UNITED STATES OF AMERICA

+ + + + +

DEPARTMENT OF EDUCATION

+ + + + +

OPEN FORUM ON COLLEGE VALUE AND AFFORDABILITY

+ + + + +

FRIDAY
NOVEMBER 15, 2013

The above-entitled matter commenced at 10:00 a.m. in the Bengtson Auditorium of the University of Northern Iowa, located at 2601 Minnesota Street, Cedar Falls, IA, Martha Kanter, Under Secretary of Education, presiding.

PRESENT:

MARTHA KANTER, Under Secretary of Education
SENATOR TOM HARKIN, U.S. Senator for Iowa
JOSH HENDERSON, Confidential Assistant, Office of the Under Secretary of Education
MARK MITSUI, Deputy Assistant Secretary for Community Colleges
WILLIAM RUUD, President, University of Northern Iowa

TABLE OF CONTENTS

Welcome and Opening Remarks, President Bill Ruud, University of Northern Iowa 5

Martha Kanter, Under Secretary, U.S. Department of Education 10

Tom Harkin, U.S. Senator for Iowa 19

Mark Mitsui, Deputy Assistant Secretary for Community Colleges 26

Testimony:

Roberta Johnson, Director of Student Financial Aid, Iowa State Univ. 30

Victoria Hurst, Director of Governmental Relations, Northern Iowa Student Government 40

Tom Madsen, Student, University of Northern Iowa 45

Diane Gallagher, Trustee of Highland Community College 58

Hank Robinson, Director of Institutional Effectiveness, University of Nebraska Omaha 65

Tom Babel, Vice President, Regulatory Affairs, DeVry Education Group 69

Bob Frederick, Director of Career Services, Director of Community College Relations, Univ. of Northern Iowa 79

Nathan Schultz, Student, University of Northern Iowa 84

Mike Licari, Associate Provost for Academic Affairs, University of Northern Iowa 89

Matt Falduto, Financial Aid Office, Kirkwood Community College 90

Linda Allen, President, Hawkeye Community College 95

Susan Brown, Student, Hawkeye Community College 102

Heather Gaumer, Assistant Director for Student Loans, Simpson College 107

Kathie Aswegan, Financial Aid Coordinator, Allen College 113

Hannah Walsh, Student Member to the Board of Regents, Univ. of Iowa 119

Blake Findley, Vice President of Student Government, University of Northern Iowa 122

Terri Vanmeenen-Misfeldt, Financial Aid Office, Western Illinois Univ. 128

Joyce Morrow, Director of Student Aid, University of Northern Iowa 129

Dwight Watson, Dean of College of Education, Univ.of Northern Iowa 133

Gabrielle Williams, Student, Iowa State University 137

Nathan Miller, Assistant Dean for Adult Higher Education, Columbia College 142

Shonda Ireland, Communications Specialist, Columbia College 148

Nadene Davidson, Faculty, University of Northern Iowa, Board Member, Iowa Association of Colleges for Teacher Education 151

Gerri Perreault, Faculty, University of Northern Iowa, American Democracy Project, Chair 156

Eric Boisen, Student, University of Northern Iowa 158

Closing Comments, Martha Kanter, Under Secretary, U.S. Department of Education 160

Adjourn

P-R-O-C-E-E-D-I-N-G-S

10:00 A.M.

PRESIDENT RUUD: Good morning. And welcome to the University of Northern Iowa, the host of the third listening forum on President Obama's college affordability and completion proposals and to welcome U.S. Department of Education Under Secretary Martha Kanter, her team from the Department, and all of you who have come to share your ideas and to listen.

We applaud the goals of the Department to empower students and parents in the college selection process and to provide the information needed to plan for enrollment in and completion of their selected programs of study. The citizens of the United States are blessed to have an array of over 8,000 institutions from which to choose. Many variables affect the college selection decisions made by individuals. Cost is a major factor to be sure, but variables such as career interest,

geographic location, family and work status, and stage in life, also enter into those decisions.

Many 18-year-olds do not know what they want to major in and many who think they do, as I did, often change their minds. In fact, I changed my mind four times. Part of the college experience is exploration, discovery, social development, learning more about civic and community engagement opportunities, and possibly completing an experience study internationally. We do not want to lose these important elements in the quantifications of ratings.

The Department has acknowledged that rating systems need to be developed which are appropriate to institution type and institution context. We know that one size does not fit all and we appreciate the opportunity the Department is offering to work together as data is defined and rating systems are developed. We want to avoid any unintended consequences which devalue quality.

The Federal Pell Grant Program is a foundational asset for student enrollment in postsecondary education and an essential element for program completion. I would like to highlight the Federal Work Study Program which tends to receive less attention, but which research shows contributes to college completion. In addition to receiving compensation for their work, students gain professional experience and competencies which prepare them for future careers. Federal support for work experience on campus and in the community mitigates the amount of money borrowed with value-added experience for the individual.

At the University of Northern Iowa, we consistently have several more students qualified for and interested in work study than we have funds to support. For example, just this year, 5,000 students indicated they were interested in having a work study award, but only 1,600 were considered to be qualified for the award, based on their estimated family

contribution. Yet with the federal work study funds we had available to award, we could only assist 465 students with a $2,000 award. Only 30 percent of the students who qualified for work study award were actually awarded the opportunity to work on campus approximately 10 hours per week to help pay for their education.

We need more financial support for that great Federal Work Study Program.

Now at this time, it is my pleasure and my honor to introduce the Honorable Martha Kanter, Under Secretary of Education, United States Department of Education. Dr. Kanter was appointed to her position in April 2009 by President Barack Obama. Her responsibilities include post-secondary education, adult and career technical education, federal student aid, and six White House initiatives for Asian Americans, educational excellence for African-Americans, Historically Black Colleges and Universities, Tribal Colleges and Universities, and faith-based and neighborhood

partnerships.

She has been responsible for the successful implementation of the Federal Direct Student Loan Program, as well as partnership with the Department of Labor to increase quality, graduation, and employment opportunities for community college students. Under Secretary Kanter served as chancellor of the Foothill-De Anza Community College District from 2003 to 2009, one of the largest community college districts in the United States. She has experience as an alternative high school teacher in Massachusetts and New York, and established the first program for students with learning disabilities at San Jose City College in California.

Dr. Kanter has been recognized many times for her leadership and achievements. She holds a doctorate from the University of San Francisco, a master's degree from Harvard University, and a bachelor's degree from Brandeis University.

Ladies and gentlemen, please join me in welcoming U.S. Department of Education Under Secretary and my good friend, Martha Kanter.

(Applause.)

UNDER SECRETARY KANTER: Thank you, President Ruud and thank you, Senator Harkin, for joining us this morning. Thank everyone in the audience for coming to share your thoughts about college value and affordability. We know that college is among perhaps one of the best, very best investments any student can make in this country. It's the key to the middle class and a highly educated work force we've all seen time and time again from the research is going to propel our nation forward in terms of our economic strength, but also our civic strength. And I always want to underscore our health as a democracy depends on an educated citizenry.

But despite all the historic investments and reforms, attending college has skyrocketed. It's never been more expensive. And that's why in August, President Obama

1 proposed a new initiative to address college
2 value and affordability both. His plan is to
3 pay for performance by increasing student access
4 and success, while lowering costs; to promote
5 innovation and competition in higher education
6 and to ensure that student debt remains
7 affordable. And this is sort of a pinnacle of
8 Senator Harkin and all the work he has done to
9 ensure that our investment as taxpayers keeps
10 college affordable for all who want the
11 opportunity.
12 So as part of the President's plan,
13 he directed the U.S. Department of Education, my
14 boss, Arne Duncan, the Secretary of Education,
15 to develop a college rating system that would do
16 two things: better inform students and
17 families about colleges, which ones to go to,
18 where to put the time, effort, and money, which
19 colleges will give a good return on investment,
20 and also a rating system that will help students
21 be the very best they can be. How do you create
22 a rating system that's going to be focused on

helping schools improve their performance?

So to develop this system, we're reaching out in Northern Iowa, across the country. This is the third of four open forums we'll be having and we've got another 25 town halls and roundtables to really get your best ideas, the creative thoughts that you have to address three areas of focus that the President has put a stake in the ground on. College access. We have got to provide the opportunity for all. College affordability. We have got to keep college affordable, especially for the middle class, and for students from lower-income families who may not think it's possible. And we've got to get better outcomes. That's the third area of focus.

So we'd like to hear from you and all kinds of stakeholders across the country to better understand how to promote college affordability and value while ensuring that college access and success for disadvantaged students especially is encouraged, not

discouraged.

Since the President's announcement in August, senior Department officials like myself and our Deputy Mark Mitsui who is here, he was in Des Moines yesterday doing a town hall, are participating in a mix of forums, roundtables, and other events, as I said, to start the conversation. We began with students in September. We kicked off this whole outreach plan with students. This is what it's about. And we've gone to Los Angeles. We've been in Boston. We're going to Baton Rouge next week on the 21st, Boulder, Colorado, Washington, D.C. We were at George Mason on Wednesday with Secretary Duncan and more will be happening through December.

We'll meet with students. We'll meet with community colleges, with universities, all kinds of universities, public and private and for profit, with business leaders, with parents, with states, state leaders and associations, advocates, all kinds

of sectors. What we want is to offer the opportunity for members of the public to give us feedback and input on the plans and proposals. We don't have something in our back pocket. We want to design something that's going to really focus on improvement and consumer information. Transcripts from this and all the other forums are going to be made available on our website which is at ed.gov/college-affordability. So you'll be able to find that after each event. And more information on the plan is going to be put on our website as we learn more from all of you.

In addition to hosting these public events and reaching out, we're also going to convene experts, scholars from around the country, to weigh in on the methods for rating colleges and early next year we're going to host in the spring a technical symposium about how to design a rating system, hopefully without unintended consequences. That's the challenge.

And we're going to use all of the

feedback that we get from you and the technical advice from the scholars, the statisticians, the mathematicians, the behavioral economists and all kinds of other people to develop the proposed metrics that we are going to share this spring for public comment. So we're going to be asking you to comment a second time what should the model look like? What have we forgotten? How can we make this the best it can be?

We know there aren't any silver bullets or easy solutions to increasing college value and affordability. We've got the best, most diverse system of American higher education in the world, but we also know that we can't let the challenges facing higher education become a reason for inaction. So we're moving forward and that's why the administration has already taken major steps to support families and students. Senator Harkin, again, leading on a lot of this. Know Before You Owe, introducing all kinds of new consumer tools. We are doing income-base repayment outreach to several

1 million borrowers who could take advantage of
2 consolidating their loans. We've got a
3 financial aid shopping sheet we introduced last
4 year, the College Score Card.
5 This spring, we'll have new
6 information on the Score Card to share with you.
7 And all of this will come together hopefully to
8 simplify the information students and families
9 need to make good choices. So we have a lot more
10 work to do.
11 The new system of the ratings is
12 going to take all of this even further. It's
13 going to give useful data, better data. It's
14 going to allow students and families to compare
15 and choose colleges that best meet their needs:
16 financial, personal, social, economic, civic.
17 And with better information at hand, students
18 are going to make more informed choices. And
19 you're at a great school here, University of
20 Northern Iowa. I think the students here, if
21 you look at the results, are students
22 graduating, are they getting jobs, you've got

long lists of people that want work study, as President Ruud has talked about. Senator Harkin and others have asked Congress to double work study. It's fallen on deaf ears to date, but there are a lot of challenges ahead and we hope to get more support for American higher education, the public system. You're recovering from drastic cuts and we've got to do better as a nation.

And we know that with $150 billion that's going into the Federal Student Aid Program every year, we can get more return on that investment for taxpayers, for schools, and most importantly for students. So we look forward to your efforts. We're going to collect the guidance from you on how to design the rating system.

And now I'd like to turn to Senator Harkin, a phenomenal man, a role model for not only Iowa, but for the rest of the nation and the world. Just recently, he introduced the bill for Early Learning for All, understanding that

we in education, I'm 40 years in education, we've got to look at this as an entire integrated aligned system and it starts at birth. And it goes through the end of life. And we want every one of our students to have that opportunity and we've got too many children who aren't ready for kindergarten. Too many kids that aren't reading at the elementary school level. Too many kids dropping out of middle school and high school. And we've got half of students leaving college over six years. We've got to do better as a nation. And that's why our North Star is really increasing all of this so we can have the success that we need for this country to do and be the best it can.

So with that, Senator Harkin, we're thrilled you can be here and look forward to your comments. Thank you.

(Applause.)

SENATOR HARKIN: Thank you, Madam Secretary and thank you for being here, you and I as third and four open forums that you're

having around the country. I appreciate you and I just providing this open forum.

And so again, I'm not here to give a speech. I'm here to listen. As the Chairman of the Senate Education Committee, we have begun a process, as you know, of having our hearings leading up to the reauthorization of the Higher Education Act. I had just a hearing just the other day on accessibility, college accessibility. You might ask what is college accessibility? Here's the one thing we learned that I picked up from that hearing, accessibility. If you are a high income, low performing high school student, C or below, you have an 80 percent chance of going to college. If you a low income, high performing student, B or better, you have a 20 percent chance of going to college. Accessibility. In other words, we've got to really look at that. That was the first hearing.

Now we're moving on. We're going to be looking at other things and one of the things

we're going to look at, of course, is the President's proposed rating system. Let me digress just one second. Secretary Kanter said that we started hearings and I introduced a bill on early childhood education. That's the result of President Obama's very strong admonition in his State of the Union message that we need early learning for all children in America. And so since that State of the Union, we've been working with the administration, with Secretary Duncan, others, to try to fashion this legislation. We just introduced it the other day with bipartisan support. We'll be moving ahead, hopefully aggressively to get that through some time next year.

On this end, on the higher education and we need to reauthorize the Higher Education Act. And so accessibility, affordability, we're going to look at. As you've pointed out, I think the President pointed out in that wonderful speech he gave in Buffalo in August that in the last -- I forget how long, 20 years,

I think or something like that, that college tuition has gone up 250 percent. Family incomes have only gone up 16 percent. So there's a huge gap there. And so we have to look at affordability, all the things that you've mentioned in terms of work study, Pell Grants.

Now we did do some things, legislatively as Martha said. In the Recovery Act, we put a lot of money in there and boosted the Pell Grants which still exist. In other words, we boosted the level for Pell Grants up. Again, we reformed the student loan program. Made it better for income-based repayment that the President has been very strong on. This summer, we lowered interest rates on federal student loans and again, what I'm trying to do with my committee is to keep our sights on the President's goal of reclaiming America's standing as a country with the highest proportion of college graduates by 2020.

So we have made some progress, but we've got a long way to go on some of these

things. And we need to hear from the public at large, what ideas you have on ratings. I've often said choosing a college is one of the big life decisions that a person makes as to what college and also what course of study. Like your President, I changed my -- I didn't do it four times, but I did once, changed what I thought I was going to do in school.

And so, for example, I just throw this out for your own digestion, when people say we've got to lower the amount of time it takes to get a degree, I say yes, but. Yes, but. What is a student goes to school like I did for two years and then decides this is not for me. My interests really lie elsewhere. So I jumped to a new course of study and it obviously adds some time to my time in school. So that has to be taken into account also. But we do need better information and better transparency on what colleges are providing in terms of completion rates, employment opportunities after school.

Then there are those other

intangibles. How do you rate a college on the performance of their Philosophy Department? I don't know if that leads to employment or anything like that, but it may lead to kids going on for further higher education or research and things like that that also add to the body of knowledge in our country and in the world. So those are also kind of tough things. So I will just tell you that we, on our committee, and our staff, we're going to be obviously looking at what you get here and around the country. I'm sure you'll be before our committee along with Secretary Duncan and taking this into account. So we're looking at the President's proposals. We'll look at what they're proposing in terms of a rating system.

I don't have a cookie cutter approach. I don't know that anybody has a cookie cutter approach. Again, I think we're here to listen and to try to get as many ideas as possible. Mark Mitsui is here. I know he's also Deputy Assistant Secretary for Community

Colleges, was at DMACC yesterday. And I think there's great consensus on our committee on both sides, Republican and Democrat, that community colleges have to be a very integral part of this rating system and transparency for students around the country.

So again, I'm here to listen and I look forward to learning more about the President's proposals and about your thoughts and your suggestions as we tackle this very, very important, tough job of reauthorizing the Higher Education Act and meeting the President's goal of having a system in place by 2015. Is that right? By 2015, not 2014, thank goodness. But by 2015, but these things take time. They take time to get the information digested, try to work these things up, so I'm grateful to all of you for being here.

And I would just say in closing that if after today a thought comes to your head or something like that, go to my website or go to my committee website, the Senate Committee

Health, Education, Labor and Pensions Committee and give us your thoughts there, too. My higher education endeavor is, right here, Libby Masiuk is right here, so you can get her through that website. Thank you all very much for being here. Thank you.

(Applause.)

UNDER SECRETARY KANTER: So we're going to head downstairs and we'll start taking testimony in just a moment. I should just add that for anyone that wants to write in directly to us, collegefeedback@ed.gov is the website we have set up for comments on the rating system, so if you have other people, students, faculty, staff, community members, business that haven't been able to come this morning, they can certainly make their needs known at any number of the forums and town halls that we'll be having between now and the end of December, but also writing indirectly. Thank you.

MR. MITSUI: Thank you, Under Secretary Kanter and Senator Harkin. My name is

Mark Mitsui and I'm the Deputy Assistant Secretary for Community Colleges. And I am very pleased to be here today at the University of Northern Iowa for this third of our national forums on college value and affordability and I'm very interested in your statements and hearing your comments today.

We welcome those of you who are here to testify and also those of you, who like us, will be listening. Many of you have preregistered. Everyone who did so has been given a five-minute time slot for providing testimony. We'll move through people as you finish your comments, so we may invite some of you to speak sooner than you are scheduled for.

We have time for walk-in testimony. Time is available this morning, so please be sure to register at the back table if you're interested in presenting your comments in this forum so that we can make sure that you're going to have time to speak. Even if you hadn't previously planned on speaking, we'd love to

hear your perspective on the President's college value and affordability plans, the details of which can be found in the materials you picked up here before you entered the building.

We are recording and we'll transcribe everything that is said during the testimony today. The transcript will be posted on our website that Dr. Kanter mentioned earlier, so please be sure to check that if you would like to see detailed transcript of today's proceedings.

Please understand that this is a fairly formal structure, similar to a hearing. We cannot ask or answer questions or engage you in a discussion, however tempting that might be. We appreciate your understanding of that limitation and that's why it's so important that all of you can provide your testimony and perspective, even if you've not prepared formal remarks.

We invite those present and others to send us written testimony and comments. You

can direct this to a Department email address. It is collegefeedback@ed.gov. And Josh Henderson, where are you, Josh? Back there. Is tasked to collect your email addresses. We kid Josh that that's job security because we're getting a lot of comments from folks.

UNDER SECRETARY KANTER: Josh, I understand, is born and bred in Iowa.

MR. MITSUI: He's back home. As to housekeeping matters, we will likely take at least one break this morning and we'll have a lunch break from 12 until 1. And then we'll continue testimony until 3 this afternoon.

So at this point it's time to hear from you. I'd like to call forward our first witness. Please join me in welcoming from Iowa State University, Ms. Roberta Johnson. Sure, you can give it up for Roberta.

(Applause.)

MS. JOHNSON: Good morning, Dr. Kanter. Thank you for coming to Iowa and for providing an opportunity to give input into

President Obama's initiative to create a new rating system to better inform the American public regarding college cost, financial aid, and value.

As mentioned, I am the Director of Financial Aid at Iowa State University, one of the three four-year public institutions in the State of Iowa. And coincidentally, Senator Harkin's alma mater.

Iowa State University is a land grant institution. Our other two institutions, University of Iowa is the state's flagship institution and the University of Northern Iowa has historically been known as our teachers' college, although their mission has broadened as well. All three institutions are governed by the Board of Regents State of Iowa under authority of the Iowa Code.

This year our enrollment is 33,241 students, the largest enrollment ever at Iowa State University. Sixty-five percent of our undergraduates are from the State of Iowa and

11.76 percent represent students from diverse backgrounds.

We have academic programs administered through eight colleges, offering over 100 bachelor degree programs, 112 master degree programs, and 83 at the Ph.D. level. We have one professional program in veterinary medicine.

Our institution provides opportunities for students to learn and grow through internships, learning communities, international studies and associations with outstanding faculty members. In terms of ratings and rankings, if those count for anything, U.S. News and World Report ranks Iowa State University as one of the top 50 public institutions in the country and Washington Monthly ranks us as 28th among national universities in bang for the buck. A 2009 Wall Street Journal survey listed us as one of the top 45 institutions in providing for well-prepared graduates.

We are an open-access institution. Like our sister institutions, we have a shared index requirement, admissions index requirement that simply means that a student must have a minimum score of 245 on a Regents admission index score, calculated at twice the ACT composite score plus once of their high school rank, 20 times their high school grade point average, 5 times the number of high school core courses completed, and about 82.3 percent of the undergraduate students who apply to Iowa State University meet these requirements and are admitted on that basis.

We also have a very strong admissions partnership program with our community college partners throughout the State of Iowa with articulation agreements that allow students who choose to begin at a community college to get the necessary prerequisites to be able to transfer to our institution and to graduate on time.

Our tuition and fees are amongst the

lowest in the nation at $7,726. Concerned about the increasing indebtedness, our Board of Regents froze tuition and fees for 2013-14 at last year's rate and is committed to doing so again for 2014-15. Our room and board rates at Iowa State University were also frozen for 2013-14 meaning that students who entered Iowa State University in 2011-12 have experienced a total increase over this past three years of only $300.

Another interesting statistic is that our first year retention is 86 percent. We serve 24 percent of our financial aid recipients as Pell recipients and we have a 6-year graduation rate of 71 percent.

So while we are proud of all of these numbers and we continue to improve upon those, there is one number that we continue to see in the press that concerns us, particularly as we develop a ranking system. And that is the amount of reported student loan indebtedness of Iowa State University students. Our students

graduate with an average of $30,000 in debt and the State of Iowa ranks 6th in terms of indebtedness as reported by the Institute for College Access and Success.

So unraveling the mystery as to why this debt exists in the State of Iowa is complex. But I would like to share just a few things from extensive research that we've done at Iowa State University on our own indebtedness issue. First, our state appropriations for public institutions have dropped dramatically. In 1981, the general education funding for our region's institutions was 77.4 percent of our budget. In 2014, this now represents only 35 percent of our budget. So we are increasingly tuition driven.

Though we have maintained a straight line cost of attendance at Iowa State for the last four years, we still are seeing this debt. We see that the number of our students who are utilizing the Federal Pell Grant Program, although 24 percent of our applicants, the mean

amount that they are receiving in the Pell Grant is $4,895. The maximum this year is $5,645 which tells me that we have very needy students of our Pell eligible students because they are receiving almost the maximum.

We are seeing decreased federal funding in the other programs. President Ruud talked about the importance of the work study program. In 2002-03, Iowa State University received an allocation of $1.3 million in federal work study. Our allocation for this year is just over $1 million. Also, our allocation for the Supplemental Educational Opportunity Grant Program was $680,781 in 2002. It is $577,935 now.

Our state programs, we have primarily one gift program that is available to students at the public institutions in Iowa, the Iowa Grant Program. In 2002-03, we received an allocation of $147,343 in that program. A decade later, we're at $124,171. And the maximum grant for that is $1,000. So I can serve 124

students with that.

We've had to increasingly rely upon our corporate and private support. We've done a lot of work and have increased the total dollars available through corporate and private support by over $11 million in the last 6 years alone.

We have been utilizing our tuition dollars for a number of years under the directive of our Board of Regents to provide institutional financial aid programs for our students, and this was part of our Board of Regents policy. The minimum was at 15 percent as set by our Board of Regents. The last legislative session for the State of Iowa our State Legislature has now implemented a prohibition on the use of tuition dollars for financial aid purposes from resident students.

So as I'm painting this rather bleak picture for you of why we are struggling with the indebtedness level, you can see that the issue is very complex. And yet, despite that, we have

seen some improvements. The total indebtedness of our students who are borrowing through private loans has dropped from an all-time high of over $48 million back in 2003 to only $17 million as of last year. And we are seeing that with the improved interest rates in the federal programs that students are borrowing more through the federal loan programs which generally have better terms and conditions.

What the numbers also don't say when you're looking at a $30,000 average indebtedness is that the percentage of our students who are borrowing is dropping. In 2008-09, 71.2 percent of our graduates were leaving our institutions with debt; last year, only 61 percent. So we have made strides in terms of dropping the number of students who have borrowed, but of those students who are having to borrow, they are still graduating with over $30,000 worth of debt.

We are also looking at our cohort default rate. At our institution, we are doing

a lot of efforts to reach out to our students who are at 150 to 270 days delinquent. We are implementing initiatives to send reminder cards to students three months out after graduation to remind them that their repayments will begin shortly. The transition from the two-year to the three-year cohort default rate as expected across the nation has increased, that default rate for many institutions and ours is no exception. But we are still proud of the fact that we have less than a six percent default rate when looking at the three-year cohort.

We also did some interesting research on our campus regarding the indebtedness of our students who actually graduate as opposed to those who don't. And we know that of our students who graduate, their cohort default rate is less than one percent, so we need to get those students graduated.

We are applauding the President's efforts to expand pay as you earn. The one message I would like to share is that we

currently have several income-driven repayment plans that I believe are confusing to our students: income sensitive for students who may have had old FFEL loans, the income contingent repayment plan, the income-based repayment plan, and now the pay as you earn plan.

And if anything can be done to consolidate or solidify those into a single plan that allows students to have one income-driven repayment plan to choose from as opposed to trying to sort through which of the income-driven plans is helpful, as well as a single portal from the studentloans.gov to help them with repayment, that would be extraordinarily beneficial.

Thank you again for this opportunity. And we look forward to working with you on the rating system as you progress with the process.

MR. MITSUI: Thank you, Roberta. Next up we have Victoria Hurst, also from the University of Northern Iowa, Director of

Government Relations for Student Government.

Victoria.

(Applause.)

MS. HURST: Well, first off I want thank you for choosing UNI to hold this forum. We're honored to have you here and we greatly appreciate your efforts.

With the cost of college education ever rising, it's important that steps be taken to help students attain a higher education. I'm a first generation college student and I'm incredibly grateful to have this opportunity. With this in mind, I applaud your efforts. My favorite aspect of your proposed initiatives is that which caps student loan repayments at ten percent of earned monthly income. Income driven repayment options are highly important as it is regressive in nature to ask individuals to pay a given rate without considering their earnings.

However, I'm uncomfortable with assessing colleges based on graduate earnings.

One aspect of the proposed college score card is based on outcomes which include graduation and transfer rates, graduate earnings, and advanced degrees of college graduates. Assessing a college based on the earnings of its graduates does not paint an accurate picture of the institution.

For example, we, the University of Northern Iowa, formerly Iowa State Teachers College, are known for our outstanding teacher education program. Nearly one third of all teachers in the State of Iowa graduated from UNI. Unfortunately, teachers do not earn as much income as many other professionals. Does this mean becoming a teacher is a poor career choice? No. Does it mean UNI does not have a great teacher education program? No. Considering this, do graduate earnings really say anything about the quality of education one has the opportunity to receive at a given institution? I honestly don't think so.

While graduation and transfer rates

may be decent measures to assess an academic institution, I have a difficult time believing graduate earnings can be utilized in this same manner. Beyond this, I also take issue with the proposed initiative to encourage students to take more dual credit classes in high school. I did take advantage of the opportunity to take some dual credit classes in high school, but I did not have the same experience taking those classes in the high school setting that I would have at the university setting. A university setting encourages higher levels of thinking and discussion and it is more beneficial for a student to learn in this environment.

Additionally, satisfying liberal arts core requirements prior to attending a university draws from the student's college experience further. I've greatly enjoyed having the opportunity to work with outstanding professors from many different backgrounds and it has highly benefitted me. It helped shape my career goals and broadened my educational

horizons. I am grateful that I did not take more dual credit classes in high school as I would have lost further opportunities to obtain a more diverse education from a broader base of individuals.

In closing, I must say with all due respect this proposal seems to place much more emphasis on the dollar value of a higher education than the quality of the education. This is a problem. With the United States playing a significant role in the global market, I would hope to see greater efforts promoting an academically rich education to keep our country competitive at that level. The cheapest possible education is not necessarily the highest quality education.

Thank you again for your efforts and for choosing UNI and listening to our views. I appreciate your desire to obtain feedback and I hope you will consider our concerns.

(Applause.)

MR. MITSUI: Thank you, Victoria.

Just a note that Senator Harkin and Under Secretary Kanter will need to leave about 11. There's a student forum, a roundtable, that will occur then that they will be attending. But they will be back after that.

And now it is time for Tom Madsen, also from University of Northern Iowa.

Tom.

MR. MADSEN: Thank you again for coming to Iowa. We appreciate everything you guys are doing here today. As we all know, college is a great investment and not only for bettering your education, your learning, but bettering a person's life. Not only does a college degree open up new opportunities for employment and careers, but it also provides a person with a greater base of knowledge needed to succeed in today's ever-changing world. The returns on this investment are enormous, but as each year passes, the cost of college rises, taking a college degree far out of the reach of many Americans.

As a student, I applaud you and the administration for committing to making a college degree an affordable investment for many Americans, but I ask you to tread lightly. There are several novel ideas in the President's plan that could significantly improve the obtainability of a college degree, but could severely limit the options lower income students have for choosing a degree while increasing the pressure on a student to continue with a major they may not be passionate about.

So I'm just going to go over a couple of points that discussing in Northern Iowa student government that we saw some problems with. One of the big things is the -- and this is a quote from the -- I believe it was a facts sheet given to us from the White House. This is a quote, "require students to complete a certain percentage of their classes before receiving continued funding."

I came into the university as an undecided major and so did all of my four

brothers and sisters who also either graduated from UNI or are currently at UNI. And especially during my freshman and sophomore year, I took a lot of classes that had nothing to do with the majors I was looking into doing. But what those classes offered me was the ability to open my horizons and look at different options for things I could major in. That way, when I decided to become an economics and political science double major, I knew that that was the right choice for me. I tried out a variety of different classes with different subjects and I realized I found my place in the political science and economics field.

So my big concern is especially for lower-income students, are they going to be pressured into completing a degree that they are not passionate about? And I feel like this is really important, not only for a college setting and a college education, but also when students get a job, if they're not passionate about their majors, their ability to get a job that they're

passionate about is going to be severely limited.

So for instance, if a student -- if I didn't like economics and I was forced, not forced, but if I ended up graduating as an economics major because I could get the money that way, I might be forced into a job that I don't enjoy, that I'm not passionate about which could really severely limit my productivity in the office or wherever I choose to work. So I think that's an extremely important thing.

And yes, so another part, too, is I do not consider myself a Veteran, but I am in the military. I have been in the military for the last two years through the Iowa National Guard. And it's been a phenomenal experience. And I know that in the plans, it's also proposed that prior military learning experiences need to be better recognized in our higher education system. And I do agree with that a lot.

I think there are a lot of experiences within the military that can be

directly contributed to what we learn here at college. But at the same time, the different experiences you have in the military and the life that we have in the military setting is very much different than the life that you have in the civilian world, especially for active duty members. And it takes quite a few years getting adjusted from the military lifestyle to civilian lifestyle, especially in the college setting where you're kind of your own boss.

In the military, you have a time you have to wake up. You have a time you need to be there and if you're late, the saying is "if you're early, you're on time. If you're on time, you're late. And if you're late, you're dead." So we have a very structured kind of way we approach life.

And so coming to a college setting is very much different and a lot of military students or veteran students have a very hard time adjusting to the classes. And so I do applaud that we're looking at those experiences

to help veteran students be able to take more classes, but at the same time my worry is that the ability or that if these prior learning and experiences were taken into account to the point where they're replacing a lot of the liberal arts core and the lower level classes that when military and veteran students get to a college that they will be encouraged to take upper level classes they might not be prepared for.

Just being a senior this year and looking at my classes my freshman year compared to the upper level classes I'm taking now, there's a big difference in course load and my ability and the ways I need to think and the way I need to approach a class. So when we're looking at how to implement prior learning experiences from the military, we need to make sure that we tread lightly so that way we're not pressuring military students into classes that we know that they cannot complete or it's above their current level of education. So that's another big point that I'd like to make.

Another one is programs at low-ranking schools. I know a couple of us have been out before, but different schools have different programs which might be really good and might be -- they might be really good, but might not be reflective of how the college is actually ranked. So I'll go back to the example that Tori was using.

UNI is known for its education program, but my question is if in during the process, the ranking process if UNI ranks lower and I was a lower income student and I needed to take a Pell Grant or if I needed to get a loan through the Federal Government, would I be pressured away from going to UNI even if I wanted to be a teacher and go to a college that's really known for their teacher education program because the overall ranking of the college is low.

I think colleges specialize in things. For instance, in our state, Iowa is really known for their agricultural

departments. We're known for our education departments and our business departments. And Iowa is very well known for the law and also the medical departments. So my question is if you wanted to be -- if you're a lower income student and you wanted to be a part of any of those different programs, are you going to be shied away because the overall school is ranked lower?

And location is also another big factor, I think. Coming from Iowa, I originally wanted to go to the Coast and get away from Iowa, not that Iowa isn't great, but I kind of wanted a new experience. But a lot of college students want to be close to home for several different reasons, whether their parents are in need of help, whether they want to stay at home and help their families or whether that they just feel more comfortable attending a college that's close to their home. So if you were a lower income student and you need to receive a Pell Grant or if you need to get a federal loan, if you cannot get a loan or if you cannot get a good

deal on a college that is close by and you're forced to move -- or you have to go far away to get a college education to be able to afford it, how is that going to impact students? Are students now going to be able to say well, I have to make the judgment call. Do I help my family at home or do I move away so I can afford college? So I think are other important things we need to look at as well.

The other problem that I see is colleges -- the proposed plan is that the colleges that rise in ranks will get more money because students with Pell Grants and students will be able to get better federal loans, will be able to go to a college that is ranked higher. So my question is what happens to those lower ranked colleges?

I know we saw before in the No Child Left Behind policy that as students -- or schools are punished because of low performance which means they got less money which means because they have less money it was harder for them to

improve their status which then became kind of a downward spiral or each school received less money and it was harder to get back up onto the ranking system. And so I'm wondering if that would be the same problem that we might face in colleges.

So if here at UNI we were ranked low, which we wouldn't be, but if we were ranked low, and students were unable -- students were steered away from UNI and our enrollment went down, would we begin to lose money and not have the appropriate amount of money to refund our school and make it a better place and get above on that ranking system. We've seen something like that in 2012.

We had a lot of cuts that happened to our budget when the state decided to lower the contributions to the University of Northern Iowa. And we had to cut a lot of different programs and it ended up being a really -- an awful experience for a lot of students, faculty, and administration. And we saw because of all

that negative publicity that there was a huge drop in enrollment.

And UNI is a very -- we get a lot of our money from tuition and so the problem was as the student enrollment dropped, we got less tuition dollars which meant and it's been an uphill battle, but we've definitely been doing a lot of things to improve it. But we didn't have the funding then to improve our school because the tuition dollars weren't there because students weren't coming here. So like I said, just making sure that that downward spiral doesn't happen like it happened during the No Child Left Behind policy.

And I believe that was it. I'm sorry, just one more thing. I'm just taking notes here. I'm trying to get them all straight here. So for instance, if I was an Iowa student and all three of the Iowa schools happened to be ranked low, which once again, they wouldn't be, but if they had been ranked low, would I be forced to move out of the state to get an affordable

federal loan and to get a Pell Grant? Would that mean I'd be forced out of state and therefore would have to pay out of state tuition?

So I think these are other things we do need to look into is, is it going to be a state by state ranking system? Is it going to be a nationwide ranking system? I know the details aren't quite fully put there for us, but I think these are things we need to take in concern.

I really applaud the administration. I applaud the U.S. Department of Education for taking time to look into this. It is a huge feat to take on how expensive college has gotten today and it's definitely something that we cannot be scared of. We need to take it on headlong. But once again, I think there are a lot of things that we need to take into consideration.

Once again, is affordability more of a priority than choices? Are we going to basically make choice a privilege of upper -- of students who come from an upper economic status

who can afford to go to whichever college they want compared to lower income students who might be swayed one way or another to go to a college cause that's the only college that they can afford because that's where all the Pell Grants and student loans are.

So is affordability more important than choice? I think we need to strike that balance.

Thank you again for taking time to talk to me. I know Blake Findley, my Vice President, will also be speaking to some of the things we like about the program and some of the concerns we have. But once again, welcome to the wonderful State of Iowa and University of Northern Iowa. I hope you have a pleasant time here. So thank you again very much.

(Applause.)

MR. MITSUI: Thank you, Tom. So there's one piece of housekeeping I forgot to mention and I neglected to let you know, I will be giving speakers the one minute warning sign

as we get close. These were great comments and we value all of them. We do want to stay on time, so we have time for all the speakers, so I will be giving the one minute warning sign.

And my page is cut off half way here so I know the first name of the next speaker. But I'm sure you know who you are. Diane. And I think it's Highland Community College. And you are a trustee, correct?

MS. GALLAGHER: I am a trustee. Thank you very much.

MR. MITSUI: You bet.

MS. GALLAGHER: Thank you very much for this opportunity to be here speaking in terms of college affordability. I think you, as director with community colleges and certainly others are well aware of the growth of community colleges for their benefits of being local and very affordable.

As a college dropout from UNI, I'm here today to give my appreciation to my local community college that welcomed me back many

years later for an affordable entry back into higher education. I'm also here to apologize to my community college because I am one of the failures. Because I did not go full time and I did not stay long enough for a degree or a certificate. But instead, transferred to Loras College to finish my bachelor's degree.

The community college made that incremental difference that made completion really affordable and accessible because of its easily transferrable courses and because of its location.

My experience was truly a success and a great return on investment, which is hard to measure. The metrics for measuring this success could be the voluntary framework of accountability. The VFA is the first national accountability system specifically developed to measure outcomes at a two-year college. Our national leaders at AACC and ACCT can speak to the growing acceptance of this program.

The proposal and plan to develop a

college rating system to increase affordability and completion is not similar to the Voluntary Framework of Accountability. It is more to be a way to cause competition where it's not really necessary.

At our Illinois community college, tuition is now $115 per credit hour. We've had to raise it and raise it and raise it. A full-time, full-pay student can expect to pay $4,900 for a year of tuition, fees, and books. In order to educate that student, tuition revenue provides 38 percent of our operating budget. The taxpayers in our four counties pay 44.6 percent of the school's operating budget. And the State of Illinois pays 12.7 percent to help us in operating funds. Our amount of federal support is mostly composed of grants and actually equals actually less than one percent of our operating fund.

Yes, many students do receive Pell Grants. But many nontraditional students do not qualify for them. And actually, you know as

well as I, that less than 17 percent of community college students nationwide borrow money for school. Our average age in the community college is 27 and rising.

The efforts to slow tuition growth will be more productive if we can see job growth and new businesses in our community that add taxpayers. Thankfully, we're not tax capped yet. It will be more helpful if the State of Illinois would return to their previous normal funding levels and make their payments on time. I don't want to tell you what fiscal year we're receiving funds for right now. It's quite embarrassing.

The effort to slow tuition growth can be aided but not by adding additional statistical and reporting burdens. I as a trustee sat home and listened to the webinar on the Gainful Employment Act and have now understood the tears from our staff members, as you add yet more reporting for our one staff member who does institutional research.

The efforts to slow tuition growth are hampered by societal changes, like the need for expensive security programs. I don't want to tell you how many hours of tuition credit has to be paid for the lighting, the locks, the systems that protect our students today, the costly remedial programs. If only students could come prepared to pass our math test to get into our community college, it would save us a lot of money.

The high tech fiber optics infrastructure and the numerous student service programs that are needed for diverse populations, we all know that the traditional age of students is in the minority.

Students succeed in community colleges because of our strong belief in community, around and within, our campus. This is one more reason we offer noncredit community college classes in leadership training. A ranking system would not have made my daughter more proud or helped her save more money by

taking summer classes at her nearby community college.

A national ranking doesn't have to measure the joy of performing and being watched by friends and family in your local community college. Those dual enrolled high school students that come to our campus don't see the value in a college ranking because they know they're challenged and they get the return from their community college experience. They know, just like my daughter knew, that if there's going to be a job available, the most affordable way to become qualified is to attend a community college for as many credits as possible. Just ask our students in the nursing program, wind turbine technician program, our auto body program, our truck driving program, how easily they find immediate and I do mean immediate, work.

Our rural Illinois location has many students with a good work ethic, but they often lack the skills necessary to be successful at a

college level. The supportive staff makes a major impact on the success of these students, but this takes money from student financial aid pockets and bears on the college education fund to support the counselors.

Funding on performance sounds good in theory, so many states are involved in developing such criteria. The Gainful Employment Act appeared to aim at its own measurement. Unfortunately, the reality of local jobs staying in our communities is not a realistic commitment. Help us educate our students for skills and training so that they can be employed and be learners for a lifetime. Let us improve our quality and our outcomes by helping to share the best practices. Don't make community college compete in one more imbalanced race. Thank you, much.

MR. MITSUI: Thank you, Diane.

(Applause.)

MR. MITSUI: So next up, Hank Robinson from the University of Nebraska Omaha.

And Hank is the Director of Institutional Effectiveness, is that correct?

MR. ROBINSON: Yes.

MR. MITSUI: Welcome, Hank.

MR. ROBINSON: Thank you, and thank you for this forum. I have more of a laundry list, I guess, of observations, more than a prepared speech. One thing I would put forward for the forum to consider is that when you look at the size of the cohorts who need access to education, it's much, much larger than last year's graduating class from high school. There are much more people who need to get back into school and finish degrees that they have initiated or to advance the associate's degree that they started. And so anything that is done in terms of rating schools, access has to be rated according to their ability to take people back in, even if they failed or didn't, weren't able to progress originally.

One thing we know is that there's not very many of us who are in our adult mind at 18

and 19 and 20 years old. And so the 27-year-olds that are going back to community colleges, they're also coming back to undergraduate and graduate programs at the university.

One of the things that we struggle with at the university in terms of accreditation and assessment is that it's far easier to say that a student should be able to demonstrate critical thinking, social intelligence, a deeper appreciation for culture than it is to actually operationalize a reasonable metric and a reasonable way of attaining information to decide whether or not that's actually occurred.

In order to accomplish what the President's agenda has set forth, and I think what most of the college presidents and university presidents around the country are trying to accomplish, I think we're actually going to see an increase in number of credit hours that have to be completed prior to graduation. And the reason is up until this point the assessments required to track those

things and do those things were not considered part of the curriculum. They were not considered part of the course of study.

So this new demand for accountability and performance is going to require our faculty to understand that they have a role in assessment outside the course of study and outside the classroom that they're accustomed to and similarly that students are going to have to be more accountable at the assessment level.

And right now, it seems like the only way that we can do that fairly is by giving credit towards graduation for that.

Finally, among the two things that have not been in the notes that we've seen so far around the forums in terms of financing is there hasn't been very much discussion about the role that block tuition could play in increasing the affordability of a college education. Our president of the University of Nebraska system is very interested in using block tuition as a

way of getting those 15 hour enrollees up to 18 hours and get them more vested and on a faster trajectory towards graduation.

And the last thing I would encourage the forum to consider is an investigation into the degree to which state sponsored college savings plans have actually increased enrollment rates. It appears at the University of Nebraska they've had a positive rate on increasing accessibility and increasing the affordability. We have a very good state sponsored college savings plan in Nebraska. I know there's other states that have similar ones.

Thank you.

MR. MITSUI: Thank you, Hank.

(Applause.)

MR. MITSUI: Next we have -- go ahead.

MR. HENDERSON: Next we have Tom Babel from DeVry Education Group.

MR. BABEL: Thank you and good

morning and thank you for the opportunity to present commentary. My name is actually Tom Babel and I'm Vice President for Regulatory Affairs for DeVry Education Group. I'm here today to speak on behalf of DeVry Education Group's U.S. institutions, Carrington College. Carrington College California, Chamberlain College of Nursing, and DeVry University and the 85,000 students enrolled in those institutions.

I also speak as a parent who has in recent years launched four daughters into college. In that process, I shared their frustration of being able to evaluate the many different colleges and the opportunities they represented for my daughters.

The President has proposed a rating system so students can make more informed decisions as to which colleges offer the best value and so Congress can tie student aid to college performance.

As a parent, I wish I had such a robust value rating system for my daughter,

Hannah, to know which school offered the greatest opportunity for an internship in Arctic sciences; for Emily, the career opportunities beyond electrical engineering; for Samantha, academic advising and career guidance that would have seen her expeditiously complete her studies; and for Rebecca, just to know which college would love her the most.

In the end, those are the value ratings that would have most impacted their own assessments and their ability to be successful at the college of their choice. But those are not the types of ratings we are talking about. And to the extent they replace the measures that invest students in their own educational choice, we need to be careful.

The President has proposed a rating system that attempts to accomplish two significant measures, one that measures value for students and one that holds institutions accountable to outcomes. Those are two very different measures and constructing one rating

system to do both risks the effectiveness of each.

In July 2011, at a roundtable hosted by Senator Harkin, DeVry Education Group's CEO, Daniel Hamburger, proposed an accountability regime that would be based on four key measures. One, are students learning as demonstrated by passes in licensure exam rates and other measures of attainment? Two, are students progressing in completing their program of study, whether at the original or a subsequent institution? Three, are students attaining their educational objective, meaning are they employed or have they gained admission to a higher level of education? And four, are students repaying their student loans? We believe these are still the right measures for institutional accountability and that many of the mechanics that exist today to use these in a rating system for that purpose. But some of the mechanics in the current system are seriously flawed and need to be addressed before

any rating system is implemented.

So first, any rating system must be strong enough that it can actually measure results for all colleges. The current score card does not provide a graduation rate for our Chamberlain College of Nursing, claiming that the college did not exist in 2005 when it was actually founded in 1889 and has been running continuously since that date.

Additionally, our Carrington Colleges are nowhere to be found in the score card data base, despite being in existence since 1967. The Carrington Colleges are excluded because they're schedules do not fit the traditional semester-based model.

Higher education is quickly evolving and any assessment vehicles must be able to adapt to that evolution and not just exclude some institutions because it does not come in a traditional form.

Second, any rating system must be based on a broader set of an institution's

population. Today's measures are largely focused on first time, full time student populations. An increasingly smaller percentage of the college population and for many institutions an insignificant percentage that makes any measure tied to it misrepresentative of its actual performance.

Third, any rating system must account for the population being served. For instance, we know there is a strong correlation between family income, age of entry, enrollment density and completion rates in four year degree programs. In compiling its national post-secondary student aid study, the Department of Education has recognized at least seven different risk variables that impact student success. The American Council on Education cautions any metrics used to evaluate institutions must account for the differences among colleges and universities.

Additionally, a number of states in developing performance based funding

mechanisms, the American Institutes for Research, the Gates Foundation, and the Lumina Foundation, have all recognized the importance of using input adjusted metrics for assessing institutional outcomes.

Good models for incorporating population risk and measuring actual outcomes against predictive performance have been developed by Tom Mortenson at the Pell Institute for the Study of Opportunity and Higher Education and the American Institutes for Research. This model could be used in both assessing institutional performance as well as communicating to students how likely they are to graduate, given their own demographic characteristics.

We are also concerned with the measure of cost. We do believe it is absolutely imperative that no student should ever begin their enrollment without understanding what their program will cost, how they will pay for it, and any future implications of using loans

to finance their education. And there should be strong disclosure requirements in place to assure such occurs. But using a single cost measure to hold schools accountable is misguided.

While cost measures such as those used by college measures are good measures of efficiency, they are not proxies of quality. Institutional costs will vary greatly according to degree level, types of programs, the research component in those programs, and both academic and non-academic student support needs.

We also think that the cost measure being used for student consumption is problematic. The current score card, the shopping sheet, and other measures in the Department's Affordability and Transparency Center tried to measure affordability in institutional cost control using an average net price. That is a seriously flawed metric that is more likely to mislead students than it is to inform them of either the actual cost of

attending a specific college or the relative cost of one college within a group.

The net price calculation incorporates the use of a financial aid need analysis component that may work for the traditional resident undergraduate student. It assumes a standard room and board cost that is attendant with that student's enrollment. If a student lives in a dorm and eats in a college dining hall, that is certainly a cost that needs to be recognized. But if a student is attending part time, working part time and commuting to school, there's likely to be little additional room and board costs attendant with his or her enrollment. Presenting a price, either as factual or for comparative purposes that is inclusive of those costs is likely to have a deterring effect on enrollment.

For many institutions, room and board costs are unchanged with the student's enrollment and using these in a rating scheme, whether for the desired informed decision making

or institutional assessment is simply inappropriate. We have consistently advocated for increasing institutional accountability and support the President's concept for establishing a rating system that measures institutional quality. It is appropriate to include certain input such as student demographics and selectivity in the admissions process and the measurement of outcomes. But the rating system can only be objective and fair if it is measuring only outcomes, including where appropriate those adjusted to account for differences in the student populations.

Again, we think these boil down to four discrete measures. Are students learning? Are they progressing and completing their program? Are they attaining their post-educational goal? And are they repaying their student loans.

Thank you again for the opportunity to comment and we look forward to the next steps.

MR. MITSUI: Thank you, Tom.

(Applause.)

MR. MITSUI: Next we have Bob Frederick.

MR. FREDERICK: Good morning, yet still. Thank you for this opportunity to provide some testimony. My name is Bob Frederick. I work at the University of Northern Iowa. I'm the Director of Career Services and I'm the Director of Community College Relations and I understand you had a great meeting yesterday, Mr. Mitsui.

Two things I wanted to bring up and I don't have a formal speech, but two things have been on my mind since I was looking at this particular rating system. I think they are important. One would be as a regional comprehensive, UNI has a very unique audience, a unique demographic. Some 91 percent of our student body is from Iowa. About 85 percent stick around in Iowa after they graduate. That creates some unique employment opportunities and challenges.

I think it's interesting when the employers who come here to recruit our students, about 60 percent who do recruit on campus, recruit for all majors. They're not looking for a specific major.

In fact, we had about 30 of our top employers this past year not list any major that they were looking for. They listed skill sets they were looking for which is a unique way to look for a potential employee for this organization. That is very exciting for our liberal arts education like we have here at UNI because it does mean that the talent acquisition side of what employers are looking for is transforming and changing.

The other piece of this though is the salary piece and as somebody who actually does try to go out and collect this information and looks for the data about what people are making, I can tell you that over the past 13 years that I've been involved with it the National Association for Colleges and Employers has given

up on this. It is so hard to collect. It is so complicated. Sometimes the data sets are so small that you can't report them out, that they have actually transformed over and allowed the Bureau of Labor Statistics to provide that data for them which they collect that from the state level which is looking at the entry level, the median level, and then, of course, the high levels of wages. They report them out by sector, by industry, according to the North American Industrial Codes. That's a pretty good way to look for it. Other than that, you really have a self-select in or out process for collecting that data.

What we have found, what I have found personally, is this. People who make a lot of money report it. Those who don't, won't. And the majority, the vast majority, some 75 percent report no wage data because again, we don't have anything to hold over them. They've graduated. They're gone. We look at them six months out. They can decide to respond or not.

This past year we had about an 83 percent response rate for our follow-up data which is excellent. But again, the salary piece is so small that it would be inappropriate to report it because of the lack of statistical liability. Nevertheless, there is a way to find this information through the unemployment insurance information that's collected. We don't have any control over that, but the government does. The UI data is a very efficient way to see what people truly are earning as far as wage is concerned. That's outside of the scope though of what a university or college could get at.

And so therefore, I think one of the things to be looked at and talked about in this rating system is to really pay attention to the complexity associated with wages and connecting with wage and the reality that a major doesn't necessarily lead to a particular degree field. And so to then to try to draw it back to if you go to this place and major in this thing, you're

1 going to earn this much is a very spurious
2 argument at best.
3 We are happy that we have, for
4 example, a philosophy and religion major over
5 here at our Target Distribution Center who is the
6 third person in charge of that particular
7 institution. The person in charge of that
8 institution, the general manager, is a
9 criminology major from UNI. Neither majored in
10 business. So those kind of connections, that
11 sort of rating and diagraming of what would be
12 the appropriate major, what it would lead to,
13 what those wages might be, because I've looked
14 at that for many, many years, I think is a very,
15 very careful study that needs to be done on that
16 to make sure that we're able to connect those
17 dots. We are finding it very hard to connect
18 those dots in the current metrics and systems
19 that are available in higher education.
20 I called several of my colleagues
21 before today, told them I was going to come and
22 talk briefly. We all are in agreement across

the state of Iowa that this is a very complex issue and we hope that more care and thought will be put into that particular piece of the rating. Thank you very much.

MR. MITSUI: Thank you, Bob.

(Applause.)

MR. MITSUI: Next we have Nathan Schultz from Northern Iowa University.

Nathan.

MR. SCHULTZ: Hi. Thanks for coming here today. I tried to look up a joke just to break things up a little bit, but none of them were funny, so I might have saved you on that one actually in the end.

I thought it would be important to come here and speak today because I'm a public policy graduate student and I've actually been doing a little bit of research on my own on college tuition rates and affordability. And when I heard about this plan coming out, I was actually pretty on board with a lot of the premises of it because a lot of the studies I saw

had a lot of similar aspects to them.

There's a few things I wanted to comment on though specifically. In my opinion, the skyrocketing tuition hasn't really given a return to students in educational value. And what we've seen is a lot of talk about the student experience which doesn't necessarily increase your job market or anything. It's kind of like selling everybody a Cadillac, when all they need to get to work is a Honda. So I'm actually really on board with anything that puts the ball in the university's court to try to reduce the spending and the amount of fringe niceties that are occurring in the college systems because I don't think there's anything in place right now to give colleges any incentive to reduce spending. And I think we've seen the opposite that there's an effect called the Bowen Effect. I'm not sure how familiar that is, but that states that any time colleges will be able to spend any amount of money and say it's going towards student education, but I think from what

we've seen with college athletics, facilities, all sorts of things, these aren't really giving value to students or increasing the value of the education and it's just a way for colleges to compete with each other and it's sort of an arms race.

So I'm really on board with anything as long as it's operationalized to actually capture those things and create an incentive for colleges to quit the out of control spending and focus on actual education again, instead of campus beautification or whatever they need for their walking tours.

I'm also in favor of anything that would sort of impose some risk on universities for the Federal Government because it creates a moral hazard when they give out money to the students, the students pay the universities and the universities don't really have any -- there's no mechanism there that makes them accountable for spending that federal money or the Pell Grants. So I'd be in favor of anything

like that too, that kind of ties them to the same thing because right now they can take all the money they want and then what happens to the students afterwards? If there's no moral conviction there, then it could be anybody's guess what happens to them.

And the last thing I would like to comment on which is not going to be a very popular opinion, but I'm going to talk about it anyways, is that I hear a lot about people asking for more money from states to fund public education and I'm kind of on the board against that. I can see the value of that, but at the same time I want to be cautious about putting some of that back in their ballpark because the average taxpayer is not a college graduate and a lot of people don't have access to it. So I think it's creating a wrong incentive there and it's taking money which are regressive taxes at the state level and distributing it to the future middle and upper income classes. So I have an issue with taking tax money at the state level where

it's a regressive tax and distributing it to the future bosses and CEOs of the world who are going to have a well chance to pay that back based on their new income. So I'm kind of wary of that.

What I think we should really be looking at is how we can do needs-based programs to make it affordable for low-income people because I think this train is moving so fast that I don't know if low-income people are going to be able to keep up with it without getting ridiculous amounts of loans to keep up with college spending. That's really all I had. So thanks for letting me speak.

MR. MITSUI: Thank you, Nathan.

(Applause.)

MR. HENDERSON: Next we'll hear from Mike Licari.

MR. LICARI: Thank you for being here and for listening to the public on the issue of improving college value and affordability. The University of Northern Iowa is happy and proud to host this. I am the Associate Provost

for Academic Affairs here at UNI.

I really don't have a problem with score cards and accountability. However, I am concerned about it being designed properly. So I think that any system will need to be set up to acknowledge elements that are beyond the control of public institutions.

You've already heard testimony earlier about the fact that state appropriations in Iowa have been cut to the point where that it now makes up less than half of the total funding for the region's institutions in the state. This reduction in state investment has to be made up either with tuition dollars and/or budget reductions on the three campuses. So I encourage you to consider building in a component to the score card that acknowledges this political context.

Public universities want to move forward in partnership with their state legislatures. We are dedicated to serving the state and our students, but this is challenging

to do if public higher education is seen more as a private good than a public good. Thank you.

MR. MITSUI: Thank you.

(Applause.)

MR. MITSUI: Next we have Matt--excuse me if I mispronounce your last name--Falduto, Kirkwood Community College.

MR. FALDUTO: That was pretty close. It's Falduto. First of all, thank you for being here today and listening to all of us. It's very much appreciated. I think there's one thing we all agree with. We know that education is the path to fulfilling one's dreams. I work in a financial aid office at Kirkwood Community College in Cedar Rapids. And every day we help students along that path by providing the funds they need to succeed. And I'm proud of the work we do. And I do know we can do better.

And there are a number of proposals in President Obama's plan that are excellent steps in the right direction. And I want to briefly address a couple of issues and make a

1 couple of suggestions. There's a proposal out
2 there to limit borrowing at the associate's
3 degree level and this makes a lot of sense to me.
4 There are too many students who come into our
5 office having attended other colleges and deeply
6 in debt with no degree. Thirty-one thousand
7 dollars, which is the maximum amount for an
8 undergraduate student, who is a dependent
9 student, seems like a ridiculously high number
10 for a freshman. They don't take it seriously
11 enough until it's too late. So limiting
12 borrowing at the associate's degree level makes
13 sense.
14 However, I'd like to allow the
15 financial aid advisors to use their professional
16 judgment to increase those amounts. We have a
17 number of students who completed bachelor's
18 degrees in liberal arts at another school and
19 then attend our college to get a two-year degree
20 in nursing, for instance. Now this is not a
21 traditional path, to be sure, and there are a lot
22 of untraditional paths, but it is a valid one

that should be supported. In general, it makes sense for colleges to have greater flexibility in terms of awarding. College professionals know their students and what makes the most sense for them. Give them the flexibility to award loan amounts that are appropriate for their college, rather than forcing all of us to allow students to take that maximum amount that perhaps they do not need.

There is also a proposal, we've heard a lot about today, to tie financial aid to student success. One measure, of course, is how many students graduate with a degree, for instance. This college score card is problematic for community colleges. I know you've heard this before. We have many successful students who do not graduate, but rather take classes here for transferring on to a four-year school. These are successful students. We have many successful students who do not graduate, but rather take classes they need to get a good job in our work force. These

are successful students.

So how do we define success? It cannot be the same for all schools. One size does not fit all. So any proposal in this direction must carefully consider each institution. We believe in accountability that makes sense. Now if you really want to incentivize student success, create a federal grant program for second-year students based on their success in the first year. For example, every student who has completed their first year of college with a 3.0 GPA is eligible for a federal grant to help pay for Year 2. Now maybe they have to take the maximum amount of loan funds in Year 1, but once they've proven they can succeed, let's give them the means to move forward without as much excessive loan debt.

And finally, one of the biggest issues that I see every day is the number of students who require remediation. Some studies have found that 60 percent of community college students and 20 percent of four year college

students required some sort of remediation. So what does that tell us? There's a missing link between high school and college. I would like to see more federal funding for programs that promote a greater connection between high schools and colleges in terms of aligning curricula for a seamless transition.

And really out of all of the things I've said, that's really the one that we need to do something about. Truly, it's difficult for us in the community college to see so many unprepared students come into our institution, and we have to spend so much time on the remediation. So that's a big issue. I do appreciate this opportunity to provide feedback and thank you for examining these issues in an effort to increase student success.

MR. MITSUI: Thank you, Matt.

(Applause.)

MR. MITSUI: Next we have Linda Allen from Hawkeye Community College. Linda?

DR. ALLEN: Thank you. I am Dr.

Linda Allen, President of Hawkeye Community College. And I want to start by thanking all of you for the opportunity to speak today and also for hosting these forums across the country. It's really important for us to be able to provide input and to ask questions.

I want to begin, first, by looking at the ratings system. Community colleges are tremendously diverse, both in terms of their program offerings and student bodies. We exist to serve our service area communities, and as a consequence, community colleges are not amenable to a system that rates or ranks our institutions. The administration's plan is focused on providing consumers more useful data than what is currently available and Iowa's community colleges believe this data could be a real benefit.

However, the administration should first focus on developing a more accurate graduation completion rate and providing more meaningful wage data. Institutional ratings

are far less useful for prospective community college students because they do not apply to multiple institutions, for the most part. A more helpful comparison could be obtained via the individual programmatic focus of the pending gainful employment regulations. The gainful employment regulations may provide more meaningful assistance to community college students, as they choose between programs at a given institution, rather than between institutions.

The Department has not provided information about which peer groupings are to be used to compare or rate community colleges if, in fact, this is going to be undertaken as stated. Community colleges might most appropriately be categorized in terms of Carnegie classification. If a government rating system is to be developed, consideration should be given to using the metrics from the Voluntary Framework of Accountability, a set of metrics devised by community colleges to more

accurately gauge an institutional performance, given the nature and mission of our institutions. In fact, one of Iowa's community colleges was a participant in the development of that program and is still in that program which will be completed in 2015. In particular, using the VFA would allow for a needed time frame for completion longer than the 150 percent time frame used under the Student Right to Know or official completion rate. And would also include transfer data and data on part-time students. A large number of our students are part-time students and their goals are different.

Performance assessed by a graduation rate fails to take into account the breadth of the work being undertaken at community colleges. Iowa's 15 community colleges, and today, speaking on behalf of those colleges, I can tell you we're working very hard as a group to increase our graduation and completion rates for certificates, diplomas,

and degrees. So we believe performance assessed by graduation rate fails to take into account the full breadth of the work being undertaken at community colleges, the variety of outcomes students seek, or the diverse characteristics and needs of students attending community colleges.

Community colleges required a sector-appropriate framework that assesses institutional effectiveness in providing educational opportunities including developmental or remedial education, collegiate courses, transfers to other colleges and universities and work force preparation.

I'd also like to address the college score card. The administration has indicated that it plans to provide earnings data on the college scorecard and to use this as part of the rating system. Earnings information could provide a boon to consumers, however, information at the program level is most useful to students, particularly at community colleges

where earnings vary with a certificate or degree earned. In addition, regional differentiations in average earnings or relative cost of living could be given to provide context. Earnings data need not be placed on the score card, but could be provided via a link to the databases.

Community colleges should also be able to provide student Social Security Numbers, if available, or program specific student identifiers so more relevant earnings data could be made available to prospective students. Again, this is similar to what is being done with the gainful employment regulations.

I'd also like to address student aid eligibility. We do not support extending the rating system to student aid eligibility. Federal student financial aid has been available uniformly to students regardless of the institution in which they enroll. It has provided more reliable support for students and has encouraged healthy competition among institutions. We are particularly concerned

about this proposal because of the fact that most community college students are not in the position to choose an alternative institution. Most community college students attend community colleges based on proximity and because their local community college provides education and training at an affordable cost.

Predictability in student financial aid is critical for students, particularly those least likely to attend. A system in which student financial aid ability changes with their college ratings could impact the ability of some students to attend. It impacts that affordability. If a student is required to go to another state or another county or out of their service area to attend a community college, there will be additional costs. And those costs are hidden in this descriptor.

In conclusion, the 1100 community colleges scattered across this nation are open-access institutions, dedicated to serving the educational and training needs of our

communities and business partners. The combined enrollment of Iowa's 15 community colleges last year exceeded 100,000. Nationally, community colleges served over 13 million credit and non-credit students last year. We're gateway education institutions, especially for low income and minority students. If President Obama's initiative to achieve the highest level of post-secondary educational attainment in the world by 2020 is to be successful, providing access to all who seek higher education must be a priority. Implementing a system that would in any way block this gateway would negatively impact the President's goal and the dreams of thousands of students. Thank you.

MR. MITSUI: Thank you, President Allen.

(Applause.)

MR. MITSUI: Next we have Susan Brown, also from Hawkeye Community College. Susan?

MS. BROWN: Thank you for this opportunity. I am here representing Hawkeye Community College. I am a student there. I'm currently in my second year for business administration and I also have been able to take advantage of a work study position working in the Business Office of the college. As I said, I'm here today to represent the many students at Hawkeye, who, like myself, are receiving educational opportunities through financial aid such as Pell Grants, work studies, and the many things that it offers, those of us as students that we might not otherwise have.

Prior to enrolling at Hawkeye, I had worked in the offices of several reputable companies while raising my three children as their only parent and sole provider. My oldest daughter graduated from Hawkeye Community College in 2010 with degrees in both ag. business and animal science. She was hired prior just to graduation by a company in Illinois that was up here doing some recruiting at Hawkeye. It's the

Maschoff's Progressive Farming, a big pork producer in Illinois, Southern Illinois. And she went in there first as a field advisor and then later becoming a marketing logistics associate.

And in the three years she was there, and I say that because she just recently moved back to Iowa to accept another position, the company that she did her internship with through Hawkeye, Innovative Ag. Services, they spent three years trying to woo her back to Iowa and they finally got the job done. She just became their agronomy advisor at the corporate office in Monticello. She will be replacing a gentleman, the lead ag. advisor that is going out in retirement here in the next couple of years. So they're grooming her for that position. It's good to have her back.

I also have a son who is -- he's my youngest child. He's currently in his second year at Hawkeye Community College. And he is taking electrical engineering. At the time

that I was helping my son to enroll at Hawkeye, I had just lost my job the year prior. And here we were a year later, and I'm still unemployed and looking. So as I was enrolling him, I began to think this is what I needed to be doing, too. While I had taken some college courses after high school, I had only certificates. But at the time that I graduated, that's about all you needed was that high school diploma to get a good job, to get the jobs that you wanted. That's no longer the case.

So I had taken some business classes prior and I did want to get back at some point and get my degree, but you know, raising children on my own and in some cases I worked two jobs, there was just no time for going back to getting an education. So now I have the time, but I don't have the money. And not only do I not have the money to enroll myself, I'm questioning whether my son is going to get the same opportunities that his sister had and get to go. But I met with people at Hawkeye and got some

information and we worked things through. And because of that my son and I are both going to college together. And it's very likely we may end up graduating together, which I'm not sure how he feels about that.

(Laughter.)

I think it would be a great thing. I guess that I would just leave you with this, that had it not been for the financial aid and the Pell Grants, the work study opportunity, which is a great thing because it has really, I feel, it's opening doors for me, the networking, the people that I have met, they have a great career services program there I've been working with. I fully expect to be where my daughter is when I'm done. There are people there that are going to help me with that. If I had not taken this opportunity and gotten enrolled, it's likely I would be sitting, how much longer without employment? So it's just a good move. I'm glad I did it. And I know that there are doors that will be open for my children and

1 myself and I'm looking forward to those. So
2 that is all I have. And again, thank you for
3 being here and thank you for giving me this
4 opportunity.
5 MR. MITSUI: Thank you, Susan.
6 (Applause.)
7 MR. MITSUI: So next we have Heather
8 Gaumer from Simpson College, Assistant Director
9 for Student Loans.
10 MS. GAUMER: Thank you so much for
11 being here on behalf of the Department of
12 Education. I know that all of us are glad to
13 provide our feedback for you today. I did hear
14 a rumor that I'm the last speaker between us and
15 lunch. So I will definitely keep the five
16 minute time frame. I do want to introduce
17 myself a little further. I do work at Simpson
18 College which is located just south of our
19 capital city of Des Moines. And I work at
20 Simpson College, which is a not-for-profit, four
21 year, liberal arts institution. My role at
22 Simpson is to work in the financial aid office

1 and I would like to assure all of those that are
2 part of this hearing as well as those that will
3 be listening in live and that are reading
4 transcripts that, as a financial aid
5 administrator, that is a member of our Iowa
6 Regional and National Financial Aid
7 Association, and as an authorized user of our
8 state and federal systems that allow us to
9 administer financial aid, that we do so with a
10 very moral and ethical agenda.
11 So when I began thinking about the
12 affordability initiatives and the ranking
13 systems that are proposed, one of the first
14 things I think about is what I experienced as a
15 college student: as a first generation Pell
16 Grant recipient, I am well aware of the power of
17 financial assistance. I'm also aware of the
18 access that it provides to our students, not only
19 in the State of Iowa, but as well as across the
20 nation. Many of the students that we work with
21 at Simpson College are also first generation and
22 low income. Increasingly, we are also seeing a

population of students that are of a nontraditional age and tend to follow a more part-time or at least less than full time enrollment status at Simpson.

So what this means for us is that we are also seeing our normal, traditional-age population decrease at the same time we're seeing a nontraditional population increase. Data has shown that our population of students will continue to decrease in the next decades and that we will also have our population of students change in a number of ways beyond age. One of the things that this will do, particularly at private institutions such as Simpson College, is put further strain on our institutional budgets. Our institutional budgets do things like provide additional academic resources and support, as well as allow us to provide institutional financial assistance that is needed, beyond what is provided by the federal and the state government.

The current proposed rating system

is designed or laid out to assist our students, for what I believe to be further transparency as well as a better informed decision about their education. My concern, however, with this initiative and its goals of transparency and better informed decisions from our students, is that it will not show the entire picture. If an institution's ratings change each year and the federal funding that our students will receive each year based on that ranking will change, how can our students have a transparent picture of how much aid they will have from year to year to afford any institution?

To me, part of college access also means choice. I do understand there's a different between a Cadillac and Honda sedan. However, if you're not comfortable riding in either, but you only can afford one versus the other because of a ranking system, are you going to abandon that car completely?

Another thing that I would like to bring up is the issue of student loan indebtedness and

college affordability. This is something that we look at very seriously at Simpson College as well. And I know that other schools do also. Transparency does not currently exist in our student loan system as it is set up. Although we now have fixed interest rate loans that are lower than they had been previously on the unsubsidized side, those interest rates are still going to change annually. Many families will not know what that interest rate is in time to make an informed decision about whether or not those student loans are good for them.

Another issue is that things such as student loan default rates, although Simpson's is very great, one of the things about the student loan cohort default rates is that it's not necessarily a metric that shows how successful our students are with repayment. The new three year cohort default rate does allow for a further look into how well our students are performing, but what it does not address is whether or not our students and their loan

servicers have adequately been prepared to handle each individual's unique circumstances through repayment.

Once again, I'd like to thank you for the opportunity to be here and to speak on behalf of the affordability issues as well as the college rankings. I do have one other issue that I would like to bring forward, and I know that the current rating system as it's been proposed does not address what type of federal aid will be attached to those rankings. That is something that I know our community would like increased clarity of an understanding as you work forward. I think our questions specifically are: will the federal funding for programs be the campus-based programs or only the Pell Grant and/or loans? So further clarity on that would be appreciated. Thank you.

MR. MITSUI: Thank you.

(Applause.)

MR. HENDERSON: So as Heather said that was our last scheduled speaker before

lunch. Since we do have 12 minutes, if anyone was so moved during the first hour and a half to offer testimony, if you'd like to come up to the mic at this point and offer testimony, you can do so. Otherwise, if there's no volunteers, we will break for lunch.

We have somebody. Make sure you introduce yourself and where you're from.

MS. ASWEGAN: Thank you very much. My name is Kathie Aswegan. I am the financial aid coordinator at Allen College here in Waterloo. Thanks for coming here today to listen to us. I like what Heather said about the ethics and our profession. I like that. And I'm glad that she said that out loud.

There's a couple of things that I have just jotted down some notes. I'll be brief, I promise.

Year-round Pell. It was here for a year. It got expensive and it went away. I'd like to see that reinstated at some point, but maybe only for truly accelerated programs, programs like

the three-year accelerated bachelor's degree. There are multiple, multiple, two plus two programs. There are three plus one programs. We participate in many of them. And our students truly, truly are accelerated and high functioning members of society when they're done.

The shopping sheet, I know that's kind of a not such a popular topic, and it's not popular because it's very cumbersome for the schools to implement. I believe the concept of the shopping sheet is a great idea. I just think the delivery method is not the best. The shopping sheet, the way it's laid out now, does not represent almost I would say 95 percent of students at our college. It does not represent a true cost or true picture for them. And it's because the majority of our students are transfer students. So to use IPEDS data for first time, full time freshmen, there's going to come a time where we have no one to report in that category. It hasn't happened yet. We've had

two. But it's going to happen. So will that amount be blank for our college which looks bad.

The completion rates for this year are from 2006, holy cow, that's old. That's old. The net price calculator, once again, good concept, very good concept. It needs some work because it doesn't truly show what the cost is at our college. And I don't think we're alone.

Career counseling. Anybody in the room that's known me for more than a couple of years knows that for 25 years I've been talking about early awareness and career counseling. We need that. We need that desperately, because at our college, most of the students at our college are in a healthcare type of profession. Nursing is our largest, but we have others as well. This is the picture that I see. I see the student that graduates from high school, doesn't know what they want to be when they grow up, so they pick the least expensive and local option which is not a bad idea. It's not a bad idea. I just think they need some guidance along the way.

Then they still don't maybe know what they want to be, but they've got a degree so they've moved on to the next least expensive option.

By the time they figure out that they want to be a nurse or they want to be in healthcare, they come see me and they have very little loan eligibility left. Very little. And so I help them. A lot of times what I help them with are alternative student loans and I hate them. But I don't have another choice. I like the idea of limiting borrowing at the community college. I think that would be -- it's not that as aid administrators we can't limit that, but if I say to a student that I don't think that your career is going to support this much debt, I have nothing to stand on. They could probably sue me. That's really not on my agenda. So that's all I've got. Thanks.

MR. MITSUI: Thank you.

(Applause.)

MR. HENDERSON: So I think we at this point are going to go break for lunch. If

there's others in the audience that would like to offer testimony, there are spots after lunch at 1 o'clock if you want to let the people at the back know or just wait for the open time. When we start, we will have room after lunch. But at this point we'll break for lunch and come back at 1 o'clock. Thank you.

(Whereupon, at 11:58 a.m., the open forum was adjourned, and will reconvene at 1:00 p.m.)

A-F-T-E-R-N-O-O-N S-E-S-S-I-O-N

1:02 p.m.

MR. MITSUI: Good afternoon. For those of you who weren't here this morning, my name is Mark Mitsui. I'm Deputy Assistant Secretary for Community Colleges in the U.S. Department of Education and I am pleased to introduce to you Under Secretary Martha Kanter, also from the U.S. Department of Education. So we are in the afternoon section here, of the open forum, and again for those of you who were not here this morning, the way this works is each speaker will have approximately five minutes and either Martha or I will give you the one-minute signal, the warning sign when you have one minute left. So we appreciate if you're able to summarize your comments at that time.

And because we are moving through the speaker list pretty quickly, we probably will have time at the end for those who were not able to sign up to speak, and we'll ask at that time if there are folks who would like to come

forward to make a statement. So at 1 o'clock our next scheduled speaker is Hannah Walsh from the Iowa State Board of Regents.

Hannah, are you here? Great. Hannah, come on up to one of these microphones. Thank you.

MS. WALSH: My name is Hannah Walsh. I am a junior at the University of Iowa studying political science and communication studies. I also have the honor of serving on the Board of Regents, State of Iowa and being the Board's representative to the Iowa College Student Aid Commission. This past summer, I saw higher education through a different lens than I usually do in my role as a regent. I spent my summer working at the Association of American Universities on a variety of national higher education topics. This time in Washington, D.C. shone light on both the great progress being made, as well as the issues that higher education is facing both nationally and at the state levels.

I also had the great opportunity to participate in the Student Voices Meeting with Secretary Duncan, fellow students across the country, and Department of Education staff. Many concerns were raised about college affordability, the decreasing state appropriations for higher education, and the need for financial aid reform.

Nationally, we have seen decreasing investment in higher education in its students from state legislatures. While at the same time we've seen the cost of college increasing, with the difference of the two falling on the backs of our nation's students. The State of Iowa is unique in the fact that our divided legislature has appropriated two years of positive increases in support for our regent universities. Because appropriation increases passed this legislative session, the Board of Regents was able to freeze undergraduate in-state tuition for the first time in 30 years.

If our regent institutions receive

sufficient funding for Fiscal Year 2015, we will again freeze tuition for undergraduate, in-state students, something that has not happened since 1975. And this is obviously something that's not seen around the country in the current economic times. I believe our legislators understand that higher education is not a subject of political party, but instead will continue to positively affect the economic growth and the people of Iowa now and into the future.

Students make this investment of time and money into our education future hoping that it will pay off in the end, but our debt levels are so high. We hope our job of our dreams will be out there or a job will at least start to pay off this debt. Obviously, the issue of accountability and affordability is one that I commend the Department for paying attention to, but we still have a lot of work left to do.

(Applause.)

MR. MITSUI: Thank you. Thank you, Hannah. Next we have Blake Findley, Vice President of Student Government from University of Northern Iowa.

MR. FINDLEY: Hello, like you said, my name is Blake Findley. I'm a senior Spanish and Psychology double major here at UNI. And first off, I would really like to thank you guys for coming and for all the effort you put in to try and make college more affordable. I'm a first generation college student and I'm actually only in college because I had the very fortunate opportunity to receive a scholarship. I also have a Pell Grant, but that Pell Grant isn't as big as it could have been, because my family's money is tied up on our family farm. And so this is really important to me.

Over the past several weeks I've met with several students and kind of talked about the details of the proposal and just kind of get feedback so when I went up here I wasn't just sharing my own opinion. I've read a lot of

research about it, too. There are a lot of different ideas and opinions. But the one thing that was common for all students is that we really, really care about our college experience. Everybody that I talked to said that UNI has been one of the best four years of their life. It's been the best years of my life, the best day of my life was when I found out that I could go to UNI.

And there were several concerns raised and there's been kind of a general theme among those concerns which, to me, I see as basically a limit of choice for lower income students because if they're dependent on federal aid and Pell Grants to go to school, then they have to go to the schools that have the higher rankings. And I'm concerned that perhaps the stuff that is really important to me and that has made my education the best four years of my life may not be included in those ranking systems. For example, I have the President of the University, the Provost of the University and

several other administrators and staff, who have teased me and joked with me about the fact that I just shaved my head last week, that asked me how my recent test had gone, that asked how my mom is doing. She just had cancer last year. They followed up with me, like they'd send me emails asking how those things are going and they encouraged me to try out different things.

I've been able to get so many opportunities because of who my professors know and that they have a personal relationship with me, to give outstanding advice and a lot of that could be lost in online classes as the Race to the Top, for the First in the World funds could-- are trying to work which I think that's great. But maybe I would want to take those online classes because I have to stay at home and go to school and work or something. But upper class students have the ability to choose what they want and therefore lower income students wouldn't. That's something that really concerns me because should I have not received

a scholarship I couldn't have attended school and even if I did qualify for more, for a larger Pell Grant or more federal aid, I wouldn't be able to choose what I wanted. I would have to go to this school to get a college degree because that is what I can afford. It really perpetuates the problem of upper class privilege and it's something that I really think should be taken into consideration.

On top of that, there's a lot of research that shows that what students learn the most from school isn't necessarily from the classroom. It's from conversations with experts in the field, such as our faculty. It's from conversations with other students. It's from conversations with the presidents and provosts. And it's those out of class experiences, it's the student involvement, it's the fact that they participate in athletic team that really teaches them how to be an adult.

The classroom stuff is very important. Don't get me wrong. I would never

trade that experience for anything, but lower-income students wouldn't be able to choose to have that experience. They wouldn't be able to choose to get involved with student government, choose to run for student government, and choose to speak to you because they would be at home trying to work or at a different school that is requiring them to take online classes because that's what they can afford.

And again, I really commend what you're doing. I'm honored that you guys come to UNI. It's been the best part of my life. It's something that's incredibly important to me and I really want to ensure that other students that are in the same position as myself have the opportunity to go to a school like UNI or really to a school that they choose to go to and I know you guys are taking this under consideration, so I'm really thankful for this. It is something that I think is really important.

I've talked to a lot of students and

it basically has come down to where can students chose to go, do they need to go somewhere in their state? Does a school with a higher-ranking program have the program that they want? Do the students want the extra help from professors or would they rather just have the online thing? So that's basically all I have to say. Again, thank you very much for coming. We really appreciate it. I think I can speak for everyone here that UNI is honored to have you.

(Applause.)

MR. MITSUI: Thank you, Blake. Next we have Terri B. and please excuse me if I mispronounce your last name, VanMeenen-Misfeldt, Western Illinois University, Financial Aid Office.

MS. VANMEENEN-MISFELDT: That was pretty close. You did a good job. It's Terri Vanmeenen-Misfeldt. First of all, thank you for being here. Our institution appreciates the opportunity to engage in this dialogue with you.

I would just like to encourage the Department to provide additional clarity on any satisfactory academic progress regulations that may be put into place as the front line contact person in our office for that and the Financial Aid Office at Western. I would certainly appreciate that in working with my students.

Also, additional information on the Race to the Top for the state's initiative and how that may impact state appropriation levels. And any metrics from IPEDS that are looking at traditional demographic groups, I would very much like to see those expanded, in particular, so that any ratings would also be providing relevant information to veteran populations. We support a large veteran population in our institution and we want to make sure that those rating systems are information that is very useful to those individuals who may be considering our school.

Thank you for being here.

MR. MITSUI: Thank you, Terri.

(Applause.)

MR. MITSUI: Next we have Joyce Morrow, from University of Northern Iowa, Director of Student Aid.

Joyce.

MS. MORROW: Good afternoon. As you said, I am Director of Student Aid here at the University of Northern Iowa. Thank you for the opportunity to be here today for us to offer our comments on the Obama plan to make college more affordable; specifically, on efforts to tie financial aid to college value.

We share the President's goal of increasing college affordability. As an institution long committed to student access and success, we are proud of our many graduates and the contribution they have made to the state and to the nation. We intend to continue to fulfill our mission of serving this region by preparing graduates who make a positive contribution in all sectors of civic life.

Particularly relevant to today's

meeting, we are proud of our financial literacy efforts. That has resulted in more than a 10 percent reduction in student debt here at UNI over the past three years. We are below the national average with a little over $23,000 in debt which is still high and we continue to work on it. We are also proud of our loan default rate, which is four percent. Still could be lower, but it's much lower than the national average of 14.7.

We would ask that a rating system developed seek to avoid unintended consequences. Our overarching concern is that students who have demonstrated financial need and want the education that we offer, are not inappropriately disadvantaged due to circumstances that neither universities nor the students control. For example, here's a couple of them. First, we prepare many elementary and secondary school teachers, who then teach in Iowa schools. Their work is critical to our state and our state's future. The fact that a

large proportion of our graduates choose this profession or that teaching wages in Iowa are not high when compared to other states should not cause reduced aid to be provided to these students.

Second, the economy can affect many of the variables that have been described in President Obama's plan as important to comparing colleges. In our experience, when the economy is stronger, the number of Pell-eligible students attending our university declines. And vice versa. When the economy is weaker, the number of Pell-eligible students increases. However, state appropriations, because we're strictly tied to our state, and the availability of scholarship funds, are reduced. We would hope that any program of assessing college value not penalize students for variations in the economy over which they have no control, zero control, no control over it.

In addition, when preparing a rating system, please take into consideration the

revamping of the allocation formula used for the Title IV campus-based aid such as federal work study and SCOG, making sure that it is fair and equitable to the students that we serve.

In conclusion, we urge you to analyze carefully any and all efforts to make college more affordable, to ensure that they do not inadvertently penalize the very students we are seeking to support. Thanks.

MR. MITSUI: Thank you, Joyce.

(Applause.)

MR. MITSUI: Next we have Dwight Watson, a student here at UNI. Oh, I'm sorry. Sorry, Dwight. That's what I have on my sheet here. So I'll let you introduce yourself.

MR. WATSON: I'm Dwight Watson. I'm the Dean of the College of Education here at UNI. University of Northern Iowa is known as the teachers' college. We prepare 33 percent of the teachers throughout the State of Iowa and 37 percent of the principals and superintendents throughout the State of Iowa. I'm also on the

National Board of American Association of Colleges and Teacher Education and I'm on the Board of the Directors. I'm talking from that particular lens about all of the colleges of educations across the U.S. Our AACT is about 800 university strong.

The President's proposal touches on questions of cost, quality, and accountability that are very much on the minds of students, parents, and institutions. No one would argue about the worthiness of these goals. However, we are not sure that ranking and rating of institutes of higher education will further the administration's goal.

We've learned with the proposed regulations to rate teacher preparation programs proposed by the Department of Education in 2011 that such a system may not capture the information needed to properly evaluate programs. The Department says that the metrics to make up the rating will be mostly based on access; the number of students using Pell

1 Grants; affordability; the net price and loan
2 debt; and outcomes such as graduation and
3 transfer rates, earnings of graduates and
4 completion of advanced degrees.
5 Multiple factors outside of which an
6 institution a student attends impacts an
7 individual student's graduation rate, their
8 earnings upon graduation and completion of
9 advanced degrees, ability to find a job and their
10 decision to remain in or leave the teaching work
11 force.
12 Once you start the process of rating
13 or ranking institutions, you run into the very
14 difficult question of defining value. The
15 emphasis on earning in the President's outline,
16 for example, suggests that institutions
17 producing graduates that go into lucrative
18 fields will be regarded as more valuable than
19 those whose graduates go into public service
20 like the ministry or the arts or teaching.
21 Colleges serving high-risk students will have a
22 lower graduation rate than one serving primarily

high school honor students. And institutions offering an education that demands high faculty-student interactions, performing and visual arts for example, will likely have higher overhead costs than one that can deliver its education programs to larger groups.

Moreover, one of the great strengths of American higher education is the diversity of institutional choice it offers. A rating system built around a handful of factors is likely, over time, to lead to greater standardization and less innovation. Student financial aid should be based on the students' financial need and the quality of the institution as determined through institutional accreditation, not on the institutions in which they enroll. Such rating systems could unfavorably impact students with limited access to institutions if those institutions have low ratings.

Specific to teacher education, the new CAPA accreditation standards includes a

rating system. This plan comes closely to unnecessarily doubling up on ratings requirements for preparation programs. Once again, Dwight Watson, speaking on behalf of colleges and universities of education across the nation. Thank you.

(Applause.)

MR. MITSUI: Thank you, Dwight. Next we have Nadene Davidson, Iowa Association for Teacher Education.

(Off-mic comment.)

So we'll go to the next speaker and that is Gabrielle Williams, Northern Iowa University.

MS. WILLIAMS: Hello. Actually, I am from Iowa State University which wasn't on there, so I'd like to thank you guys for having this open forum and I also thank UNI for making sure that Iowa State University had representation here today.

I would also like to say that it's quite the feat for the administration to tackle

this issue which obviously you can tell is a big issue. There are a few things I'd like to go over with the agenda as far as Iowa State students, as well as just students in general.

The first one is requiring students to be more accountable, which is a very reasonable thing to ask of students, obviously. But part of that is requiring students to complete a certain percentage of studies before they receive funding. A lot of students, especially at Iowa State University, are in the engineering programs and are in STEM programs and architecture. These majors take five years at least. This also applies to students that are going to college and not knowing exactly what they want to do. I know I switched my major one or two times and I think a lot of people can say that as well. College is a time that you find yourself, so requiring people to know what they want to do already is very stressful, even in high school coming into college, let alone in college, and this might dissuade people from

finding something that they're very passionate about. But because of financial issues and wanting to graduate on time, which I think is kind of a myth at some points with four years, is also a burden for students to carry as well.

Secondly -- so, much of our education at Iowa State, we have some really great legislatures as well as Board of Regents that have tuition freezes in the State of Iowa as also Iowa State and this is something that they've really been working towards which is very commendable, but one thing that they've done is they've frozen this tuition for students who are from Iowa and not so much from out of state. And so with this agenda and what you guys are proposing to do, to have a ranking system to have students want to come to places that are out of state potentially, if that's where you get the bang for your buck as kind of it seems like, that seems more of something that people of higher class would be able to do. I can see students from out of state wanting to go other places or

vice versa, but not being able to because of financial reasons and so this seems kind of a contradictory point as well.

Also, in Iowa State we pride ourselves on making sure that our students get education from not only in the classroom, but outside the classroom. We have tons of clubs. We have our student body government. We have a plethora of things at our schools. And a lot of people as kind of was mentioned a little bit before are not able to take this opportunity because they have to work a part-time job or even more than that.

I've been fortunate enough to be able to be on our student government and fulfill these roles that employers, I think, really look at and see that leadership, that communication, and those letters of recommendation from people higher up in a school. So I ask actually that you consider this as well, are you basing your ranking off of schools that have a hands-on experience for their students, not just in the

classroom, but outside the classroom because this is where a lot of people get those leadership skills that, that's not something you can just teach from a textbook.

Lastly, I'd also like to really touch on the fact that I really appreciate that a lot of what this agenda is trying to do is to look at schools that are helping disadvantaged families. We are a land-grant school. We want anyone and everyone to have an opportunity to go to school.

One thing I'd really like, I guess, people to pay attention to as well is those students with disabilities. I think this falls well in the purview of students that come from a disadvantaged background as well as an economically-disadvantaged background with the cost to families. I'd really like to see more funding or the tax monies, or however you guys would like to approach this, to go to schools, especially in higher education that are looking to help students with disabilities and looking

to get them in higher education. We've had the ADA around for a long time in the United States and we're also looking to pass a treaty to make sure that disability rights are around the world as well. So making sure that this is something that we are actually tackling and providing opportunities not only just through jobs, but also through higher education I think is very important and something I think we need to do.

So thank you so much. Appreciate it.

(Applause.)

MR. MITSUI: Thank you, Gabrielle. Nathan Miller. Thank you, Nathan.

MR. MILLER: Thank you. My name is Nathan Miller. I am an Assistant Dean for Adult Higher Education at Columbia College in Columbia, Missouri. I'd like to thank you for the opportunity to provide feedback on the efforts to increase access and affordability to higher education.

For context, Columbia College is a

not-for-profit Master's-granting institution. We have a traditional student population of around a thousand students and we serve over 33,000 nontraditional students with an average age of 33 years old. There are evening programs at 35 nationwide campuses, 18 of which are on military bases. A majority of our students are enrolled in bachelor's degree programs and about 25 to 30 percent of our students as associated with the military, either active duty or family members of active duty military members.

One aspect that must be considered in the creation of new standards is the data that will be used to structure rankings and ratings. Federal agencies such as the Department of Education, the Department of Defense, and Veterans Affairs uses IPEDS data to make policy decisions and to inform Congress on education data points. The parameters used to make these decisions do not account for the total education delivered by many institutions, however. For example, the nontraditional student population

accounts for approximately 40 percent of enrollments in higher education, a significant proportion of students in a post-secondary system.

Unfortunately, due to the IPEDS reporting parameters, the institutions that serve these students are required to report data that does not fully reflect the services they provide nor accurately provide data on the students they serve. This is evident in the parameters used to define graduation cohorts. Each year, institutions report enrollment and graduation data for cohorts comprised of first year, first time, full-time students. A majority of nontraditional students enroll with transfer credit or take courses on a part-time basis. Therefore, the IPEDS cohort definition does not allow institutions that serve these populations to accurately report and track their enrollment in graduation data.

For example, around 60 percent of first time enrollments at Columbia College are

students with transfer credits. Our IPEDS data does not reflect the services provided these students, either their progress towards graduation or the credits they earned and transferred to other institutions. The lack of accurate data for nontraditional students is a systemic concern. The paucity of relevant data on nontraditional students and retention and graduation data was addressed in measuring nontraditional students' success, an imperative for college and universities from the University Professional and Continuing Education Association, UPCEA.

In this 2012 report, UPCEA notes that 77 percent of colleges and universities do not know the degree completion rates for their nontraditional students. They are not required to report this metric, so it is not considered.

In addition to the need for data parameters that allow institutions to report actual student populations, the call to promote innovation will need to be supported by metrics

that allow institutions to accurately report the outcome of their innovations. Innovation will require flexibility in the reporting metrics. And flexibility has not been the hallmark of the current collection methods. For example, an institution that offers multiple semester-based calendars such as 16-week courses and compressed 8-week sessions is forced to report data for only one of the calendars. Although the access to compressed evening session increases access to courses and assists in degree completion for nontraditional students, current reporting parameters do not account for these innovations.

Many institutions that serve the nontraditional student population face this dilemma. It is especially daunting for schools with overlapping sessions or multiple start dates within the traditional semester. Another example is institutional cost. IPEDS data does not allow to report multiple cost structures for multiple venues. The aggregate cost data that is provided does not reflect true cost for any

venue at an institution with various structures and venues. The result, unfortunately, is that in an effort to provide transparency, the report such as the College Score Card, a potential student is provided erroneous information due to reporting parameters.

We feel Columbia College, like many institutions, has a wonderful story and a lot to offer potential students. We do not feel the current reporting metrics allows us to accurately tell this story, however, and hope that changes will allow us in similar institutions the chance to do so.

Thank you for the opportunity to speak today and the chance to add to the discussion on an important topic.

MR. MITSUI: Thank you, Nathan.

(Applause.)

MR. MITSUI: So those are all of the folks that signed up on our list. We still have time available if anybody else is interested in coming up and providing comments, please do so.

Again, you'll have five minutes to provide your comments to us.

Is anybody interested in presenting? Great.

MS. IRELAND: Hello, I'm Shonda Ireland. I'm the communications specialist also from Columbia College. I work in the Institutional Research Department, so reporting is the bulk of my position. We operate in several different colleges, many on military bases, as Nathan mentioned. We report to every state that we operate in.

I think one of the things that people have been mentioning, but not saying outright, is the current reporting puts everyone into a box. And the traditional college seems to be that box. And if you look around, colleges are changing. We are trying to get these nontraditional students back. And even our first time, full-time students are not what you would call traditional. They're coming to our eight-week programs. They're going to our

online programs. They're not doing the traditional 16-week session. They are still working and they're working to make their way through college. I think with the federal ranking system, we need to look at these people who are going to college even though they can't necessarily afford it even with federal aid, even with grants. Columbia College gives several scholarships to both our traditional students and our nontraditional. We give many scholarships to all of our venues. And still these students have to work to make it through college.

I think putting us in that box of the 16-week college would be very detrimental to us. We have students that can't afford it right now and if we are not ranked as high as, say, a school who mainly operates under the traditional system, this would disadvantage our students even more.

I would like to see a rating system that doesn't put everybody in the same category.

We are different. Every college is different. We have been innovating. We have been developing these programs to reach out to these nontraditional students and I think that needs to be recognized as well. We all don't fit the same structure. So thank you.

(Applause.)

MR. MITSUI: Thank you, Shonda. Is Nadene Davidson here? Are there others who would like to come up and provide testimony? Going once. Okay. Well, thank you all for being here today. We really do appreciate all of your great comments, your thoughts, your concerns. We are going to take this back to Washington, D.C. and The Department of Education. Trust me, we do go through each and every comment. And so today's transcripts will be available on the URL we mentioned earlier.

Dr. Kanter, did you want to add anything?

UNDER SECRETARY KANTER: I'll just wrap up with a couple of comments.

Are you Nadene?

MS. DAVIDSON: I am.

UNDER SECRETARY KANTER: Perfect. We are a little bit in front of the time. So I'm glad you could come.

MS. DAVIDSON: Well, then good afternoon. It doesn't sound like I need to introduce myself. For the record, I'm Nadene Davison and I'm a faculty member here at the University of Northern Iowa, but my real voice today is for the Iowa Association of Colleges for Teacher Education, which is an affiliate of the American Association of Colleges for Teacher Education. So I'm here representing comments from our executive board.

Thank you for the opportunity to provide input on the topic of affordability and accessibility for students. As I said, I'm here to represent IACTE. We share the goal of providing families and caregivers with helpful information about colleges and college choice. But we do have three major concerns with what is

before us. There are already a number of flawed systems for ranking colleges and universities. Each adopts different subjective criteria that are compiled to provide an illusion of objectivity. Rankings depend on the criteria which have been selected. So there doesn't appear to be any empirical basis for selecting one set of criteria over another.

The second concern is tied to the proposal which ties it to federal aid. High stakes are attached to rankings and almost guarantees that colleges will be forced to play the system to achieve better rankings. In the process, the ranking system will corrupt the very system that it's intended to improve because colleges will want to be eligible for the financial aid that's tied to it. The proposal focuses on institutional characteristics, but ignores the fact that there are a variety of needs within the applicant pool. There is no one best institution for every kind of student and the proposal ignores the fact that we need

many different kinds of institutions to serve the many different kinds of students that we have now coming into our institutions.

Currently, there are a number of organizations that rank colleges and universities on the basis of what is defined by them as best value. Among them are Princeton Review, U.S. News and World Report, to mention a couple. Each of them selects subjective criteria to arrive at what is assumed to be an objective number of the select best institutions. There is no basis for saying that one ranking system is the best, as they all give different kinds of results. Who is best depends who is ranking, so objectivity provides somewhat of an illusion in these ranking systems.

Once criteria are established for ranking institutions, particularly when rankings are tied to federal funding, institutions will be forced to compete to boost their rankings and assure federal support for their students. Greater efficiency is called

for in the proposal, including criteria like graduation rate and time to graduation. The easiest way to boost these two criteria would be to lower our graduation standards, which is something none of us would want to do.

Another criteria under discussion is how graduates perform in the work place. But how do we compare our graduates? How do we compare a teacher graduate with a finance major, a history major, with a physics major, as we're looking at their projected incomes?

To be fiscally responsible and make college affordable for students, the proposal should acknowledge the unique needs of students and the variety of institutional models that are needed to meet our students' needs. The proposed criteria for rating institutions of higher education favor a for-profit business model, then supporting education as a public good.

From the June 10, 2013 USDOE blog, the following quote was found. Every student

who wants the opportunity deserves a high-quality, post-secondary education. We certainly agree with this goal, but the metrics for rating colleges narrows the vision of quality and detracts from this ultimate goal. That quote goes on to identify such skills as civic literacy and creating a well-rounded student. How does that fit in to the current rating system?

So we are opposed to ranking colleges and universities on the basis of an arbitrary set of criteria that have not been tested empirically and have really little connection to making higher education more affordable. If the affordability is the question, then how are these rankings and ratings tied to that affordability issue? Thank you.

(Applause.)

MR. MITSUI: Thank you, Nadene. Now this really is the final call. Are there any other folks out there interested in coming up and

speaking? Great, come on up. Please introduce yourself.

MS. PERREAULT: I'm Gerri Perreault. I'm a faculty member here at UNI and I also chair our American Democracy Project. And I just want to make three points that kind of say something that hasn't been said and then kind of reiterate or reaffirm what's been said before.

One is in terms of the American Democracy Project. It's so clear that an informed citizenry is a necessity for a functioning, effective democracy. And I'm not an education scholar in terms of that literature, but I read a lot and much of the rhetoric in education really omits the whole civic component and I guess that leads also to the need for a broad-based liberal arts education that promotes critical thinking and civil dialogue, et cetera.

And then my second comment is that -- obvious, but our country needs the talents of

all our people and my comment relates to Senator Harkin's statistic. And also, we had a speaker on campus here last spring and she said that low-income, high-performing students attend college at the same rate as high-income, low-performing students and I found that statistic very striking.

Thirdly, I want to reaffirm Ms. Kanter's comment. It really -- the needs that are being addressed in terms of the accessibility really begins at birth because often and I find a lot of this also missing in the literature that I read, that to some extent where you succeed depends on an accident at birth. If you're born in a low-income, poverty family and then plus you live in a low income community that does not have the tax base to support schools, you kind of have a double whammy. So I just wanted to reiterate that. And again, thank you for all your work.

(Applause.)

MR. MITSUI: Thank you, Gerri.

Other speakers? Yes, come on up, please introduce yourself.

MR. BOISEN: Hello, my name is Eric Boisen. I'm a junior political science major and this isn't necessarily something in regards to President Obama's proposals, I just wanted to take a minute to thank you guys for coming to not only UNI but to the other three schools that you're having these open forums for. It really shows that this is something that the administration is really trying to take seriously because it affects not only the students who are in college now, but it also affects the students that will be here in the coming years and decades and affects our economy and it's such a big ripple effect. And it's really nice to see that it's being taken seriously.

Whatever the final proposal is, whatever becomes the bill that gets proposed to Congress, I just hope that you take the considerations by everyone here and everyone who

has been at the other forums seriously. I know it's hard to convey the passion that people have for these subjects, but I just hope that you can show everyone else in the administration how important it is to us and that you show it to the other Congressmen. Because when people in the House of Representatives, the Congressmen and Senators, they only represent their own district and they don't always see the big picture. So it's really nice to -- I hope you can show them how important it is and the similarities in what people are saying throughout the country. So I just thank you for coming again.

(Applause.)

MR. MITSUI: Thank you, Eric. Any other interested folks out there?

All right, can we also thank our interpreters for today?

(Applause.)

UNDER SECRETARY KANTER: And I just want to extend my appreciation to all of you for coming all day, to the University of Northern

Iowa for its gracious hospitality of the President, the staff, everyone, the faculty, and the students and staff were just so gracious. And it was such a pleasure to be here all day.

We have taken notes all day and what happens next is we continue, as I said this morning, we'll have somewhere around 30 events that started in September with students and we'll go through December. And this hearing -- open forum, we're not calling it a hearing, but we ran it sort of like a hearing, everything that was said will be on a transcript. It's also been streamed and the transcripts will be available, as I said this morning, at our website which is ed.gov -- it's easy to remember -- slash college-affordability. But if you just type in U.S. Department of Education college affordability, you'll find it.

And then as I said we will take all of the testimony, all of the comments. You can also write us if you think of something later or you have some other people that would like to

express their views and are an organization or an individual or a business, another educational organization, they can certainly email us as well anytime, collegefeedback@ed.gov. And that information is out on the table along with the facts sheet that the White House presented then President Obama went to the University of Buffalo to kick this off in August.

So we're happy to get you materials. Think about the Department of Education as we're all at first name dot last name at ed.gov and we return our own emails, so we're happy to hear from you at any time, but to officially participate in this process it really is collegefeedback@ed.gov or run to our website or let us know and we'll invite you to any one of the other events that we're hosting.

And then finally, our staff is going to go back, January, February, March, we're going to bucket all the comments. We've heard a lot of consistency around the country so far, but we're probably around 30 percent through I

1 think with the hearings, maybe 40 percent. So
2 we'll be finishing those up over the next month,
3 month and a half or two months and we'll be
4 bucketing the comments. We'll be organizing
5 them. We'll be giving you additional feedback
6 and we're also convening a technical, we're not
7 calling it a technical review panel. It will be
8 a panel of scholars. These will be
9 institutional researchers, policy folks,
10 mathematicians, behavioral economists, who will
11 come together and look at the structure of
12 creating a rating system because it really is all
13 in the design of it as well as the metrics.
14 And everyone has been saying over
15 and over again, can we do something simple that
16 will get better outcomes for the country? And
17 that's a huge goal to leap from a college rating
18 system to wanting to reach, as I said this
19 morning, the North Star that President Obama
20 came in with, which is a better-educated
21 citizenry, a more competitive work force, and a
22 healthier country and the best democracy in the

world.

So that's the goal of all this, can we push more students into a college education that is a high quality experience for all. And all means everyone, all means from the lowest income to the people that have had more privilege.

So with that, I just want to thank you for the time and energy and commitment and testimony that you all gave and look forward to continuing the conversation. You'll see the models coming out this spring. The President has asked us to implement by January 1, 2015. I am saying to everyone, this is a 1.0 version.

The comment, I think someone made a comment earlier today about part-time and transfer. We have again done a technical review panel, part-time and transfer students will be incorporated into IPEDS. It will take some time. I think the colleges asked us for more time, so we said we will give more time to implement that data so that the data quality is

what we need it to be. But we will be counting all students over the next couple of years and that's really exciting for us, too, that we really need to change the systems that we currently have and continue to improve them.

So with that, thank you very much. Enjoy the rest of the sunny day in Iowa, in Northern Iowa, and again, thanks to the University of Northern Iowa for all of your help in helping us have this excellent meeting today. Thanks very much.

(Applause.)

(Whereupon, at 1:50 p.m., the open forum was concluded.)

1

2