



TO: Higher Education Committee
FROM: John L. D'Agati *John L. D'Agati*
SUBJECT: Demonstration of the College Scorecard
DATE: March 4, 2013
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SUMMARY

Issue for Discussion

A demonstration using the College Scorecard from the U.S. Department of Education's College Affordability and Transparency Center.

Background Information

The cost of a college education continues to soar along with the increasing amount of student debt. In President Barack Obama's 2013 State of the Union address, the President stated, "...skyrocketing costs price way too many young people out of a higher education, or saddle them with unsustainable debt." The President continued and said he would, "...ask Congress to change the Higher Education Act, so that affordability and value are included in determining which colleges receive certain types of federal aid." Still, students and their parents make the ultimate decision regarding which institution of higher education to attend. Prospective students will sometimes use subjective criteria on the selection of an institution of higher education, sometimes provided by their peers, which may not take affordability and value into the decision process.

To assist parents and prospective college students in their decision process of selecting an institution of higher education that would provide the best value for their education, the President directed his administration to "release a new "College Scorecard" that parents and students can use to compare schools based on a simple criteria: where you can get the most bang for your educational buck." While the College Scorecard is not all inclusive, it does provide criteria that would assist parents and prospective students with their decision regarding the "value" of a higher education offered by a particular institution.

College Scorecard Criteria

Prospective students and their parents can search by institution name, location – zip code, state and region, type – size, distance education, campus setting, and area of interest – degree and major, occupation, awards offered. Once all the criteria are selected, a list of institutions would appear that meet those criteria. Then the prospective student or parent could select a particular institution to view its “scorecard.” Each scorecard includes the following items, with an indication of how the data compares to that of similar institutions:

- Institution’s location, level and total undergraduate enrollment.
- Costs – the average net price for undergraduates at the institution, academic year 2010-2011.
- Graduation Rate – the graduation rate for full-time, first-time degree or certificate seeking students who began at the institution and graduated in 2011.
- Loan Default Rate – the institution’s three-year federal student loan cohort default rate (2008-2011). The national cohort default rate is also displayed.
- Median Borrowing – the median amount of federal student loans borrowed for students’ undergraduate study at the institution