January 31, 2014

The Honorable Arne Duncan
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202

Dear Secretary Duncan:

I write to share my views on the Department of Education’s plans to develop a Postsecondary Institution Ratings System (PIRS) for assessing the performance of higher education institutions and enhancing consumer access to information. As a global leader in cooperative education, online experiential learning, and use-inspired research, Northeastern University is committed to working in partnership with the federal government to increase student access, promote innovation, and improve higher education outcomes.

Northeastern strongly supports the Obama Administration’s efforts to improve transparency and student success, including devising new outcome measures that move beyond traditional metrics such as the percentage of Pell Grant recipients enrolled or cohort graduation rates. To better measure institutional value, however, the federal government should focus on the work colleges are doing to prepare students for long-term career success.

If we are to help students and families distinguish value and reduce college costs, we need to provide students with information not only about whether they can afford to attend an institution, but also how likely they are—once enrolled—to complete their degree and secure postgraduate employment. Below are principles I encourage you to consider as you review stakeholder input and refine the proposed ratings system:
1. Incorporate Institutional Employment Metrics Already In Use

Students need to know what kind of student support services are in place—such as the new commitments announced by a number of institutions, including Northeastern, at the recent White House College Affordability Summit—to help them persist and graduate. More importantly, they also need to know whether colleges provide meaningful, career-aligned experiential learning opportunities such as cooperative education or other programs to prepare them to succeed in today’s global job market. They need to know the percentage of alumni that are employed or enrolled in advanced degree programs within 6 months of graduation, and the percentage of graduates working in their chosen field of study.

A few colleges and universities—including Northeastern—have been undertaking extensive surveys of alumni career outcomes for many years. Others have announced new plans to track alumni success beyond graduates’ starting salaries to measure career satisfaction and long-term return on investment, student debt burden relative to earnings, loan repayment rates, community engagement, and sense of purpose several years after graduation. The Department should look to these institutions for the very best employment-related indicators already in use.

2. Ensure Ratings Reflect Broad Diversity of U.S. Higher Education System

The Department should avoid creating a rating system that reduces institutional performance to a single overall rating, or is limited to even a handful of indicators. As you know, unit record data and employment earnings, among other reliable data, are largely publicly unavailable to underpin, the system under development. Summative ratings—such as reducing several different measures into a simple letter grade, for example—will have the effect of making several critical value metrics meaningless.

A reductive rating system is also likely to disproportionately negatively affect institutions that currently serve the greatest numbers of Pell-eligible students. It would be a perverse consequence if the new ratings system made the President’s worthy goal of helping low-income and first generation students access and complete college that much more difficult to achieve. Above all, the Department’s ratings should take into consideration the specific mission of the many different types of institutions serving traditional and non-traditional students in order to reflect and make meaningful the broad diversity of the various sectors.

3. Use Ratings as An Opportunity to Promote and Disseminate Best Practices

Rather than punishing colleges for poor performance, or judging colleges solely against an absolute standard of performance, the rating system should assess whether students are making progress in key indicators. A rating system that commends institutions for making progress on
various indicators, year by year – and notes when institutions do not make progress against their previous performance – would be more equitable. Moreover, the Department should take advantage of its data clearinghouse role to make data on best practices widely available to all schools, so that the most successful models can be shared widely among institutions and replicated to improve student outcomes. Just as the Department has worked to disseminate high-impact practices that states are undertaking in K-12 education through Race to the Top, it should also use the proposed higher education rating system as an opportunity to spread effective practices throughout our nation’s colleges.

While it may be convenient for higher education to dismiss measuring outcomes as unworkable, we cannot afford to ignore students and families demanding transparency and clear information about value that they need to make informed choices. I look forward to continuing to partner with you on our shared goals of strengthening the federal investment in student aid, improving access, and measuring student outcomes.

Sincerely,

[Signature]

Joseph E. Aoun
President

cc: Richard Reeves, Program Director, Postsecondary Institutional Studies Program,
National Center on Education Statistics