

# **Federal Title II Higher Education Act (HEA)**

Proposed Regulations for Teacher Preparation Programs

Board of Regents  
February 2015

# Background – Title II

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Currently, the U.S. Department of Education (USDE) requires states and institutions of higher education (IHEs) receiving federal assistance to provide annual reports on specified input measures for their teacher preparation programs. Both the states and IHEs provide different optional data with its own interpretations of definitions.

For the most objective measure, New York State uses certification pass rates.

# Background – Title II

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## **New York State submits:**

- ▶ information on teacher preparation programs such as pass rate data; and
- ▶ related information such as state teacher certification requirements

New York State defines low performing as any institution whose students fall below 80% pass rate on New York State Teacher Certification Examinations

# Reason for Proposed Regulation

## Federal Regulators' Concerns

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- ▶ Current reporting is not based on meaningful indicators and is lacking in outcome measures.
- ▶ Data collected have been insufficient to identify improvements made in teacher preparation programs.
- ▶ Institutional Report Cards and State Report Cards are cumbersome with many variations in criteria and indicators.
- ▶ Low-performing or at-risk teacher preparation programs continue to qualify for TEACH Grant funding.

# USDE Proposed Regulations

## Defined Terms

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- ▶ USDE will define specific terms for states to use. For example,
  - ▶ **At-risk teacher preparation program:** “defined as a teacher preparation program that is identified as at risk of being identified as low performing by a State based on the State’s assessment of teacher preparation program performance” (p.71854) ;
  - ▶ **Student learning outcomes:** “...defined, for each teacher preparation program in a State, as data on the aggregate learning outcomes of students taught by new teachers and calculated by the State using student growth, a teacher evaluation measure, or both” (p. 71855).

# USDE Proposed Regulations Institutional Report Card (IRC)

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USDE will require IHEs to post prominently on their IHE website the IHE Institutional Report Card\* submitted to the state and listing the quality of its teacher preparation program(s).

\*The report card will be developed by the USDE.

# USDE Proposed Regulations State Report Card (SRC)

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- ▶ USDE will require states to post on their individual websites, as well as submit to USDE, the State Report Card\* listing the quality of its IHE's teacher preparation program(s).
- ▶ The State Report Card will be submitted in October, 6 months earlier than the current April requirement.

\*The report card will be developed by the USDE.

# USDE Proposed Regulations

## State Requirements

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- ▶ States must establish specific and differentiated teacher preparation program performance levels. A minimum of four federally required levels will be:
  - ▶ Exceptional
  - ▶ Effective
  - ▶ At-Risk
  - ▶ Low-Performing

# USDE Proposed Regulations

## Outcome Data on SRC

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- ▶ To determine the teacher preparation program performance levels (previous slide), states' assessments must include, at minimum, the following indicators:
  - ▶ Student learning outcomes
  - ▶ Employment outcomes
  - ▶ Survey outcomes (completer and employer survey) developed and administered by the State
  - ▶ Program accreditation

# USDE Proposed Regulations

## State Reporting Requirements

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- ▶ To determine the procedures for assessing and reporting the performance rating of each teacher preparation program in the state, the state must convene a stakeholder group to:
  - ▶ weight the indicators as identified by USDE (previous slide) for reporting purposes;
  - ▶ determine the preferred method for aggregation of data such that performance data for a maximum number of small programs are reported;
  - ▶ establish rewards and consequences to IHEs as a result of determined designation; and
  - ▶ develop a process that allows IHEs to challenge the accuracy of their performance data and classification.

# USDE Proposed Regulations Linking Title II Data to Title IV TEACH Grant

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- ▶ Teacher education program performance will be linked to eligibility for federal TEACH Grant funding.
- ▶ TEACH Grant eligible teacher preparation programs will have to be identified by the state as **effective or higher**.
- ▶ Eligible programs can no longer be identified only “as a state-approved course of study.”
- ▶ A high-need field (such as literacy, science, technology, math) will be designated as high-need at the time of the grant.

# Proposed Implementation Timeline

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- ▶ 2015-2017 – States set up data systems necessary for establishment of their performance rating system.
- ▶ April 2017 – IHEs submit final IRCs under the old system, cover academic year 2015-2016.
- ▶ October 2017 – IHEs submit initial IRCs under the new system – covering academic year 2016-2017

# Proposed Implementation Timeline

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- ▶ April 2018 - States submit final SRC under the old system (covering academic year 2015-2016) and the first SRC under the new system (covering academic year 2016-2017). The new SRCs may meet the new reporting requirements on a pilot basis.
- ▶ April 2019 - SRCs must meet the new reporting requirements (must group teacher preparation programs into the four categories).
- ▶ 2020-2021 - Programs not rated as effective or higher are ineligible for TEACH Grants.

# Non-Compliance

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- ▶ The penalty for non-compliance with the reporting requirements, as in the past for HEA Title II non-compliance, will be continued financial sanctions on individual institutions.
- ▶ Programs that do not receive an effective or higher rating in the four-level rating system for at least 2 of the past 3 years, will no longer be able to offer TEACH grants to their students.
- ▶ Programs with consistent low-performing ratings, and which lost state approval or financial support, will be prohibited from accepting or enrolling students receiving Title IV funds.

# Other Proposed Federal Regulations to Hold IHEs Accountable

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## Gainful Employment

- ▶ Recently the USDE approved regulations known generally as “Gainful Employment” to improve accountability and transparency in proprietary colleges.
- ▶ These regulations require proprietary colleges to submit names and social securities numbers of graduates by program who received federal financial aid. Cohort to be no less than 30.

# Gainful Employment

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- ▶ Effective July 1, 2015, to determine proprietary college program's level of effectiveness, the gainful employment ruling will incorporate two metrics:
  - ▶ the annual debt-to-earnings (DTE) comparison; and
  - ▶ discretionary debt-to-earnings comparison.

# Determining Gainful Program Effectiveness

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- ▶ Proprietary colleges submit to USDE the cohort (>30) names and social security numbers by program.
- ▶ USDE calculates cohort median of debt to overall earnings; and debt to discretionary earnings (overall earnings after subtracting 150% poverty line for a single person).
- ▶ The final analysis completed by USDE determines effectiveness rating of the program.
- ▶ Rating levels over four years are analyzed to determine gainful employment effectiveness and continuation of program.

# Gainful Employment

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## Level rating:

- ▶ PASS = Programs whose graduates have annual loan payments less than 8% of total earnings **OR** less than 20% of discretionary earnings.
- ▶ ZONE = Programs whose graduates have annual loan payments between 8% and 12% of total earnings **OR** between 20% and 30% of discretionary earnings.
- ▶ FAIL = Programs whose graduates have annual loan payments greater than 12% of total earnings **AND** greater than 30% of discretionary earnings.



# Gainful Employment – A Basic Example

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- ▶ A student graduates with a starting annual salary of \$40,000.
- ▶ That student's annual student loan payment is \$6,600 ( $\$550 \times 12$ ).
- ▶ Using the following two metrics the program effectiveness would be determined.
  - ▶ Debt to earning is  $\$6,600 \text{ loan payment} / \$40,000 \text{ salary} = 16.5\%$
  - ▶ Discretionary debt to earnings is  $\$6,600 \text{ loan payment} / \$23,000 \text{ discretionary debt} = 28\%$   
(Annual salary is \$40,000 less  $\sim \$17,000$  poverty line = \$23,000)
- ▶ The proprietary college program would be rated as “Zone”
  - ▶ Debt to earnings is 16.5% which is  $> 12\%$  **OR**
  - ▶ Discretionary debt to earnings is 28% which is between 20% and 30%.

# Sources

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Federal Register Vol. 79, No. 57, Program Integrity: Gainful Employment; Proposed Rule  
<http://www.gpo.gov/fdsys/pkg/FR-2014-03-25/pdf/2014-06000.pdf>

Federal Register Vol. 79, No. 232, Teacher Preparation Issues; Proposed Rules  
<http://ifap.ed.gov/fregisters/attachments/FR120314.pdf>

Secretaries Ninth Report on Teacher Quality  
<https://title2.ed.gov/Public/TitleIIReport13.pdf>

Title II, Higher Education Act: New York  
<https://title2.ed.gov/Public/Report/StateHome.aspx>

USDE Federal Student Aid, TEACH Grants <https://studentaid.ed.gov/types/grants-scholarships/teach#what-is-teach>

USDE Federal Student Aid, Title IV Program Volume Reports [*lists data for TEACH Grant monies provided to IHEs*] <https://studentaid.ed.gov/about/data-center/student/title-iv>

