

# SENATE COMMITTEE ON HEALTH, EDUCATION, LABOR & PENSIONS

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Lamar Alexander of Tennessee - Chairman

## **Federal Postsecondary Data Transparency and Consumer Information** **Concepts and Proposals**

### **Goals:**

1. Ensure public access to accurate, comparable data on institutions of higher education.
2. Ensure information is purposeful and consumer friendly to enable students and families to select the college or university that best fits their needs.

### **Strategy:**

1. Determine the proper role of the federal government in postsecondary data transparency, including assessment of what data is truly needed and the role of the federal government in protecting student privacy.
2. Develop postsecondary data policy that captures better and more inclusive data.
3. Identify critical data elements and digestible formats to make information more useful for consumers.

### **Purpose of Data Collection and Brief Background:**

#### *History of federal postsecondary education data collection*

Federal involvement in education began specifically to collect and disseminate information on the state of education. In 1867, Congress passed a bill by Representative—later President—Garfield to create “a department of education, for the purpose of collecting such statistics and facts as shall show the condition and progress of education in several States and Territories, and of diffusing such information respecting the organization and management of schools and school systems, and methods of teaching...”<sup>1</sup> Early postsecondary data collection only included

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<sup>1</sup> Maris A. Vinovskis, “The Nation’s Report Card: The Creation and Evolution of the National Assessment Governing Board,” National Assessment Governing Board, U.S. Department of Education, November 19, 1998, <http://www.nagb.org/content/nagb/assets/documents/publications/95222.pdf>.

enrollment, earned degrees, and faculty, and was later expanded to include information on libraries and finances.<sup>2</sup>

With passage of the first Higher Education Act nearly a century later, federal data collection expanded considerably through the use of institutional surveys submitted to the U.S. Department of Education (the Department). These surveys were not mandatory for postsecondary institutions to complete until passage of the 1992 Higher Education Act reauthorization.<sup>3</sup> Over time, the primary federal higher education data system, known as the Integrated Postsecondary Education Data System, has grown to include 11 annual data surveys, with plans for an additional survey in the 2015-2016 academic year.<sup>4</sup>

Initial postsecondary data collection was for dissemination among policymakers and practitioners and intended neither for accountability nor to inform consumers. However, growth in federal funding for students to attend colleges and universities has dramatically altered the federal relationship with higher education, affecting governmental data collection, usage and mandates for institutions to publicly disclose information.

The first use of data for accountability purposes occurred when defaults on federally guaranteed student loans became alarmingly high in the 1980s.<sup>5</sup> As a result, in 1990, cohort default rate metrics and thresholds were established in statute for institutions participating in federal loan programs.<sup>6</sup> Additional program participation thresholds were created in the 1992 reauthorization regarding the amount of revenue a profit-earning institution could derive from Federal Student Aid programs. The Department was also directed to develop new financial responsibility standards to ensure the financial stability of all colleges and universities.<sup>7</sup>

In the 1990s, consumer data issues and public disclosure requirements were again addressed by lawmakers because of concerns about student athletes' graduation rates and student safety issues. The Student Right to Know and Campus Security Act of 1990 mandated the collection of graduation rates and crime data. Cost and financial aid information were added in the 1998

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<sup>2</sup> C. Fuller, "The History and Origins of Survey Items for the Integrated Postsecondary Education Data System," National Postsecondary Education Cooperative, U.S. Department of Education, 2011, <http://nces.ed.gov/pubs2012/2012833.pdf>.

<sup>3</sup> Ibid.

<sup>4</sup> National Center for Education Statistics, "Integrated Postsecondary Education Data System 2014-15," U.S. Department of Education, <https://surveys.nces.ed.gov/ipeds/>.

<sup>5</sup> U.S. Department of Education Office of Inspector General, "Audit to Determine if Cohort Default Rates Provide Sufficient Information on Defaults in the Title IV Loan Programs: Final Audit Report," U.S. Department of Education, 2003, <http://www2.ed.gov/about/offices/list/oig/auditreports/a03c0017.pdf>; and *Higher Education Amendments of 1986*, Pub. L. No. 99-498, 100 Stat. 1268 (1986).

<sup>6</sup> *Omnibus Budget Reconciliation Act*, Pub. L. No. 101-508, 104 Stat. 1388 (1990); TG Research and Analytical Services, "Behind the Numbers: Making Sense of Cohort Default Rates," TG HigherEDGE Default Management Solutions, December 2013, <http://www.tgslc.org/pdf/Behind-the-Numbers.pdf>; and U.S. Government Accountability Office, "Student Loan Defaults: Department of Education Limitations in Sanctioning Problem Schools," U.S. Government Accountability Office, June 1995, <http://www.gao.gov/assets/230/221347.pdf>.

<sup>7</sup> Anne C. Gross, "Title IV Financial Responsibility Standards Revised," National Association of College and University Business Officers, January 16, 1998, [http://www.nacubo.org/Business\\_and\\_Policy\\_Areas/Accounting/Advisory\\_Reports/Advisory\\_Report\\_98-1\\_Title\\_IV\\_Financial\\_Responsibility\\_Standards\\_Revised.html](http://www.nacubo.org/Business_and_Policy_Areas/Accounting/Advisory_Reports/Advisory_Report_98-1_Title_IV_Financial_Responsibility_Standards_Revised.html).

amendments to the Higher Education Act.<sup>8</sup> A decade later, the Higher Education Opportunity Act of 2008 greatly expanded both the information institutions must submit and the information the Department must publish for consumer purposes.<sup>9</sup>

Beyond submitting data to the Department, institutions are also required by federal law to provide many disclosures to students. Disclosures involving statistics or prices often involve further data collection. These disclosures can be divided into 17 different categories containing more than a hundred components and many more individual data elements.<sup>10</sup>

### *History of choice-driven federal postsecondary programs*

Over the past 70 years, federal policymakers have upheld and strengthened students' access and choice in higher education by expanding federal benefits and maintaining their portable nature. College enrollments have exploded, reaching 28 million a year.<sup>11</sup> In fiscal year 2015, \$138 billion from the U.S. Department of Education will support choice-based student aid.<sup>12</sup> Students have a diverse range of more than 6,000 colleges and universities at which they can pursue their education. Last year, 60 percent of undergraduates and 40 percent of graduate students received a federal grant or loan to help pay for the postsecondary education of their choice.<sup>13</sup> Thus, the federal government has significant interest in ensuring the market for higher education remains competitive and productive, requiring appropriate levels of comparable information for both policymakers and consumers.

### *History of higher education data privacy*

Federal legislation to ensure education data privacy was passed and signed into law in 1974. The Federal Education Rights and Privacy Act (FERPA), cosponsored by Senator James Buckley (R-NY) and Senator Claiborne Pell (D-RI), provided parents and adult students the right to review and dispute the content of individuals' school records and set strict limits on who can access students' education records. After initial passage, the sponsors made clarifications to ensure access to student records for the operation and evaluation of federal programs, including those

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<sup>8</sup> Bryan Cook and Natalie Pullaro, "College Graduation Rates: Behind the Numbers," American Council on Education, September 2010, <http://www.acenet.edu/news-room/Documents/College-Graduation-Rates-Behind-the-Numbers.pdf>.

<sup>9</sup> Fuller, "History and Origins," 2011.

<sup>10</sup> National Association of Student Financial Aid Administrators, "NASFAA Task Force Report: Consumer Information," National Association of Student Financial Aid Administrators, 2014, [http://www.nasfaa.org/advocacy/consumerinfo/Consumer\\_Information\\_Task\\_Force\\_Report.aspx](http://www.nasfaa.org/advocacy/consumerinfo/Consumer_Information_Task_Force_Report.aspx).

<sup>11</sup> National Center on Education Statistics, Digest of Education Statistics 2012: Table 256, National Center on Education Statistics, 2012, [http://nces.ed.gov/programs/digest/d12/tables/dt12\\_256.asp](http://nces.ed.gov/programs/digest/d12/tables/dt12_256.asp).

<sup>12</sup> U.S. Department of Education, "Student Aid Overview: FY2016 Budget Request," U.S. Department of Education, 2015: O-7, <http://www2.ed.gov/about/overview/budget/budget16/justifications/o-sao.pdf>.

<sup>13</sup> College Board, "Trends in Student Aid 2014," College Board, 2014, <https://secure-media.collegeboard.org/digitalServices/misc/trends/2014-trends-student-aid-report-final.pdf>.

related to federal student aid. Though they maintained that federal law would have to explicitly authorize any instances in which the data would be collected with personally identifiable student data, such as Social Security numbers.<sup>14</sup>

Since the advent of the Internet and the proliferation of big data, concerns have become more acute regarding data privacy and access. These concerns, along with apprehension about government overreach, led to a ban on federal records of individual students at the postsecondary level in the 2008 Higher Education Act reauthorization, which also broadly expanded consumer information.

### **Problems that Need to be Addressed:**

#### **1. Some federally collected data may serve no purpose for policymakers or consumers.**

Data collection and disclosure mandates have ballooned since the 1990s. The federal government requires detailed data submissions on institutions' employee characteristics, financial liabilities and assets and library holdings. Congress is partially to blame for the mountain of data and disclosures on institutions. However, significant data collections are not outlined by law and were added at the discretion of the Department.<sup>15</sup>

Because the federal investment in higher education goes to students rather than institutions, the value of maintaining extremely detailed data unrelated to student enrollment, safety and success, or protection of the federal dollar, is ripe for debate. Policymakers must examine this trove of information in the context of the federal government's current relationship with institutions of higher education and the consumer-driven nature of the market. Collected data should either assist policymakers or inform consumers.

#### **2. Despite expansive data collections, the federal government lacks key information regarding student success necessary for policymakers evaluating the effectiveness of federal programs and informed consumer decision-making.**

According to analysis of federal graduation rates, less than half of entering students are counted because rates do not include those who transfer or study part-time. At community colleges and for-profit institutions where enrollees tend to be returning and/or part-time students, only a third are included in the graduation rate measure.<sup>16</sup>

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<sup>14</sup> 120 Cong. Rec. 39862-39866 (December 13, 1974) (Joint Statement in Explanation of Buckley/Pell Amendment & Sen. Buckley Statement); and 120 Cong. Rec. 14580 (May 14, 1974).

<sup>15</sup> Fuller, "History and Origins," 2011.

<sup>16</sup> Mamie Voight, Alegneta A. Long, Mark Huelsman, and Jennifer Engle, "Mapping the Postsecondary Data Domain: Problems and Possibilities," Institute for Higher Education Policy, March 2014, [http://www.ihep.org/sites/default/files/uploads/docs/pubs/mapping\\_postsecondary\\_data\\_technical\\_report\\_final\\_march\\_2014\\_0.pdf](http://www.ihep.org/sites/default/files/uploads/docs/pubs/mapping_postsecondary_data_technical_report_final_march_2014_0.pdf).

This fall, new outcomes measures will become part of the mandatory data collections that attempt to include part-time and transfer students.<sup>17</sup> These more inclusive measures are a result of an advisory committee called for in the 2008 Higher Education Act reauthorization.<sup>18</sup>

In spite of some progress toward capturing better data for policymakers and consumers, holes remain. For example, the desire for a good job is the reason most students go to college and choose one institution over another.<sup>19</sup> But the federal government does not collect or make information available on the jobs or salaries of graduates of institutions or academic programs. Obtaining the most accurate information on long-term student outcomes, particularly related to earnings, requires access to data on students after college, when institutions can no longer serve as data collectors and aggregators. Additionally, there is debate about the value, or appropriateness, of attributing a direct correlation between students' higher education and the earnings of recent graduates.

A policy discussion should ensue over the proper purpose of examining this data, as well as which entity should collect this information, as multiple players – the private market, institutions, states and the federal government – have been collecting some of this information in a piecemeal fashion. Discussions will also converge around what key questions policymakers have, but cannot answer, as well as appropriate uses and limitations on the uses of this data by federal officials.

### **3. Data collection and preparation is highly burdensome for colleges and universities.**

A 2010 survey of more than 2,000 college administrators cited the overlapping and inconsistent timeframes for reporting, as well as the volume and scope of requested data and consumer disclosure requirements as the second and third most burdensome higher education regulations. In the same survey, over 90 percent of the administrators expressed their belief that some reporting could be eliminated or modified.<sup>20</sup> The structure of federal requirements should enable college administrators to put the majority of their time towards helping students, instead of filling out federal surveys and forms.

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<sup>17</sup> Ibid.

<sup>18</sup> U.S. Department of Education, "Charter: Committee on Measures of Student Success," U.S. Department of Education, 2011, <http://www2.ed.gov/about/bdscomm/list/acmss-charter.pdf>.

<sup>19</sup> Valerie J. Calderon and Preety Sidhu, "Americans Say Graduate's Jobs Key to College Choice," Gallup, June 28, 2013, <http://www.gallup.com/poll/163268/americans-say-graduates-jobs-status-key-college-choice.aspx>; and John H. Pryor, Kevin Eagan, Laura Palucki Blake, Sylvia Hurtado, Jennifer Berdan, and Matthew H. Case, "The American Freshman: National Norms Fall 2012," Cooperative Institutional Research Program at the Higher Education Research Institute at UCLA, 2012, <http://heri.ucla.edu/monographs/TheAmericanFreshman2012.pdf>.

<sup>20</sup> Advisory Committee on Student Financial Assistance, "Higher Education Regulations Study: Final Report," Advisory Committee on Student Financial Assistance, November 2011, <http://chronicle.com/items/biz/pdf/HERS%20Final%20Report.pdf>.

#### **4. Consumers do not use federal postsecondary data, consumer disclosures or tools when navigating the higher education marketplace.**

Despite their availability, federal consumer tools are not generally among those used by prospective students to gather information on potential higher education institutions. Focus groups and surveys show students are most likely to use a generic search engine and view individual institutions' websites for information on colleges and costs instead of third-party or government sites.<sup>21</sup>

Some federally mandated consumer tools and disclosures, such as net-price calculators and the graduation rate of students receiving Pell grants, are supposed to be featured on institutions' websites where students supposedly go to find information. Yet, advocacy groups and researchers have noted that often these mandated items are not prominently displayed, easy to locate, or posted at all.<sup>22</sup> Thus, it is not surprising that they are not widely used either. For example, the University of Massachusetts at Boston reported that its net-price calculator only received 750 clicks from October 2011 to June 2013 for an institution with an enrollment of over 16,000.<sup>23</sup>

Currently, there are 13 separate federally maintained data portals or consumer tools scattered across different agency websites through which the public can find information on institutions or student trends in financial aid. It is little wonder students are not frequenting them.

#### **5. Federal data is being manipulated--diminishing its comparability and obscuring transparency.**

There are not strong enough limits established on the role of data for accountability purposes. Data is not truly transparent if it has been altered, constrained or adjusted to benefit one entity or another. Recently, the Department has been manipulating postsecondary data. For example, the Department changed some institutions' cohort default rates that determine institutional eligibility for federal programs. Then, the Department refused to release the names of institutions that

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<sup>21</sup> National Postsecondary Education Cooperative, "Deciding on Postsecondary Education: Final Report," U.S. Department of Education, December 2007, <http://nces.ed.gov/pubs2008/2008850.pdf>; and Caroline Hagelskamp, David Schleifer, and Christopher DiStasi, "Is College Worth It For Me? How Adults Without Degrees Think About Going (Back) to School," Public Agenda, November 2013, <http://kresge.org/sites/default/files/Is-College-Worth-It-For-Me-Public-Agenda-2013.pdf>; and College Board and Art & Science Group, LLC, "A Majority of Students Rule Out Colleges Based on Sticker Price," *StudentPoll* 9 (2012), College Board and Art & Science Group, LLC, <http://www.artsci.com/studentpoll/v9n1/index.html>.

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Kevin Carey and Andrew Kelly, "The Truth Behind Higher Education Disclosure Laws," Education Sector, 2011, [http://www.educationsector.org/sites/default/files/publications/HigherEdDisclosure\\_RELEASE.pdf](http://www.educationsector.org/sites/default/files/publications/HigherEdDisclosure_RELEASE.pdf).

<sup>23</sup> Libby Nelson, "No Magic Bullet," *Inside Higher Ed*, June 12, 2013, <https://mobile.insidehighered.com/news/2013/06/12/first-year-shopping-sheet-doesnt-make-big-splash>.

benefited from the opaque adjustment.<sup>24</sup> In addition, the Department is seeking input on how to provide statistical adjustments to institutions' graduation rates based on student characteristics.<sup>25</sup> These altered graduation rates may be further obscured by the Department, as the agency intends to use these metrics in the president's rating system to choose winners and losers among institutions.<sup>26</sup>

Until these Departmental efforts to obscure and selectively use the data are limited or stopped, it will be difficult to convince policymakers to move forward with additional data collection and transparency.

### **A New Approach: Refocusing the Federal Role in Postsecondary Data and Transparency**

During the upcoming reauthorization of the Higher Education Act, policymakers have the opportunity to refocus the scope of data and disclosure policy, which currently creates some of the most burdensome requirements on institutions. Rather than create massive collections of unused data and unread disclosures, policy should promote purposeful and accurate data for evaluating the efficacy of federal student aid programs and providing transparency to students and families on postsecondary options.

For policymakers, it is becoming clearer that responsible stewardship of the federal dollar spent on higher education must be a priority. Management of the \$1.1 trillion of outstanding federal student loans, which continues to grow, has a big impact on the federal budget.<sup>[1]</sup> Not only because taxpayers are on the hook for the 7 million former students who are in default on \$99 billion in federal loans.<sup>[2]</sup> But because current federal policies, such as institutional limits on student loan default, have not noticeably encouraged colleges and universities to help control costs or student borrowing or promoted better student support practices in recent history.

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<sup>24</sup> Michael Stratford, "Default Rate Adjustments Panned," *Inside Higher Ed*, November 19, 2014, <https://www.insidehighered.com/news/2014/11/19/two-democrats-criticize-obama-administration-helping-colleges-avoid-default-rate>.

<sup>25</sup> Michael Stratford, "Counting Students Equally?" *Inside Higher Ed*, January 30, 2015, <https://www.insidehighered.com/news/2015/01/30/ed-dept-ratings-framework-ignites-new-questions-over-adjusting-student-outcomes>.

<sup>26</sup> There should be a distinction made regarding research-based study of input adjustments to postsecondary data and the federal government applying any input adjustments to display college data for consumers. As input adjustments are not an agreed upon and accepted method for displaying educational outcomes by researchers, these adjustments should not be implemented federally.

<sup>[1]</sup> U.S. Department of Education. Federal Student Aid Portfolio Summary, Retrieved February 6, 2015 from <https://studentaid.ed.gov/about/data-center/student/portfolio>.

<sup>[2]</sup> Clare McCann and Jason Delisle, "Student Loan Defaulters Aren't Who You Think They Are," New America Foundation, October 23, 2014, <http://www.edcentral.org/defaulters/>.

Meanwhile there is growing public awareness that the United States government is America's largest bank, and one third of its loan portfolio is in student debt.<sup>131</sup>

Americans enrolling in college are increasingly first generation and non-traditional students who may not have the support of family or friends to choose the right college.<sup>27</sup> This, along with growing student debt and default, has created greater attention to the importance of providing consumers with digestible and comparable data. Some studies of both K-12 and higher education choice suggest consumers – particularly low-income parents – presented with objective data, tend to choose better-performing schools for their students instead of relying on non-academic factors.<sup>28</sup> Multiple other studies have suggested that students' choices in higher education are important to their success during and after college. For example, research has shown:

- Attending the most selective institution to which a student can gain admission makes them more likely to graduate no matter their background or preparation.<sup>29</sup>
- Initially attending low-resourced public institutions contributed to lower college completion rates, even when accounting for student preparation levels.<sup>30</sup>
- Where and what students study has been shown to impact students' future earnings.<sup>31</sup>

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<sup>131</sup> Michael Grunwald, "The (Real) Bank of America: The USA has a bizarre \$3 trillion portfolio of loans on its books – and no one in charge," *Politico Magazine*, January/February 2015,

[http://www.politico.com/magazine/story/2015/01/federal-loans-bank-of-america-113920.html#.VOTpd\\_nF-UY](http://www.politico.com/magazine/story/2015/01/federal-loans-bank-of-america-113920.html#.VOTpd_nF-UY).

<sup>27</sup> Pew Hispanic, Statistical Portrait of Hispanics in the United States, 2012: Educational Attainment, by Race and Ethnicity: 2012, 2014, [http://www.pewhispanic.org/files/2014/04/PH-2014-04\\_statistical-portrait-hispanics-23.png](http://www.pewhispanic.org/files/2014/04/PH-2014-04_statistical-portrait-hispanics-23.png).; and U.S. Government Accountability Office, "Supports and Services for Transitioning Veterans," U.S. Government Accountability Office,

[http://www.gao.gov/key\\_issues/supports\\_and\\_services\\_for\\_transitioning\\_veterans/issue\\_summary](http://www.gao.gov/key_issues/supports_and_services_for_transitioning_veterans/issue_summary).; and William J. Hussar and Tabitha M. Bailey, "Projections of Education Statistics to 2021: Fortieth Edition," National Center for Education Statistics, 2013, <http://nces.ed.gov/pubs2013/2013008.pdf>.

<sup>28</sup> Andrew Kelly and Mark Schneider, "Filling in the Blanks: How Information Can Affect Choice in Higher Education," American Enterprise Institute, January 2011, <http://www.aei.org/wp-content/uploads/2011/01/fillingintheblanks.pdf>; and Justine S. Hastings and Jeffrey M. Welnshtein, "Information, School Choice, and Academic Achievement: Evidence From Two Experiments" *Quarterly Journal of Economics* 123 (2008): 1373-1414; and Bridget Terry Long, "Grading Higher Education: Giving Consumers the Information They Need," Center for American Progress and Hamilton Project, December 2010,

[http://www.brookings.edu/~media/research/files/papers/2010/12/higher%20ed%20long/12\\_higher\\_ed\\_long.pdf](http://www.brookings.edu/~media/research/files/papers/2010/12/higher%20ed%20long/12_higher_ed_long.pdf); and Jon Valant, "Better Data, Better Decisions: Informing School Choosers to Improve Education Markets," American Enterprise Institute, November 2014, <http://www.aei.org/wp-content/uploads/2014/11/Better-Data-Better-Decisions-4.pdf>.

<sup>29</sup> William G. Bowen, Matthew M. Chingos, and Michael S. McPherson, *Crossing the Finish Line: Completing College at America's Public Universities*. (Princeton, NJ: Princeton University Press, 2009).

<sup>30</sup> John Bound, Michael Lovenheim, and Sarah Turner, "Why have college completion rates declined? An analysis of changing student preparation and collegiate resources," *American Economic Journal: Applied Economics* 2(3):129-157.

<sup>31</sup> Anthony Carnevale, Stephen J. Rose and Andrew R. Hanson, "Certificates: Gateway to Gainful Employment and College Degrees," Georgetown University Center on Education and the Workforce, 2012, <https://cew.georgetown.edu/wp-content/uploads/2014/11/Certificates.FullReport.061812.pdf>; and Marc Schneider, "Higher Education Pays: But a Lot more for Some Graduates Than for Others," American Institutes for Research, 2013, [http://www.air.org/sites/default/files/Higher\\_Education\\_Pays\\_Sep\\_13.pdf](http://www.air.org/sites/default/files/Higher_Education_Pays_Sep_13.pdf); and Caroline Hoxby, "The Return to Attending a More Selective College: 1960 to the Present," in *Forum Futures: Exploring the Future of Higher Education, 2000 Papers*, ed. Maureen Devlin and Joel Meyerson (Jossey-Bass Inc., 2001, 13-42).

Today, college expenses are one of American’s top five financial concerns.<sup>32</sup> And a majority of American voters believe that graduating from college is part of the American Dream.<sup>33</sup> Reauthorization of the Higher Education Act should create a new level of transparency and competition in the higher education market based on limited useful data that both empowers policymakers to responsibly oversee the federal dollar and that gives consumers information to choose the right institution for their needs. Meanwhile federal law should avidly guard students from privacy violations and protect against nontransparent practices by the Department that limit the validity of data and transparency efforts.

### **Concepts up for Debate to be Addressed in the Upcoming Reauthorization:**

#### Eliminate data collection or disclosures unrelated to the needs of federal program management or consumer decision-making

1. Eliminate federal data collection on items unrelated to student financing, success or safety.
2. Study the current usage of federal postsecondary data and tools by policymakers, prospective students, and families – not researchers – in order to determine what information can be eliminated.
3. Allow third-party organizations that wish to continue data collections and reporting on information identified as no longer in the federal purview to obtain and utilize old federal survey components. Also, allow third-party organizations that wish to continue to encourage public disclosures of information not captured by the federal government to collect and maintain them. These non-governmental organizations seeking institutional data or information would need to obtain the voluntary participation of colleges and universities.
4. To prevent overgrowth of data collection in the future, create a subpart in the Higher Education Act to govern data collections and disclosures as well as to keep track of those which are authorized by law.

#### Increase data quality and transparency for federal program management and for informed consumer decision-making

1. Allow the new Outcomes Measures Integrated Postsecondary Education Data System survey that is the result of the 2008 reauthorization to go into place before moving forward on new improvements. Based on the limitations of the new Outcomes Measures

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<sup>32</sup> Art Swift, “Americans See Healthcare, Low Wages as Financial Problems,” Gallup, January 21, 2015, <http://www.gallup.com/poll/181217/americans-healthcare-low-wages-top-financial-problems.aspx>.

<sup>33</sup> Anderson Robbins Research (D) / Shaw & Company Research (R), “Fox News Poll: The American Dream is alive—for now,” Fox News, October 23, 2014, <http://www.foxnews.com/politics/interactive/2014/10/23/fox-news-poll-american-dream-is-alive-for-now/>.

survey, evaluate the next iteration of data quality improvement to move towards making sure all students are counted.

2. Require the Department to conduct analysis and public reporting on return on investments in the Federal Student Aid program using existing administrative data in the National Student Loan Data System.
  - This analysis could include information by institution or program level.
  - This analysis could distinguish between grant recipients and loan recipients regarding student success.
  - This analysis could distinguish between student income levels.
  - This analysis could include measures on student success, such as:
    - Degree completion
    - Outstanding debt and default
3. Redefine federal student data to be more reflective of the broad demographics of those enrolled at higher education institutions. This would mean altering the information that institutions would report to the federal government.
4. Determine what data can be collected as statistically representative samples and what data requires comprehensive collection.
5. Rely on third-party data that is not technically federal data in order to evaluate institutional success.
  - Consider requiring that non-federal data on student success includes all students, be provided in the aggregate, as well as by agreed upon subgroups, with some federal oversight of privacy, collection and statistical practices.
    - Institutions could be allowed to submit information from existing databases maintained by third-party organizations or states to provide a fuller picture of all students' success and progress towards degrees or certificates.

Institutions could permit third-party organizations or states to maintain and report student success measures on behalf of institutions to the federal government.

#### Make federal data useful and usable for consumers

##### Usefulness:

1. Utilize existing Bureau of Labor Statistics data to provide average regional salaries for professions, so students and families can determine if their desired program of study or academic concentration aligns financially with their enrollment decision.<sup>34</sup>
2. Use already collected administrative data within Federal Student Aid to provide student success information regarding aid recipients.

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<sup>34</sup> Strengthening Transparency in Higher Education Act, H.R. 4983, 113<sup>th</sup> Cong. (2014).

- Consider allowing the Department to explore collaborations with other federal agencies to create limited data linkages across restricted databases in order to obtain post-college updates.
3. Create a student unit record system at the federal level. Direct the Secretary of Education to develop data collection and reporting methods to add limited student level measures that provide information regarding the success of former students in the market.<sup>35</sup>
  4. Create a national graduate survey to voluntarily collect information from students regarding their careers post-graduation.<sup>36</sup>

#### Usability:

5. Consolidate the various access points for federally managed postsecondary information into a single portal housed at the Department with coordination from other interested federal agencies.<sup>37</sup>
6. Conduct extensive consumer testing on what information is needed and how it should be presented. Apply this research to any federally produced consumer tools and make the research available publicly to voluntarily inform the market.
7. Require a single institutional disclosure page for prominent inclusion on college and university websites.
8. Require institutions to prominently place and simplify net-price calculators.<sup>38</sup> Or, create a universal net-price calculator.<sup>39</sup>

#### Constraining the federal role: Protecting privacy and preventing abuse

##### Ensuring privacy:

1. Safeguard the federal ban on student level data. Do not maintain federal data on individuals outside of the necessary data to operate Federal Student Aid programs.
  - Consider supporting collaboration between Federal Student Aid and the Social Security Administration to determine earnings outcomes among aid recipients with strict privacy protections regarding sample size for aggregate statistics.

<sup>35</sup> Student Right to Know Before You Go Act, S. 915, 113<sup>th</sup> Cong. (2013).

<sup>36</sup> Graduate Careers Australia: Research Reports, Graduate Careers Australia, 2015, <http://www.graduatecareers.com.au/research/researchreports/>.

<sup>37</sup> H.R. 4983, 113<sup>th</sup> Cong. (2014).

<sup>38</sup> Phillip B. Levine, "Transparency in College Costs," Brookings Institution, November 12, 2014, [http://www.brookings.edu/~media/research/files/papers/2014/11/12%20transparency%20in%20college%20costs%20levine/12\\_transparency\\_in\\_college\\_costs\\_levine.pdf](http://www.brookings.edu/~media/research/files/papers/2014/11/12%20transparency%20in%20college%20costs%20levine/12_transparency_in_college_costs_levine.pdf).

<sup>39</sup> Net Price Calculator Improvement Act, S. 2281, 113<sup>th</sup> Cong. (2014).

- This collaboration could require only onsite record matching.
  - This collaboration could require random samples of aid recipients from each institution, instead of all recipients, to limit exposure.
2. Create an exception under FERPA and allow some new student level data to be collected for all students, including those who do not receive Federal Student Aid, due to the potential power of the data in the market.

Preventing the misuse of data and top down accountability:

1. Require any new data collections to be authorized by law, as the Department can currently require new data collections from institutions that are not outlined in statute.
2. Prohibit the Department from creating new metrics from federal data without authorization from Congress.
3. Prohibit the Department from regulating to create new metrics, without authorization from Congress.
4. Require that any Departmental adjustments to metrics be made public to ensure transparency regarding the results before and after modifications. Also, provide legal recourse for institutions in regard to arbitrary action by the Department.