



February 13, 2015

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Ave., S.W.
Washington, D.C. 20202-1510

Dear Mr. Secretary:

On behalf of the Association of Private Sector Colleges and Universities (APSCU), we would like to thank you for this opportunity to comment on the proposed college ratings framework.

APSCU is a membership association representing private sector colleges and universities in the United States. All APSCU member institutions are licensed by the state in which they are located and accredited by a national and/or regional accrediting agency recognized by the U.S. Department of Education. Almost all APSCU member institutions participate in the federal student financial aid programs.

Our member institutions include large, publicly held college systems; small multi-campus institutions; and family owned single-campus schools. APSCU members offer programs ranging from short-term career-specific certificate and diploma programs to associate and bachelor's degrees, master's degree, doctoral, and professional degree programs in more than 200 fields. These institutions operate on a "traditional" semester basis; year-round rolling starts; clock hours; and virtually every schedule in between. Additionally, our representation includes brick-and-mortar institutions, online colleges, and hybrid programs.

Our members, along with our many colleagues, are very aware of the concern with respect to college affordability as families struggle to finance higher education. To that end, many colleges have implemented scholarship programs, tuition freezes, and other cost savings measures to help contain rising prices. And we applaud the efforts of the Congress and the Administration to keep interest rates low on student loans and provide students with reasonable repayment options.

However, we have serious concerns with the federal government evaluating colleges using a few quantifiable indicators that will result in a specific rating for each institution. We believe there has been universal agreement that any effort on the part of the government to treat all institutions as if they were doing the same thing and educating identical student populations is misguided and fails to recognize the diversity of American higher education. Yet the ratings system appears headed in the direction of using a few data points to sum up the quality of an institution without any descriptive information, providing an incomplete and potentially inaccurate picture. This is neither good nor useful for students and families.

Over the years, Congress and various Administrations have attempted to provide improved information to students and families to use when making college decisions. Unfortunately, this has resulted in disclosure overload, with no proof that more information is better or even helpful in the decision making process. All the metrics proposed by the Department will be difficult to accurately calculate on the Federal level without student unit records, which are currently prohibited. The Department mentions several databases that may be used for calculating the metrics that may be used in the ratings system, and none are designed for this purpose. We understand the limitations imposed because of this, and urge the Department to make sure the data being used is proper for this purpose, accurate, and verifiable.

The Department has stated repeatedly that the ratings system is not a ranking system. However, categorizing institutions as high-, middle-, or low-performing creates a de facto ranking regime of colleges, intentional or not. We understand data analyses are being performed to determine the best way to set the thresholds for what constitutes high or low performance. But how will schools be listed within the categories: randomly, alphabetically, or in order of how they fall within the category? Will context be provided to allow a student to know that the top school in the middle-performing category was only (for example) a tenth of a percentage point below the lowest-ranked school in the “high-performing” category? Will the thresholds move over time to recognize changes in the postsecondary landscape? Will institutions know why they are rated in the category in which the Department places them, and will they have the opportunity to challenge or appeal the label?

Any trends over time need to be considered within the context they occur. For example, when unemployment levels peaked during the last recession, enrollment in open-access postsecondary institutions increased at record levels. Many of those students were refreshing skills and knowledge without the intention of completing a program; others left before completing to return to the work force when the opportunity arose. Would those institutions be penalized for what would seem to be a low completion rate when they were serving the needs of the students who enrolled? How will the Department consider all the personal variables that impact the decisions and actions of millions of students?

We believe students need and want to know how well they can realistically be expected to fare at any particular institution. However, current information collected and published by the U.S. Department of Education focuses on a population of students who are not representative of the total higher education population today. The reliance on IPEDS to report institutional outcome data biases success toward those institutions that selectively serve a predominantly “traditional” student population. Moreover, these data are misleading to new-traditional students who may not understand that their own outcomes are not likely to mirror those of an 18-year-old just-out-of-high-school student.

For that reason, we believe information must be based on the full population of students at an institution and should reflect the characteristics of the students served. Institutions that graduate students with characteristics identified as “risk factors” to successful completion should be recognized for this success, as opposed to a system which rewards institutions for their selective admissions programs and limited access policies.

Framing consumer information in this manner – in the context of the students served - will put a personal stamp on the consumer information to better help students. Institutions with open access policies have a very different student body than even slightly selective universities. While the same information from the same data sources should be used for any metric, it should be put into context so students can see how they may realistically do compared to their peers.

As stated above, IPEDS data is skewed to selective institutions that adhere to the “traditional” student model – that is, those entering out of high school with no previous postsecondary experience, attending full-time, and most likely attending a four-year institution. Using IPEDS data exclusively will falsely lower the ratings of those open-admission institutions that educate the new traditional students who now make up the majority of those attending college. The Department’s proposal to use information included in state databases does not solve the problem of inaccurate and unreliable data. Many state-based systems do not include private sector or private not-for-profit institutions and there is no guarantee of consistency among state systems with respect to important definitions, data collection procedures, or data verification. The stakes in the ratings system are too high to allow for the use of inconsistent, incomplete, and inaccurate data.

All of the metrics under discussion for use in calculating a ratings system are subject to the concerns raised above with respect to incomplete, inaccurate, and unreliable data. Whether it is net price, completion, placement, loan repayment, etc., the data must be valid or the government’s ratings system will be no better than the multitude of college ratings already in existence and published by various national magazines.

Rating colleges is a significant expansion of the federal role in higher education and, as the Department has discovered, not an easy task. The ratings system has the potential to be given great weight by the public and it is imperative that the Department does not build a system that creates perverse incentives. Activities of the Department of Education such as the gainful employment rule are already driving institutions to limit opportunities for new traditional students. A rating system that simply rewards institutions with selective admissions policies will only do more harm and undermine access for students who have historically been underserved by higher education. This would not be in the best interest of our students or the country.

Thank you again for the opportunity to address this important matter. Please feel free to contact me at 202-336-6701 or steve.gunderson@apscu.org if you have any questions or would like further input.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Gunderson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Steve Gunderson
President and CEO