POSTSECONDARY

VALUE COMMISSION

HOW DO PUBLICLY AVAILABLE DATA INCREASE UNDERSTANDING OF POSTSECONDARY VALUE? WHAT ARE THE LIMITATIONS OF THESE DATA? HOW CAN THESE DATA BE IMPROVED?

The Postsecondary Value Commission tested a subset of the economic value thresholds introduced in the Postsecondary Value Framework[1] using data from the University of Texas (UT) System as well as national publicly available data. Using publicly available College Scorecard and Integrated Postsecondary Education Data System (IPEDS) data demonstrates the potential the framework provides for understanding differences in how various colleges and universities deliver equitable value, allowing researchers and policymakers to understand at which institutions students are getting ahead, simply getting by, or not receiving value.

Use of publicly available data can spur conversations around inequities in access, field-of-study, cost, and completion, and allows institutions to identify potential levers to address these disparities. It also offers valuable insight into post-college outcomes, including overall earnings, which were not available in other datasets prior to the Scorecard's release in 2015. The Equitable Value Explorer uses publicly available data to allow institutional leaders to enter the value conversation now, while encouraging them to consider conducting more nuanced analyses with their own data—similar to those completed by the UT System to test and apply the Postsecondary Value Framework (which are featured separately in the tool). These data can equip leaders with the information necessary to spur critical discussions about equitably improving post-college outcomes for Black, Latinx, Indigenous, and Asian American and Pacific Islander (AAPI) students, students from low-income backgrounds, and women.

Limitations of Publicly Available Data

Publicly available data provide the best opportunity to test the economic value thresholds on a broad level across different states, sectors, levels, and institutions. However, a number of data elements are presently missing from publicly available data that, if collected and/or published, could strengthen the Equitable Value Explorer.

1. Institutional earnings data are not disaggregated by completion status.

Because earnings data from the College Scorecard are not yet disaggregated by completion status, the Equitable Value Explorer currently cannot demonstrate the true impact of completion on post-college outcomes. If these data were made available, institutions would likely observe that their completers experience greater value than their non-completers, underscoring the need to close equity disparities in completion. Analysis from the UT System showed the power of completion, especially for students of color. For example, five years after graduation, the median Latinx completer in the UT System earns $50,421, which is 81 percent more than their Latinx peers who enrolled but did not earn a degree.[2] Further, while the data are improving, there is not detailed enough information on completions among part-time and transfer students, which impacts the time to credential metrics used to calculate students' net costs in the framework (not to mention that cost of attendance data is only available for first-time, full-time students).

The U.S. Department of Education (ED) has begun to address this issue in the College Scorecard's new program-level data by reporting for completers (though not non-completers); however, *ED can and should also begin to report earnings data separately for completers and non-completers at the program and institution level*. This is particularly important for the interpretation of Threshold 0, which incorporates the cost of a postsecondary education to students, given how many students leave without completing their credential and cannot experience the earnings premium needed to recoup their costs.

2. Institutional earnings data are not disaggregated by race or ethnicity, and only limited earnings data are available by income and gender.

Currently, the College Scorecard lacks earnings data that are disaggregated by race and ethnicity and provides only limited earnings data by income and gender. Considering systemic inequities within the postsecondary system and in post-college outcomes, the absence of these data mean that it is difficult to assess how well institutions are serving different student populations. If gender and income earnings data were simply reported as medians (as opposed to means, as they currently are) in the College Scorecard, it would enable these important comparisons. As a result, the Equitable Value Explorer does not yet allow for a complete analysis of disaggregated performance against overall and disaggregated thresholds. Instead, disaggregated thresholds are suppressed for institutions for which the disaggregated group is not a majority of students, unless the institution is formally recognized and categorized as an MSI for a specific group (e.g., a Hispanic Serving Institution with Latinx enrollment of 25% or greater will still be able to compare its median earnings against the set of disaggregated Latinx thresholds). Furthermore, without disaggregated earnings data, it is imprecise to produce Economic Value Index (EVI) or Economic Value Contribution (EVC) estimates with publicly available data, so these indices are currently suppressed in the tool.

To close these data gaps, *ED should explore ways to include race and ethnicity in its datasets* as soon as possible so it can disaggregate earnings outcomes for institutions and programs. To

this end, a new question on the FAFSA will allow for disaggregated data on student borrowing and loan repayment by race/ethnicity,[3] but ED must publicly report this information to reveal inequities in outcomes for Black, Latinx, Indigenous, and underrepresented AAPI students. Without these data, it is difficult to clearly demonstrate and work to address the racial inequities inherent in our postsecondary and workforce systems.

3. Institution-level earnings are not currently being updated in the College Scorecard and program-level earnings are only available for a short time after completion.

Currently, the Scorecard provides the most complete and detailed publicly available information about students' post-college outcomes. The incorporation of program-level information in 2019 was a vital step toward understanding the extent to which earnings outcomes differ by various programs of study within and across institutions. However, adding and expanding program-level data should not come at the expense of updating and publishing institution-level data.

To provide a more comprehensive view of institutional performance, *ED must resume publishing institution-level earnings data and continue publishing program-level data in the College Scorecard*. The current program-level data in the Scorecard cannot be aggregated up to the institution-level for various reasons, including data suppression for small programs. Further, because the program-level data included in the College Scorecard currently only measure earnings for two years post-completion, they cannot yet be used to calculate mid- and longer-term performance against the Postsecondary Value Framework. The new institution-level metric in the College Scorecard that provides the number of completers earning more than 150% of the poverty threshold for a single individual three years after completion demonstrates that these institution-level data are still being produced annually. However, without the underlying earnings data being reported publicly, the Equitable Value Explorer cannot be updated.

4. Publicly available cost data do not adequately reflect the real costs that different students pay.

Students face myriad unique circumstances when paying for college, and existing cost estimates fail to account for many of them. Federal guidelines do not currently require institutions to include some expenses that students must incur to be successful in college in their cost-of-attendance calculations, including living expenses for students living off-campus with family, health insurance and healthcare costs, internet costs, and cell phone plan costs. For instance, presently, ED assumes students living with family are incurring no costs at home, but research finds that a large share of these students still contribute money to their family for food and lodging.[4] These costs are not disaggregated, either, failing to capture the unique financial circumstances students from different backgrounds may be experiencing.

Taking this a step further, net price (cost of attendance after grant aid) estimates also fall short because they are based solely off first-time, full-time (FTFT) degree/certificate seeking students—which omits large portions of the student population from the average. These cost estimates also fail to consider the additional costs of borrowing to pay outstanding costs. Borrowing costs can be substantially higher for students who do not complete their degree, as they do not receive the same economic premiums that completers receive from their diplomas, making it harder to pay off loans.

To accurately determine the return-on-investment for students from different backgrounds, *ED should improve cost data to account for the expenses facing today's students, and should disaggregate the data by race, gender, income, full-time enrollment, part-time enrollment, and completion status.*

5. Publicly available data do not report students' time-to-credential (TTC).

In the Equitable Value Explorer, estimated time-to-credential (TTC) represents the approximate number of years that graduates take to earn their certificates and degrees, which is an important consideration for cumulative cost and return on investment at an institution. The TTC presented in the Explorer is based on estimates leveraging IPEDS Graduation Rate (GR) data, by forming a weighted average of the cumulative time enrolled among students graduating within 150 percent of the expected completion time.[a] For institutions with valid net cost of attendance data but missing TTC data, TTC has been assigned as 125 percent of the expected completion time, resulting in approximations of time-to-credential, and ultimately total cost. Further, the IPEDS GR survey only includes outcomes for first-time, full-time students, who may not represent the majority of a given institution's student body.

Because TTC and cost are essential to understanding institutional performance against Threshold 0, *ED should report data on length of time enrolled for all students*, not just those who are first-time, full-time, by better aligning data collected as part of the GR survey and the Outcome Measures survey and/or leveraging National Students Loan Data System (NSLDS) enrollment data.[5]

6. Predominantly certificate-granting institutions are largely underrepresented in the data.

While trade programs and certificates are essential components of the nation's postsecondary system, existing federal data on these institutions is incomplete. Of more than 2,750 institutions identified as predominantly certificate-granting institutions, only 1,617 (59 percent) have median earnings data. Furthermore, only 451 institutions (16 percent) have the cost data necessary to produce Threshold 0 because many predominately certificate-granting institutions report costs on a program basis (for the 6 largest programs only) rather than on an academic-year basis, so an institution-level cost figure could not be accurately produced.[6] Further, there are data limitations of Census data for certificate earnings. To address these limitations in the Postsecondary Value Framework, the analyses use different thresholds for predominantly certificate-granting institutions and predominantly associate's degree-granting institutions.

While program-level analyses are important, *ED should collect and report more data on post-college earnings for less-than-two-year institutions and should collect more cost data to produce average institution-level cost estimates.*

7. The earnings data used to test the framework include only students who receive Title IV aid.

The College Scorecard earnings data do not fully reflect institutional performance, because they include only those students who receive federal loans and grants, omitting over a quarter of students nationwide.[7] For some sectors, like public two-year institutions, and in some states, the share of

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a Estimated time-to-credential is determined by calculating a weighted average of the completion times among students graduating within 150 percent of the expected completion time. For predominantly bachelor's granting institutions, IPEDS reports the number of completers at 4, 5, and 6 years and estimated time-to-credential is assigned as the average number of years it takes those who complete within 6 years to complete (ignoring both non-completers and those taking longer to complete). At less-than-four-year institutions, an analogous measure is computed as the weighted number of years to complete a credential among those who complete within 3 years. For instance, an associate's granting institution with 10 completers at two years and 20 completers at three years would calculate their estimated time-to-credential as ((2 x 10)+(3 x 20))/30 = 2.66. While imputed data are not published in the tool, in some cases we use imputed values for time to credential to calculate cumulative net price values necessary to calculate Threshold 0. In these cases, certificates are assumed to take one year, while associate's and bachelor's degrees are assumed to take 125% of normal time to completion.

students not represented in the data is much higher. The resulting data can provide an incomplete picture of how students perform in the labor market and the value that institutions provide.

To better understand institutional performance against the thresholds in the Postsecondary Value Framework, *policymakers should adopt legislation that allows ED to collect data on non-aided students and include these data in the Scorecard.*

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By addressing these limitations to publicly available data, we can have a more complete picture of equitable postsecondary value for all students. In an ideal state, researchers and policymakers should be able to use publicly available data to fully measure equitable value for all students in all programs and institutions. As a start, ED should address the limitations that can be remedied now while also considering conducting analyses with the underlying student-level College Scorecard dataset (which is not available to the public) to produce the framework's value metrics to provide a deeper understanding of equitable value, and easily comprehensible benchmarks for institutional and programmatic success.

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The final content of the Equitable Value Explorer does not reflect the positions of individual members of the Postsecondary Value Commission or the organizations they represent.

ENDNOTES

1 Postsecondary Value Commission. (2021). Equitable value: Promoting economic mobility and social justice through postsecondary education. *https://www.postsecondaryvalue.org/reports/*

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4 Goldrick-Rab, S., & Kendall, N. (2016). The real price of college. The Century Foundation. *https://tcf.org/content/report/the-real-price-of-college/*

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6 Cheng, D. (2021). Recommendations for measuring student investment in college. Postsecondary Value Commission. *https://www.postsecondaryvalue.org/wp-content/uploads/2021/05/PVC-Cheng-FINAL.pdf*

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