

# Introduction to the Adjusted Cohort Graduation Rate in New Jersey

## Contents

Introduction to the Adjusted Cohort Graduation Rate in New Jersey .....	1
Background.....	1
Adjusted Cohort Graduation Rate Calculation .....	3
Graduation Cohorts.....	4
Cohort Statuses .....	4

## Background

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

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

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

graduates in the calculation of the adjusted cohort graduation rate used for federal reporting and accountability purposes.

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

As a result of these changes, the NJDOE began calculating two versions of the adjusted cohort graduation rate starting with 2021 graduation rates. The “federal version” aligns with ESSA requirements and [US Department of Education \(USED\) guidance](#) and is used for federal reporting and ESSA accountability. The “state version” uses the same methodology used prior to 2021 and reflects all students who receive a state-endorsed diploma.

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

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

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

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

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

**Table 1: Graduation Requirements by Class**

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

## Adjusted Cohort Graduation Rate Calculation

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

In equation form, the rate calculates:

### 4-Year Cohort Graduates in Year X

$$[\text{First-Time 9}^{\text{th}} \text{ Graders in Year X-4}] + [\text{Transfers In}] - [\text{Verified Transfers Out}] - [\text{Excluded from Cohort}]$$

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

<sup>1</sup> Graduation assessment requirements were waived through Executive Order 214 in January 2021 for any grade 12 student expected to graduate with the class of 2021 and who had not yet met the graduation assessment requirements but had met all the credit, curriculum, and attendance requirements for graduation.

<sup>2</sup> Students graduating during the 2021-2022 school year were required to meet graduation requirements by demonstrating proficiency on the New Jersey Student Learning Assessment (NJSLA)/PARCC assessments, by meeting the designated cut score on a substitute competency test, or by submitting a student portfolio appeal.

<sup>3</sup> There were no graduation assessment requirements for students expected to graduate with the class of 2023 per P.L.2022, c.60 (ACS for A-3196/S-2349) which was signed in July 2022 and required the State Board of Education to administer the New Jersey Graduation Proficiency Assessment (NJGPA) as a field test for the class of 2023.

<sup>4</sup> Students graduating during the 2023-2024 school year or later are required to meet graduation assessment requirements by demonstrating proficiency on the New Jersey Graduation Proficiency Assessment (NJGPA), by meeting the designated cut score on a substitute competency test, or by submitting a student portfolio appeal.

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

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

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

## Graduation Cohorts

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

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

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

## Cohort Statuses

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

and have not transferred to another New Jersey public school district), and four statuses refer to active students (i.e., students who are currently enrolled in a New Jersey school).

The cohort status for individual students is updated through the mandatory submission of Student Management in NJSLEDS, which provides supplemental information for those same students, including grade level and demographic indicators. At the beginning and end of each school year, LEAs submit this data to NJSLEDS. The quality of the data submitted in these collections impacts the accuracy of students' cohort statuses. Table 1 lists the possible cohort statuses for both active and inactive students in a given cohort year.

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

**Table 2: Cohort Statuses in NJSLEDS**

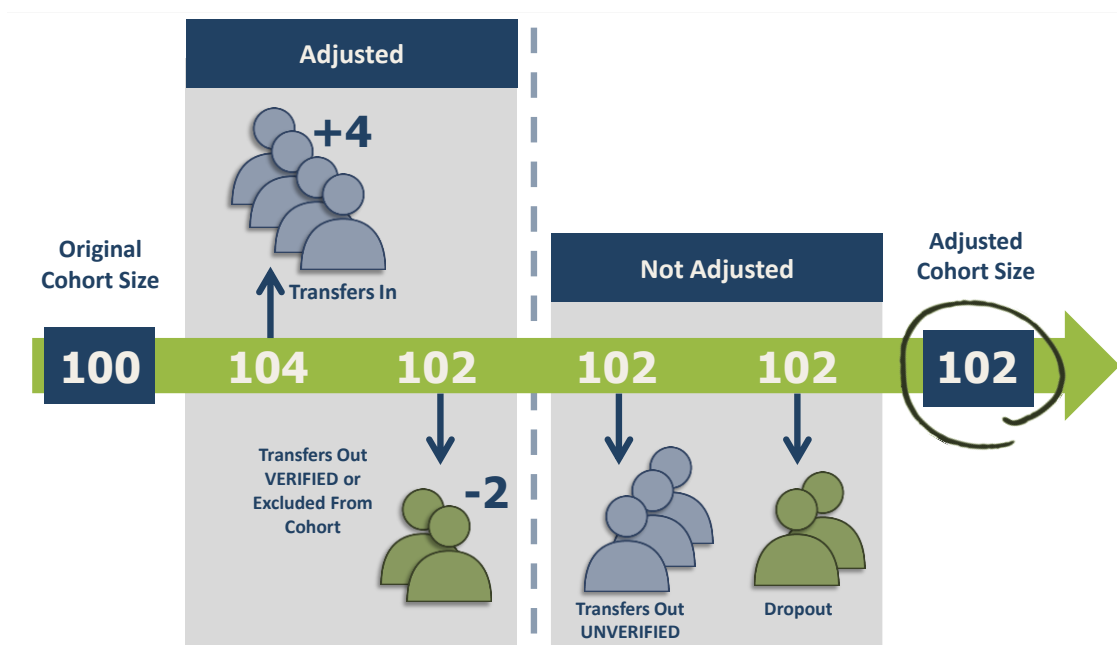
Cohort Status	Calculation Type	Enrollment Status	Description
Graduated (All Graduated)	State Version	Inactive	Students who have been exited with a School Exit Withdrawal Code of “L” (Graduated).
Graduated (Federal)	Federal Version	Inactive	Students who have been exited with a School Exit Withdrawal Code of “L” (Graduated) and have met all graduation requirements.
Graduated (State, Not Federal)	Federal Version	Inactive	Students who have been exited with a School Exit Withdrawal Code of “L” (Graduated) but did not meet either state course requirements, local attendance requirements, or state graduation assessment requirements because of a modification or exemption in their IEPs.
On-Track Continuing	State and Federal Version	Active	Submitted Grade Level suggests that a student is on-track to graduate by their assigned cohort year.
Off-Track Continuing	State and Federal Version	Active	Submitted Grade Level suggests that a student is still attending school but is at least one year behind their assigned cohort year.
Active Student – Status Unknown	State and Federal Version	Active	Students who have not been currently submitted to Student Management but were already assigned a cohort year and were recently reported as on-track or off-track continuing; therefore, it could not be determined whether the student is on- or off-track.
Transfer In	State and Federal Version	Active	Students who were exited with a valid School Exit Withdrawal Code and have been successfully uploaded by another NJSLEDS submitting district. These students will not yet have an “On-Track Continuing” or “Off-Track Continuing” status until they are submitted to Student Management and their current Grade Level is compared to their assigned cohort year.

Cohort Status	Calculation Type	Enrollment Status	Description
Transfer Out – Unverified*	State and Federal Version	Inactive	Students who were exited with a transfer-out School Exit Withdrawal Code but have not yet been uploaded by another NJSLEDS submitting district.
Dropout	State and Federal Version	Inactive	Students who were exited with a dropout School Exit Withdrawal Code and not uploaded by another NJSLEDS submitting district.
Excluded From Cohort	State and Federal Version	Inactive	Students who are excluded from the adjusted cohort under special circumstances, including death of a student and transfer out of state/country.

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

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

**Chart 1: How is Cohort Size Adjusted Over Time?**



## NJSLEDS Graduation Reports

In NJSLEDS, reports are available that give districts the ability to review their graduation data, both at the student level and aggregated at the district, school, or student group level. The High School Graduation Cohort Status Profile and Graduation Student Level Report are available on the Reports tab in the NJSLEDS portal for LEA use. It is highly encouraged that superintendents, business administrators, curriculum coordinators, principals, and other critical education staff familiarize themselves with these reports.

The High School Graduation Cohort Status Profile summarizes student counts in each of the cohort statuses for a given school or district. In addition, the profiles disaggregate each cohort status by the student groups that are used for federal accountability and reporting in the School Performance Reports. This report is where districts can review preliminary graduation rates as they are reporting data and after the August snapshot. It is also where districts can review final graduation rates once all graduation appeals decisions are finalized.

The Graduation Student Level Report includes all students in each cohort with relevant graduation data. Using this report, districts will be able to identify the students in each cohort status and student group. The Graduation Student Level Report also includes information such as ELA and Math Graduation Pathway Indicators and IEP Graduation fields. These fields allow users to review which graduates are included in the federal and state graduation rates and why.

Districts can use the Cohort Status Profile and Graduation Student Level Report to review the students in each graduation cohort status to verify that data are accurate. Districts can review students in the “Transfer Out – Unverified” status to identify students who transferred out but never enrolled in another district. Districts remain accountable for students in this status, even though they no longer attend the district. District personnel are responsible for tracking transfer documentation and can use this list as a basis for tracking down these students, verifying documentation of transfers, and communicating with the intended transfer district.

Review the User Guide to NJSLEDS Graduation Reports on the [NJSLEDS Graduation Resources page](#) for details on how to run and use these reports. Additionally, the NJSLEDS Help Desk is available each day to provide any necessary guidance for district users. Beyond serving as a data warehouse, the NJSLEDS system is a critical and useful educational tool for educators, school administrators, and school districts.

## State and Federal Graduation Rates in Profile

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As noted earlier in this document, the NJDOE calculates both a “federal version” and a “state version” of the adjusted cohort graduation rate. The High School Graduation Cohort Status Profile report in NJSLED shows both the “federal version” and “state version” of the graduation rate.

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

Any students with any cohort status besides ‘Graduated’ or ‘Excluded from Cohort’ will count as non-graduates in the graduation rate calculation.

**Federal Graduation Rate Numerator** = Graduated (Federal)

**State Graduation Rate Numerator** = Graduated (All) = Graduated (Federal) + Graduated (State, Not Federal)

**Denominator (State and Federal Graduation Rate) = Adjusted Cohort Count** = Graduated (Federal) + Graduated (State, Not Federal) + Transfer Out Unverified + On Track Continuing + Off Track Continuing + Active, Status Unknown + Dropout

The denominators for the federal and state versions are the same.

## Student Group Data

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

Prior to 2025, gender and race/ethnicity student groups were based on a student’s entering values. Entering Values refers to the student group values that districts assigned to students when they entered their 4-year graduation cohort. Starting with 2025, both gender and race/ethnicity student groups will be based on most recent data.

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

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

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

Student Group Variable	Submission for Updates	Source
Most Recent Gender	Student Management	Derived from the most recent snapshot in which the student was reported
Most Recent Race/Ethnicity	Student Management	Derived from the most recent snapshot in which the student was reported
Overall Economically Disadvantaged (Lunch Status)	Student Management	Derived from the snapshot data during student’s tenure in the Graduation Cohort
Overall Special Education	Special Education Submission	Derived from the snapshot data during student’s tenure in the Graduation Cohort
Overall Multilingual Learner Status	Student Management	Derived from the snapshot data during student’s tenure in the Graduation Cohort

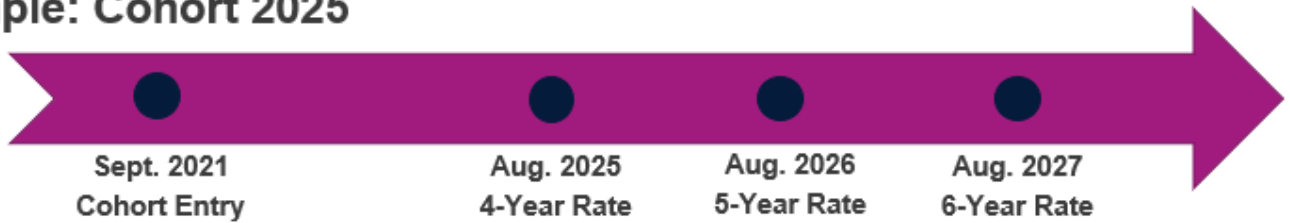
Student Group Variable	Submission for Updates	Source
Overall Migrant Status	Student Management	Derived from the snapshot data during student's tenure in the Graduation Cohort
Overall Homeless Status	Student Management	Derived from the snapshot data during student's tenure in the Graduation Cohort
Overall Homeless Status	Student Management	Derived from the snapshot data during student's tenure in the Graduation Cohort
Overall Military-connected Status	Student Management	Derived from the snapshot data during student's tenure in the Graduation Cohort
Overall Foster Status	N/A	Derived from data provided by the Department of Children and Family (DCF)

## Five-Year & Six-Year Graduation Rate Profiles

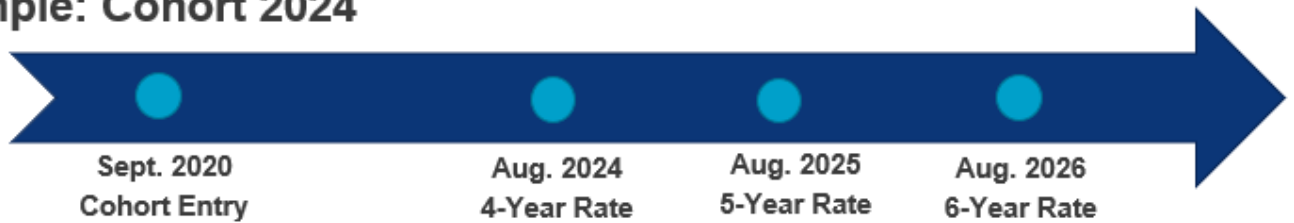
Since 2012, the High School Graduation Cohort Status Profile has been displaying five-year graduation rates for graduation cohorts in addition to four-year rates, and six-year rates were added in 2021. Students will remain in their same four-year adjusted cohorts, and the profile will show cohort status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

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

### Example: Cohort 2025



### Example: Cohort 2024



### Example: Cohort 2023



## Graduation Appeals Process

LEAs have the opportunity to appeal specific graduation data in in NJSLEDS in the fall after the August graduation snapshot. Review the Graduation Appeals User Guide on the [NJSLEDS Graduation Resources page](#) for details on the types of data that can be appealed, documentation required, and how to submit an appeal.

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

## Reporting Graduation Data

After appeals decisions have been finalized, the NJDOE uses the final school, district, and state level graduation rates for both state and federal reporting and accountability. The "federal version" of the four-year, five-year, and six-year graduation rates will be submitted to USED and used in national comparisons of high school graduation rates. The federal version is used for ESSA accountability and will be reported in the School Performance Reports. The state version is also reported in the School Performance Reports and is used for the New Jersey Quality Single Accountability Continuum (NJQSAC). The NJDOE uses final version of the graduation rates for all reporting and accountability. The preliminary versions of the graduation rates prior to the appeals process are never shared publicly by the NJDOE.

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

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

## Resources and Support

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A number of resources are available related to reporting graduation data, running reports in NJSLEDS, submitting appeals, and understanding how graduation rates are calculated and used.

NJSLEDS graduation resources can be found on the [NJSLEDS Graduation Resources webpage](#). Additional graduation resources related to public reporting and accountability can be found on the [School Performance Reports Resources page](#). The NJDOE expects to make additional resources and trainings related to graduation data available over the next year.

Questions regarding NJSLEDS functions and data submissions should be directed to the NJSLEDS Help Desk by calling 609-376-3970 or emailing [helpdesk-sleds@doe.nj.gov](mailto:helpdesk-sleds@doe.nj.gov). Any general questions about graduation can be sent to [performancemanagement@doe.nj.gov](mailto:performancemanagement@doe.nj.gov).