As a result, he explained, CALPADS primarily produces reports that the federal government specifically requires. According to the chief deputy, although CALPADS has the potential to collect more data, the department has no funding to expand its data-collecting capabilities at this point. However, we believe that if the State cannot expand CALPADS to support initiatives similar to those of other states in the coming years, the State risks missing the opportunity to be more innovative in using its student longitudinal data.

Districts Employ a Variety of Strategies That May Assist Students at Risk of Dropping Out

One potential long-term benefit of CALPADS is that its graduation and dropout data should help districts to identify and develop effective approaches for reducing their dropout rates. School districts currently employ a variety of strategies to address and mitigate the risk factors that may cause students to drop out. Some of these strategies involve dedicated dropout programs, which for the purposes of this audit we define as either programs that districts offer to students they have specifically identified as at-risk or programs staffed by employees in positions dedicated to preventing or reducing dropouts. Other strategies may encompass efforts that target a wide range of students, including those who may be at risk of dropping out. Such efforts might involve various districts' strategies to academically engage all students in order to help them succeed.

Other states may be taking fuller advantage of the potential for longitudinal data to improve their educational systems. The Florida system, for example, links data concerning a variety of school information to information about student employment and earnings, tracks students over time, and performs trend analyses.

Recent budget cuts may have affected the districts' ability to dedicate resources to preventing students from dropping out. Although state law does not require districts to operate dropout prevention programs, in previous years the Legislature enacted a number of laws with the intent of preventing or reducing dropouts, including authorizing block grant programs for these purposes. However, as a result of budget cuts, the Legislature granted the districts greater discretion in choosing how to spend their funds, including those it previously provided for dropout prevention. As a result, some districts may have allocated funds to other needs that they previously used for dropout prevention. Nonetheless, we found that all the districts we visited have some dedicated dropout prevention programs and also conduct other efforts to engage their students. We summarize these programs and efforts in Table 6 and describe them in more detail in the Appendix, beginning on page 39.

Table 6

School Districts' Dropout Prevention Programs and Other Selected Strategies to Assist Students in Graduating

| | DROPOUT PREVENTION PROGRAMS* | | OTHER SELECTED STRATEGIES THAT CAN ASSIST STUDENTS IN GRADUATING | |
SCHOOL DISTRICT	SYSTEMATIC IDENTIFICATION OF AT-RISK STUDENTS	MENTORING AND COUNSELING FOR AT-RISK STUDENTS	ACADEMIC TOOLS THAT CAN AID AT-RISK STUDENTS	COMMUNITY OUTREACH EFFORTS
Delano Joint Union High		Specialized dropout prevention counselors	• California High School Exit Examination (exit examination) support classes • English Language learners (English learners) • Remedial math and English classes • Continuation Education • Summer school	Regular meetings with community to identify assistance available to students
San Francisco Unified		Program to identify and mentor at-risk ninth graders	• Exit examination support classes • English learners classes • Remedial math and English classes • Continuation Education • Summer school	
Los Angeles Unified	Program to track and identify at-risk students and students who may become at risk based on risk factors identified through a regression analysis	Specialized counseling for selected at-risk students	• Exit examination support classes • English learners classes • Remedial math and English classes • Continuation Education • Summer school • Community day schools	
Oroville Union High		Specialized dropout prevention counselors; program to intervene with at-risk 9th graders	• Exit examination support classes • English learners classes • Remedial math and English classes • Continuation Education • Summer school • Community day school	

	DROPOUT PREVENTION PROGRAMS*		OTHER SELECTED STRATEGIES THAT CAN ASSIST STUDENTS IN GRADUATING	
SCHOOL DISTRICT	**SYSTEMATIC IDENTIFICATION OF AT-RISK STUDENTS**	**MENTORING AND COUNSELING FOR AT-RISK STUDENTS**	**ACADEMIC TOOLS THAT CAN AID AT-RISK STUDENTS**	**COMMUNITY OUTREACH EFFORTS**
Long Beach Unified	Program to track progress of students in meeting graduation requirements and to allow users to view aggregate and individual data for students who are at risk of not graduating	• Peer mentoring for at-risk students • Counseling for selected at-risk students	• Exit examination support classes • English learners classes • Remedial math and English classes • Continuation Education • Summer school • Beach High School for 9th and 10th graders who are credit deficient	Committee with community members to assess the dropout issue and create a strategic plan for assisting dropouts
San Diego Unified		Dedicated dropout prevention department overseeing various dropout prevention programs including the following: • Professional mentoring for at-risk students • Task force that meets to discuss dropout solutions • Yearly push to re-enroll students	• Exit examination support classes • English learners classes • Remedial math and English classes • Continuation Education • Summer school • Community day school	Partnership with local charities and a state university to provide mental health services on high school campuses

Source: Interviews and documentation review conducted by the California State Auditor.

Note: We visited the six school districts listed and two high schools in each school district. For the purpose of this table, all information is presented at the school district level.

* For the purposes of this audit, we use the term *dropout prevention programs* to refer either to programs offered specifically to students whom schools have identified as being at risk of dropping out or to programs staffed by employees in positions dedicated to preventing dropouts.

State law does not require school districts to systematically measure the effectiveness of their dropout prevention efforts. However, as mentioned previously, one potential benefit of CALPADS is that its data should enable districts to better identify the programs and efforts that most effectively prevent students from dropping out. The districts can then allocate their limited resources accordingly. CALPADS does not currently capture data related to participation in dropout prevention programs, and given the numerous contacts a particular student may have with various educators, it could prove difficult to track all supports each student receives. However, expanding CALPADS to capture participation in certain efforts could prove beneficial in understanding the impact of these efforts. Even without these sorts of changes to the system, the eventual availability of CALPADS' data for multiple cohorts should soon enable the department, the school districts, and other researchers to identify the school districts that have reduced their dropout rates through exemplary dropout prevention programs.

Recommendations

To increase consistency, the department should remind schools and school districts of the importance of aligning their procedures for recording pupil enrollment and exit data with the *CALPADS Data Guide*.

To improve efficiency, the department should inform school districts of the value of frequently updating the data they transfer from their local student information systems to CALPADS. Also, to the extent that the department becomes aware of ways that schools and school districts can perform CALPADS-related activities more efficiently, it should provide written guidance to schools and school districts on these best practices.

To improve the utility of CALPADS and fulfill the legislative intent of the system, the department should work with the Legislature, the State Board of Education, and the governor to identify priorities for building upon the system when funding is available. These priorities could include tracking student participation in dropout prevention programs or strategies to measure the effectiveness of those programs or strategies over time.

We conducted this audit under the authority vested in the California State Auditor by Section 8543 et seq. of the California Government Code and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives specified in the scope section of the report. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Respectfully submitted,

Elaine M. Howle

ELAINE M. HOWLE, CPA
State Auditor

Date: March 15, 2012

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For questions regarding the contents of this report, please contact Margarita Fernández, Chief of Public Affairs, at 916.445.0255.

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Appendix

SCHOOL DISTRICTS' DROPOUT PREVENTION PROGRAMS

Research indicates that dropping out of school is often the result of a long process of disengagement that may begin before a child enters school and involves numerous risk factors that may adversely affect the student's ability to graduate. Some of these risk factors relate to the student's performance: Problems such as poor grades increase the likelihood that a student will drop out. Other risk factors originate in the student's family: High family mobility and a lack of family commitment to education are both linked to higher dropout rates. In addition, research shows that poor attendance is a key indicator that a student is at risk of dropping out. Counselors and other school district personnel we interviewed generally agreed with this assessment.
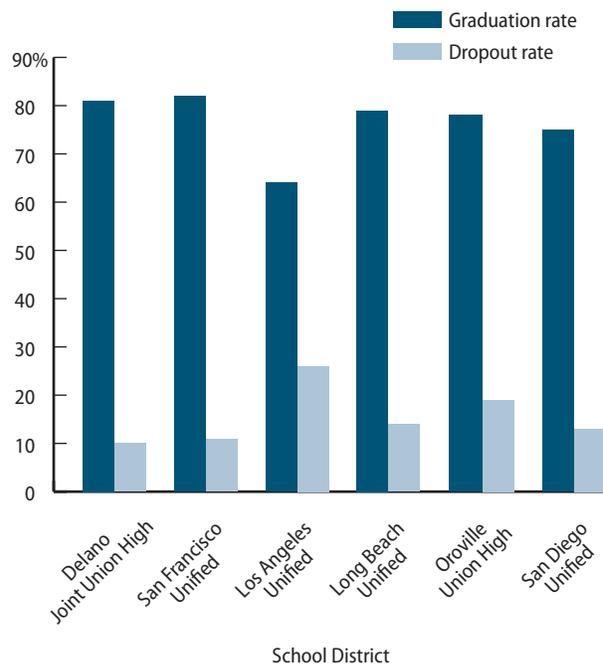
The Joint Legislative Audit Committee asked the California State Auditor to visit a selection of school districts to determine whether schools offer dropout prevention programs and, if so, what steps they take to engage teachers, parents, students, and the community in these programs. To address this objective, we defined dropout prevention programs as either programs that schools offer specifically to students they have identified as at risk of dropping out or programs staffed by employees whose positions are solely dedicated to preventing or reducing dropouts. As we indicate in Table 6 in the Audit Results on pages 34 and 35, we visited six school districts, each of which offered at least one dropout prevention program focused on goals such as systematically identifying at-risk students and preventing at-risk students from dropping out. The school districts also offered a variety of academic supports to aid at-risk students, such as credit recovery programs and small learning communities. We also found that the districts generally worked with their communities to engage students and help them succeed. The Figure on the following page shows the graduation and dropout rates of the districts we visited.

Dropout Prevention Programs

The majority of the dropout prevention programs at the school districts we visited involve specialized counseling or mentoring for at-risk students. For example, according to San Diego Unified School District's program manager of dropout prevention, the dropout prevention department organizes a program called Check and Connect, which she described as a comprehensive mentoring program in 10 high schools that pairs approximately 300 10th grade students with mentors who will work with them through their anticipated graduation in 2014. The American

Institutes for Research provided the necessary funding for this program. Likewise, in fall of 2011 at three partnering high schools, San Francisco Unified School District used a federal grant to launch Project Arrive, a program that targets incoming ninth graders who have a history of truancy with the goal of helping them successfully transition into high school. Additionally, Delano Joint Union High School District (Delano) and Oroville Union High School District indicated they employ counselors, known as *outreach consultants*, whose duties include identifying at-risk students and developing programs or safety nets to assist them.

Figure
The 2009–10 Cohort's Graduation and Dropout Rates at Six School Districts

Source: California Department of Education's DataQuest Web site's summary of data from the California Longitudinal Pupil Achievement Data System.

Based on our fieldwork, we found that teachers, counselors, and school administrators most often identify and track students who meet at-risk criteria on a case-by-case basis. However, this method increases the risk of overlooking certain students. To address this problem, some of the districts we visited have begun implementing more systematic approaches. For example, Los Angeles Unified School District created the Student Alert System to identify at-risk students. According to the assistant administrative analyst who developed the system, the Student Alert System consists of two programs. In general, the first is an early warning system that

identifies students whose performance in academics, attendance, and other areas is declining, suggesting that intervention may be helpful. The second is an at-risk system that identifies students who may be at risk of dropping out because of low grade point averages, failure to pass the California High School Exit Examination (exit examination), below basic comprehension in mathematics or English, attendance problems, or a deficient number of credits towards graduation. The administrative analyst developed this system so that it uses the district's own data about students to identify the key risk factors.

Similar to this effort, the California Department of Education (department) is working with the California Comprehensive Assistance Center at WestEd, a nonpartisan, nonprofit research, development, and service agency based in San Francisco, and the National High School Center to pilot an early warning and intervention project in several districts throughout the State. The pilot began in June 2011 and is scheduled to end in June 2012. According to an education programs consultant within the department's secondary, career, and adult learning division, the pilot project uses a free, downloadable spreadsheet that was developed by the National High School Center. He explained that this tool gathers data from the school districts' student information systems including attendance and academic data, and where available, behavioral data, to identify students who are at risk. The consultant stated the department hopes to use the tool to influence and learn from school districts' policies, thinking, and practices, and to improve early identification and intervention with at-risk students to help them graduate from high school.

Academic Supports

During our review, we found that school districts leverage the educational options that they already have in place to engage students and encourage them to succeed. Educators we spoke with explained that when students have access to curriculums that they find meaningful and relevant, they become more engaged and are therefore more likely to graduate. For example, some school districts we visited indicated that they employ small learning communities, which may take the form of a school within a school, a career-based academy, or a grouping of students who remain together throughout high school. These programs, which offer common classes and a career-oriented curriculum, can foster a sense of community among the students who participate, as well as other benefits. The small learning community model is similar to the department-sponsored California Partnership Academies, which began in 1984. The department's research indicates that even though half of the students at the Partnership Academies are at risk,

95 percent graduated at the end of 2009–10. Additionally, state law creates a State Student Attendance Review Board (attendance review board) and provides for the creation of district-based attendance review boards. The attendance review board coordinates statewide policy and assists with personnel training, while district attendance review boards intervene with chronically truant students. We found all the districts we visited had attendance review boards, though the director of research and professional learning communities (research director) at Long Beach Unified School District (Long Beach) indicated that the effectiveness of attendance review boards on older students is lessened, as students who have reached grade 10 are likely to have already established patterns of truancy.

In addition, all six of the districts we visited offer specialized classes, supplementing their core curriculum, to students who require additional assistance. For example, the districts generally provide English Language learners with specialized instruction to increase their proficiency in reading and writing. The districts also offer classes to students who have not passed the exit examination or who are below proficiency in mathematics and English. Likewise, credit recovery classes allow students who have failed classes to retake them and get back on track towards graduation.

Furthermore, all districts we visited offer nontraditional options for assisting at-risk students who either struggle in a traditional classroom setting or have fallen behind and thus are at risk of not graduating. For instance, some districts provide community day schools for students who have been expelled from school or have attendance or behavior issues. The districts tailor these schools to meet the needs of students who may fit poorly in traditional high schools. In addition, continuation education programs are offered to students who are 16 or older and are deemed at risk of not completing their schooling. In addition to the required academic courses for graduation, the program of instruction emphasizes occupational or career orientation or a work-study schedule and intensive guidance and counseling. Long Beach has also developed Beach High School to serve ninth and 10th grade students that have fallen seriously behind in meeting credit requirements. The school offers a hybrid model of instruction that fuses direct instruction, computer aided learning, and independent learning to enable students to engage more fully and take responsibility for their education. Currently, the high school serves approximately 300 students who may return to their school of origin and participate in graduation with the class with whom they began school. Finally, most districts we visited offer summer school to allow students to make up missed credits.

Community Involvement

We found that some districts we visited have worked with their communities to decrease the number of students who drop out. This sort of community involvement can take a variety of forms. For instance, some districts provide services to students who do not relate directly to education. In addition to providing counseling and therapy, schools in these districts may work with local police and probation officers on the behalf of students. Schools may also act as a bridge to city or county services. For example, at Cesar E. Chavez High School in Delano, key administrators, counselors, and other educators meet with various representatives, including those from local nonprofits, county services, and clinics. The school psychologist there explained that in these meetings they discuss the interventions that are available, both generally and for specific students who may require help to remain in school.

Aside from providing these sorts of services, some of the districts we visited explained that they solicit community involvement in developing dropout prevention policies and interventions. This can serve to increase the visibility of the issues that cause students to drop out and to engage the community in preventing dropouts. Notably, the research director at Long Beach informed us that during the 2008–09 school year, her district created a 55-member committee aimed at addressing dropout and graduation rates that included not only teachers, parents, and students but also personnel from community-based organizations and higher education. The committee met to discuss the reasons students dropped out and the available interventions. According to the research director, the committee also reviewed best practices and interviewed students who had dropped out of high school to gain an understanding of why they left and what could prevent them from dropping out. The research director explained that the committee proposed six recommendations to the Long Beach school board, which chose to include the proposed actions in the district's strategic plan and now reports to its school board three times a year on the implementation of these recommendations.

Finally, all of the districts we visited made at least some effort to communicate with their communities about their dropout rates. State law requires districts to publish School Accountability Report Cards that include schools' graduation rates, teacher qualifications, testing results, and other data related to the Academic Performance Index and Adequate Yearly Progress reports. In addition, several of the districts we visited use electronic communication to engage parents and the community in ways that may enable schools to better prevent dropouts. For example, several districts we visited utilize School Loop. According to the Long Beach's research director, School Loop is a Web-based program that allows students,

parents, teachers, and counselors to view their specific grades, assignments, and attendance records. School Loop also allows school or district personnel to disseminate newsletters, bulletins, and other information. Methods such as School Loop may provide parents or educators with readier access to information about their students, giving them another way to help their students succeed.

(Agency response provided as text only.)

California Department of Education
1430 N Street
Sacramento, CA 95814

February 22, 2012

Elaine M. Howle, State Auditor
Bureau of State Audits
555 Capitol Mall, Suite 300
Sacramento, CA 95814

Dear Ms. Howle:

Subject: Response to the Bureau of State Audits' Draft Audit Report No. 2011-117

This is the California Department of Education's (Education) response to the Bureau of State Audits' (BSA) report titled, *High School Graduation and Dropout Data: California's New Database May Enable the State to Better Serve Its High School Students Who Are at Risk of Dropping Out*, Report No. 2011-117.

Recommendation No. 1:

To increase consistency, the department should remind schools and school districts of the importance of aligning their procedures for recording pupil enrollment and exit data with the *California Longitudinal Pupil Achievement Data System (CALPADS) Data Guide*.

   Education's Comments and Corrective Actions:

   Education will issue a reminder to local educational agencies (LEAs) on the importance of following procedures that are consistent with the CALPADS Data Guide. The reminder will include reference and links to the relevant guidance and available training, along with contact information for follow-up questions.

Recommendation No. 2:

To improve efficiency, the department should inform school districts of the value of frequently updating the data they transfer from their local student information systems to CALPADS. Also, to the extent that the department becomes aware of ways that schools and school districts can perform CALPADS-related activities more efficiently, it should provide written guidance to schools and school districts on these best practices.

   Education's Comments and Corrective Actions:

   Education will issue a reminder to LEAs on the importance of updating the data they transfer from their local student information systems to CALPADS. The reminder will include reference and links to the relevant guidance and available training, along with contact information for follow-up questions.

Elaine M. Howle, State Auditor
February 22, 2012

Recommendation No. 3:

To improve the utility of CALPADS and achieve the full legislative intent of the system, the department should work with the Legislature, the State Board of Education, and the governor to identify priorities for building upon the system when funding is available. These priorities could include tracking student participation in dropout prevention programs or strategies to measure the effectiveness of those programs or strategies over time.

Education's Comments and Corrective Actions:

Education will meet with the Legislature, the State Board of Education, and the Governor's Office to determine priorities for building upon the system and to discuss CALPADS-related strategies.

If you have any questions regarding this subject, please contact Kevin W. Chan, Director, Audits and Investigations Division, by phone at 916-323-1547, or by e-mail at kchan@cde.ca.gov.

Sincerely,

(Signed by: Richard Zeiger)

Richard Zeiger
Chief Deputy Superintendent of Public Instruction

cc: Members of the Legislature
          Office of the Lieutenant Governor
          Little Hoover Commission
          Department of Finance
          Attorney General
          State Controller
          State Treasurer
          Legislative Analyst
          Senate Office of Research
          California Research Bureau
          Capitol Press