

July 13, 2021

Dr. Miguel Cardona, Secretary U.S. Department of Education 400 Maryland Ave. SW Washington, DC 20024

Dear Secretary Cardona:

This letter is submitted on behalf of the 13 undersigned members and partners of the Postsecondary Data Collaborative (PostsecData). PostsecData is a nonpartisan coalition of organizations committed to the use of high-quality postsecondary data to improve student success and advance educational equity. PostsecData recognizes the vital role that the College Scorecard (Scorecard) plays in keeping students informed about their college options, through direct use of the online tool as well as the applications and analyses that researchers and developers produce using the underlying data to help students and policymakers navigate the postsecondary landscape. Further, these data are essential to institutions and policymakers as they seek to implement and refine programs, policies, and investments.

We are hopeful that the Department of Education (ED) will maintain a commitment to publishing and improving the Scorecard. To ensure that students, institutions, policymakers, and researchers have the information they need to make informed decisions and understand how institutions serve students, we urge ED to consider the following recommendations:

- 1. Reinstate the reporting of institution-level post-college outcomes to contextualize program-level measures like earnings and debt levels.
- 2. Reinstate an earnings threshold metric, showing the share of students earning above a baseline measure of success, like percentage of students earning more than a high school graduate (previously included on the Scorecard) or the Postsecondary Value Commission's Threshold 0 (minimum earnings) or Threshold 3 (economic mobility).
- 3. Reinstate the reporting of the national medians for key outcome metrics to provide context to
- 4. Disaggregate debt, earnings, and earnings threshold metrics by race and ethnicity.
- 5. Disaggregate debt, earnings, and earnings threshold metrics by completion status.
- 6. Revert the default search option to the previous standard, which ordered search results based on the percentage of students earning more than a high school graduate.
- 7. Explore shifting disaggregated earnings metrics by gender and income from means to medians and include at least the 25th and 75th percentiles for all disaggregates.
- 8. Collect private loan data through IPEDS or NSLDS and publish the results on the College Scorecard.
- 9. Continue testing, maintenance, and public access, and translate the Scorecard into multiple

These recommendations are specific and tangible ways that ED can make its data more useful and impactful for students and the field of postsecondary education.



1. Reinstate the reporting of institution-level post-college outcomes data to contextualize program-level measures like earnings and debt levels.

Currently, the Scorecard provides the most complete and detailed information about students' postsecondary experiences and their subsequent outcomes. The incorporation of program-level information in 2019 was a vital step toward helping students better navigate the complex process of choosing their postsecondary pathway. However, program-level data should not come at the expense of institution-level data—the removal of this data provided no benefit to Scorecard users. Many students do not necessarily know their desired field upon entry or may change programs several times during college. Additionally, there is wide variation in programmatic outcomes that can obscure the overall quality of an institution. As a result, it is important to be able to view overall institution-level performance in conjunction with program-level performance to maximize comparability and improve student choice. Also, policymakers and institutional leaders often seek to understand how an entire institution performs because all programs within an institution are impacted by the same leadership, funding, culture, and governance structures. The current program-level data in the Scorecard cannot be aggregated up to the institution-level, so to regain the crucial institution-level information, ED must begin re-reporting it.

The burden of reporting this data should be minimal, as the infrastructure already exists. The Scorecard previously reported institution-level data from 1996-97 through 2018-19, so ED only needs to add the most recent years of data. Reinstating the collection and reporting of these data within the Scorecard would increase the options available to students, researchers, and policymakers as they use the data.

2. Reinstate an earnings threshold metric, showing the share of students earning above a baseline measure of success, like percentage of students earning more than a high school graduate (previously included on the Scorecard) or the Postsecondary Value Commission's Threshold 0 (minimum earnings) or Threshold 3 (economic mobility).

To provide understandable reference points for users about return on investment of an education, ED should reinstate an earnings threshold metric in the Scorecard tool and data download. While the download currently includes a metric that counts the number of students earning above 150 percent of the Federal Poverty Line (approximately \$19,000 in the contiguous 48 states in 2021), this measure is disconnected from educational attainment and fails to answer the question of return on investment. Historically, the College Scorecard included a threshold earnings measure showing the share of former students earning above the national median earnings of a high school graduate (depending on the year assessed, \$25,000 or \$28,000). Restoring this minimum earnings threshold is a more effective option to clearly convey the share of students who achieve some premium from their postsecondary education, demonstrating to prospective students the likelihood that their investments will pay off.

ED could also consider more robust and higher thresholds as measures of baseline success. For instance, it could utilize Thresholds 0 and 3 from the recently released findings of the Postsecondary Value Commission. Threshold 0 builds upon the median earnings of a high school graduate by accounting for geographic variation (median earnings in an institution's state) and by factoring in the cumulative net price of the institution, adjusted as if a student is on a ten-year repayment plan. This benchmark reflects the potential return on investment from a selected

(F) 202 861 9307



institution that students should expect to receive. Threshold 0 is purposefully named the minimum economic return because it is the minimum that we should expect of institutions—that students should leave postsecondary education at least better off financially than if they had not attended. As a second option, the Scorecard could include the percentage of students meeting Threshold 3. This threshold is measured using earnings in the fourth highest quintile (at least the 60th percentile) in a selected institution's state, indicating that the institution offers an opportunity for students from low-income backgrounds to achieve economic mobility. III

3. Reinstate the reporting of the national medians for key outcome metrics to provide context to users.

National medians can inform students about institution- and program-level outcomes such as graduation rates and post-college earnings. Information about the median earnings of recent students is valuable to prospective students, but as a single data point, it does not provide any context for that information. Omitting national medians severely limits the ability of students to tell whether the selected institution or program's typical earnings are better or worse than a standard baseline. This type of contextual information is also necessary when drawing conclusions about the data for institutional, state, and federal policymaking purposes. The Department could also explore the feasibility of state- or regional-level medians to further understand and contextualize outcomes by geography.

Disaggregate debt, earnings, and earnings threshold metrics by race and ethnicity.

Disaggregated data are necessary to understand—and ultimately remedy—inequities within postsecondary education. Across and within institutions, substantial earnings gaps exist by student demographics (race/ethnicity, gender, and income status, among others)—yet some institutions might demonstrate more success in ensuring equitable outcomes for underserved students. It is essential that these students have information on the outcomes among those who attended the institution before them. Policymakers and institutional leaders also need access to these disaggregated outcomes to help them make evidence-based, equity-minded decisions.

Currently, the Scorecard disaggregates mean earnings by gender and economic background (i.e., family income) but does not disaggregate *median* earnings (see recommendation #7), debt, or an earnings threshold metric by race and ethnicity, largely because ED does not have access to data on students' race and ethnicity. However, as a result of changes in the Free Application for Federal Student Aid (FAFSA) through the Consolidated Appropriations Act, 2021, students will begin reporting race and ethnicity data through the FAFSA. Once these data are available, we urge ED to report disaggregated debt and earnings outcomes to provide a thorough understanding of racial and ethnic inequities in postsecondary outcomes.

5. Disaggregate debt, earnings, and earnings threshold metrics by completion status.

Research has repeatedly shown that the completion of a credential imparts a substantial portion of the earnings premiums attributed to higher education. For example, data disaggregated by completion status from the University of Texas System show considerable earnings gaps over time between those who completed a degree and those who did not complete their degree, especially among Black and Latinx populations. iv However, the impact of completion is masked in the institution-level Scorecard data because completers and non-completers are combined in the

(F) 202 861 9307



earnings metrics, creating earnings outcomes that are difficult to interpret. The Scorecard addresses this complication in the program-level earnings data, which are reported for completers only. However, it is important to also show the earnings outcomes for non-completers to better understand the impact of non-completion—particularly for students with debt and no degree. We urge ED to disaggregate both institution- and program-level debt, earnings, and earnings threshold metrics by completion status, to provide stakeholders such as students, parents, and policymakers with better information to understand the impact that completion has on their earnings after college.

6. Revert the default search option to the previous standard, which ordered search results based on the percentage of students earning more than a high school graduate.

We recommend that ED revert to the previous search standard that presented and ordered institutions in the Scorecard default search by the percentage of students earning more than a typical high school graduate. Currently, the Scorecard sorts based on the institution's graduation rate. Completion is an important indicator in the Scorecard, but it does not provide information on the potential earnings benefits from acquiring a college credential or degree. By highlighting institutions that have higher median earnings, students can better account for potential outcomes as they make important decisions about investing in their college education.

7. Explore shifting existing disaggregated earnings metrics by gender and income from means to medians and include at least the 25th and 75th percentiles for all disaggregates.

To increase comparability and ultimately usability of these data, ED should begin to report median earnings by gender and income status and earnings at least at the 25th and 75th percentiles. While the Scorecard provides mean earnings data by gender and income status, these data are not available as medians, and therefore cannot be easily compared to the overall median earnings data to accurately interrogate earnings inequities. Further, medians and percentiles are the standard measures of central tendency typically used for earnings analyses and, due to the growing income inequity in the U.S., vi mean earnings values are increasingly susceptible to outliers.vii By adding median earnings disaggregated by gender and income status, stakeholders would be able to understand the differences in earning for populations such as women and students from low-income backgrounds, who may experience different returns on the postsecondary investment than their more privileged male and high-income peers.viii

8. Collect private loan data through IPEDS or NSLDS and publish the results on the College Scorecard.

Information on private loan borrowers and debt is limited to a few proprietary sources and is currently not available annually through a federal source. Because private loans are among the riskiest ways to finance a postsecondary education, it is important that comprehensive data on amount borrowed and repayment are available for consumers. ixx We urge ED to include these data on private loan borrowing at the undergraduate level in either the IPEDS Student Financial Aid Survey or the National Student Loan Data System (NSLDS), so that they can be reported on the College Scorecard.xi

9. Continue testing, maintenance, and public access, and translate the Scorecard into multiple languages.

(F) 202 861 9307



Potential for improvements aside, the College Scorecard currently provides vital information to students in the higher education marketplace, and maintaining both the online platform and public dataset is critical. Analysis from the Treasury Department has acknowledged that the Scorecard offers the most comprehensive and reliable data on students' post-graduation, going so far as to call it a "breakthrough."xii

In addition to maintaining the dataset and consumer tool, the Department of Education should continue testing the Scorecard with consumers. In the process of making updates, policymakers and Scorecard experts should focus not only on how the data can best be calculated and categorized but also on using consistent terminology and making the College Scorecard language easy for students to understand, particularly for students of color and those who are the first in their family to go to college. Xiii Furthermore, with increasing numbers of English Language Learners in the K-12 spacexiv, the Scorecard should invest in translating its valuable resources into additional languages to provide assistance to more students and their families.

Finally, getting the word to more students about this key resource in creative ways, such as by presenting relevant Scorecard data, like earnings, repayment, and debt, within the FAFSA, will help empower students to maximize the educational benefit of their financial aid.

The undersigned members and partners of PostsecData commend the Department of Education for developing, maintaining, and regularly updating the Scorecard—efforts that promote data transparency, and help to keep higher education consumers informed. Ensuring the Scorecard's consumer tool includes robust information about earnings outcomes as well as appropriate contextual information is integral to successfully using data to inform policymaking at the federal, state, and institution levels and promoting the use of consumer information in college-going decisions. In addition, as ED continues to work towards greater transparency to help inform consumer choice in postsecondary education, the quality and completeness of the information provided to students, policymakers, and researchers will continue to be critical, especially during the recovery after the COVID-19 pandemic.

We look forward to continuing to work with ED to promote and improve the College Scorecard. If you have any questions, please contact Mamie Voight, interim president at the Institute for Higher Education Policy (mvoight@ihep.org or 202-587-4967).

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¹ The metric would provide the share of students earning above the Threshold, which aligns with the metric ED previously used.

ⁱⁱ The cumulative net price of an institution factors in time-to-degree – multiplying the institution's average time-to-degree by the average net price to produce a more accurate cost estimate for a typical student.

Equitable Value: Promoting Economic Mobility and Social Justice through Postsecondary Education. Postsecondary Value Commission (2021). https://www.postsecondaryvalue.org/reports/

^{iv} Equitable Value: Promoting Economic Mobility and Social Justice through Postsecondary Education. Postsecondary Value Commission (2021). https://www.postsecondaryvalue.org/reports/

YMedians are the preferred measure of central tendency for situations in which one either knows or believes that the earnings distribution is skewed. Earnings typically form a skewed distribution with a high potential for outliers.

vi 6 facts about economic inequality in the U.S. Pew Research Center (2020). https://www.pewresearch.org/fact-tank/2020/02/07/6-facts-about-economic-inequality-in-the-u-s/

vii Additionally, because earnings outcomes are not typically normally distributed, the Scorecard should consider including additional percentiles such as the 10th and 90th percentile earnings, or income quintiles (20th, 40th, 60th, and 80th percentiles), to provide a better sense of the most likely range of outcomes for students in each institution or program. These additional metrics would require little additional burden to ED.

viii AAUW. (2018). The Simple Truth About the Gender Pay Gap. Retrieved from:

https://www.aauw.org/resources/research/simple-truth/; Poutré, A., Rorison, J., & Voight, M. (2017). Limited means, limited options: College remains unaffordable for many Americans. Institute for Higher Education Policy. Retrieved from Institute for Higher Education Policy website: http://www.ihep.org/limited-means-limited-options

ix Private Loans Facts and Trends. The Institute for College Access and Success. (2019). https://ticas.org/affordability-2/private-loans-facts-and-trends-0/

^{*} The Institute for College Access and Success (2020, October). Student debt and the Class of 2019. Retrieved from: https://ticas.org/wp-content/uploads/2020/10/classof2019.pdf

xi Collecting private loan data would ultimately expand the data universe to include all students with student loan debt. While this will require additional resource investment, the resulting data will more accurately reflect the real experiences of postsecondary students.

xii Looney, A. (2017, January 19). A comparison between the College Scorecard and Mobility Report Cards [Blog post]. Treasury Notes. Retrieved from https://www.treasury.gov/connect/blog/Pages/A-Comparison-between-the-College-Scorecard-and-MobilityReport-Cards.aspx

xiii Morgan, J.M. & Dechter, G. (2012). Improving the College Scorecard: Using student feedback to create an effective disclosure. Center for American Progress. Retrieved from https://cdn.americanprogress.org/wp-content/uploads/2012/11/CollegeScorecard4.pdf

xiv National Center for Education Statistics. (2021). English Language Learners in public schools. Retrieved from: https://nces.ed.gov/programs/coe/indicator/cgf.