

## Goal 1. Postsecondary Education, Career and Technical Education, and Adult Education:

**Increase college access, affordability, quality, and completion by improving postsecondary education and lifelong learning opportunities for youths and adults.**

### Goal Leader: Ted Mitchell

**Objective 1.1: Access and Affordability.** Close the opportunity gap by improving the affordability of and access to college and/or workforce training, especially for underrepresented and/or underprepared populations (e.g., low-income and first-generation students, English learners, individuals with disabilities, adults without high school diplomas, etc.). **Objective Leaders: Jon O’Bergh, Jim Runcie, and Michael Yudin**

**Metric 1.1.A:** Rate of increase in net price of public four-year institutions<sup>8</sup>

**Metric 1.1.B:** Rate of increase in net price of public two-year institutions<sup>9</sup>

**Metric 1.1.C:** Percentage of high school seniors filing a Free Application for Federal Student Aid (FAFSA)

**Metric 1.1.D:** Index of national annual aggregate earnings of Vocation Rehabilitation (VR) consumers (based on the number of competitive integrated employment outcomes, hours worked, and hourly wages of VR consumers)

**Metric 1.1.E:** Index of national annual aggregate earnings of Transition-Age Youth (based on the number of competitive integrated employment outcomes, hours worked, and hourly wages of VR Transition-Age Youth)

**Objective 1.2: Quality.** Foster institutional value to ensure that postsecondary education credentials represent effective preparation for students to succeed in the workforce and participate in civic life. **Objective Leader: Jon O’Bergh**

**Metric 1.2.A:** Number of low-performing institutions with high loan default rates and low graduation rates<sup>10</sup>

**Objective 1.3: Completion.** Increase degree and certificate completion and job placement in high-need and high-skill areas, particularly among underrepresented and/or underprepared populations. **Objective Leader: Jon O’Bergh**

**Metric 1.3.A:** Degree attainment among 25–34-year-old age cohort

**Metric 1.3.B:** Retention rate of first-time degree-seeking undergraduates: Full-time<sup>11</sup>

<sup>8</sup> Metric is being removed at the end of the FY 2015 reporting period. Please refer to appendix B for details pertaining to the removal and addition of metrics.

<sup>9</sup> Metric is being removed at the end of the FY 2015 reporting period. Please refer to appendix B for details pertaining to the removal and addition of metrics.

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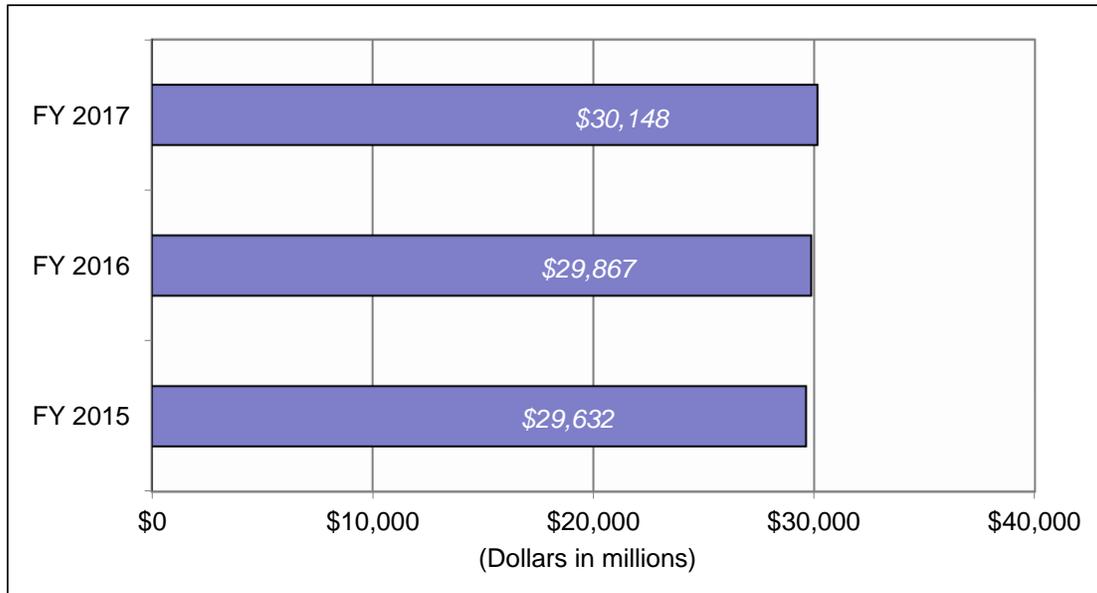
<sup>11</sup> Metric is being removed at the end of the FY 2015 reporting period. Please refer to appendix B for details pertaining to the removal and addition of metrics.

**Metric 1.3.C:** Retention rate of first-time degree-seeking undergraduates: Part-time<sup>12</sup>

**Objective 1.4: Science, Technology, Engineering, and Mathematics (STEM) Pathways.** Increase STEM pathway opportunities that enable access to and completion of postsecondary programs. **Objective Leader: Russ Shilling**

**Metric 1.4.A:** Number of STEM postsecondary credentials awarded

**Goal 1 Discretionary Resources**



**Major Discretionary Programs and Activities<sup>13</sup> Supporting Goal 1 Performance Metrics [Dollars in Millions]**

POC	Account	Obj.	Program	FY 2015 Appropriation	FY 2016 Appropriation	FY 2017 President's Budget
FSA	SAA		Student Aid Administration: Salaries and expenses	675	697	732
FSA	SAA		Student Aid Administration: Servicing Activities	722	855	900
FSA	SFA	1.1	Federal Pell grants: Discretionary	22,475	22,475	22,475
OCTAE	CTAE	1.1, 1.2, 1.3	Adult basic and literacy education state grants	569	582	582
OCTAE	CTAE	NA	Career and technical education state grants	1,118	1,118	1,193
OPE	HE	1.1, 1.3	Federal TRIO programs	840	900	900
OPE	HE		First in the World	60	0	100
OPE	HE		HBCU and minority-serving institutions (MSI) innovation for completion fund (proposed)	0	0	30
<b>Subtotal</b>				<b>26,459</b>	<b>26,627</b>	<b>26,912</b>
<b>Other Discretionary Programs/Activities</b>				<b>3,174</b>	<b>3,241</b>	<b>3,236</b>
<b>TOTAL, GOAL 1</b>				<b>29,632</b>	<b>29,867</b>	<b>30,148</b>

POC = Principal Office Component

NA = Not applicable.

NOTES: Many programs may have sub-activities that relate to other goals. Detail may not add to total due to rounding.

<sup>12</sup> Metric is being removed at the end of the FY 2015 reporting period. Please refer to appendix B for details pertaining to the removal and addition of metrics.

<sup>13</sup> All the programs listed are discretionary programs, as distinct from mandatory programs. These include both competitive and noncompetitive programs.

## Public Benefit

Increasing college access, affordability, quality, and completion by improving postsecondary education and lifelong learning opportunities for youths and adults requires attention to three equally important factors to facilitate success: availability of good consumer information and financial aid, strong motivation by students and families, and access to affordable, high-quality learning opportunities.

Prior to entering postsecondary education, prospective students need easily accessible information on the cost of attendance and financial aid; rates for career placement, graduation, and college loan defaults; labor market outcomes and projections of labor market demand; loan repayment and management options; and other subjects crucial to understanding the affordability and value of the postsecondary institutions and programs of study available. Students deserve to know that, whether they enter a college, university, career training program, or adult education program, the credential they earn will be affordable and its value will be recognized as an indication that they possess the necessary knowledge and skills for success in the workplace and in life.

Providing federal student aid in a simple, reliable, and efficient manner is primarily how the Department supports college access, affordability, quality, and completion. In FY 2015, the Department delivered nearly \$128 billion in grants, work-study, and loan assistance to almost 12 million postsecondary students at over 6,100 schools.<sup>14</sup> In addition, the Department administered \$2 billion annually in grants to strengthen postsecondary institutions and promote college readiness, and nearly \$1.7 billion more in grant funds for career and technical education (CTE), adult education (including literacy and civics education), and correctional education to help youths and adults secure the skills that equip them for work, civic participation, and lifelong learning.<sup>15</sup>

The Department has taken significant steps to increase college access, affordability, quality, and completion in recent years. Resources developed by the Department, such as the [College Affordability and Transparency Center](#), the [Financial Aid Shopping Sheet](#), the [College Scorecard](#), a consolidated [student aid website](#), and new loan counseling and financial literacy resources, now provide students and families with new and enhanced tools for informed decision-making. In particular, the release in FY 2015 of a vastly expanded College Scorecard—including many important metrics that have not been published before—has set a new standard for consumer information about postsecondary education. Redesigned with direct input from students, families, and their advisers, the College Scorecard provides the clearest, most accessible, and most reliable national data on cost, graduation, debt, and postcollege earnings. Gainful Employment regulations will also ensure that students are informed about key outcomes for occupational-oriented programs before they enroll and that programs not meeting established standards will lose eligibility for access to federal student aid funds. In addition, the Department continues to simplify the FAFSA so it is easier and faster for students to apply for aid, and has improved the process. Beginning with the 2017–18 award year, students can apply earlier and electronically retrieve tax information filed for an earlier year, rather than waiting until tax season to complete their applications. Learning about aid eligibility options much earlier in the college application and decision process will allow students and families to determine the true cost of attending college—taking available financial aid into account—and make more informed decisions. New and expanded repayment plans, including Pay As You Earn (PAYE)

<sup>14</sup> [Federal Student Aid Annual Report FY 2015](#).

<sup>15</sup> Note that CTE formula funds go to both secondary and postsecondary programs; approximately 40% of the amount listed goes to postsecondary programs.

and Revised Pay As You Earn (REPAYE), make debt more affordable for students after they leave school. America's College Promise, the President's proposed new federal-state partnership to make two years of community college free for responsible students, would significantly impact affordability by letting students earn the first half of a bachelor's degree and earn skills needed in the workforce at no cost. This proposal will require everyone to do their part: community colleges must strengthen their programs and increase the number of students who graduate, states must invest more in higher education and training, and students must take responsibility for their education, earn good grades, and stay on track to graduate. The Department will build on these efforts to ensure that all Americans, regardless of their financial circumstances, will have the opportunity to access and complete an affordable postsecondary degree or other postsecondary credential.

**Goal 1: Details**

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
1.1.A. Rate of increase in net price of public four-year institutions <sup>16</sup>	AY: 2010–11 1.7%	AY: 2010–11 1.7%	AY: 2011–12 3.1%	AY: 2012–13 0.6%	AY: 2012–13 1.3%	MET			NA	NA	
<b>New Metric:</b> Federal student loan delinquency rate	FY: 2015 21.7%	NA	FY: 2014 24.0%	FY: 2015 21.7%	NA	NA	/		+/- 3–5% over prior year's actuals	+/- 3–5% over prior year's actuals	/
1.1.B. Rate of increase in net price of public two-year institutions <sup>17</sup>	AY: 2010–11 1.7%	AY: 2010–11 1.7%	AY: 2011–12 3.2%	AY: 2012–13 0.1%	AY: 2012–13 1.3%	MET			NA	NA	

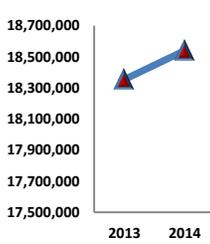
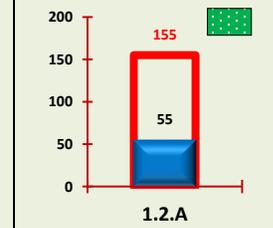
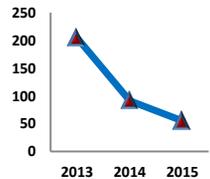
<sup>16</sup> Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were 1.1% and 0.9%, respectively.

<sup>17</sup> Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were 1.1% and 0.9%, respectively.

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
<b>New Metric:</b> Web traffic to the College Scorecard (as measured by unique visitors annually)	FY: 2015 91,011 (Excluding new Scorecard launch on Sept. 12, 2015)	NA	NA	91,011	NA	NA			1,500,000	1,800,000	
<b>New APG Metric:</b> Number of data points or other information reports released on the FSA Data Center <sup>18</sup>	FY: 2009–14 12	NA	NA	12	NA	NA			15	30	
<b>1.1.C.</b> Percentage of high school seniors filing a FAFSA	SY: 2012–13 59.2%	SY: 2012–13 59.2%	SY: 2013–14 60.1%	SY: 2014–15 60.5%	SY 2014–15 59.1%– 61.1%	<b>MET</b>	<p>61.0% 60.0% 59.0% 58.0% 57.0% 56.0% 55.0% 54.0% 53.0% 52.0% 51.0% 50.0%</p> <p>59.1% 60.5%</p> <p>1.1.C</p>		+/- one percentage point of prior year's actuals	+/- one percentage point of prior year's actuals	<p>61.5% 59.5% 57.5% 55.5%</p> <p>2013 2014 2015</p>
<b>1.1.D.</b> Index of national aggregate annual earnings of VR consumers (based on the number of competitive integrated employment outcomes, hours worked, and hourly wages of VR consumers)	FY: 2010 \$57,971,317	\$61,824,728	\$61,800,214 <sup>19</sup>	TBD Data available Q1 FY16	\$64,322,447	TBD	TBD		\$65,608,896	\$66,921,074	<p>61,900,000 61,800,000 61,700,000 61,600,000 61,500,000</p> <p>2013 2014</p>

<sup>18</sup> Metric is aligned with an APG.

<sup>19</sup> Metric reported as TBD in the 2014 APR. 2014 actuals show the 2014 target was "Not Met."

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
1.1.E. Index of national aggregate annual earnings of Transition-Age Youth (based on the number of competitive integrated employment outcomes, hours worked, and hourly wages of VR Transition-Age Youth)	FY: 2010 \$15,971,665	\$18,353,441	\$18,540,576 <sup>20</sup>	TBD Data available Q1 FY16	\$19,094,920	TBD	TBD		\$19,476,818	\$19,866,354	
1.2.A. Number of low-performing institutions with high loan default rates and low graduation rates <sup>21</sup>	AY: 2010–11 205	AY: 2010–11 205	AY: 2011–12 91	AY: 2012–13 55	AY: 2012–13 155	MET			NA	NA	
<b>New Metric:</b> Pell enrollment at IHEs with high graduation rates <sup>22</sup>	AY: 2013–14 24.1%	NA	NA	AY: 2013–14 24.1%	NA	NA			AY 2014–15 25.0%	AY 2015–16 26.0%	
<b>New Metric:</b> Number of states that develop or strengthen career pathways policies, guidance, or legislation	FY: 2015 8	NA	NA	8	NA	NA			10	37	

<sup>20</sup> Metric reported as TBD in the 2014 APR. 2014 actuals show the 2014 target was “Not Met.”

<sup>21</sup> Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were 135 and 117, respectively.

<sup>22</sup> “High graduation rate” is defined as 65% or higher, which is roughly the 75th percentile.

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
1.3.A. Degree attainment among 25–34-year-old age cohort <sup>23</sup>	Current Population Survey (CPS) Year: 2012 44.0%	CPS Year: 2012 44.0%	CPS Year: 2013 44.8%	CPS Year: 2014 45.7%	45.6%	MET			46.8%	48.4%	
1.3.B. Retention rate of first-time degree-seeking undergraduates: Full-time <sup>24</sup>	AY: 2011 71.9%	AY: 2011 71.9%	AY: 2012 71.8%	AY: 2013 72.9%	72.1%	MET			NA	NA	
<b>New Metric:</b> Enrollment in IHEs where students' median earnings 10 years after entering college are below a minimum earnings threshold <sup>25</sup>	AY: 2012–13 9.7%	NA	NA	AY: 2012–13 9.7%	NA	NA			9.4%	9.0%	

<sup>23</sup> Metric is aligned with an APG.

<sup>24</sup> Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were 72.1% and 72.3%, respectively.

<sup>25</sup> “Minimum earnings threshold” is defined as the median earnings above the level of an institution at the 25th percentile for students 10 years after entering college, which equals \$19,000 for less-than-2-year institutions, \$26,000 for 2-year institutions, and \$35,000 for 4-year institutions.

U.S. Department of Education Indicators of Success	Baseline	Actuals			Current Year Target	Current Year Results	Actual-to-Target 2015		Out-Year Targets		Trend Line (Actuals)
		2013	2014	2015	2015		Missed	Exceeded	2016	2017	
1.3.C. Retention rate of first-time degree-seeking undergraduates: Part-time <sup>26</sup>	AY: 2011 41.7%	AY: 2011 41.7%	AY: 2012 42.2%	AY: 2013 43.1%	42.6%	MET	<p>43.5% 43.0% 42.5% 42.0% 41.5% 41.0% 40.5% 40.0%</p> <p>42.6% 43.1%</p> <p>1.3.C</p>		NA	NA	<p>45.0% 43.0% 41.0% 39.0% 37.0% 35.0%</p> <p>2013 2014 2015</p>
<b>New Metric:</b> FAFSA renewal rate	FY: 2015 79%	NA	NA	FY: 2015 79%	NA	NA	/		+/- one percentage point over prior year's actual	+/- one percentage point over prior year's actual	/
1.4.A. Number of STEM postsecondary credentials awarded	AY: 2010–11 531,018	AY: 2010–11 531,018	AY: 2011–12 556,696	AY: 2012–13 573,911	595,000	NOT MET	<p>600,000 580,000 560,000 540,000 520,000 500,000</p> <p>595,000 573,911</p> <p>1.4.A</p>		638,000	691,000	<p>580,000 560,000 540,000 520,000 500,000</p> <p>2013 2014 2015</p>

NA = Not applicable.

TBD = To be determined.

Academic Year (AY) is a collegiate year spanning August–May; School Year (SY) spans August–July and is aligned with a P–12 school year; Fiscal Year (FY) corresponds to a federal fiscal year; Calendar Year (CY) spans January–December.

Data Sources and Frequency of Collection:

1.1.A. Integrated Postsecondary Education Data System (IPEDS); annually

1.1.B. IPEDS; annually

1.1.C. The denominator is the number of graduating seniors according to the most recent projection by the National Center for Education Statistics (NCES). The numerator is from FSA's Central Processing System and is based on the number of applications during the first nine months of the application cycle that are—as of September 30 of the first year of the application cycle—complete (not rejected); first-time filers; incoming freshmen, with or without previous college attendance; age 18 or less as of June 30 of the first year of the application cycle; reporting high school diploma attainment; and attended a high school in the fifty states and Washington, DC; annually

<sup>26</sup> Metric being removed at the end of the FY 2015 reporting period and being replaced with the metric identified as “New Metric” directly below it. If there is no corresponding “New Metric” identified, new metric TBD. Please refer to appendix B for details pertaining to the removal and addition of metrics. The proposed FY 2016 and 2017 targets for the metric being removed were 42.9% and 43.5%, respectively.

- 1.1.D. Rehabilitation Services Administration-911 (RSA-911); annually
- 1.1.E. RSA-911; annually
- 1.2.A. FSA Cohort Default Rate (CDR) Report, September 2014, and IPEDS Data Center; annually
- 1.3.A. NCES Digest of Education Statistics, Table 104.30 ([http://nces.ed.gov/programs/digest/d13/tables/dt13\\_104.30.asp](http://nces.ed.gov/programs/digest/d13/tables/dt13_104.30.asp)), Number of persons age 18 and over, by highest level of educational attainment, sex, race/ethnicity, and age: 2013. Tabulated from Current Population Survey (CPS) data, U.S. Census; annually
- 1.3.B. IPEDS Data Center; annually
- 1.3.C. IPEDS Data Center; annually
- 1.4.A. IPEDS Data Center; annually

**Note on performance metrics and targets:** These metrics were established as a part of the *FY 2014–18 Strategic Plan*. Metrics may be updated or revised to reflect awareness of more accurate data or clarifications. Such updates or revisions are identified in footnotes.

## Analysis and Next Steps by Objective

### Objective 1.1: Access and Affordability

#### Explanation and Analysis of Progress:

The Department supported or initiated a number of efforts and made progress toward this objective, despite limited ability to impact college costs or control price. The Department unveiled the expanded College Scorecard, a college choice tool that provides a wealth of customizable data—including many important metrics that have not been published before—so students and families can make informed choices based on the criteria most important to them. The Department also made the data behind the Scorecard publicly available in order to jumpstart efforts across the country to develop meaningful metrics for accountability. The Department continues to seek ways to simplify the FAFSA so it is easier and faster for students and families to apply for financial aid. Beginning with the 2017–18 award year, students can apply earlier and electronically retrieve tax information filed for an earlier year, rather than waiting until tax season to complete their applications. The number of IHEs agreeing to utilize the Financial Aid Shopping Sheet, a model form that makes it easier for students to compare financial aid offers, grew from around 2,000 in 2013–14 to more than 3,000 in 2014–15 following an outreach effort to encourage institutions to sign on.

Recognizing that FAFSA completion significantly increases chances that students will actually enroll in college, the Department issued guidance clarifying that state authorities may share FAFSA completion data with nonprofit organizations. This adds to the list of authorized entities that includes LEAs, The Federal TRIO Programs (TRIO) and Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) grantees, tribal education authorities, and Indian organizations, so those entities can maximize the number of their students that complete the FAFSA.

The Department has taken additional actions to help struggling federal student loan borrowers manage their debt. The Department held negotiated rulemaking sessions and finalized regulations in October 2015 that expand Pay As You Earn, an income-based repayment program, to all student borrowers who have direct loans. In the wake of the collapse of Corinthian Colleges, the Department announced in June of this year that it would begin implementing a previously little-used provision in the law called “defense to repayment,” which allows borrowers to seek loan forgiveness if they believe they were defrauded by their college under state law, and assigned a Special Master to oversee the high volume of loan discharge cases. Since then, the Special Master has issued two reports with recommendations for developing a process to handle these borrower defense claims. The Department also announced its intent to establish a negotiated rulemaking committee in FY 2016 to address loan discharge and borrower defense issues, held two public hearings in September for the rulemaking, and since the end of the fiscal year has selected negotiators and announced three negotiated rulemaking sessions to be held in January, February, and March. The Department began to wind down contracts with five private collection agencies that provided inaccurate information to borrowers, and is revising existing contracts to ensure the proper balance between the interests of the borrower and of the taxpayer, as well as to increase the Department’s oversight capabilities.

Subsequent to FY 2015, the Department issued a report on October 1, 2015 with U.S. Department of the Treasury (Treasury) and the Consumer Financial Protection Bureau on a series of statutory, regulatory, and administrative recommendations to safeguard student borrowers. The recommendations include establishing: a way for borrowers to authorize the

Internal Revenue Service to release income information for multiple years to the Department to determine monthly payments under income-driven repayment plans; loan servicing standards; principles for borrower defense legislation; a streamlined discharge process for borrowers eligible for a total and permanent disability discharge of their loans; increased borrower protections in the federal student loan program; and protections for private student loan borrowers. The Under Secretary is overseeing a process to collect feedback from student borrowers and loan servicers in order to strengthen loan servicer contracts when they are renegotiated in the future.

Research indicates that correctional education programs for prisoners reduce recidivism rates. The Department therefore launched a Second Chance Pell Grant pilot through the Experimental Sites program. The goal of this limited pilot program is to increase access to high-quality educational opportunities and help incarcerated individuals successfully transition out of prison and back into the classroom or the workforce. In addition, the Department invested in a series of demonstration projects through the Improving Reentry Education grant competition, and launched a program to improve the outcomes of juvenile justice youth in the reentry process through a strong partnership with the Department of Justice (DOJ).

The partial restoration of Ability to Benefit provisions tied to career pathways restored access to federal student aid for millions of older youth and adults who lack a high school credential and are enrolled in a program that is part of a career pathway. The Department provided guidance through a Dear Colleague letter and initiated a series of webinars and other technical assistance activities to hold up programs and institutions that illustrate how to appropriately administer these new provisions. These efforts significantly open up affordable opportunities for those who were unable to complete high school due to a variety of reasons.

As part of the Reach Higher Campaign, the Department collaborated with the Office of the First Lady to create a competition to promote the development of mobile app solutions that will help students navigate education and career pathways, including CTE. (The competition was subsequently announced in October 2015.)

Although results for metrics 1.1.A, 1.1.B, 1.1.C, 1.1.D, and 1.1.E are influenced by actions taken by the Department, they are most influenced by factors that are beyond the control of the Department. For example, results for metrics 1.1.A and 1.1.B are most influenced by actions taken by postsecondary institutions, state and local agencies regarding funding decisions, and market forces and job creation trends. The Department met its FY 2015 performance targets for metrics 1.1.A and 1.1.B to slow the increase in average net price at public institutions. However, given the Department's limited ability to influence net price, the Department plans to replace these metrics with different metrics for FY 2016.

Regarding metric 1.1.C, the Department achieved its FY 2015 performance target to increase the number of high school students completing the FAFSA. Efforts such as the FAFSA completion project, increased outreach activities by FSA and other offices, and the Department's participation in the American Council on Education's National College Application Week initiative since 2011, likely contributed to success with this target.

States are required to submit data for metrics 1.1.D and 1.1.E by November 30 for the previous fiscal year. As such, the FY 2015 data are not available until spring 2016. The *Workforce Innovation and Opportunity Act* (WIOA), signed by the President in July 2014, reforms the public workforce system by strengthening alignment and access to employment, training, education, and support services needed to succeed in the labor market. In particular, the WIOA includes many changes that are designed to strengthen and improve employment for individuals with

disabilities, many served by the State Vocational Rehabilitation Services and Supported Employment programs. WIOA places significant emphasis on obtaining competitive integrated employment, especially in the amendments to the *Rehabilitation Act of 1973*. Program services are designed to maximize the ability of individuals with disabilities, including individuals with the most significant disabilities, to achieve competitive integrated employment through customized employment, supported employment, and other individualized services. The Department will continue to track national aggregate annual earnings of Vocational Rehabilitation consumers and transition-aged youth. Future annual earnings are expected to improve by the regulatory actions that the Department will undertake in FY 2016.

### **Challenges and Next Steps:**

The Department will take additional actions to help struggling federal student loan borrowers manage their debt. These actions include publishing final rules in October 2015 that expand the Pay As You Earn repayment program to all student borrowers with direct loans, which is expected to help millions of struggling borrowers; building on successful pilot programs to communicate information about federal student loan repayment options; conducting rulemaking on loan discharge and borrower defense issues; and advocating for the administration's proposal for a single income-driven repayment plan.

America's College Promise, President Obama's proposed initiative announced in January 2015, would allow students to attend community colleges tuition-free if they attend at least half-time, make satisfactory academic progress to a degree, and maintain a 2.5 grade point average. If Congress passes legislation to enact the proposal, and all states participate and provide quality programs, the plan could benefit millions of students by making a higher education more affordable.

Although states are beginning to increase appropriations per full-time equivalent student, funding for higher education overall continues at historically low levels, which places pressure on institutions to raise costs in order to maintain quality and levels of service. Without specific programs, such as the proposed College Opportunity and Graduation Bonus program (discussed in strategic objective 1.3) and America's College Promise, the Department has little influence over state funding decisions and is limited in its ability to impact net price and college cost. Despite these challenges, the Department will continue to highlight institutions that are taking steps to ensure affordability for families and will support practices that reduce cost by reducing the time taken to earn a degree, such as competency-based education (see discussion of Experimental Sites programs in section 1.2), dual enrollment,<sup>27</sup> remedial education reforms, and improved articulation between institutions. The Department will also build on its existing work on consumer information tools, such as the College Scorecard; its work on consumer protections; and improving student loan servicing to ensure students have access to high-quality, affordable education and quality customer service.

### **Objective 1.2: Quality**

#### **Explanation and Analysis of Progress:**

The Department pursued several rulemaking activities during FY 2015 on higher education topics, including the use of prepaid debit cards at IHEs; teacher preparation programs; and implementation of WIOA, which reforms adult education training and services, including in the areas of English language acquisition and vocational rehabilitation for individuals with

<sup>27</sup> An Experimental Site project addressing dual enrollment was subsequently announced on October 30, 2015.

disabilities. Most significantly, the Department implemented the Gainful Employment regulations, which took effect July 1, 2015, and began collecting data from institutions. The regulations foster program quality through transparency and accountability. Institutions will be required to notify students about completion rates as well as debt and earnings outcomes for certain types of occupational-oriented programs; programs that do not meet established standards risk losing eligibility for federal student aid funds. The Department also implemented its state authorization regulations on July 1 and reminded institutions and states of dual requirements that 1) IHEs must be authorized to operate in a given state by the appropriate state agency, and 2) that agency must have a process for handling student complaints.

The Department continues to encourage the higher education community to focus on innovative, transparent, and validated approaches to student learning. Through the Experimental Sites initiative, the Department announced experiments in the areas of competency-based learning, Federal Work Study, and prior learning assessments. The results of these experiments will guide future policy decisions. The Department and the White House convened a group of 50 leading higher education experts for a discussion of innovation in higher education. Participants spent the day considering opportunities for innovation on which the federal government and others could take action expediently, and were led through a design-thinking workshop about how online learning tools can catalyze improvements in postsecondary education.

The Department awarded 18 First in the World grants totaling \$60 million, with nine of the winning applications awarded to minority-serving institutions. The program focuses on high-need students and promotes evidence-based strategies and practices for college access and completion. Funded projects include a partnership of community colleges to implement proactive and individualized student support services, informed by an early alert and advising system based in predictive analytics; incorporating new teaching and learning strategies into the curriculum and student experience at an Historically Black College; and creating seamless transfer of lower-division general education requirements across participating institutions based on students' demonstration of learning outcomes regardless of courses or credits completed. The Department, through a contractor, will provide technical assistance to assist all grantees in conducting rigorous project evaluations. Those projects showing evidence of success will serve as models for possible dissemination or could be eligible for future validation and scale-up grants.

The Department awarded 40 grants totaling \$17.5 million in the Strengthening Institutions Program (SIP).<sup>28</sup> This program helps postsecondary schools expand their capacity to serve low-income students by providing funds to improve and strengthen academic quality, institutional management, and fiscal stability, as well as build a framework to help students complete college. For the FY 2015 competition, the Department included a competitive preference priority supporting programs, practices, or strategies that are based on rigorous evidence.

The Department created an interagency task force on for-profit schools, including the Departments of Education, Defense, Justice, Labor, the Treasury, and Veterans Affairs, as well as the Consumer Financial Protection Bureau, the Federal Trade Commission, and the Securities and Exchange Commission. The task force established a working group to focus on enforcement-related issues.

The Department collaborated with the Department of Labor, the Department of Health and Human Services (HHS), the Corporation for National and Community Service, and the Institute

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<sup>28</sup> FY 2015 awards listed at <http://www2.ed.gov/programs/idence3a/awards.html>.

of Museum and Library Services to develop Performance Partnership Pilots (P3) for Disconnected Youth. Nine pilots were announced in October 2015 that will test the hypothesis that additional flexibility for states, localities, and tribes, in the form of blending funds and obtaining waivers of certain programmatic requirements, can help overcome some of the significant hurdles that states, localities, and tribes may face in providing intensive, comprehensive, and sustained service pathways and improving outcomes for disconnected youth. Proposed priorities, requirements, definitions, and selection criteria for a second competition are under development (subsequently published in October as well).

In collaboration with the National Economic Council, the Department of Labor, and the Aspen Institute, the Department held an UpSkill Summit at the White House on April 24, 2015. One hundred employers made commitments to help millions of frontline workers develop their skills, training and credentials. The Department secured similar commitments from national and international labor unions and labor-management collaborations.

As part of the President's commitment to double the number of apprenticeships in the country, the Department collaborated with the Department of Labor and the Office of the Vice President to secure over 200 commitments from community colleges and their Registered Apprenticeship partners to grant college credits and degrees to individuals who hold apprenticeship program completion certificates.

The Department surpassed its FY 2015 target for reducing the number of low-performing institutions—i.e., those with high student loan cohort default rates and below average completion rates. However, the Department proposes to replace this metric in FY 2016 with other metrics that take advantage of better data available through the expanded College Scorecard.

### **Challenges and Next Steps:**

The Department will continue various rulemaking development and implementation activities during FY 2016. Working cooperatively with schools and the Social Security Administration, the Department must ensure that activities such as data matching and validation occur on schedule in processing Gainful Employment data. The Department will also publish final rules regarding WIOA, Teacher Prep, and cash management regulations.<sup>29</sup>

In the innovation space, the Department will continue to develop specifications for Experimental Sites projects on dual enrollment and alternative methods of quality assurance (the latter project, dubbed Educational Quality through Innovative Partnerships, or EQUIP, was subsequently announced in October 2015, as was the dual enrollment project). Processing amended Program Participation Agreements for institutions that wish to participate in the competency-based education and prior learning assessment experiments remains a complex activity and has taken longer than anticipated, but the Department expects to complete the process in FY 2016 so the experiments can commence. The Department will also consider steps that can be taken to help accreditors strengthen their oversight of institutions.

The possible reauthorization of the *Higher Education Act* could provide an opportunity to develop new ways to encourage innovation and quality in this sector. Continuing to embed evidence-based practices in grant competitions is another area in which the Department can foster quality in terms of better student outcomes. The interagency For-Profit Task Force will

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<sup>29</sup> Final Rules regarding Cash Management Regulations were published in October 2015.

work toward sharing information to ensure that students are protected from unscrupulous institutional behavior.

The reauthorization of the *Carl D. Perkins Career and Technical Education Improvement Act of 2006* creates opportunities to name quality features of CTE programs, strengthen the link between funding and results by incentivizing performance-based funding (such as completion-based state funding as an alternative to enrollment-based state funding mechanisms), and embed innovation funding in a reauthorized law that would include innovations, such as the American Technical Training Fund targeted at cohort-based, accelerated programming for high-demand sectors and occupations that embed remediation into program design.

Finally, the emphasis in WIOA Title II on integrated education and training programming opens the door for programs that by design allow adults to work on their basic skills while simultaneously pursuing credit-bearing courses at the postsecondary level that lead toward certificates or degrees in high-demand fields.

### **Objective 1.3: Completion**

#### **Explanation and Analysis of Progress:**

The Department made progress through a variety of activities to support this strategic objective, especially by embedding a focus on completion in more grant competitions. One competition incorporated a competitive preference priority to increase postsecondary access, affordability and completion: Predominantly Black Institutions. The Department awarded grants to Asian American and Native American Pacific Islander Serving Institutions that are designed to increase the number and proportion of high-need students who are academically prepared for, enroll in, or complete on time college, other postsecondary education, or other CTE. In the Hispanic-Serving Institutions grant competition, the Department incorporated two competitive preference priorities: one to support tutoring, counseling, and student service programs designed to improve academic success, including innovative and customized instruction courses designed to help retain students and move the students rapidly into core courses and through program completion; and one to develop and implement high-quality online or hybrid credit-bearing learning opportunities that reduce the cost of higher education, reduce time to degree completion, or allow students to progress at their own pace. First in the World grants, discussed in strategic objective 1.2, also support practices that improve college completion. The IES announced a competition to establish a Research Network on Scalable Practices to Support College Completion, and expects to award a grant during the first quarter of FY 2016.

The Department launched a new National Activities Project to study CTE stackable certificates. During the project's first year, the Department will gather information and convene knowledgeable stakeholders. During the second year, the Department will provide technical assistance to the field. A new CTE innovation program proposed in the FY 2016 budget, the American Technical Training Fund, would support the development and implementation of new models and practices at the local level.

The College Opportunity and Graduation Bonus program, also proposed in the FY 2016 budget, would provide \$7 billion in mandatory budget authority over 10 years to support colleges that successfully enroll and graduate a significant number of low- and moderate-income students on time and encourage all institutions to improve their performance.

Many students that enter higher education are not college ready. Improving the community college developmental education system is an important element of improving community

college completion. In 2015, the Department launched “Supporting Student Success: Adult Education and Remedial Education Reform in Community Colleges,” a national activity to improve developmental education practices across several states.

The Department cohosted with the White House a College Opportunity Summit on December 4, 2015, focused on completion and affordability, as well as on partnerships between P-12 and higher education to promote educational quality and seamless transitions from high school to college. Almost 300 commitments were announced at the summit to improve college opportunities for young people in communities across the country through college readiness partnerships, college advising, improving STEM learning and degree completion for underrepresented students, and helping more students complete their degrees.

In an effort to scale up successful practices that lead to completion, especially in the area of remedial education, the Department developed communities of practice among minority-serving community colleges. Lead institutions were identified, recruited, and trained. Two communities of practice have been launched as of October 2015. Subsequently, on November 16–17, 2015, approximately 130 minority-serving community colleges met at the Department and exchanged promising practices; received technical assistance from the Department and 13 federal agencies; and heard from leading authorities in the fields of minority-serving institution research, philanthropy, and student success strategies. Several colleges stepped forward to join the other lead colleges in growing the communities of practice that will continue the capacity-building dialogue with the federal agencies.

The Department achieved its performance target for metric 1.3.A with an educational attainment rate of 45.7 percent. The Department also achieved its performance targets for metric 1.3.B with a retention rate of 72.9 percent for full-time students and metric 1.3.C with a retention rate of 43.1 percent for part-time students. Given the Department’s limited ability to impact retention rates overall, the Department proposes alternative metrics to replace 1.3.B and 1.3.C for FY 2016.

### **Challenges and Next Steps:**

The Department’s ability to significantly impact completion rates on a large scale nationwide depends on Congressional support for programs proposed through the budget process. There is also a time lag in that actions and changes initiated in any particular year will take several years to show results as the cohort progresses through its educational programs. The Department will continue to incorporate postsecondary completion as a competitive preference priority in grant competitions where appropriate.

While the Department achieved its FY 2015 performance target for educational attainment, the targets in future years are set to grow at increasingly accelerated rates in order to reach the President’s 2020 goal of 60 percent degree attainment. However, while increases in high school graduation rates (one of the factors that feed into the attainment rate) are growing, data from the Bureau of Labor Statistics show that fewer high school graduates are opting for college than they were in 2009—65.9 percent in 2013 and 68.4 percent in 2014, compared to a high point of 70.1 percent in 2009.<sup>30</sup> Total fall enrollment has declined as well, falling by an estimated 3.6 percent in 2014 from an enrollment surge in 2010.<sup>31</sup> These data may be attributable to the

<sup>30</sup> Bureau of Labor Statistics, College Enrollment and Work Activity of High School Graduates News Release, April 22, 2014, and April 16, 2015: <http://www.bls.gov/news.release/hsgcec.htm>.

<sup>31</sup> National Center for Educational Statistics, Digest of Education Statistics 2014, “Table 303.10. Total fall enrollment in degree-granting postsecondary institutions, by attendance status, sex of student, and control of institution: Selected years, 1947 through 2024”: [https://nces.ed.gov/programs/digest/d14/tables/dt14\\_303.10.asp](https://nces.ed.gov/programs/digest/d14/tables/dt14_303.10.asp).

natural cycle of higher enrollment rates during economic downturns followed by comparatively lower rates as the economy improves, but these trends may impact the ability to achieve the targeted growth in the attainment rate unless institutions significantly increase the percentage of students who complete their programs of study. Despite efforts to support college completion for underrepresented students, equity gaps in the attainment rate based on race, ethnicity, and disability status have not lessened.

**Subpopulation Breakout for Metric 1.3.A: Degree attainment among 25–34-year-old age cohort, by race/ethnicity and disability status\***

	White	Black	Hispanic	Asian	Pacific Islander	American Indian	Two or More Races	Disability
Percentage, 2012	51.6%	32.6%	22.6%	68.7%	37.2%**	29.3%**	45.7%	20.9%
Percentage, 2013	52.4%	33.2%	22.7%	70.9%	41.4%**	25.1%**	46.7%	19.1%
Percentage, 2014	53.6%	33.0%	24.0%	71.5%	30.6%**	21.4%**	44.4%	21.0%

Note: Race categories exclude persons of Hispanic ethnicity.

\* Disability is defined as: deaf; blind; difficulty concentrating, remembering, or making decisions; difficulty walking or climbing stairs; difficulty dressing or bathing; difficulty doing errands alone.

\*\* Interpret with caution; small sample sizes reduce the reliability of these estimates.

Data Source and Frequency of Collection: NCES tabulations of data from the Current Population Survey, Census; annually

**Objective 1.4: Science, Technology, Engineering, and Mathematics (STEM) Pathways**

**Explanation and Analysis of Progress:**

The Department, in consultation with OMB, has highlighted this objective as a focus area for improvement. The number of STEM postsecondary credentials awarded is shaped by actions taken by postsecondary institutions, by state and local agencies through funding decisions, and by market forces and jobs creation trends. Many external factors impact this objective but the Department can nonetheless assert considerable influence to improve quality and access in STEM education. The total number of STEM postsecondary credentials awarded reflects a mixed response to the President’s call to graduate an additional 1 million STEM majors by 2020. To reach that ambitious goal, the target of total credentials established for FY 2015 was 595,000; the actual number of granted credentials was 573,911. The First in the World program, which seeks to address persistent and widespread challenges in postsecondary education for high-need students, awarded more than half of the development grants for implementation and evaluation of projects to increase success in STEM fields or that utilize education technology to enhance learning and assessment.

OCTAE is leading initiatives seeking to increase knowledge of and access to postsecondary STEM opportunities. For example, the CTE makeover challenge will incorporate “making” and “maker spaces” into CTE programs by upgrading or modernizing facilities that meet the needs of manufacturing in the 21st century. The Reach Higher App challenge will spur innovation in career exploration by empowering students with individualized career and education information. During this reporting period, the White House Initiative on Historically Black Colleges and Universities held its annual conference focused on STEM and entrepreneurship.

Across the administration, the Committee on STEM Education (CoSTEM) has established a task force which is working to enhance the undergraduate experience of STEM majors through

a formally chartered interagency working group led by the National Science Foundation (NSF). The group is focused on four major objectives:

- Evidence-based practices to improve undergraduate learning and retention in STEM;
- Community college efforts to both support two-year students and create bridges between two- and four-year postsecondary institutions;
- Research experiences that involve both university-industry and university-federal entity partnerships, particularly for students in the first two years; and
- Promoting mathematics success to help combat excessively high failure rates in introductory math courses at the undergraduate level.

Representatives from the Department have been instrumental in bringing new focus to the role of community colleges and articulation programs in supporting undergraduate STEM education. We anticipate that increasing the overall pipeline of candidates pursuing postsecondary education through community colleges and articulation programs will help address the decline in STEM certificates awarded.

Trends for females and minority students point to continued challenges in broadening participation in STEM. More STEM credentials were awarded in 2012–13 to students of each gender and racial/ethnic category—including Hispanic and Black—than in previous years, with the exception of American Indian and Alaska Native students. Along with the CoSTEM interagency working group focused on broadening participation in STEM, the My Brother's Keeper and Reach Higher initiatives, as well as other targeted efforts, may help expand participation of underrepresented groups in postsecondary STEM programs.

### **Challenges and Next Steps:**

The Office of STEM has been in place since June 2014. As a comparatively new entity one of its primary tasks has been to identify programs within the Department and across the federal government that are well suited for enhancing and increasing STEM participation through strategic use of STEM priorities. For programs that have already implemented STEM strategies, the office lends its expertise for program review and evaluation. The investments at the Department that address STEM degree and credential completion in particular are limited to select programs that target minority-serving institutions. As the next grant cycle commences, the Department is engaging in planning meetings that will identify areas for strategic leverage—technical assistance to grantees, preaward support to potential applicants, etc. The Department will continue to promote STEM pathway opportunities within the CoSTEM structure that include community colleges, as well as engage with specific STEM-focused initiatives led by corporate and philanthropic entities that help elevate the quality of STEM programs and advance STEM participation (e.g., STEM Learning Ecosystems).

**Subpopulation Breakout for Metric 1.4.A: STEM\* postsecondary credentials awarded by degree-granting institutions\*\*, by gender and race/ethnicity**

Year	Total	Gender		Race/Ethnicity								
		Male	Female	White	Black	Hispanic	Asian/Pacific Islander			American Indian/Alaska Native	Two or More Races	Non-resident Alien
							Total	Asian	Pacific Islander			
2010-11	531,018	370,922	160,096	319,327	47,014	45,794	51,461	50,250	1,211	3,601	5,551	58,270
2011-12	556,696	387,705	168,991	333,652	47,004	49,262	53,670	52,336	1,334	3,600	7,388	62,120
2012-13	573,911	397,074	176,837	337,191	47,721	52,982	56,984	55,564	1,420	3,580	9,809	65,644

\* STEM includes the following fields: Biological and biomedical sciences, Computer and information sciences, Engineering, Engineering technologies and engineering-related fields, Mathematics and statistics, and Physical sciences and science technologies. Engineering technologies and engineering-related fields excludes “Construction trades” and “Mechanic and repair technologies/technicians,” which are listed separately. The baseline has been recalculated from what was reported in the *FY 2013 Annual Performance Report and FY 2015 Annual Performance Plan* because of revised IPEDS data. Additionally, last year’s data included Military technologies and applied sciences, which is no longer included in the calculation.

\*\* Degree-granting institutions grant associate’s or higher degrees and participate in Title IV federal financial aid programs. Race categories exclude persons of Hispanic ethnicity. Reported racial/ethnic distributions of students by level of degree, field of degree, and sex were used to estimate race/ethnicity for students whose race/ethnicity was not reported. To facilitate trend comparisons, certain aggregations have been made of the degree fields as reported in the IPEDS Fall survey: “Agriculture and natural resources” includes Agriculture, agriculture operations, and related sciences and Natural resources and conservation; and “Business” includes Business management, marketing, and related support services and Personal and culinary services.

Data Source and Frequency of Collection: IPEDS Data Center; annually

**Selected Strategies to Achieve Goal 1**

The Department must ensure that all students—recent high school graduates and adult learners alike—are well prepared for college and careers by helping more of them enroll in postsecondary education or training and helping to increase the number of those who complete programs of study with a degree or certificate. This effort includes continuing to promote STEM pathway opportunities that help elevate the quality of STEM programs and advance STEM participation.

The Department continues to help struggling federal student loan borrowers manage their debt. Activities planned for FY 2016 include rulemaking to address borrower defense to repayment issues; new borrower outreach efforts about repayment options; strengthening loan servicing in ways that better serve borrowers; and advocating to simplify income-driven repayment plans. FSA is also developing a student aid complaint system that will allow students to submit complaints easily. Another FSA initiative, creating an enterprise data warehouse, will provide timely, accurate, and consistent access to FSA data. FSA has begun releasing additional information and reports to the public and will continue those transparency efforts in FY 2016.

To most effectively impact attainment rates, the Department will implement the President’s College Value and Affordability Agenda. One central strategy promotes innovation and competition (such as in course redesign and student services, accelerating time to degree by fostering dual enrollment and competency-based education). To support innovation and competition, the Department will launch Experimental Sites pilots on competency-based

education, prior learning assessment, dual enrollment, and alternative methods of quality assurance; and award P3 for Disconnected Youth.<sup>32</sup>

A second major strategy holds institutions and students accountable for completion and postsecondary outcomes by fostering more informed decision-making by students and wiser investment of resources by institutions. To support this strategy, the Department will consider enhancements and additional data sources for the College Scorecard; continue implementing the Gainful Employment regulations; publish regulations implementing WIOA; and convene minority-serving community colleges in an effort to scale up successful practices that lead to completion, especially in the area of remedial education.

The Department will continue to spotlight model state programs and draw on them to shape federal strategies. The Department will highlight institutions that are working in noteworthy ways to successfully enroll and graduate low-income students. Furthermore, the Department continues to implement an evidence-based approach for institutional grants, with, for example, the use of competitive priorities in the SIP and the tiered-evidence structure of the First in the World grant competition. The net effect of these strategies will be to boost completion rates and, by extension, educational attainment.

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<sup>32</sup> The P3 for Disconnected Youth awards were subsequently announced in October 2015.