



National Association  
of Independent  
Colleges and Universities

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January 30, 2015

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

Dear Mr. Secretary:

On behalf of more than 1,000 member institutions and associations of the National Association of Independent Colleges and Universities (NAICU), I first would like to say that we welcome the President's commitment to the broad areas of access, affordability, and transparency, especially in the form of consumer information. We also welcome the open invitation from the President for colleges and universities to work in common purpose with the Administration to address these areas and meet national and institutional goals.

NAICU is the national public policy association for the nation's private, non-profit colleges and universities. Our 963 member institutions include major research universities, church-related colleges, historically black colleges, art and design colleges, traditional liberal arts and science institutions, women's colleges, two-year colleges, and schools of law, medicine, engineering, business, and other professions.

As members of the Administration moved to implement the President's call to establish a Postsecondary Institution Ratings System (PIRS), NAICU appreciates the time and energy that they gave in soliciting opinions from a wide variety of stakeholders, particularly institutions, which would be affected by any federal ratings system.

We wholeheartedly agree that individuals ought to have ready access to the information they need to choose a college that meets their needs and aspirations. We are supportive of efforts by the federal government to identify the appropriate information and to make it more accessible, but we also believe the weighting and assignment of value to that information must remain squarely in the hands of individuals.

The federal government, with its access to millions of college aspirants, and its credibility as an unbiased, statistical resource, could play a key role in helping families sort through the many college choice options before them. This is not a new idea. In the 1998 reauthorization of the Higher Education Act, a bipartisan group of members of the House and Senate established COOL (now called College Navigator) just for this purpose. During the lead up to the 2008 reauthorization, Congress was not satisfied with COOL, and again set out to tackle the issue. When progress slowed, NAICU conducted focus groups around the nation with students and parents who were in the college search process.

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The resulting, simplified consumer search tool, the University and College Accountability Network (U-CAN) is based on what individuals have said they need to help them make an informed choice. The U-CAN resource has the active participation of more than 600 independent colleges and universities, and has had nearly 4 million institutional profiles researched and viewed since its inception.

Even though there has been a serious commitment to consumer transparency by independent colleges and universities, there was concern among our members when the announcement of PIRS was made 18 months ago—given the lack of clarity about the components and intended uses of the proposed ratings system. Those original concerns have not been allayed by the “College Ratings Draft Framework” released on December 19, 2014.

The Administration seems to be reaching beyond its own ability to manage the information (as yet undetermined) it is asking to receive, by proposing multiple purposes of the ratings system: institutional improvement on access, affordability and outcomes; consumer information; accountability measures, eventually aligned to “ensuring wise and effective use of \$150 billion in financial aid,” and information for accreditors, states and others.

Most importantly, our members are concerned that the creation of a simplistic rating system will undermine the President’s own access and completion goals – goals that are strongly shared by independent institutions. Access and success will be harmed—not improved—by the creation of a system that places an overarching focus on metrics with little-to-no consideration of institutional mission, and that has as its ultimate goal tying an institutional rating to the amount of federal aid a low-income student may receive.

Ironically, this initiative also appears to work at odds with other Administration goals to correct for the so-called “undermatching” of high achieving, low-income students with selective institutions. The component of the plan that would adjust outcomes for institutional-level characteristics, such as selectivity and endowment size, would have the effect of penalizing institutions that have been able to invest significant resources in the success of their students.

Our member presidents have been consistent in our belief that rating colleges is not possible, whether done by private commercial entities or by the federal government. Rating by federally defined peer groups, type, location, family income, student preparation, to name a few possible factors, becomes a configuration of numbers in a vacuum, devoid of context. To give the system any meaning, the federal government would have to assign its own values of what is important, and to what degree. The values that the federal government has an interest in, and their relative worth, may not be the same as those for a student who is searching for a school that best fits his or her needs. For example, that a college is related to a particular church or faith may be the most important factor to a particular student, but not a highly-rated value by the federal government.

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In the months leading up to the release of this draft framework, the Administration has attempted to allay colleges' and universities' concerns by indicating that any plan released would be a 1.0 version, leaving room for any gaps or inadequacies to be fixed later. This is a peculiar standard for federal data collection and release; and it is a dangerous underestimation of the power of the federal imprimatur. Even if it were possible for the federal government to identify a uniform combination of metrics that could be used to assess the value of every college in the country, the idea that it might release a poorly defined set of ratings is irresponsible.

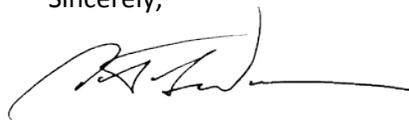
If the objective is to provide a simplified consumer information tool, the Administration could develop a tool – as we did with U-CAN – which guides families by using some key metrics and factors about institutions. As we learned in our consumer research, to be helpful to consumers, such a system should also include qualitative information from the institution itself – such as mission and campus culture – while still remaining relatively brief. A main purpose of U-CAN is to help students and families make an initial decision about the institutions that merit further exploration as they seek their “best-fit” school.

The Administration has a separate opportunity to bring some long overdue recognition and support to those institutions that are helping first-generation-to-college students succeed. That could be done in a number of ways. From a public policy perspective, for example, the federal government could reinvest in the campus-based aid programs, and target that new money toward schools that are resource-poor because they serve and graduate more low-income students.

Finally, we must remember that many college students are non-traditional. They are not 18-22 year-olds, living on campus, and going full-time. More often than not, they are part-time, older, and have chosen an institution because of its geographical proximity. Much of this discussion is irrelevant to them, yet we continue to make public policy without taking this reality into account.

The Administration has a wonderful opportunity to help students and families who are weighing options in higher education to make better informed choices. Enabling them to go beyond the commercial ratings and rankings and rely on the facts would be a great service. We would wholeheartedly endorse such an effort, but we cannot support any effort that would substitute a federal rating for an individual's judgment about what is important and valuable in an educational experience.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Warren", with a long horizontal flourish extending to the right.

David L. Warren  
President