February 21, 2002

The Honorable Roderick Paige
Secretary of Education
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202-0498

Dear Secretary Paige:

Subject: Comments on the U.S. Department of Education Strategic Plan 2002-2007

We support and applaud the Department of Education's effort to develop a strategic plan that defines its goals and objectives. Such a step is a valuable exercise for the agency and informative for the many constituencies that it serves. We are pleased to have the opportunity to comment on the agency's draft plan, and will hope to work further with the Department in continuing to develop plan.

In general, our comments are focused on Strategic Goal 5, "Enhance the quality of and access to postsecondary education and adult education" since this is the goal of greatest interest to the colleges and universities that we represent. However, we must highlight several important, overarching concerns with the entire draft plan.

First, and foremost, the Strategic Plan makes no mention of the important federal role in providing student aid to needy Americans so they can attend the college of their choice. A lack of financial resources should never be a barrier that prevents a qualified student from attending college. The federal government's investment in student aid is less than one percent of total federal spending, and recent polls show that Americans believe helping students pay for college is an important and desirable expenditure for the federal government. We encourage you to note this activity.

Second, we believe that the Department of Education does not appropriately distinguish between the federal role in supporting K-12 and postsecondary education. These are two very different policy environments with respect to funding, accountability and governance. State and local governments directly manage and fund public elementary
and secondary education, and are responsible for the quality of the education. Colleges and universities, by contrast, have different funding and management means that have proven very successful. Public institutions get a modest (and declining) share of their funding from state and local governments, and all institutions rely on non-governmental accrediting agencies to ensure outside measures of academic quality.

Because the Department's Strategic Plan does not recognize this essential difference, it proposes federal government activities that are inappropriate for higher education. For example, while the Department of Education may, in working with states, be able to "publish a national education performance" report for elementary and secondary education, it will be unable to do so with colleges and universities, as proposed under Objective 1.1. We encourage the Department of Education to review the entire draft plan with respect to the appropriate roles played in postsecondary education by institutions, states, accrediting agencies and the federal government.

Third, the wording of Strategic Goal 5, "Enhance the Quality of and Access to Postsecondary Education" alarms us because it suggests that the Department contemplates a significant expansion of the federal role in postsecondary education. The quality of higher education is the responsibility of institutions, accrediting agencies, and for public institutions, state governments and this approach has served the nation well. Indeed, the Department of Education has focused its limited quality assurance role in postsecondary education to matters directly related to ensuring the taxpayer and student aid recipient that Title IV funds are properly managed. We are deeply troubled by the prospect of any actions that any federal agency might take to "enhance" academic quality and urge the Department to rewrite the goal so it does not in any way imply a significant change in the relationship between colleges and the federal government. Obviously, we strongly endorse high-quality education, and our concern can be addressed by rewording the strategic goal to read "Enhance access to high-quality postsecondary and adult education for eligible students." Such a phrasing emphasizes the importance of "high-quality" educational opportunities without implying a new federal role in higher education.

Fourth, the strategies and performance measures in the draft plan suggest a vast expansion in federal data collection activities with respect to colleges and universities. The federal government already collects a significant amount of information from individual institutions. For example, the Integrated Postsecondary Education Data System has eight separate surveys. We are troubled by the prospect of even more reporting requirements being imposed on colleges and universities. We do not believe that ambitious new data collection activities are required or desirable. The apparent indiscriminate willingness to impose additional data collection requirements is inconsistent with the Department of Education's professed desire to simplify reporting requirements on colleges and universities under the FED UP initiative and contradicts objective 1.2 (Reduce the data collection and reporting burden while increasing the
usefulness of the data) and 6.3 (Reduce our partners' data reporting burden). We strongly endorse the promises to reduce data reporting burden and urge the Department to square that commitment with its several recommendations in Goal 5 to collect additional information.

Fifth, in several cases, the objectives, strategies and performance measures are not aligned. We believe that these three elements should be clearly and unambiguously related. For instance, the Department aims to ensure that "all" middle and high school students are knowledgeable about how to prepare for and pay for higher education. We strongly support this objective. However, the performance measure proposed does not relate to whether or not the Department accomplishes this goal. Rather, it only relates to the percentage of parents and students who "talk to a counselor." In other words, the Department sets an ambitious and praiseworthy goal ("all") but then proposes to chart progress toward the goal without measuring what the Department has actually done. We believe that the strategy and performance measurement should be closely related.

Sixth, we believe the document omits several important federal roles related to postsecondary education. Specifically, we note the exclusion of graduate education, international education and foreign language instruction. Further, while we strongly support improvements in the management of federal student aid funds, we note that the plan does not acknowledge the central role that the PBO must play in this endeavor. The plan also neglects to mention continuing efforts to reduce student loan defaults or efforts to ensure that unscrupulous schools do not take advantage of students or the taxpayers. The plan also makes no mention of distance education save to refer to it as a possible way to serve non-traditional or part-time students. Given its rapid development and potential to enhance access to higher education and the large number of traditional and non-traditional providers now offering distance education, we believe that the Department's strategic plan for the next five years should give far more attention to this issue. It is also important to note that the strategic plan omits vocational and technical education, despite the Department's role in administering the Carl D. Perkins Vocational and Technical Education Act.

In addition, the Department should reinvigorate the educational research enterprise in general. Several areas of research - for example, research on the most effective ways to teach math, science, reading and foreign languages - would be of great benefit to the entire educational enterprise. Only the federal government has the resources and the position to sponsor and disseminate such research. The plan should also emphasize the agency's historic role in sponsoring innovation. In several important areas, the Department promises to "develop high quality models" or to develop "strong research to practice models" without noting how this will be accomplished. Obviously, a reinvigorated research enterprise is one way to accomplish this. The Department could use the Fund for the Improvement for Postsecondary Education (FIPSE) in creative and innovative ways to accomplish these important and worthwhile goals.
Objective 5.1 - Reduce the Gaps in College Access and Completion

The higher education community strongly supports this goal. We believe the most important step the federal government can take in this area is to increase the amount of student aid available. President Bush acknowledged this in his 2000 presidential election campaign and we strongly urge the Department to do so in its strategic plan.

The first strategy described in the draft plan to achieve this objective calls upon the Department to improve the performance of the K-12 system. We believe that one key way to measure preparation for postsecondary education is by encouraging students to take a college preparatory curriculum in high school. Students who have completed a rigorous high school curriculum are more likely to attend and graduate from college and less likely to need remediation. Therefore, we urge the Department to adopt as a performance measure the percentage of high school graduates who take academically demanding coursework in high school.

The Department of Education promises to "improve support services" but does not define this in concrete terms and does not propose a related performance indicator. We believe that the Department should adopt as a strategy "to provide high-quality support services for all eligible low-income and first generation college students through the TRIO and GEAR UP programs." We believe that these programs help students enter and complete postsecondary education and think that the best way to "improve" support services is to make sure that all eligible students have access to them. The percentage of eligible students receiving supportive services such as TRIO would be an excellent performance measure.

We strongly support efforts to increase the number of students who complete their education "within a reasonable time." However, simply measuring graduation rates is not sufficient to improve them. More suitable measures for this goal include increased number of high school students taking a college preparatory curriculum, increased grant aid to limit loan and work burden, or expanded support services for all needy students.

In addition, the proposed measure of graduation rates is inappropriate and misrepresents the true status of student persistence and degree completion. The proposed use of the IPEDS Graduation Rate Survey (GRS) ignores the significant number of students who transfer from one school to another. Because almost 40 percent of college students will transfer, it is vitally important that graduation rate data reflect their behavior. The Department regularly conducts the Beginning Postsecondary Student (BPS) study, a longitudinal student-level analysis of student persistence and completion. Unlike IPEDS, which only focuses on graduation rate at specific schools, BPS accurately accounts for student delays and transfers and can provide valuable information to
identify successful strategies to increase graduation rates. If more detailed data regarding persistence and attainment is necessary, an expansion of the BPS sample is more appropriate than reliance on IPEDS as suggested by ED's performance indicator.

**Objective 5.2 - Strengthen the Accountability of Postsecondary Institutions**

We strongly agree that colleges and universities ought to be accountable. As noted earlier, public institutions are accountable to state governments and all institutions are accountable to accrediting agencies, and to the federal government for the proper expenditure of federal student aid funds. However, the objective of 5.2 implies a significant expansion of federal activity in this area.

It is not clear what the Department proposes to do in promising to "Refine the Title II accountability system to make it more effective." The states have the responsibility for teacher licensure and certification, and given the diversity of state practices in carrying out that responsibility, it would be very difficult to develop a single "one size fits all" accountability system. Implementing the Title II accountability system was a far more complex and involved process than anyone imagined at the outset. It is not clear what plans the Department has in mind in this area.

This objective also includes a vague proposal to "create a reporting system on retention and completion that is useful for state accountability systems." It is not clear what "reporting system" the Department plans to develop, but this proposal is troubling because it suggests a significant expansion of the federal role with respect to higher education. We do not believe it will be financially, politically or technically feasible to develop such a system.

We note again that any research on retention and completion must account for students who begin at one institution and transfer to another. Only student-based surveys, such as the Beginning Postsecondary Students Survey, can reliably provide information about transfer students and students who interrupt their studies.

**Objective 5.3 - Establish Effective Funding Mechanisms**

We strongly agree that higher education ought to have effective funding mechanisms, and support the objective as worded. However, the text of this objective only focuses on issues related to the "cost" of a college education. "Effective funding mechanisms" and "concerns about college costs" are not the same thing.

The draft document uses "costs" and "prices" interchangeably. The public is understandably concerned about the price that they pay. However, what drives the price are both the underlying costs facing colleges and universities and the revenue streams -
such as state appropriations for public institutions - available to them. We encourage the Department to be more precise in its use of these terms as was recommended by the National Commission on the Cost of Higher Education.

The Department proposes to convene yet another "study group" to make "recommendations" for achieving cost efficiencies and cost reductions. It is unclear exactly what such a panel would do in light of the comprehensive work of the National Commission on the Cost of Higher Education four years ago. Indeed, some of the Commission's recommendations for the Department have not yet been implemented. For example, the Commission recommended that the Department investigate the feasibility of gathering data on proprietary schools and the students who attend them. The Department has not addressed this issue. Rather than creating a new group, we encourage the Department to review the Commission's 1998 report and consider the specific proposals made by that body.

Should the Department proceed with this effort, it is unclear how the Department proposes to assemble such a panel and whether or not the panel would include all the parties with the responsibility, knowledge and expertise that should be included. For example, we note that the Department's proposed panel does not include college and university presidents or trustees. In other words, it excludes the individuals solely responsible for managing the institution. The plan does, however, call for including "department staff" on such a panel though such individuals have no clear basis for making recommendations about "achieving cost efficiencies and cost reductions."

The Department proposes to include "average national increases in college tuition" as a performance indicator for the objective. The methodology by which the Department selected the target increases for FY 2002-2007 is unclear. It has been 30 years since tuition increased at the rate envisioned by the projections and thus ED's proposal probably underestimates what will actually transpire. We also note the inappropriateness of using the Consumer Price Index (CPI) as a base from which to measure the price of college. For more than 100 years, college prices have increased one or two percentage points faster than the CPI.

We agree with the Department that unmet need is an appropriate way to measure the extent to which low and middle income families have access to higher education. We commend the Department for focusing on this key issue. However, the Departments' belief that unmet need will decline in the future is, we believe, unrealistic. Even if the average national increases in tuition grow at the unrealistic rate chosen by the Department, unmet need will NOT fall unless federal student aid increases sharply OR the Expected Family Contribution (EFC) is raised. We believe that the Department of Education should specify more clearly the methodology it is using with respect to unmet need and lay out the underlying assumption so that the public may better gage the reasonableness of the Department's hypothesis.
Objective 5.4 - Strengthening Historically Black Colleges and Universities, Hispanic Serving Institutions and Tribal Colleges and Universities

This is an important objective and we strongly support it. However, while the strategies have merit, the very distinct and varied statutory definitions and history of these institutions, as well as some fundamental differences in the programs, dictate that the Department structure approaches that are tailored to each specific category of institution. Moreover, technical assistance and guidance alone are insufficient to addressing strengthening these institutions in the defined areas. The real need of these institutions is increased resources to Title IIIA, Title IIIB, and Title V.

Objective 5.5 - Enhancing the Literacy Skills of Adult Americans

While we support the objective of enhancing the literary skills of adult Americans, we are cognizant that the objective is narrow in scope and neglects to mention the Department's interests in developing vocational and technical education opportunities for adults and lifelong learners. In particular, we note that this section of the document makes no mention of the pending reauthorization of the Carl D. Perkins Vocational and Technical Education Act.

In closing, we appreciate the opportunity to comment on the Department's Strategic Plan for 2002-2007 and hope that this feedback is received as constructive criticism. The ultimate success of the Strategic Plan is dependent on the confidence the Department's constituents have in its overall premise and contents. We will be happy to meet with you if you have any questions about our suggestions.

Sincerely,

Terry W. Hartle
Senior Vice President

TWH/cms

On behalf of:

American Association of Community Colleges
American Council on Education
Association of American Universities
Association of Jesuit Colleges and Universities
Council for Higher Education Accreditation
Council for Opportunity in Education
National Association of College and University Business Officers
National Association of Independent Colleges and Universities
National Association of State Universities and Land-Grant Colleges
National Association of Student Financial Aid Administrators
United Negro College Fund
United States Student Association