The Higher Education Committee of 50 (Forward50) Draft Recommendations - Request for Public Comment

Introduction and Background

As the Higher Education Act (HEA) reauthorization process continues, proposals abound from the various entities that have a stake in higher education. While many voices are weighing in on reauthorization discussions, there is a strong need for thoughtful, innovative ideas for the future of federal student aid that come from institutional voices. It is imperative to show lawmakers that institutions of higher education are forward-thinking, interested, and invested in improving student access, success, and outcomes. The time is ripe for this type of innovative thinking.

In late 2017, the National Association of Student Financial Aid Administrators (NASFAA) received a grant to convene a group of forward-thinking campus leaders tasked with developing policy solutions to surmount obstacles preventing students from enrolling in, paying for, and graduating from college. The Higher Education Committee of 50 (also known as "Forward50") is a group composed of college presidents; enrollment managers; members of governing boards; students; and leaders from admissions, financial aid, bursars' offices, and other sectors of postsecondary institutions. Forward 50 is charged with creating forward-thinking and innovative recommendations for members of Congress on specific, pre-identified policy areas related to access, affordability, accountability and transparency.

To form these recommendations, Forward50 members began with an in-person convening in March 2018 in Washington, DC. The convening commenced with four panel discussions, one on each of the four pre-identified topic areas, presented by subject matter experts who provided committee members with related background, research, and policy ideas to use in their deliberations. Since then, the group has spent the past five months reviewing research and current policy solutions, and consulting with outside subject matter experts and other practitioners in the field to form their draft recommendations for each area listed below:

- Access recommendations
- Accountability recommendations
- Affordability recommendations
- Transparency recommendations

The Forward50 is putting forth these draft recommendations for public comment with the goal of garnering feedback from members of the higher education community across all offices and sectors of postsecondary education. In keeping with the charge and spirit of the grant, we ask the public to please bear the following in mind when reviewing the draft recommendations:

- **Multiple submissions are allowed.** We welcome you to share these draft recommendations with anyone you feel may be interested in submitting feedback. They may upload their comments individually; you do not need to collect their feedback and upload a single submission.
- **No submission is too small.** You are not required to provide feedback on all recommendations. If you only have feedback on one or two recommendations, we would still like to hear from you.

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- **Recommendations focus on undergraduate postsecondary education.** We acknowledge that the tie between K-12 and postsecondary education cannot be ignored, and the group's final report will include consideration for this work, but addressing these issues was not in the purview of the grant requirements.
- **Recommendations are for Congress.** Forward50 has identified several ways changes can be made at both the state and institutional level, and those will be shared as part of the group's final product, but we will only make official recommendations at the federal level.

We invite any member of the public to comment using the form and file upload at the bottom of this page. If you comment on multiple subtopics, you may submit your comments all together or via separate documents using any of the submission forms. Comments must be submitted by **Friday, September 28, 2018.**

Confidentiality Notice: Your submission, including your contact information and any comments, may be shared with members of the staff of the National Association of Student Financial Aid Administrators (NASFAA) and/or members of The Higher Education Committee of 50 (Forward50). NASFAA and Forward50 reserve the right to quote any submitted comments in future publications, but we will do so anonymously. Otherwise, all information provided will be for internal use only.

If you have any questions on the public comment period or the work of this committee, please feel free to email NASFAA's Research Department at research@nasfaa.org. We look forward to your feedback.

[Comments may be uploaded online here: https://www.forward-50.org/public-comment.]

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Access Draft Recommendations

Focus Area: Reducing/Removing Structural Barriers to Higher Education

Recommendation 1: We recommend simplifying and improving the current financial aid application process utilizing one or more of the following strategies:

A. Implement the NASFAA proposal[1] for a three-level application process.

- **Rationale:** The current Free Application for Federal Student Aid (FAFSA) has 108 questions and must be submitted each year. The FAFSA form and process have been enhanced in recent years through various electronic improvements and the use of skip-logic, but completion of the form is still viewed as challenging for some applicants and presents a barrier for many low-income, first-generation, and disadvantaged populations. NASFAA's proposed three-level application process is designed to reduce the amount of information needed to determine financial aid eligibility based on the financial situation of the applicants and their families. After answering some demographic and dependency status questions, applicants would be steered down one of three paths based on their responses to screening questions. Applicants who receive Supplemental Nutrition Assistance Program (SNAP) or Supplemental Security Income (SSI) benefits would fall into Path #1 and would not need to provide additional information. Applicants who complete a 1040EZ, 1040A, or 1040 without additional forms or schedules would fall into Path #2, and their information could be obtained by using the IRS Data Retrieval Tool (IRS DRT). Applicants who complete a 1040 with additional forms or schedules would fall into Path #3, and information could be obtained by using an expanded IRS DRT. Simplifying the FAFSA to better match the financial situation of the applicant will make the financial aid application easier and less time-consuming.

B. Expand the functionality of the IRS DRT to include all line items of the IRS 1040 tax return and W-2 information.

- **Rationale:** The current application process is expedited by allowing applicants to pull Internal Revenue Service (IRS) data into the FAFSA form. Using the IRS DRT simplifies the process for applicants and provides more accurate information. In most situations, verification is not required since the information is obtained directly from the IRS. The current IRS DRT process does not capture all 1040 information, however, which can result in additional information requests to applicants and additional processing workloads for institutions. This recommendation is to expand the IRS DRT to include all line items on the 1040, but not the information contained on the tax schedules. We also recommend including information from W2 forms, which would permit retrieval of income earned from work for non-tax filers. It should be noted that no new questions should be added to the FAFSA as a result of having access to more IRS data.

C. Consider allowing students to file a FAFSA that would allow financial aid consideration for multiple years (e.g., a one-time FAFSA).

[1] National Association of Student Financial Aid Administrators. (2015). *NASFAA working group report: FAFSA simplification.* Retrieved from https://www.nasfaa.org/uploads/documents/fafsa_report_1.pdf

- **Rationale:** Please see Recommendation 1 in Affordability, Focus Area: Improving Existing Aid Programs.

D. Consider allowing students to apply for financial aid via the federal tax return process.

- **Rationale:** Allowing students to check a box or supply additional information on a federal tax return could significantly simplify the financial aid application process. This recommendation would require integration of federal IRS and FAFSA processing systems and data. In addition, further research and examination of data between the two systems/processes would be needed, and modifications would be required. For instance, the tax return utilizes exemptions based upon the tax code, while FAFSA uses family size. New thinking would also be required on how to handle dependency statuses, special circumstances, and other professional judgment changes that are currently allowed. Still, allowing an applicant to complete one form to file taxes and apply for financial aid should simplify these processes.

Recommendation 2: We recommend requiring Title IV institutions to adopt standardized elements in the financial aid award notification, including all costs, net price, grouping by types of awards, and common descriptors/language.

- **Rationale:** Financial aid award letters provide cost and financial aid award information to students. Too often, students find it challenging to understand the information contained in the financial aid award offer and find it difficult to compare information from different institutions. A 2018 study showed students find comparing financial aid award letters from different institutions confusing due to issues such as lack of consistency, hard-to-understand jargon, unclear award descriptors, lack of differentiation between types of aid, and omitted (or incomplete) cost of attendance information (New America & uAspire, 2018).[2] In some instances, it is hard to tell the difference between gift aid and loans. We recommend adopting standardized elements and common descriptors/language in the financial aid award letter to better assist students in understanding their educational costs and the types and amounts of financial aid available to them. We are not advocating for a standardized award letter, however, as schools have varying needs, and some have developed enhanced features and processes to better serve their students.

Recommendation 3: We recommend Congress require the U.S. Department of Education (ED) to provide more transparency on the verification selection process through the FAFSA with the goal of reducing the number of FAFSA applications selected for verification. Specifically, we want to ensure students are treated equitably with regard to the verification selection criteria and to ensure potential Federal Pell Grant recipients are not being disproportionately selected for verification compared to recipients of other federal need-based aid programs.

- **Rationale:** Verification is a significant and often complicated part of the financial aid process that requires institutions to collect tax and other documents to confirm the accuracy of data reported

[2] New America, & uAspire. (2018, June). *Decoding the cost of college: The case for transparent financial aid award letters.* Retrieved from https://www.uaspire.org/BlankSite/media/uaspire/Decoding-the-Cost-of-College.pdf.

on the FAFSA. Many researchers have found this process to be time consuming, challenging, and an additional barrier to access for many students (Advisory Committee on Student Financial Assistance, 2005;[3] The Institute for College Access and Success, 2010;[4] MacCallum, 2008;[5] Mostafavi, 2010;[6] Perez, 2010[7]). Furthermore, verification is burdensome and costly to schools and the federal government, and there are no documented results demonstrating it to be significantly beneficial to the student aid process (The Institute for College Access and Success, n.d.[8]). Since the purpose of verification is to confirm that need-based federal student aid program funds are indeed distributed to eligible students, ED should provide archived annual statistics supporting the current selection criteria and verification groups as well as provide data examining the most error-prone FAFSA items corrected through the current verification process.

Focus Area: Improving Access to Information and Awareness of College Options

Recommendation 4: We recommend creating a federally recognized database of "virtual advisors" to provide general information to students as it relates to college admissions, financial aid, and advising processes.

- **Rationale:** Creating a network of artificial intelligence (AI) "counselors" would allow for an interactive system that is both more robust and precise in the delivery of routine information. AI is specifically designed to scan and process large amounts of data, recognize patterns, and learn from experience and interaction, becoming more accurate the more it is used. Most questions received by colleges and universities from incoming students and parents require only routine answers that can be provided at any time of the day or night by a system that can scan entire databases for the most accurate and complete information. This would free up scarce human resources to provide more individualized service when the AI counselor or the user determines that routine answers are not sufficient. AI also utilizes an interactive system familiar to and convenient for students and parents using technology readily available to families of all socioeconomic levels. This would necessarily require significant consumer testing but also presents an interesting public/private partnership opportunity with the technology industry. AI has already been piloted by the University of Arizona and Georgia State University (details available in Ryan, 2018,[9] and Gardner, 2018[10]). In its first summer of use, the AI software at Georgia State University alone answered over 200,000 routine questions and improved retention of incoming students by 20 percent.

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[3] Advisory Committee on Student Financial Assistance. (2005). *The student aid gauntlet: Making access to college simple and certain.* U.S. Department of Education. Retrieved from https://files.eric.ed.gov/fulltext/ED496648.pdf
[4] The Institute for College Access and Success (TICAS). (2010). *After the FAFSA: How red tape can prevent eligible students from receiving financial aid.* Retrieved from http://ticas.org/files/pub/AfterFAFSA.pdf
[5] MacCallum, M. (2008). Effect of financial aid processing policies on student enrollment, retention and success. *Journal of Student Financial Aid*, *37*(2), 17-32. Retrieved from https://publications.nasfaa.org/jsfa/vol37/iss2/2/
[6] Mostafavi, B. (2010). *Incomplete financial aid paperwork keeps hundreds of students out of Mott community college's summer classes*. Retrieved from https://www.mlive.com/news/flint/index.ssf/2010/07/incomplete_financial_aid_paper.html
[7] Perez, E. (2010). Report: Students stumble over tricky financial aid verification process. *California Watch.*
[8] The Institute for College Access and Success (TICAS). (2010). *After the FAFSA: How red tape can prevent eligible students from receiving financial aid.* Retrieved from The Institute for College Access & Success http://ticas.org/files/pub/AfterFAFSA.pdf
[9] Ryan, C. (2018, May 18). Artificial Intelligence: Hero or villain for higher education? *Forbes.* Retrieved from https://www.forbes.com/sites/ryancraig/2018/05/18/artificial-intelligence-hero-or-villain-for-higher-education/#203b61c83145
[10] Gardener, L. (2018, April 8). How A.I. is infiltrating every corner of the campus. *The Chronicle of Higher Education.* Retrieved from https://www.chronicle.com/article/How-AI-Is-Infiltrating-Every/243022

Recommendation 5: We recommend improving or prioritizing broadband internet services for online education/digitally delivered education and training.

- **Rationale:** The United States currently ranks ninth in the world in terms of broadband capacity and affordability, and 20th in the world for broadband speed (Tech.Co, 2018).[11] This represents a national average; broadband speeds for inner cities and rural areas are substantially slower and even more limited in terms of broadband access, capacity, and affordability. Due to the significant role of online education for US colleges and universities, substandard broadband adversely impacts access to higher education. The U.S. system of higher education is predicated on the principle of "equal access for all," and the current limitations and deficiencies of our national broadband network, in effect, serve as a barrier to higher education access as well as an impediment to using more sophisticated instructional technologies, such as AI, adaptive learning, virtual labs, etc. Prioritized improvements to the national broadband network will greatly improve higher education access and will better position the United States to be a global technology leader.

Recommendation 6: We recommend that Congress provide financial incentives to graduate school counseling educator programs to place interns in high schools with some of the lowest college-going rates, or in high schools that serve predominantly low-income students.

- **Rationale:** The current school counselor-to-student ratio is 482:1 across the country. The American School Counselor Association recommends a ratio of 250:1. By using interns from graduate school counseling educator programs, the student-to-counselor ratio could be lowered. The graduate students could use this experience as part of their required practicum and internship experiences, giving them on-the-job training in counseling students in postsecondary planning. It would be important to make sure that student interns will have taken an appropriate postsecondary planning course prior to their internship/practicum experience.

[Comments may be uploaded online here: https://www.forward-50.org/public-comment.]

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[11] Tech.Co, (2018, July). *U.S. ranks 20th in broadband speed league.* Retrieved from https://tech.co/us-ranks-20th-broadband-speed-league-2018-07

Accountability Draft Recommendations

Focus Area: Current Accountability Measures

The accountability subgroup considered eight current accountability measures. For each, we debated keeping the measure in place, altering it, or eliminating it altogether. The subgroup did not recommend eliminating any of the existing accountability measures, although we recognize future accountability measures could make existing measures less useful.

Recommendation 1: We recommend keeping the following current accountability measures in place, unchanged:

- **Withdrawal rates:** A rate defining the share of students who drop out from an institution during the year.
- **Financial responsibility scores:** A composite score that runs from -1.0 to 3.0 and looks at financial reserves, equity, and net income.
- **90/10 rates:** The requirement that private for-profit colleges cannot receive more than 90 percent of their revenue from the U.S. Department of Education (ED).
- **Program reviews:** ED reviews of institutional compliance with federal aid rules.
- **Financial and compliance audits:** Independent reviews of institutional finances; audits of for-profit colleges also look at compliance with federal aid rules.

Recommendation 2: We recommend keeping the following current accountability measures in place, but altered as follows:

- **Cohort default rates (CDRs):** Rates establishing the share of borrowers who default on their loans within three years of entering repayment. The subgroup supported potential modifications to the CDR measure, as outlined in Option B, below.
- **Gainful employment:** A means to judge career training programs based on how much of graduates' income goes to student loan payments. Programs must meet standards for debt as share of annual earnings and discretionary income—earnings minus allowances for necessities. The subgroup supported the concept of gainful employment and certain alterations to the current rule, but the future of the regulation remains uncertain at this point due to recent ED rulemaking action.

The subgroup could not reach consensus on the state of accreditation. We welcome public comment on this topic.

Focus Area: Student Loans

Recommendation 3: We recommend applying one of the two following options for student loan accountability.

- **Rationale:** Receiving some type of education beyond high school is more important now than ever before. But as students are presented with an endless menu of choices to best fit their career aspirations and educational needs—some of which come at a significant cost—policymakers are concentrating their efforts on making sure students are set up for success as a result of their investment. One of the primary ways institutions are held accountable is through the CDR, a key metric that measures students' ability to repay their federal loans. Institutions spend many hours analyzing and reacting to CDRs, especially when the rates are released to the public. Colleges and universities with default rates above 30 percent for three consecutive years or 40 percent for a single year may lose eligibility to award federal student aid. But few institutions actually lose eligibility. In his 2018 book, *Higher Education Accountability,* [12] Robert Kelchen notes that only 11 colleges have lost access to all federal financial aid due to high CDRs between 1999 and 2015. Due to the apparent loopholes in using the CDR as an accountability metric, many consider it to be ineffective. We believe moving from a cohort default rate to another measure of accountability, such as repayment rates, must fairly recognize the institution's contribution to reducing student borrowing and to prioritizing improved success and completion. For instance, if an institution is to share in the repayment risk when a student enrolls and obtains federal student loans, the proposed measurement should provide credit to institutions with programs focused on completion initiatives for at-risk students. Credit should be given for implementing programs such as financial literacy, focused advising, faculty mentoring, freshman bridge classes, and implementation of financial aid best practices. Additionally, credit should also be given to institutions focused on providing student loan initiatives designed to help students understand loan obligations. This would differentiate between institutions focused on student success and those concerned primarily with the use of federal aid program dollars to meet budget needs. Research proposals have suggested moving to a review of repayment rates for individual programs—rather than the institution as a whole—for risk-sharing. This will require additional data modeling to avoid unintended consequences, such as limiting access for low-income students to certain academic programs. Because academic programs vary between institutions and educational sectors, it is unclear how this change could be implemented without adding more complexity, uncertainty, and regulatory burden to the overall review process. A one-size-fits-all approach fails to take into consideration different institutional missions. Per the [NASFAA issue brief on institutional risk-sharing][13] a poorly designed risk-sharing model could have an impact on at-risk students and limit access. New accountability measures should identify institutions that are not providing a quality education and leave students with the inability to pay back their student loans.

Recommendation 3, Option A: Replace the CDR accountability measure, a rate establishing the share of borrowers who default on their loans within three years of entering repayment, with a new measure to better reflect how students are repaying their student loans. Loans in Positive Repayment Status (LPRS) would replace the current CDR accountability measure for student loans. The LPRS rate would be used to calculate a non-repayment risk rate which would be used as the new accountability metric.

- **Details and Rationale:** Many institutions keep their CDR low by getting students to defer payments during the default rate calculation period. The CDR also fails to show that many students are not in default but are also not making payments on their student loans.[14] In addition, the CDR does not give incentives for colleges to lower rates, since any rate below 30 percent does not result in sanctions.[15]

[12] Kelchen, R. (2018). *Higher education accountability*. Baltimore, MD: Johns Hopkins University Press.
[13] National Association of Student Financial Aid Administrators. (2018, May). *Issue brief: Institutional risk-sharing.* Retrieved from https://www.nasfaa.org/issue_brief_risk_sharing
[14] Kelchen, R., & Li, A. (2017, April 27). Institutional accountability: A comparison of the predictors of student loan repayment and default rates. *The ANNALS of the American Academy of Political and Social Science.* Retrieved from http://journals.sagepub.com/doi/full/10.1177/0002716217701681
[15] Senate Committee on Health, Education, Labor, & Pensions. (2018). *Higher education accountability* [White paper]. Retrieved from

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The CDR can be misleading, especially for community colleges that do not have a high percentage of loan borrowers. For example, community colleges not only have lower borrower rates, but the total loan amount borrowed is much lower than at many other types of institutions. The CDR does not use borrowing rates, which distorts the overall risk of nonpayment as researched in the TICAS College Accountability Proposal (2016).[16]

LPRS calculates a non-repayment risk rate. The following is the LPRS calculation:

$$\frac{\text{Borrowers in positive repayment status}}{\text{All borrowers entering repayment three years after leaving the institution}}$$

The LPRS calculation reflects the following:

- Borrowers not in default (i.e., not 270 days past due)
- Borrowers in deferment for in-school, unemployment, or economic hardship status
- Borrowers for which forbearance has been granted to keep the borrower out of default for all of the three-year calculated repayment period, provided a minimum of $1 of principle has been paid toward the loan balance or the borrower makes six scheduled monthly payments
- Borrowers on an income-driven repayment plan with a $0 monthly payment are excluded from the numerator and denominator in the calculation
- The institution's borrowing rate would also be part of the calculation (from the TICAS College Accountability Proposal, 2016)

The LPRS rate, non-repayment rate (100% - LPRS), and borrowing rate would be used to calculate the non-repayment risk rate (non-repayment rate * borrowing rate). The non-repayment risk rate would be the metric for accountability.

	LPRS Rate	Non-repayment Rate	Borrowing Rate	Non-repayment Risk Rate
School A	40%	60%	80%	48%
School B	40%	60%	20%	12%

Outcomes

- Institutions below their national peers in terms of students' non-repayment risk rates would be considered in good standing and would require no further review.
- If an institution is above the national average in non-repayment risk rate for any year, other factors would be taken into consideration before any penalties would be assessed, including the following:

https://www.alexander.senate.gov/public/_cache/files/cfd3c3de-39b9-43dd-9075-2839970d3622/alexander-staff-accountability-white-paper.pdf

[16]The Institute for College Access and Success. (2016). A new approach to college accountability, balancing sanctions and rewards to improve student outcomes. Retrieved from https://ticas.org/sites/default/files/pub_files/ticas_risk_sharing_working_paper.pdf

- Six-year graduation rate compared to peers
- The institution’s percentage of Pell-eligible students (above a certain percentage)
- Use of an ED-approved loan management plan (financial literacy)

The accountability subgroup attempted to model this proposal using existing data sources. The modeling of data showed (with the exception of the income-driven payment plan where the payment is zero) an average range of 14 percent non-repayment risk rate for two-year public institutions and up to 46.7 percent for four-year for-profit institutions. Institutions failing LPRS (and the risk of non-repayment) measures would be subject to penalties and/or suspension from the Title IV aid programs.

Recommendation 3, Option B: Keep the current CDR accountability measurement, but make adjustments to better reflect how students are making payments on their loans

- **Details and Rationale:** The CDR accountability measure is understood and has been in place in 1990. The adjustments listed in the proposal below would more accurately reflect the actual default rate. Adding in the borrowing rate as described in the research in the TICAS College Accountability Proposal (2016) [17] would better reflect overall risk of default.

  We recommend adjusting the CDR as follows:
  - Borrowers for which forbearance has been granted to keep the borrower out of default for all of the three-year calculated repayment period, provided a minimum of $1 of principal is paid toward the loan balance or six monthly scheduled payments have been made.
  - Borrowers on an income-driven repayment plan will be excluded if not in default during the calculation period
  - Borrowers on an income-driven repayment plan with a $0 monthly repayment would be excluded from both the numerator and the denominator.
  - The institutions’ borrowing rate would also be part of the calculation (from the TICAS College Accountability Proposal, 2016). The CDR rate would be subtracted from 100 to determine the non-repayment rate.

	Cohort Default Rate	Borrowing Rate	New Cohort Default Rate
School A	20%	80%	16%
School B	20%	20%	4%

Institutions above the determined acceptable rates would have other factors reviewed including
- Comparison to peer institutions
- Six-year graduation rate compared to peers
- Non-financial accreditation measures of student success

[17] The Institute for College Access and Success. (2016). *A new approach to college accountability, balancing sanctions and rewards to improve student outcomes*. Retrieved from https://ticas.org/sites/default/files/pub_files/ticas_risk_sharing_working_paper.pdf

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- Institution's percentage of Pell-eligible students (above a certain percentage)
- ED-approved loan management plan (financial literacy)

The proposed changes to payments during forbearance and removal from the calculation for borrowers on an income-based repayment plan with a $0 payment could not be modeled. More data collection and modeling are needed. Institutions exceeding established new CDR rates would be subject to risk-sharing payments and/or suspension from Title IV programs.

Focus Area: Student Experience/Progression

Recommendation 4: We support the Transparency subgroup's recommendations and the value of a Student Unit Record Data System (SURDS) for establishing an institutional accountability policy. At this time, we cannot identify what specific data in the SURDS should be used to hold schools accountable, but we recommend that the accountability policy not be punitive toward schools. Once a SURDS has been created, this subgroup recommends future Forward50 groups examine the data and make recommendations around how the SURDS can be best used for accountability purposes.

Focus Area: Outcomes/Alumni

Recommendation 5: We recommend Congress use College Scorecard data and other sources to measure outcomes and alumni success. When an institution places substantially lower than institutions with similar missions, an additional ED-approved review by the regional accreditor would be necessary.

Using data we hope will be available through a SURDS, institutions should be accountable for the following:

1. Student progression, defined by mission
   a. Graduation rates
   b. Retention rates
   c. Transfer rates
   d. Program completion rates and/or course completion rates
2. Post-college outcomes, within field
   a. Certification exam pass rates
   b. Employment rates in program field
   c. Employment rates outside of program field
   d. Time to employment
   e. Earnings within field
3. College costs
   a. Average debt
   b. Borrowing rate
   c. Student loan repayment

- **Rationale:** Institutions should be accountable to their own missions. Some outcomes are common to all institutions, regardless of mission, such as program completion (graduation, certification, a series of courses toward a goal, etc.) and preparation for next steps (further education, employment, etc.). Institutions should be accountable for those. Drilling down, however, there are some differences by mission. Some community colleges prepare students for transfer to a four-year institution and should

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be accountable for the number or percentage that transfer. Others prepare students for specific careers, such as nursing, graphic design, or automotive technology. Liberal arts colleges prepare students for any number of careers and for lifelong learning. Institutions that offer graduate programs prepare students for careers in specific academic fields. For these reasons, we recommend that institutions be held accountable to their own missions, with thresholds that comport with similar institutions. Similarly, institutions should be accountable to earnings compared to earnings in the field—teacher earnings should he held up to other teachers, not to doctors or engineers.

[Comments may be uploaded online here: https://www.forward-50.org/public-comment.]

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Affordability Draft Recommendations

Focus Area: Financial Literacy/Financial Wellness

Recommendation 1: We recommend that Congress require the U.S. Department of Education (ED) to enhance existing financial literacy tools and to require consumer testing on all new or improved tools. We also recommend that these products be made available to all students, not just student borrowers.

- **Rationale:** A key component of affordability is ensuring students have access to accurate, transparent, and complete information about the total cost of attendance for their desired educational program, so they can make informed financing decisions. Current financial literacy tools have varying levels of ease of use for consumers, are not housed in a way that encourages a one-stop shop for students, and show different kinds of information that may not be explained clearly enough for students and families who are not well versed in the details of funding a degree program. Requiring the use of existing financial literacy tools would be a burden on students and institutions and would likely impede access to financial information. However, improving existing tools by increasing their usability would improve students' abilities to make good decisions about funding their educational program.

Recommendation 2: We recommend that Congress require ED to develop and add a dynamic, user-tested truth-in-lending calculator and annual debt letter to entrance counseling/studentloans.gov. ED should make this available at the time of loan disbursement but should not make it a requirement (i.e., roadblock), to students getting their loans. This would be something ED would develop and distribute, not the school. We also recommend that private lenders be required to report to the National Student Loan Data System (NSLDS).

- **Rationale:** Students and families who take loans to pay for educational expenses don't always have a full idea of what the impact will be once they are no longer enrolled due to attrition or degree completion (the latter being the ultimate goal). While it may seem that loans make attending college "affordable," students and families may later need to delay making major life decisions, such as getting approved for a mortgage to buy a home or taking a loan to purchase a vehicle, because of their student loan obligations. These delayed life decisions may affect families in a variety of ways, impacting everything from the kinds of employment they seek to the geographic areas where they can afford to live. By receiving a true estimate of their future borrowing totals, students and their families can have a better understanding of the long-term impact of borrowing decisions.

Focus Area: Improving Existing Aid Programs

Recommendation 3: We recommend permitting students to file a FAFSA that would allow financial aid consideration for multiple years (e.g., a one-time FAFSA).

- **Rationale:** Anecdotes and studies show the FAFSA to be an obstacle to the neediest students and families. It is overly complicated and confusing, and verification requirements—in which the lowest income students are specifically targeted—create a barrier to access for the students that Title IV programs are supposed to help. For many, the requirement to file a FAFSA annually is accurately described as poor people being forced to prove repeatedly that they are poor. Preliminary results from

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a soon-to-be-published Center for American Progress study[18] of over a quarter-million FAFSA filers show that for more than half of filers, the expected family contribution (EFC, the result of the formula that uses the FAFSA data) changes annually by only $2,000 or less. For students eligible for Pell Grants, this figure grows to 75 percent. For both Pell-eligible and non-Pell-eligible students, the largest group is those whose EFC did not change by even so much as a dollar (Center for Academic Progress, in press). Making these students submit a new FAFSA annually is an unnecessary exercise. A one-time FAFSA should lead to schools assessing a student's financial aid eligibility for multiple years, even the duration of their program, enabling long-term financial planning that is now nearly impossible. Most students entering college are asked to make an enrollment decision armed only with information about the cost of the first year; they must take a leap of faith that subsequent years will be similarly affordable. Sometimes they are similar, sometimes they are not, and what the EFC formula recognizes as a change in eligibility is rarely an event that, in reality, gives the family more disposable income. We do not force consumers to make other major purchases (such as a home or a car) this way, and we are doing students and their families a disservice by making them follow this completely unpredictable model. All changes would be contingent upon studying FAFSA filing data to ensure that this method would provide the most benefit to students.

Recommendation 4: We recommend that Pell-eligible students be allowed to use up to two semesters (100%) of Pell Grant funds while completing dual-enrollment programs, while in high school, or while completing remedial courses, without such usage counting toward their Pell Grant Lifetime Eligibility Usage (LEU) limit.

- **Rationale:** The Pell Grant was established specifically for students with exceptional financial need. These same students often require remedial courses before beginning their college-level courses or would benefit from taking college-level courses while in high school to ensure they are well prepared to pursue their educational goals. Providing funding to these at-risk students without reducing their overall Pell Grant LEU provides them with an affordable option to gain the skill set needed to succeed in college-level courses.

Recommendation 5: We recommend simplifying loan repayment plans to only three options—income-driven repayment (IDR), extended repayment, or standard repayment—while preserving existing deferment, forbearance, and cancellation provisions.

- **Rationale:** There are currently too many loan repayment options, and the process for applying for the various options is too complex, meaning students often choose the wrong option and increase their risk of defaulting on loans. Simplifying loan repayment options to IDR, extended, or standard would allow students to more clearly understand the repayment options and make the choice that works best for them. Data show that many students fail to follow through on completing the application for an IDR plan even when they have been given the information that doing so would lower their monthly payments. Barriers to completing the application include confusion about which income-based plan to select and the length and complexity of the application. In order to lower the number of defaults and assist students in repaying their loans, the options for repayment and the application process should be simplified.

Recommendation 6: We recommend allowing federal student loan refinancing through a federal government

[18] Center for American Progress. (2018). Manuscript in preparation.

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program should the variable annual interest rates decline. Borrowers refinancing at a fixed, lower interest rate would forgo loan deferment, forgiveness, cancellation, and discharge provisions.

- **Rationale:** This recommendation would increase affordability by permitting individual borrowers (students and parents) who took loans at higher interest rates to receive the same loan interest rates that benefit contemporary borrower cohorts. The federal student loan program offers generous (and costly) deferment, forbearance, forgiveness, cancellation, and death/disability discharge provisions as a safety net. However, many high earners with existing federal student loan debt take advantage of refinancing in the private market to lower monthly payments and the total cost of repayment, thereby destabilizing the federal loan portfolio. Retaining high-performing loans is necessary to offset low-performing loans and to balance the financial risk to taxpayers of diluting federal assets.

Recommendation 7: We recommend restoring the purchasing power of the Pell Grant by mandating 100 percent funding, making it a true entitlement program.

- **Rationale:** While tuition and living costs for students are at an all-time high, the Pell Grant is at its all-time lowest purchasing power in its almost 50-year history. We urge Congress to use this opportunity to demonstrate an unwavering commitment to higher education and absolutely reverse the downward trend of the Pell Grant's purchasing power for our students now and in the years to come. This is a critical investment we can make in the human potential of our country's future. This recommendation would revive the spirit of the Pell Grant by mandating 100 percent funding for the greatest positive impact possible.

Focus Area: Keeping Costs Down

Recommendation 8: We recommend excluding 529 savings plans from the FAFSA needs analysis calculation (Federal Methodology) to encourage parents to save for their children's education without worrying that these savings will raise their student's EFC.

- **Rationale:** 529 plans provide a convenient way to save for college. These plans offer the advantage of saving over time, with the option of low, flexible contribution levels, while benefiting from tax-free growth. Currently, the Federal Methodology need analysis calculation includes the value of 529 plans, thus increasing the EFC and ultimately discouraging use of these plans. Encouraging saving resources over time as opposed to borrowing money and paying interest is good public policy and will reduce the total cost of higher education.

Recommendation 9: We recommend discontinuing origination fees.[19]

- **Rationale:** Origination fees were created in the Higher Education Act of 1965 when student lending programs were bank-based, which is no longer the case over 50 years later. Today, origination fees essentially impose an unjust tax on student loan borrowers. We urge Congress to take this simple step: Eliminate origination fees to help improve college affordability.

[19] National Association of Student Financial Aid Administrators. (2017, November). *Issue brief: Origination fees.* Retrieved from https://www.nasfaa.org/uploads/documents/Issue_Brief_Origination_Fees.pdf

Recommendation 10: We recommend an interest rate reduction and a flat add-on amount across the federal student loan programs. This value should be set at the 10-year Treasury note with a flat add-on in an amount not to exceed 2 percent.

- **Rationale:** Many other consumer products have lower interest rates than federal student loans. Federal student loans, intended to make college more affordable, should not have excessive interest rates. It is confusing and difficult to have disparate interest rates for different classes of loans. A single, lower interest rate will be easier to understand and more likely to be paid off. Uniform interest rates will also be easier to administer and collect. If an origination fee is used, it should likewise be uniform and stable, and it should not be used as a variable revenue source.

Recommendation 11: We recommend using Fund for the Improvement of Postsecondary Education (FIPSE) grant funds to create new avenues for postsecondary institutions to move toward the goal of affordable textbooks and other course materials (such as digital textbooks, textbook rental programs, and open educational resources [OER]) by 2030 to support student learning, persistence, and completion.

- **Rationale:** The 2014 National Student Financial Wellness Study of college students concluded there are three essential affordability concerns: tuition, housing, and textbooks. OER resources help to increase student-faculty engagement and lessen the burden of purchasing books and supplies. OpenStax, a nonprofit initiative created in 2012 to provide free textbooks and digital resources, is gaining traction at the community college level. Community college students can spend in excess of $500 per year on textbooks, and the cost can average $1,800 at the four-year level. According to a 2018 survey from Cengage Unlimited,[20] rising textbook costs are limiting academic success and student persistence, where students must decide between spending hundreds of dollars on books, meal plans, and transportation, or seeking alternatives (e.g., textbook rentals or no books).

Recommendation 12: We recommend eliminating higher education tax credits and putting those funds into the Pell program.

- **Rationale:** Simply put, tax credits don't help anyone pay for college on the front end, given that they are available only after families have paid. Families in the lowest-income bracket with no tax liability do not benefit at all. The Pell Grant is the most effective and efficient way to advance access to higher education. Infusion of these dollars into the Pell program would expand eligibility to middle-class students, who might not now benefit from Pell.

Recommendation 13: We recommend eliminating the taxability of financial aid.

- **Rationale:** Current federal tax law stipulates that scholarships or grants are tax-free if the expenses were for 1) tuition and fees required to enroll at or attend an eligible educational institution, or 2)

[20] Cengage Unlimited. (2018, June 26). *New survey: College students consider buying course materials a top source of financial stress* [Press release]. Retrieved from: https://www.prnewswire.com/news-releases/new-survey-college-students-consider-buying-course-materials-a-top-source-of-financial-stress-300687138.html

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course-related expenses, such as fees, books, supplies, and equipment required for courses at an eligible educational institution. Scholarships or grants must be included in gross income if the funds were used for other education-related expenses, such as room and board, travel, and optional equipment. The Higher Education Act of 1965, as amended, defines the types of costs to be included in the cost of attendance (COA) used to establish students' financial need. The law requires that costs reflected in the COA must be appropriate and reasonable amounts. Since financial assistance offered as scholarships and grants can be used to meet the financial needs of students, scholarship and grant amounts falling within the COA reflect necessary educational costs that should not be taxed. The issues of access and affordability of postsecondary education are of great concern to legislators and the public. The taxability of scholarship assistance is counterproductive to these two national objectives. Taxing student aid can impact students from all socioeconomic levels; however, lower-income students are most adversely affected as they have little ability to pay the resulting tax. It is for this reason we recommend eliminating the taxability of scholarship assistance.

Recommendation 14: We recommend providing simplified and equitable federal loan repayment by establishing one standard 10-year repayment plan and one income-based repayment (IBR) plan. Borrowers in the IBR plan would be required to repay only the principal and interest they would have paid under a standard 10-year plan, as calculated when they entered repayment. IBR plans would continue to accrue interest over the life of the loan, and, after a set number of years of income-based payments, any loan amounts forgiven above the total cost of the standard 10-year plan would be taxable.

- **Rationale:** We believe it is unfair to tax loan forgiveness for borrowers who sought to repay under IBR because of low incomes that could not support their debt. The one-time tax liability can represent a significant hardship for those already in difficult financial circumstances. However, making all loan forgiveness tax-free could encourage overborrowing and provide little incentive for institutions to keep tuition low. Removing forgiveness but capping the total amount to be repaid protects lower-income borrowers while still discouraging overborrowing.

Recommendation 15: We recommend free community college as a first-dollar program.[21] We would consider imposing a cap on eligibility based on income.

- **Rationale:** This model pays a student's tuition and required fees at an eligible college before the award of other grant assistance like Pell Grants or other state need-based grants. In such instances, Pell and state grant awards can be used to pay non-tuition-related expenses including books, transportation, housing and food. There are examples of these programs in Michigan and Arkansas, and the requirements vary. Some programs pay based on the length of time the student has been attending K-12 public schools and some are based on income. The principle argument in favor of first-dollar programs is that they allow low-income students to use Pell and state grants to address non-tuition-related costs, and this increases the likelihood that recipients will be able to stay in school and have more time to focus on their studies.

[21] Association of Community College Trustees. (n.d.). *First-dollar vs. last-dollar promise models.* Retrieved from https://www.acct.org/page/first-dollar-vs-last-dollar-promise-models

Recommendation 16: The Public Service Loan Forgiveness Program (PSLF) should be maintained for current and future eligible borrowers for the Federal Direct Student Loan program and any successors to that program. PSLF was signed into law in 2007 and requires 10 years of repayment before a borrower qualifies, so forgiveness only began in 2017. Between the time the bill was passed and forgiveness began, many lawmakers and pundits expressed concerns about the total cost, although that “cost” is only a reduction in incoming revenue and profits for the student loan program. There is currently no cap on the amount a borrower can have forgiven under this program. We recommend that PSLF continue, and we see the caps proposed by NASFAA and the Obama Administration as reasonable to help reduce this profit reduction. Those caps are full forgiveness of up to $57,500, and half the amount borrowed between that limit and up to $138,500.

- **Rationale:** PSLF was introduced to encourage students to follow academic and career pursuits that are less likely to result in higher salaries. The partial forgiveness of their student loan debt makes the education they need for these careers more affordable. Qualifying borrowers include largely service-oriented professionals in education, law enforcement, medicine, counseling, the legal system, social work, the military, libraries, all levels and branches of government, museums, emergency response units, and more. These are important jobs, found in virtually every community in the United States, that help our society function and our culture flourish. They all require postsecondary education, including, in many cases, an advanced degree. It can be argued that a better solution would be to make the educational credentials necessary for these careers more affordable and less burdened by debt, but until we reach that point, losing the PSLF program would result in shortages of trained, educated professionals in some of the most important jobs in our economy, performing many of the most important services in our communities.

Recommendation 17: We recommend decoupling eligibility for interest subsidy from cost of attendance and making it either EFC based or income based.

- **Rationale:** Eligibility for a subsidized (interest-free) Federal Direct Loan is determined by taking the cost of attendance (specific to the school) and subtracting the EFC and other financial aid. Students who demonstrate financial need qualify for a subsidized loan. Since the calculation is connected to the COA of the school, students who attend higher-cost schools have a greater possibility to qualify for a subsidized loan. The following example illustrates this point:

	School A	School B
Published COA	$62,000	$22,000
Student’s EFC	$35,000	$35,000
Financial Need	$27,000	$0
Federal Direct Loan	Qualifies for subsidy	Does not qualify for subsidy

Basing the interest subsidy on either EFC or income would result in greater simplicity in the system,

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provide a predictable outcome for families, and offer greater equity by ensuring the lowest-income students receive the subsidy.

[Comments may be uploaded online here: https://www.forward-50.org/public-comment.]

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September, 2018

Transparency Draft Recommendations

Focus Area: Effective Communication to Stakeholders

Recommendation 1: We recommend that Congress require the U.S. Department of Education (ED) to administer a "preferred methods of communication" survey at the end of the Free Application for Federal Student Aid (FAFSA) to determine which elements of the online application help students and families in understanding and interpreting information accurately and with ease. If such a survey is not conducted on an annual basis, we recommend adding a brief question prior to having students and parents sign the FAFSA and other federal financial aid forms, such as the Master Promissory Note (MPN). The question should invite users to identify elements of the online application and other materials that create confusion and difficulty.

- **Rationale:** While the committee understands that FAFSA filers do not represent the entire stakeholder population, the subset does represent a large majority and their feedback is valuable. Such information gathering will allow for timely adjustments that support families as consumers.

Recommendation 2: We recommend Congress require ED to conduct consumer testing to identify what terms, elements, and strategies would render financial aid educational materials easier for consumers to understand.

- **Rationale:** The process of applying for financial aid for postsecondary education can be confusing because it involves industry-specific jargon that is unfamiliar, especially for first time applicants. We believe that students, parents, high school guidance counselors, and financial aid administrators can communicate most effectively if ED promotes the use of common terms with easy-to-understand definitions across postsecondary educational institutions, within government departments and agencies, and in publications discussing financial aid. In addition, we anticipate that using up-to-date, direct and indirect modes of education that appeal to various learning styles will ease understanding.

Recommendation 3: We recommend that Congress mandate evaluation of all federally required disclosures directed toward consumers of postsecondary financial aid to determine whether consumers actually access and use those disclosures in making decisions about higher education or financial aid. Any such evaluation should employ evidence-based research methods**.**

- **Rationale:** We believe that much of the disclosure information currently requested from postsecondary education institutions is not presented in a context that helps consumers understand its value for decision-making. Similarly, we are not sure that the information is presented in a manner that represents a clear narrative about the institutions that provide it. We believe that evaluation is needed to determine the disclosure information all stakeholders (government, private sector financers, consumers, and educational institutions) require to make sound, informed decisions about the resources they each manage related to postsecondary education.

Recommendation 4: We recommend that Congress require the elimination of consumer information requirements or disclosures that are either not accessed or are not used in higher education decision-making by a significant number of consumers or stakeholders (government, private sector financers, consumers, and educational institutions).

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- **Rationale:** Following evidence-based evaluation of consumer information, we believe that the federal government will be in a position to eliminate some of the duplicative reporting postsecondary institutions and consumers face.

Recommendation 5: We recommend that Congress repeal the Subsidized Usage Limit Applies[22] (SULA) requirement that limits students' subsidized borrowing to 150 percent of their program length (which would eliminate the subsequent regulation), OR limit the data required to be reported on the loan origination record to only those items necessary to determine usage. The regulation is overly burdensome and duplicative—in large part because ED collects more information than is necessary to determine subsidized loan usage.

- **Rationale:** The calculation of this percentage for every borrower is a burden on schools and is difficult for students to understand. In addition, the regulations require schools to report much more information about students' enrollment levels/programs than is required by the law. Even if the law isn't repealed, the reporting burden can be lessened. The intent of the law is clear: to limit the use of subsidized loans to six years for a student in a four-year program, and to three for a student in a two-year program. In and of itself, this is a laudable goal that seems to encourage timely degree completion. However, other financial aid regulations, including the Pell Grant Lifetime Eligibility Usage (LEU) rules and satisfactory academic progress regulations, are already in place to meet this goal.

Focus Area: Sourcing of and Access to Data

Recommendation 6: We recommend that the federal government lift the ban on collecting student unit-record level data, and we recommend they develop a Student Unit Record Data System (SURDS).

- **Rationale:** There are three primary reasons for creating a SURDS. First, the federal government is asking schools to provide it with data that already exist, either at ED or in another agency. For example, schools are asked their Pell Grant volume on the FISAP, but ED already collects Pell Grant amounts by student. Also, in the current Gainful Employment regulations, schools must create and report earnings data on graduates, but earnings are already available in the Internal Revenue Service (IRS) systems. Second, current reporting of data elements, like graduation rate, is incomplete because individual schools do not have access to data on where their past enrollees attended after leaving their school. Third, a comprehensive SURDS would allow ED to apply consistent definitions to all data metrics, which would allow for more consistent school comparisons for students.

The group discussed the following considerations for developing a SURDS:

1. Data from SURDS should be merged with data from the IRS and from the Bureau of Labor Statistics. In no case should a school be asked to develop, create, or report data that already lie in an existing government database.

[22] U.S. DEPARTMENT OF EDUCATION, OFFICE OF STUDENT FINANCIAL AID. (N.D.). *150% DIRECT SUBSIDIZED LOAN LIMIT – FREQUENTLY ASKED QUESTIONS.* RETRIEVED FROM HTTPS://IFAP.ED.GOV/150PERCENTDIRECTSUBSIDIZEDLOANLIMITINFO/FAQ.HTML

2. With the new information available in a SURDS, we recommend that ED focus on how these new data can relieve institutional reporting burden, or how existing reporting requirements can be changed to use data that already exist but may not be exactly what is used currently.
3. Disaggregated data from the SURDS should be available to institutions for analysis with any personally identifiable information removed.
4. Data from the SURDS should be used to compute new graduation and completion rates for schools, taking into account students who started at one school and finished at another.
5. Data from the SURDS should be used to calculate the following new items:
    a. Enrollment
    b. Credit accumulation
    c. Credit completion ratio
    d. Gateway course completion
    e. Retention rate/persistence rate
    f. Transfer rate
    g. Graduation rate
    h. Completers/completions per student
    i. Net price
    j. Cumulative debt
    k. Employment rate/median earnings/earnings threshold
    l. Loan repayment
    m. Time to credential
    n. Credits to credential
6. Suggested unit record data to collect on a term-by-term basis include the following:
    a. Current institution
        i. Institution Title IV code
        ii. Term
        iii. Length of term
        iv. Number of hours enrolled
        v. Full time/three-quarter time/half time/less than half time
    b. Demographic
        i. Gender
        ii. Race/ethnicity
        iii. Age
        iv. Military status
    c. Identifiers
        i. Social Security number
        ii. State residency status
    d. Degree information
        i. Degree awarded
        ii. Degree date
        iii. Cumulative credit hours earned
        iv. Cumulative GPA
        v. Graduation rate
        vi. Time to credential
        vii. Credits to credential

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e. Student metrics
    i. Prior college(s) attended
    ii. Retention by term or year
    iii. Enrollment status (first time, transfer, continuing)
    iv. Degree-seeking status
    v. Full-time/part-time status
    vi. Program/major
f. Financial aid
    i. Dependency status
    ii. Federal financial aid
    iii. State financial aid
    iv. Institutional financial aid
    v. Other financial aid

Recommendation 7: We recommend that Congress and ED reduce the number of consumer information disclosures to include only those that are the most meaningful and have a direct impact on consumers, and to exclude those that are duplicative, no longer necessary, or irrelevant.

- **Rationale:** The number of required consumer information disclosures has grown exponentially over the years, to the point that institutions are required to provide so much information that it's impossible for consumers to identify what is meaningful and valuable in their decision-making. In order for students and families to truly be able to make smart choices with information, it must be succinct and relevant. The group studied each of the current consumer information requirements, as found in ED's *Consumer Information Disclosures At-A-Glance* document, and we offer the following suggested list of items to eliminate, keep as is, or alter:

We recommend eliminating the following current consumer information disclosures:

a. Copyright infringement policies and sanctions (including computer use and file sharing)
b. Vaccinations policy
c. Accountability for programs that prepare teachers
d. Voter registration forms
e. Drug and alcohol abuse prevention program
f. Completion/graduation and transfer-out rates for students receiving athletically related student aid, including disaggregated completion/graduation rates (Student Right-to-Know Act)
g. Intercollegiate athletic program participation rates and financial support (Equity in Athletics Disclosure Act)
h. Fire safety report
i. Fire log
j. Principles of excellence for educational institutions serving service members, veterans, spouses, and other family members
k. Security report - missing person notification policy
l. Security report - programs to prevent dating violence, domestic violence, sexual assault, and stalking policy
m. Types of graduate and professional education in which the school's graduates enroll
n. Retention rate

o. State grant assistance
p. Student loan information published by ED
q. National Student Loan Data System (NSLDS)
r. Institutional eligibility

We recommend keeping the following consumer information disclosures in place, as is:

a. Notice of availability of institutional and financial aid information
b. Contact information for assistance in obtaining institutional or financial aid information
c. Student financial aid information
d. Facilities and services available to students with disabilities
e. Price of attendance
f. Refund policy, requirements for withdrawal, and return of Title IV financial aid
g. Academic program (educational program, instructional facilities, and faculty)
h. Transfer of credit policies and articulation agreements
i. School and program accreditation, approval, or licensure
j. Notice of federal student financial aid penalties for drug law violations
k. Student body diversity
l. Net price calculator
m. Job placement rates
n. Textbook information / information for students / information for college bookstores
o. Private education loan disclosures (including self-certification form)
p. Code of conduct for education loans
q. Preferred lender lists
r. Preferred lender arrangements
s. Private education loans
t. Annual report on preferred lender arrangements

We recommend keeping the following consumer information disclosures in place, but altered as follows:

a. Constitution Day: Congress should change the Constitution Day requirement so that disseminating the information on ED's website is sufficient for compliance.
b. Privacy of student records—Family Educational Rights and Privacy Act (FERPA): FERPA should address current privacy issues and the practicalities of operations.
c. Entrance counseling for student loan borrowers: Efforts should be made to make entrance counseling more user-friendly, interactive, and include required consumer testing.
d. Exit counseling for student loan borrowers: Efforts should be made to make exit counseling more user-friendly, interactive, and include required consumer testing.
e. Completion/graduation and transfer-out rates, including disaggregated completion/graduation rates (Student Right-to-Know Act): Issues related to community colleges and transfer students should be incorporated. In particular, students successfully transferring out of a community college to another institution should be counted as graduates if they complete at another institution.
f. Consumer information on the College Navigator Website: We recommend adding consumer information disclosures to the existing College Navigator Site.

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The subgroup could not reach consensus on the state of the following:

- Information for crime victims about disciplinary proceedings
- Institutional disciplinary action in cases of alleged dating violence, domestic violence, sexual assault, or stalking
- Institutional eligibility
- Self-certification form

We welcome public comment on these issues.

Focus Area: Reduce Reporting Burden

Recommendation 1: We recommend that Congress require ED to provide a user-friendly presentation of the SURDS data. As improvements evolve, ED should review and update this document.

- **Rationale:** The Integrated Postsecondary Education Data System (IPEDS) has proven successful in presenting user-friendly aggregate data. ED should guide the use of similar summary data utilizing SURDS. We think that digestible data will remove the uncertainty and reduce the overwhelming amount of data institutional offices currently deal with. Furthermore, we believe SURDS summaries have the ability to create transparency to stakeholders in an easily understood format. Consumer testing would be beneficial in determining what constitutes a user-friendly presentation.

Recommendation 2: We recommend that Congress require ED to issue guidance for publishers who administer guidebook surveys/external surveys, in an effort to reduce the institutional reporting burden of multiple surveys as well as reducing the overwhelming amount of information derived from the surveys that stakeholders are expected to grasp. As improvements evolve, ED should review and update the document.

- **Rationale:** The primary goal of the Common Data Set (CDS) "is to improve the quality and accuracy of information provided to all involved in a student's transition into higher education, as well as to reduce the reporting burden on data providers" (Common Data Set Initiative, n.d., para. 4).[23] We understand the CDS is a data standard tool intended to be used in collaboration with CDS publishers (College Board, Peterson's, and *U.S. News and World Report*) who already request this information within their surveys; however, these publishers and others have few limitations. We also understand that these surveys are voluntary, yet there is a pressure and incentive for institutions to complete them. We hope ED will consider the following reasoning when issuing guidance: 1) publishers administer multiple surveys each year, which creates institutional reporting burden; 2) publishers often extract missing data from alternate sources, creating a publication of misleading data; 3) publishers often leave missing data fields blank, creating a publication of misleading data; and 4) publishers do not include a narrative behind the data, quantitative data are not and cannot be the whole picture.

[Comments may be uploaded online here: https://www.forward-50.org/public-comment.]

[23] Common Data Set Initiative. (n.d.). *Newsworthy items*. Retrieved from http://www.commondataset.org

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