This document contains the business rules behind data used in North Carolina school accountability reporting. It provides the basis for how an indicator is calculated (creating the numerator and denominator). In order to ensure that reporting is accurate, each indicator contains a participation component and a performance component. All students included in the participation component become the denominator for performance unless they are added or removed by a business rule.

**Indicators in READY Accountability and School Performance Grades (SPG)**

1) **Annual Assessments**
   a. Participation (denominator)
      i. Participation in annual assessments include all eligible students in membership (i.e., enrolled in a school) at grades 3 through 8 and 10 and in high school courses in which an EOC assessment is administered. Assessments include EOG English Language Arts/Reading and Math at grades 3-8; EOG Science at grades 5 and 8; EOC assessments in Math I, English II, and Biology; and the alternate assessments for all EOG and EOC assessments.
         1. Students who are absent from the assessment count against participation.
         2. Students who are identified as limited English proficient (LEP) who score below Level 4.0 Expanding on the reading subtest of the WIDA ACCESS Placement Test (W-APT) and are in their first year in United States schools use the W-APT reading placement test as the indicator of participation in reading (including English II, when applicable).
   ii. Students excluded from participation.
      1. Students with an NCDPI-approved medical exception for an EOG or EOC assessment do not count against participation.
      2. Students who are in credit recovery or repeating a course and choose to use a previous proficient EOC assessment score, from an earlier administration, do not count against participation and are removed from both the numerator and the denominator.
   b. Performance (numerator)
      i. Performance on the Annual Assessments is measured on 5 achievement levels. Annual assessments for SPG's will be calculated by determining the percent of students who score at achievement level 3 or higher. All assessments administered will fall into one of the following categories for SPG calculations:
         • EOG English Language Arts/Reading
         • EOG Mathematics
         • EOG Science
         • EOC Math I
         • EOC English II
         • EOC Biology
      1. For schools that start with 9th grade, their 9th grade students who previously took a Math I or Biology EOC assessment have the banked scores from the previous EOC

assessments used as part of the current year performance composite and SPG, unless the students took the assessment again in the current year.

2. Students earning credit in an EOC course through Credit by Demonstrated Mastery (CDM) will count as proficient in the performance composite and SPG.

3. Students in Grade 3 who are not proficient on the EOG but receive achievement Level 3 or higher on the Beginning of Grade 3 (BOG) assessment, count as proficient in the performance composite and SPG.

4. Students identified as LEP who score below Level 4.0 Expanding on the reading subtest of the W-APT and are in their first year in United States schools are not included in the numerator or denominator.

5. All students with disabilities who take an alternate assessment are included in the performance composite and SPG calculations.

   a. The number of students that a Local Education Agency (LEA) deems proficient based upon alternate academic achievement standards shall not exceed 1 percent on these assessments. This applies to state-, LEA-, and school-level reporting, but it does not apply to student-level reporting.

      i. If an LEA has greater than 1 percent of its students proficient based on these standards, the LEA superintendent may apply to the state superintendent for an exception as prescribed in the Federal Register, April 9, 2007, Vol. 72 No. 67 RIN 1810-AA98.

      ii. If an LEA has greater than 1 percent of its students proficient based on these standards and does not receive an exception to the 1 percent limit, the state shall reassign enough proficient students’ scores held to these standards to non-proficient such that the LEA will fall within the 1 percent limitation according to the procedures in the North Carolina Accountability Workbook Flexibility Addendum (as accepted by the United States Department of Education).

      1. For this purpose, a student is considered proficient if he/she is deemed proficient in reading, mathematics, or both.

   b. The number of students that an LEA deems proficient based upon modified academic achievement standards shall not exceed 2 percent on these assessments. This applies to state-, LEA-, and school-level reporting, but it does not apply to student-level reporting.

      i. If an LEA has greater than 2 percent of its students proficient based on these standards, the state shall reassign enough proficient students’ scores held to these standards to non-proficient such that the LEA will fall within the limitations as stated in Section 200.13 of the Federal Register and according to the procedures in the North Carolina Accountability Workbook Flexibility Addendum (as accepted by the United States Department of Education). LEAs that do not fulfill the 1 percent limit of the most seriously cognitively disabled students may add the unfilled percent to the allowable 2 percent.

      1. For this purpose, a student is considered proficient if they are deemed proficient in reading, mathematics, or both.
2) **College Readiness Assessment Measure (The ACT Assessment)**
   a. Participation (denominator)
      i. Participation in the ACT performance measure is calculated by taking the number of students in the 11th grade based on the March data collection and comparing it to the number of scored assessments.
         1. Students who have an approved opt-out request submitted by the LEA/charter school Test Coordinator are included in the participation rate.
         2. Students who take the NCEXTEND1 Alternate Assessment at Grade 11 are included in the participation rate.
         3. Students who meet the eligibility requirements and take the College- and Career Readiness Alternate Assessment are included in participation.
         4. Students who were absent from the administration count against participation.
         5. Students whose assessments were declared misadministrations count against participation.
      ii. Students excluded from participation include the following:
         1. Students who are repeating the 11th grade, who have a previous score on The ACT assessment, and therefore are not eligible to test, do not count against participation and are removed from both the numerator and the denominator.
         2. Students with an NCDPI-approved medical exception do not count against participation.
   b. Performance (numerator)
      i. The ACT performance measure is based on the current year’s total number of students meeting the UNC minimum composite of 17 divided by the number of students who have a composite score.
         1. Students who have an approved opt-out request submitted by the LEA/charter school Test Coordinator are included in the performance measure as meeting the UNC system’s minimum composite of 17.
         2. Students who are identified as LEP in their first year of United States schools are not included in performance.
         3. Students taking the NCEXTEND1 Alternate Assessment at Grade 11 or the College- and Career Readiness Alternate Assessment are not included in performance.

3) **Workplace Readiness Assessment Measure (ACT WorkKeys Assessment)**
   a. Participation (denominator)
      i. Participation in the ACT WorkKeys performance measure is based on the number of current graduates who are CTE concentrators, as indicated by their graduation plan.
         1. Students who have an approved opt-out request submitted by the LEA/charter school Test Coordinator are included in the participation rate.
         2. Students on the Future Ready Occupational Course of Study who take the ACT WorkKeys assessment are included in participation.
         3. Students who are absent count against participation.
         4. Students whose assessments were declared misadministrations count against participation.
      ii. Students excluded from participation:
1. Students with an NCDPI-approved medical exception do not count against participation.

b. Performance Measure (numerator)
   i. The ACT WorkKeys performance measure is calculated by taking the ACT WorkKeys participants who score silver or better on the assessment divided by the number of ACT WorkKeys participants.

1. Students who have an approved opt-out request submitted by the LEA/charter school Test Coordinator are included in the performance measure as meeting silver or better on the ACT WorkKeys assessment.

4) Math Course Rigor (Pass Math III)
   a. Participation (denominator)
      i. Participation in Math Course Rigor is all current year graduates on the Future Ready Core course of study (i.e., 9th graders entering 2009-10 and beyond) except for the following:
         1. Students who are on the Future Ready Occupational Course of Study.
         2. Students identified as significantly cognitively disabled and received instruction on the NC Extended Content Standards.

   b. Performance (numerator)
      i. Math Course Rigor is calculated by determining the number of current graduates who have earned credit in the designated math course of Math III (Algebra II, Integrated Math III, or Common Core Math III) divided by the number of current graduates as identified by participation rules.

5) Graduation Rate
   a. Denominator
      i. The Cohort Graduation Rate denominator is the count of students that are part of a designated cohort. The cohort begins when the student enters the 9th grade for the first time. This is determined by the data collected from the public schools through the authoritative sources. Both a standard graduation rate (four-year cohort) and an extended graduation rate (five-year cohort) are calculated for reporting purposes. Some high schools have a five-year graduation plan; therefore, for these schools the standard graduation cohort is based on five years, and the extended graduation cohort is based on six years. These schools’ results are in the four-year rate reporting and five-year rate reporting accordingly.

   b. Numerator
      i. The graduation rate is calculated for both the standard graduation rate and the extended graduation rate for a school. The number of graduates is divided by the number of students who should have graduated within the designated cohort on both the standard and extended graduation rates. For more information on the cohort graduation rate calculation, please see http://www.ncpublicschools.org/docs/accountability/reporting/cohortgradratecalc14.pdf.

1. For School Performance Grades only the standard graduation rate is used.
Calculations for School Performance Grades

When calculations for the School Performance Grades are run all components are rounded to the 10th. Prior to assigning letter grades to the final score and, for K-8 schools, reading and math achievement scores numbers are rounded to the whole. All reporting of School Performance grades in the NC Report Card are rounded to the whole for display.

Additional Measures Reported

Graduation Project: The North Carolina State Board of Education (December 2011) included the North Carolina Graduation Project (NCGP) as one of the six indicators in the revised high school accountability model. The Board specified that high school graduation projects must meet defined "Standards of Quality" in order for a high school to receive credit for the NCGP. High schools are not penalized if they do not require a graduation project; however, information is reported out for those that do or do not. Effective with the 2012–13 data collection, participation in the NCGP is shown on the accountability reporting site as ‘Yes’, ‘No’, or ‘N/A’. To review the procedures of implementing and reporting the graduation project refer to the following document: http://www.ncpublicschools.org/docs/accountability/testing/eoc/gradproject14.pdf.

Participation Expectations for Accountability Reporting

Participation is a key component to ensure that data accurately reflects the results reported in the accountability model. For assessments used in the Performance Composite/Annual Assessment indicator, College Readiness Assessment indicator, and the Workplace Readiness Assessment indicator, there is a 95% participation requirement. Current year EOC assessments will have a participation requirement that will count separately from the use of the EOC assessments in participation for federal reporting. This rule requires all schools to test at least 95% of their eligible students under each indicator within their school. Failure to comply with this rule will result in the following:

Year 1 consequence for not meeting participation rate requirements for any subgroup:
Within 30 days after accountability results are approved by the State Board of Education (SBE), the school must send a letter (text provided by the North Carolina Department of Public Instruction [NCDPI]) to all parents informing them of the inadequate participation rate. Each letter must also provide a plan of action for ensuring full participation for all subgroups, specifically targeting those that did not have adequate participation.

Year 2 consequence for not meeting participation rate requirements for any subgroup:
The school will be labeled as a “consistently low-participating school” and will be required to create and implement an intensive intervention plan aligned with ensuring participation rates for all subgroups to reach 95%. At the state level, within the Statewide System of Support, these schools will receive the most intensive support with the issue of participation rates.

Year 3 consequence of not meeting participation rate requirements for any subgroup:
The NCDPI will count non-participating students as not proficient. The number of additional students who will be counted as not proficient will be equal to the number of students that are needed to achieve a 95% participation rate in any subgroup. An additional letter (text provided by the NCDPI) must be sent home by the school indicating a third year of inadequate participation and providing a plan to ensure full participation for all subgroups.
Definitions Used in Accountability Measures

**End-of-Grade**—the summative assessments administered to students at grades 3-8 used for measuring school performance for state and federal accountability reporting. These include grades 3-8 math and English language arts/reading, grades 5 and 8 science, and the alternates for these assessments.

**End-of-Course**—the summative assessments administered to students enrolled in a course that triggers an assessment to be given. These assessments are Math I, English II, Biology, and the alternates for these assessments.

**The ACT Opt-out**—students who submit a request to the LEA/charter school in order to not be required to participate in The ACT because they have previously taken The ACT or SAT and met the eligibility criteria to be exempted from taking The ACT during the state administration.

To meet the eligibility criteria, students must have either SAT or The ACT tests scores that meet the following college readiness benchmarks:

**SAT** college readiness benchmark scores include all of the following subtests:

<table>
<thead>
<tr>
<th>Test</th>
<th>SAT Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Critical Reading</td>
<td>500</td>
</tr>
<tr>
<td>Mathematics</td>
<td>500</td>
</tr>
<tr>
<td>Writing</td>
<td>500</td>
</tr>
</tbody>
</table>

**The ACT** college readiness benchmark scores include all of the following subtests:

<table>
<thead>
<tr>
<th>Test</th>
<th>The ACT Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>English</td>
<td>18</td>
</tr>
<tr>
<td>Reading</td>
<td>22</td>
</tr>
<tr>
<td>Mathematics</td>
<td>22</td>
</tr>
<tr>
<td>Science</td>
<td>23</td>
</tr>
<tr>
<td>Writing</td>
<td>7</td>
</tr>
</tbody>
</table>

**ACT WorkKeys Opt-out**—students who submit a request to the LEA/charter school in order to not be required to participate in the ACT WorkKeys because they previously took the ACT WorkKeys assessment and met the eligibility criteria to be exempt from taking the ACT WorkKeys during the state administration.

To meet the eligibility criteria, students must have received a Silver, Gold, or Platinum WorkKeys certificate.

**Standard Graduation Rate**—the rate determined to be the expected amount of time a student will be in school in order to graduate ‘on time’. The standard graduation rate typically is 4 years. Some schools have a 5-year standard rate based on the configuration of the instruction in the school.

**Extended Graduation Rate**—the rate determined to be an extension of the standard rate by 1 year. The student graduates one year later than the expected amount of time to graduate on the standard graduation rate. The extended graduation rate is typically 5 years. Some schools have a 6-year extended rate based on the configuration of the instruction in the school.