



Mr. Richard Reeves, National Center for Education Statistics
Attention: Postsecondary Institution Ratings System RFI

U.S. Department of Education
1990 K Street NW., 8th Floor
Washington, DC 20006

Docket ID ED-2013-IES-0151
Submitted via: <http://www.regulations.gov/>

Dear Mr. Reeves:

The Association of Community College Trustees (ACCT) appreciates the Obama Administration's continued dedication to students and promoting college affordability. Community colleges are leaders in offering access to higher education to millions of students each year at an affordable cost. ACCT remains committed to increasing student success and has taken steps along with our partners in the sector to improve student success measures and degree and certificate completion rates.

ACCT supports the goal of providing all students and families with pertinent and accurate information regarding institutional value based on sector. However, we also recognize that there will be significant complexities in implementing this system based on currently available information. Using data currently collected by the Department and other federal agencies, and in recognition of the highly varying levels of state support, it would be nearly impossible to develop an accurate assessment of institutional “value” today. A renewed focus on providing consumers with more useful data than what are presently available is highly desirable. This includes the necessary repeal of the federal ban on a student unit record system that would collect anonymous, student-level information that could be used to generate reports and analyses at the programmatic or institutional levels.

From a consumer prospective, it is also important to remember that the vast majority of prospective community college students do not have the luxury or privilege of selecting various institutions to attend – much less one out of state – but instead are searching for affordable, high-quality, and *specific* programs of study near their home and work. We hope that the Administration, which has been a strong supporter of community colleges, will remain mindful of the diverse array of higher education institutions and the students they serve. Access to affordable, quality higher education is fundamental to the community college model and remains a primary priority for ACCT and our member colleges.

I. Questions Regarding Data Elements, Metrics, and Data Collection

Unfortunately, the data *currently collected* by the Department or other federal agencies related to institutional access, affordability, and outcomes are vastly insufficient for both consumer and accountability purposes. As you know, each of the elements and metrics associated with existing consumer information portals such as the ‘College Navigator’ or ‘College Scorecard’ largely use information collected through federal data hubs such as the Integrated Postsecondary Education Data

System (IPEDS) or National Student Loan Database System (NSDLS). Even using the best data available, many of the required elements are not collected at some colleges, not independently verified, or vastly out of date. The following paragraphs will explore specific college ratings data elements by the stated Administration priority areas.

Access

Community colleges are proud of the access we offer to many low-income students and our overall ability to provide a high-quality pathway to opportunity for those who seek it. As locally-based and governed institutions, our student body often reflects the immediate surrounding community's demographics, including socioeconomic status.

Nationwide, community colleges serve the largest number of Pell Grant recipients of any sector, and 36 percent of all Pell Grant students. Yet Pell Grant receipt is not the only measure of income diversity. Low-income community college students often do not fill out the FAFSA at all. Just 58 percent of *Pell-eligible* community college students apply for aid, compared to 77 percent of four-year students.¹ Additionally, complicating the use of Pell status as a marker of student access, Congress has repeatedly restricted eligibility for the program for nontraditional students.

Further, despite many attempts by institutions, states, and the federal government to promote and publicize financial aid, many students have consistently cited that they had no idea financial aid existed, believed they would not qualify for aid, thought their award to be a one-time offer, or found the FAFSA application too complex. Community colleges also serve significant numbers of 'DREAM' students who are not currently eligible for federal aid. **Any access metrics should recognize that the number of Pell grantees at community colleges will generally be lower than the total number of low-income students served** – a significant limitation on existing access-related data.

Affordability

Community colleges believe strongly in providing an affordable pathway through higher education with minimal debt or none at all. Less than 17 percent of two-year public students borrow federal loans, the lowest of any sector, and even those borrowers have the lowest average debt burdens among all sectors.² This can be traced directly to our low tuition and fee structure. However, this commitment to affordability is in large part dependent on the level of state support provided.

Due to the small percentage of our students who ultimately borrow, we suggest evaluating student debt based on *median loan debt of all completers*. Alternatively, prospective students should be given clear and prominent information about *the rate of borrowing* at each institution so they might evaluate the likelihood that they would need any loan at all.

To the extent that the potential ratings system may also focus on the role of "net price," there are currently significant issues with the representation of this data to students. For example, dependent and independent students – and especially returning adult learners – have vastly different interests in the data presented to

¹ Kantrowitz, Mark. "FAFSA Completion Rates by Level and Control of Institution" (October 14, 2009). <http://www.finaid.org/educators/20091014fafsacompletion.pdf>

² U.S. Department of Education, National Center for Education Statistics. "2011-12 National Postsecondary Student Aid Study (NPSAS:12)" (September, 2013). <http://nces.ed.gov/surveys/npsas/>

them. Independent students, for example, may not need “room and board” to be included in net price if they are already self-supporting and are enrolling in a part-time program while working. This is the role of the Net Price Calculator, but a single, arbitrary number may serve to confuse prospective students. At a minimum, we hope that net price data will be extrapolated for both *dependent* and *independent* students. And, the Department should engage in some level of data management and verification, as fluctuations in the self-reported net price information has caused some eye-raising disparities between institutions with very similar cost structures.

Outcomes

Community colleges support the mission of helping more students succeed in their postsecondary pathways. Data need to be reflective of our institutions and the population we serve. Current systems such as IPEDS attempt to collect information on student completion rates in terms of certificate or degree attainment, and transfer-out rates. Taking into consideration the expected performance of a fully open-access institution and accurately representing all student participants, *completion information may present some limited value* for measuring institutional performance. In fact, many states and institutions use completion measures to evaluate performance, such as through the Voluntary Framework of Accountability (VFA) or Student Achievement Measures (SAM). However, the current IPEDS formula used for tracking the progress only of students who began their studies as full-time, first-time degree- or certificate-seeking students, represents a distinctly small portion of all community college enrollments. Students who have already attended another postsecondary institution, or who began their studies on a part-time basis, are not tracked for the IPEDS rate. At a minimum, the number of students represented by these inaccurate measures – a significant limitation – should be prominently displayed in all consumer information tools and especially the ratings system, just as it is in IPEDS.

Students are currently measured in existing data if they complete a degree or other award within 150 percent of “normal time” for the program in which they are enrolled – which depends highly on the intent of the student at the time of matriculation. For instance, many community college students switch to part-time enrollment in order to work part-time, and should not be expected to complete a certificate within an arbitrary full-time course sequence. Even well-meaning full-time students may intentionally take longer to complete; a recent study of 38,000 students who enrolled in Texas community colleges in the year 2000 found that fully 94 percent of these students “stopped out” of college at least once, by experiencing a period of non-enrollment.³ *In addition to existing measures of completion, any college ratings system should also display a completion rate of 300 percent of normal time.*

It is also important to note that institutional “performance” that is disaggregated by subgroup may experience significant data limitations given existing reporting mechanisms. Since the population of community college students represented by first-time, full-time enrollments is so small, individual subgroups are likely to be even less statistically significant.

Transfer information is one area that is significantly limited by the federal ban on student unit record data. Recent research has provided strong support for the fact that community college transfer students are quite successful. An August 2013 report from the National Student Clearinghouse Research Center found that over 60 percent of students transferring from a two-year institution go on to complete a four-year

³ Park, Toby J. “Stop-Out and Time for Work: An Analysis of Degree Trajectories for Community College Students.” Draft Working Paper. Florida State University. 2013. <http://bit.ly/1kE5pWT>

degree within six years.⁴ Although it has long been known that community colleges play an increasingly important role for students on the way to a baccalaureate degree, the difficulties of federal data collection have prevented efforts to examine the success rates for students on this pathway. Only full-time students who maintain this enrollment intensity until the time of transfer are reflected in the transfer-out rates if they are reported, and many institutions do not report them because of data limitations.

The existing consumer information portals also display institutional cohort default rates. While the usefulness of these numbers for prospective students and their families is debatable, *cohort default rates are particularly inaccurate measures of student outcomes at community colleges*. As previously discussed, less than 17 percent of two-year public students borrow federal loans, meaning that the repayment choices of very few students can affect the default rate. Any forthcoming ratings should more prominently display the percentage of students who take out federal loans.

The President has also proposed evaluating graduate's earnings or income. It is essential for current and prospective students that this info is accurate. Currently available salary data is mostly state-based and unfortunately incomplete. The federal unit record ban prohibits creating a national database that would link students' income information with their educational history. Instead, Administration officials have proposed that earnings information will be initially pulled via Social Security matches using *Title IV borrowers only*. Given that so few community college students nationally borrow federal student loans, **earnings information based on borrowers alone would not be reflective of our graduates** – and in many ways would represent heavily skewed data. Even if the earnings data matches were to include all Title IV recipients, less than half of community college students would be represented. We believe that potential consumers should be notified about the integrity of the earnings information if the percentage of all completers represented is less than 50 percent and that other minimum statistical thresholds for displaying expected earnings information should be established.

Beyond those discussed here, other potential ratings outcomes metrics worthy of exploration could include: first year retention rates, progression from remedial to college level courses, and student attainment of 15 and 30 college-level credits. Overall, higher education lacks comparable national data on college outcomes for students and society – such as how much students learn, what kind of jobs they may get upon completion (and what those jobs pay), and how their education can affect state or local communities. Establishing accurate data to fill these holes should be a top priority before any federal ratings system attempts to fully measure institutional performance.

II. Questions Regarding the Development of Comparison Groups

One of the most important considerations of the ratings system is the “comparison groups” against which individual institutions should be regarded for consumer and accountability purposes. The most useful consumer distinction for institutions is by Carnegie classification and predominant degree-granting level (i.e. public two-year, predominantly associate degree). However, within this category, it is also important to make further adjustment of any metrics to ensure fair comparisons between institutions serving students with different levels of academic preparation or socioeconomic status.

⁴ National Student Clearinghouse Research Center. “Baccalaureate Attainment: A National View of the Postsecondary Outcomes of Students Who Transfer from Two-Year to Four-Year Institutions” (August 6, 2013). <http://nscresearchcenter.org/signaturereport5/>

Many researchers, analysts, and policymakers have suggested using regression analysis to determine how well an institution performs on certain outcome metrics relative to what one would expect based on the characteristics of its student body. Unfortunately, although this risk-adjusted computation would be most meaningful, the data would not be valid even with the most careful regression modifications due to the limitations on available data.

Community colleges do not measure incoming academic preparation with reported scores on tests such as the SAT or ACT, and reported student demographic information is currently limited to a handful of characteristics. Instead, the percentage of Pell Grant students served and the rates of enrollment in remedial education might prove to be incomplete but useful starting points for this analysis. Regression adjustment is not a perfect solution to leveling the playing field for institutions serving different demographics of students, but is a fairer start than arbitrary groupings produced by a multitude of variables. Ultimately, a completely new and more comprehensive version of federal data collection will be necessary for the ratings system to work.

III. Questions Regarding the Presentation of Ratings Information

Providing consumers more information does not always influence their behavior. Despite “hard facts,” prospective students’ decisions can work against their own interests. Discussions of college ratings systems frequently overlook that this information is only as useful as the role that it plays in actual student decision-making. Students need targeted advising and counseling resources that will help them choose the college and specific program that best suits their needs. A website alone should not, and cannot, fulfill this function for students.

Community college students are far less likely to utilize institutional ratings information because they are also less likely to apply to multiple institutions. This is in part due to their tendency, on average, to be place-bound in pursuing an educational program near their home or work that qualifies for in-state or in-district tuition. It bears repeating that this geographic convenience and close attention to local economic needs are two of the main reasons that community colleges exist.

The Administration has hinted at its intention to align the future ratings system visually with the existing College Scorecard. The provision of earnings information, for example, could provide a boon for consumers, and help institutions improve their offerings in many areas. However, students do more than simply enroll at colleges, they choose concentrations and majors within departments. Detailed consumer information about those *specific* programs available is more useful to students, parents, and policymakers than information about the overall college, especially at community colleges where the earnings associated with various certificates and degrees can and does vary widely.

This request for information has made a particular point about the influence of the PIRS on states’ and others fiduciary responsibility to postsecondary education. The reverse consideration – states’ influence on PIRS variables – is also highly relevant. Although state budgets are beginning to recover after the recession, in FY 2012, for the third year in a row, state educational appropriations per-student hit a 25-year low and are down 23 percent since 2007 alone.⁵ Between the 2007-08 and 2010-11 academic years, state funding for community colleges declined on an FTE basis from \$4,578 to \$3,430, or 25 percent.

⁵ State Higher Education Executive Officers Association (SHEEO). “State Higher Education Finance Report, Fiscal Year 2012” (March, 2013). <http://www.sheeo.org/projects/shef-%E2%80%94state-higher-education-finance>

Annual studies document a long-term trend toward shifting more of the burden of financing higher education onto tuition and fees. In light of these trends, it is critical that policymakers pay more attention to the size and effectiveness of state assistance in providing access and adequate support for enrollment in postsecondary education. The evidence overwhelmingly indicates that students who cannot afford to attend full-time or nearly full-time have lower rates of degree completion. Community colleges clearly receive the fewest resources to serve an academically at-risk student population.

Policymakers may overestimate how many students can be well-educated with existing resources or make unrealistic assumptions about the potential for technology and new delivery methods offset the long-term deleterious effects of budget cuts and tuition increases on access to higher education and the quality of our workforce development. **It is therefore critical that any college ratings system also consider the role of state support in determining institutional performance and affordability**, as these levels of support differ greatly across the nation.

Fortunately, a great deal of positive activity to more clearly define higher education performance, including at community colleges, is occurring outside of the federal government at state, institutional, and consortia levels. For example, the new voluntary Student Achievement Measure (SAM) involves looking at a number of student cohorts not measured by the federal rate and reporting on multiple success measures for each of them. Additionally, AACC and ACCT have developed a Voluntary Framework of Accountability (VFA) that delineates short-term progress and long-term outcomes for students and provides more accurate metrics for community colleges that should help them improve their performance. The VFA provides sector-appropriate data definitions and enables community colleges to benchmark their student progress and completion data against similar institutions on metrics such as student progress and outcomes (including pre-collegiate work and transitions), career and technical education (both credit and noncredit), adult basic education and the general equivalency diploma, and student learning outcomes. It is highly desirable for the Administration to use these efforts as it designs the college ratings system.

Community college leaders share a commitment that the sector as a whole must do a better job of educating the public about what community colleges do and how they do it. We know that developing a common set of markers of effectiveness will help stakeholders, including policymakers, better understand institutional performance. That's why, over the past decade, community colleges have begun to use data more strategically and transparently to improve assessment of institutional effectiveness. Current limitations on federal data create a significant barrier to measures that reflect what is happening at the institutional level – and certainly preclude a fair assessment of postsecondary “value.” But, there never has been and never will be a perfect rating system. Community colleges strongly hope that the future ratings system will focus on institutions’ ability to fulfill the goals of federal financial aid in enhancing opportunity and providing affordable pathways to postsecondary success.

Thank you for the opportunity to share these thoughts regarding the college ratings proposal. If you have further questions, please feel free to contact Jee Hang Lee, ACCT Vice President for Public Policy and External Relations at (202) 775-4450 or jhlee@acct.org. We look forward to working with the Administration to further refine future iterations of the ratings system.

Sincerely,



J. Noah Brown
ACCT President and CEO