Federal Student Aid Data in the Postsecondary Institution Ratings System

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Stated purposes:

1. Help colleges and universities measure, benchmark, and improve on access, affordability, and outcomes

2. Help students and families make informed choices about searching for and selecting a college

3. Enable the incentives and accountability structure in the federal student aid program to be properly aligned to these key principles
PIRS Framework

• PIRS will rate two institutional categories:
  – Predominantly two-year institutions
  – Predominantly four-year institutions

• Ratings will be split into three performance categories: High, medium, and low

• Data will be from existing federal databases: IPEDS and Federal Student Aid (FSA) data
  – Institutions may be able to provide supplementary data
PIRS Framework

The system splits metrics into three categories and lists possible metrics in each category.

**Access**
- Percent Pell
- EFC Gap
- Family income quintiles
- First generation status

**Affordability**
- Average net price
- Net price by income quintiles

**Outcomes**
- Completion rates
- Transfer rates
- Labor market success
- Graduate school attendance
- Loan performance outcomes

ED is not considering:
- Average loan debt
- Learning and civic outcomes
- Licensure or certification rates
- Student satisfaction
Several PIRS Metrics propose using NSLDS or FAFSA data. These data reside in two distinct systems.

**National Student Loan Data System (NSLDS)**
- Includes all Perkins, Direct, and FFELP loan borrowers, and Pell, SMART, TEACH, and Academic Competitiveness Grant (ACG) recipients
- Allows aid administrators, guarantors, and lenders to properly administer Title IV loan programs, and provides information to students about the aid they received.

**Central Processing System (CPS)**
- Includes all FAFSA filers
- Processes, stores, and sends FAFSA data to schools and the student

**Common Origination and Disbursement (COD)** is another FSA system that “talks” to NSLDS and CPS to populate aid information and to verify aid eligibility.
Although CPS and NSLDS do share some data, these connections exist only for application processing purposes.

CPS sends demographic data such as name, date of birth, SSN, and grade level to NSLDS.

NSLDS sends CPS aid eligibility information, such as defaults, overawards, and aggregate limits.

COD sends aid origination and disbursement data to NSLDS.
• How adequate are FSA data systems as sources for various metrics proposed in ED’s ratings framework?

• What difficulties could arise from attempting to link records in NSLDS and CPS?
### FSA Data in PIRS

Several PIRS metrics propose using FAFSA data.

<table>
<thead>
<tr>
<th>Proposed Measure</th>
<th>Source</th>
<th>Data Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>EFC Gap</td>
<td>CPS</td>
<td>EFC is a derivative measure of wealth</td>
</tr>
<tr>
<td>Family Income Quintiles</td>
<td>CPS</td>
<td>Income information depends on dependency status; potential privacy issues</td>
</tr>
<tr>
<td>First-Generation College Status</td>
<td>CPS</td>
<td>Self-reported and optional</td>
</tr>
<tr>
<td>Graduate School Attendance</td>
<td>CPS</td>
<td>Only available if the student completes a FAFSA for undergrad and grad study</td>
</tr>
<tr>
<td></td>
<td>NSLDS</td>
<td>Only available if the student borrows at the undergraduate level and seeks deferment or borrows at graduate level</td>
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</table>
Debt data in NSLDS are mostly complete, but student enrollment and mobility is not robust.

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</thead>
<tbody>
<tr>
<td>Average Loan Debt</td>
<td>NSLDS</td>
<td>No private loan information</td>
</tr>
<tr>
<td>Loan Repayment Outcomes</td>
<td>NSLDS</td>
<td>No private loan information</td>
</tr>
<tr>
<td>Completion Rates</td>
<td>NSLDS</td>
<td>Institutions report; historically incomplete or incorrect</td>
</tr>
<tr>
<td>Transfer Rates</td>
<td>NSLDS</td>
<td>Only available if the student receives aid at both institutions</td>
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