

**Advisory Committee on Student Financial Assistance Hearing  
Postsecondary Institution Ratings System  
Trinity Washington University  
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Comments provided by:  
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To the Chair Dr. Harper-Marinick, Vice Chair Ms. Johnson, committee members, and staff good afternoon. Thank you for the opportunity to participate in today's hearing.

My name is Michelle Asha Cooper, and I am president of the Institute for Higher Education Policy (IHEP). For over two decades, we at IHEP have been committed to promoting access to and success in higher education for all students, with a particular focus on students that have been underserved by our postsecondary system.

Before becoming IHEP's president, I served as deputy director at the Advisory Committee on Student Financial Assistance, so I deeply honored to be here today. Plus, I am delighted to see the Committee upholding its commitment to low- and moderate-income students by reinforcing the importance of need-based grant aid and providing sound advice and counsel to the Department of Education on matters of importance, such as today's focus on the Postsecondary Institution Ratings System, PIRS.

For my part in today's hearing, I will not debate the merits of whether a ratings system is a good idea or a bad one. Given that the Department of Education has been charged with this task and is already committed to delivering on its assignment, my goal here is to offer five recommendations that must be given consideration. Failure to address these items will undoubtedly harm more students than its helps and result in unproductive discussions about student access and success.

Before I address these points, I do want to acknowledge that this Fall feels like what I call "Rankings Season," as we are flooded with information about college rankings. In the world of college rankings, which had once been dominated by U.S. News and World Report, there has been a proliferation of rankings competitors. Alongside the talk of college rankings is the much anticipated draft of President Obama's college ratings system. Because these items – college rankings and college ratings – are being discussed simultaneously and the words do sound very similar, I find that too many people are mistakenly using these words synonymously; but they are not the same.

A ranking system rank orders institutions and creates sortable lists. On the other hand, a ratings system creates broad categories. In everyday life, we have come to rely on ratings categories in a number of areas. For example, there are the movie ratings (G, PG, PG-13, and R), there are the vehicle safety ratings (good, acceptable, marginal, and poor), and then there are hotel ratings (which uses the stars). I should add that there is precedence for the use of ratings systems by the federal government, as the Department of Health and Human Services, for example, uses a five-star ratings system for nursing homes. As evidenced by these examples, there are a number of ways that a ratings system could be designed to provide a general evaluation of quality, without attempting to parse out small differences. Briefly, I offer these five recommendations, based on IHEP's work, to guide the development of such a rating system.

**Recommendation 1: There should be two separate ratings systems – one for consumer information and another for institutional accountability.**

Defining the purpose or purposes of a ratings system is essential, and both consumer information and accountability are worthy goals. These differing goals, however, should not be attempted through one tool. Better information, for some students, can act as a form of “soft accountability,” allowing students to “vote with their feet.” However, given the immense investment in higher education, we cannot afford “soft accountability” alone. While many of the metrics provided to students – for information purposes – would be similar to those used for accountability purposes, these metrics will need to be applied and presented quite differently given their differing purposes. Some in the higher education community have argued that the development of two ratings systems would be too confusing. I acknowledge those arguments, but given that the audiences for both of these tools would be totally different, I think it is possible to mitigate any confusion that might be associated.

**Recommendation 2: We should strive to collect better data, but we can begin with the data that we have.**

The availability of quality data and limitations of the Integrated Postsecondary Education Data System (IPEDS) is a noteworthy and ongoing concern. Sound data are obviously critical to well-designed consumer information and accountability systems. However, the absence of perfect data should not be used as an excuse to avoid providing any information. Currently available data are undoubtedly strong enough to at least identify the worst of the worst institutions from both a consumer perspective and from an accountability perspective. Even though we can begin efforts with data available, the ratings systems must be mindful of this limitation and the higher education community needs to collectively agree to advance conversations on improving data collections and data quality. In fact, using existing data can serve as a great impetus for improving those data, and the postsecondary community should seize upon the opportunity that the ratings system provides to tackle the challenges of our current postsecondary data infrastructure.

**Recommendation 3: To truly help low-income, first-generation, and other underrepresented students, the information in the ratings systems must be relevant to their needs and circumstances.**

Students make college decisions based on a variety of factors that we do not capture well in our current tools, such as the College Scorecard or even existing rankings. Numerous studies have shown that low-income students, in particular, make college decisions based on affordability, location, and course flexibility. This type of information should be incorporated into consumer information tools to make them useful for students. However, evaluation of institutional quality and value ultimately must rely upon measures of student success.

**Recommendation 4: The information from PIRS should be disseminated in a way that catalyzes change and action.**

In other words, the Obama Administration should not simply create another tool that resides on a website. Another static tool will not help students, or at least not enough of them, make better choices about where to attend school. Decades of research confirms that students, particularly low-income, first-generation, and students of color, face major barriers in accessing, understanding, and acting upon information about applying to and paying for college. The Administration must be more proactive in terms of its outreach, utilizing social media and other strategies. For example, institutions could be

required to provide relevant information to prospective and current students; relevant information could be linked to other tools and resources provided by the federal government; and information could be shared with guidance counselors and integrated into existing federal college access efforts, like TRIO and GEAR UP programs.

Additionally, institutions need better support to utilize the information provided by the ratings systems to improve outcomes for their students. While all of the data for these metrics are actually provided by the institutions themselves, many of these schools barely have the staff capacity to report these data, let alone analyze and act upon it. In developing the ratings systems, the Administration should build a tool that is not simply punitive, but instead one that is user-friendly and allows colleges to better understand student pathways, the factors impacting student success, and ways to improve.

**Recommendation 5: The ratings system must appropriately recognize the diversity of institutions, missions, and students served, while also holding all institutions to the high standards that students deserve.**

Throughout today's hearing, you have heard from institutional representatives who have stressed this point. I agree that this is a very important consideration. And as the Department prepares to release its draft, I encourage them to offer multiple options or alternatives for review. In doing so, it will allow for a more robust assessment of the pros and cons of different approaches and the likely impact on different types of institutions. Additionally, the final version of the ratings system should be rolled out over time, thereby allowing institutions time to adjust, evaluate their data, and improve before facing any risk of penalties.

In closing, I wish to thank you again for this opportunity. Today's discussion has made clear that the postsecondary community is thinking critically about how best to inform the college ratings discussion. I am encouraged by this level of thoughtfulness because today's students—and our nation—need and deserve quality information about our higher education system in order to reach critical attainment and equity goals. We, at the Institute for Higher Education Policy, offer our technical assistance and expertise in helping to design tools that focus on increasing value and opportunity for deserving students.