HEC50
The Higher Education Committee of 50

HIGHER EDUCATION COMMITTEE OF 50 RECOMMENDATIONS

TRANSPARENCY

INTRODUCTION ▶▶▶

In late 2017, the National Association of Student Financial Aid Administrators (NASFAA) was awarded a grant to convene a group of forward-thinking campus leaders tasked with developing policy solutions to help students surmount the obstacles that prevent them from enrolling in, paying for, and graduating from college. NASFAA used the grant funding to facilitate the Higher Education Committee of 50, a group composed of college presidents, enrollment managers, admissions staff, financial aid and bursar leaders, members of governing boards, students, and other leaders from all postsecondary institution sectors. Combined, they hold memberships in more than 140 higher education-related professional associations, with many serving in multiple leadership roles.

The Higher Education Committee of 50 divided their work into four subgroups reflecting four policy areas. Each subgroup reviewed relevant literature, heard from experts, and engaged in hours of discussion and debate before developing their respective recommendations. NASFAA released draft recommendations for public comment, and the subgroup members analyzed and reviewed all feedback. They incorporated much of this feedback into the final recommendations.

The Higher Education Committee of 50 executive summary offers 36 recommendations for consideration by Congress in the hope that they will foster discussion and guide future policy decisions for the reauthorization of the Higher Education Act of 1965, as amended. This brief presents the findings of the Transparency Subgroup.

The full report, including additional details, a reference list, and a full list of Higher Education Committee of 50 members, is available at https://www.highereducationcommitteeof50.org.

TRANSPARENCY RECOMMENDATIONS ▶▶▶

The Transparency Subgroup focused on the broad question of how to provide more meaningful, relevant information to postsecondary students and families. While many factors inform decision-making about postsecondary education, this subgroup concentrated on the consumer information delivered to students and families with a particular eye toward the source of the information and data.

To guide this work, the Transparency Subgroup determined that any recommendations put forth would be student-centered; actionable and feasible; creative; focused on the future; and focused on equity, diversity, and inclusion.

Ultimately, the subgroup established three broad-issue areas to further refine the goals of each recommendation: (1) sourcing of and access to data, (2) effective communication to stakeholders, and (3) reducing reporting burden.

Transparency Recommendation 1: Require the U.S. Department of Education to administer an optional continuous-improvement survey at the end of the FAFSA to determine which elements of the online application help students and families understand and interpret information accurately and with ease.

▶ Rationale: While FAFSA filers do not represent the entire stakeholder population, the subset does represent a large majority and their feedback is valuable.

Transparency Recommendation 2: Require the U.S. Department of Education to conduct consumer testing to identify what terms, elements, and strategies would render financial aid educational materials easier for consumers to understand.

▶ **Rationale:** We believe students, parents, high school guidance counselors, and financial aid administrators can communicate most effectively if the Department of Education 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.

Transparency Recommendation 3: Mandate evaluation of all federally required disclosures directed toward consumers of postsecondary financial aid to understand each disclosure's intended message, use, and audience. Any such evaluation should employ evidence-based research methods.

▶ **Rationale:** Evaluation is needed to determine the disclosure information all stakeholders (i.e., government, private sector financers, consumers, and educational institutions) require to make sound, informed decisions about the resources they each manage related to postsecondary education.

Transparency Recommendation 4: Eliminate consumer information requirements or disclosures that are not accessed by consumers or used in higher education decision-making by a significant number of consumers or stakeholders or are duplicative or irrelevant.

▶ **Rationale:** Following evidence-based evaluation of consumer information, Congress and the Department of Education will be in a position to eliminate some of the duplicative reporting faced by postsecondary institutions and consumers.

Transparency Recommendation 5: Repeal the Subsidized Usage Limit Applies (SULA) requirement that limits students' subsidized borrowing to 150% 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 the U.S. Department of Education collects more information than is necessary to determine subsidized loan usage.

Transparency Recommendation 6: Lift the ban on collecting student unit-record level data and develop a Student Unit Record Data System (SURDS).

▶ **Rationale:** There are three primary reasons for creating a SURDS. First, the U.S. Department of Education asks schools to provide it with data that already exist, either at the Department or at another agency. For example, the Fiscal Operations Report and Application to Participate (known as FISAP) asks schools to report their Pell Grant volume, but the Department 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 data are already available in the Internal Revenue Service (IRS) systems. Second, current reporting of data elements, like graduation rate, is incomplete because schools do not have access to data on where their past enrollees attended after leaving their school. Third, a comprehensive SURDS would allow the Department to apply consistent definitions to all data metrics, which would allow for more consistent school comparisons for students.

Transparency Recommendation 7: Require the U.S. Department of Education to provide a user-friendly presentation of the SURDS data. As improvements evolve, the Department should review and update this presentation.

▶ **Rationale:** The Integrated Postsecondary Education Data System (IPEDS) has proven successful in presenting user-friendly aggregate data. The Department of Education should guide the use of similar summary data utilizing SURDS.

Transparency Recommendation 8: Require the U.S. Department of Education to issue guidance for publishers who administer guidebook surveys/external surveys in an effort to reduce the institutional reporting burden of multiple surveys and reduce the overwhelming amount of information derived from the surveys that stakeholders are expected to grasp.

CONCLUSION ▶▶▶

In a single year, the Higher Education Committee of 50 has accomplished work of extensive breadth and depth, addressing a wide range of topics while drilling down on practice and policy to develop thoughtful, innovative recommendations. Nonetheless, the Committee recognizes and deeply believes this work is just a starting point for future HEA reauthorization discussions and understands that many of the recommendations will require future work and refinement. The 116th Congress provides a fresh new policy window to explore HEA reauthorization, and Committee members will ensure their recommendations reach key stakeholders, inform related discussions, and lay the groundwork for further exploration.