

**A National Unit Record Data System:
State Experience Can Strengthen this Proposal**

**A Statement to
The Secretary's Commission on the Future of Higher Education**

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The Secretary's Commission on the Future of Higher Education has revived a proposal to create a national student unit record data system. This system would replace the current IPEDS system, by which institutions report higher education data in the aggregate, with a system of reporting data on a student-by-student basis on enrollments, completions, graduation rates, prices, and financial aid.

When this proposal first surfaced a few years ago, it set off a firestorm of controversy. As the proposal gets serious consideration again, several organizations and agencies that are state-level partners in the Achieving the Dream initiative—a foundation-funded initiative devoted to improving student success in community colleges, involving 58 colleges in nine states (see description below)—have collaborated to express their support of a national student unit record system, provided several important concerns are addressed in system design and implementation.

A national student unit record data system can have three valuable uses:

- 1) As a management tool to oversee compliance with federal financial aid and other higher education policies;
- 2) As a source of information for consumers of higher education (students and parents) on institutional costs, financial aid patterns, and student outcomes; and
- 3) As a resource for analysis of student outcomes that can be used by institutions and states to guide efforts to improve outcomes and raise achievement and attainment.

It is the latter of these—data collection, analysis and use for improvement—that is of greatest interest and concern and to signatories of this statement.

We believe that a well-designed and implemented national system can generate more complete and useful data on outcomes for more postsecondary students than the current IPEDS system or the existing patchwork of fragmented, incomplete, and incompatible state-by-state unit record systems—and that this can be done while protecting individual students' confidentiality.

In an increasingly mobile society, a national system can help improve accountability for student success and strengthen institutional and state-level decisionmaking on practices and policies to support success. An emphasis on improved student outcomes can have a big payoff in terms of improved return on higher education investments made by students and by state and federal governments.

At the same time, we have serious concerns about the design and implementation of such a national system. A number of the states that are partners in Achieving the Dream have developed sophisticated and effective state-level unit record data systems. Moreover, some have begun to use the data creatively and effectively for research studies that can inform efforts to improve student learning and persistence. Any national system must be designed so that it builds upon the expertise and experience of the most advanced state systems. Most important, it must increase the ability of institutions, states, and researchers to use student-level data in a timely and versatile fashion to identify areas of weakness in institutional or state performance and strategies for improving student outcomes. Given the huge expense that a national system will require, that investment must be designed to support significant improvement in institutional and state access to data can be used to increase student success. To this end, the relationship between the federal government and states must be a two-way street—in system design and implementation, and in access to the data that is reported to and warehoused in a national system.

About Achieving the Dream and the Signatories of this Statement

Achieving the Dream is a multiyear national initiative to help more community college students succeed (earn degrees, earn certificates, or transfer to other institutions to continue their studies). The initiative is particularly concerned about student groups that have faced the most significant barriers to success, including low income students and students of color.

Created by the Lumina Foundation, this initiative involves 14 national partner organizations and 58 colleges in nine states in an ambitious effort to use data to drive institutional improvement in student outcomes (CT, FL, NM, NC, OH, PA, TX, VA, WA). Achieving the Dream works on multiple fronts, including efforts at participating colleges; public policy work; and outreach to communities, businesses and the public.

The organizations and agencies that have prepared this letter to the Secretary's Commission on the Future of Higher Education are leading efforts in their state to support the initiative's student success goals through changes in state policy, including the collection, analysis, and use of student data provided by their community colleges. The statement was discussed and vetted with lead organizations from the other participating states. These three took the initiative to submit this statement to the Commission.

Why a national student unit record data system?

Given the importance of being able to track individual and institutional performance into and through higher education for purposes of improvement and accountability, and given the limitations of IPEDS data reported to and by the federal government, a national student record data system is warranted. Transparency in data on student outcomes and success has proven time and again to be critical to any long-term systemic approach to continuous improvement at the institutional and programs level. Yet, current national data reporting sheds light on the progress and results for too few students in higher education, leaving out transfers, stop-outs, part-time students, most older students, and any others who are not first-time, full-time students. Moreover, the current national reporting system builds from aggregate rather than individual level data, limiting the kinds of analyses of student progress that can be done with the data. Current state systems are of varied quality and sophistication and cannot easily track increasingly mobile students across states and even across various types of institutions. A better approach is needed, one that meets the 21st century need for better data on the progress and success of all students who enroll in postsecondary education, one that is not about more reporting but about better reporting that answers questions that can inform institutional and state efforts to serve more students more effectively.

A national system would be able to generate better estimates of enrollment, persistence, transfer, and completion rates, as well as time to degree. It would also put tuition and financial aid data in the same database. A more robust national system would be of particular benefit to open-access and low-selectivity institutions because it would provide greater ability to track transfers to other institutions and report on their completion of credentials.

What criteria should guide the design of a national system?

The design and implementation of a national unit record system will be a complex and new endeavor. The devil will certainly be in the details. Such a large investment must be designed carefully so that the desired value is maximized and unintended negative consequences are minimized.

The design of any national system should be guided by a few critically important principles. These include:

The reason to collect more accurate and richer data is to help accelerate improvement in student success. Many states collect a great deal of data on their public institutions of higher education. Too often, this data is seen as a compliance exercise and little more. Only a few states have either the capacity or the commitment to use the data collected to target weaknesses in performance (at the state or institutional level) and to identify innovations that demonstrate results. An effective student data system is a two-way street where data and data services are provided to the institutions that initially collect and submit their information so that they can do analyses that support continuous

improvement. As the official from one state community college system who is responsible for data collection and analysis put it, a national system cannot be a “data black hole.” An effective, high-value system would enable institutions to have access to data in a form that would permit analysis at the level of program and curricula. One attractive option is for states to collect, clean, and forward institutional data to a national data warehouse. A high-value system would also include provisions and provide resources that help strengthen the capacity of colleges and states not just to *report* reliable data but to *use* data to inform decisionmaking and improvement efforts.

States should have a well-defined role in the design and implementation of a national system. A national system could be designed purely as a relationship between institutions of higher education and the federally charged entity that collects and manages the data system. This would be a mistake. A clearly defined role for states should be established, for several reasons. First, the majority of states already have some experience with the design and implementation of unit record data systems and their expertise and knowledge should be tapped. Perhaps more important, given the variation in the missions, programs, organization, governance, and financing of state systems, it makes sense for states to have a role in the implementation of a national system. It is at the state level that policies that can be supportive of student success and institutional improvement are made, not at the federal level. States need to be partners in the design, implementation, management, and use of a national data system if the goal of improvement is to be realized.

The experience of states with advanced unit record data systems should be tapped in the design phase. A number of states across the country have spent decades developing and refining student unit record systems of different degrees of ambition and sophistication. Thirty-nine states have developed and operate some level of student unit record data system. The architects and managers of these systems have learned a lot about critically important design challenges, including: privacy; linkage with data systems from other education and public systems; reliability of the data system; and uses of the data for different purposes by different parties. The expertise that has been developed over time at the state level should be tapped in the design of a national system. It will improve the design and ensure that the system is useful to states and institutions and provides maximum support for efforts to improve institutional performance. Bringing state experts into the design phase will also help designers of a national system grapple with and learn from the variation of approaches and background conditions that are represented across the states.

Design should start from the goals and purpose of a data system, then move to technical feasibility issues. One long-time architect of a sophisticated state unit record system emphasizes that the first questions that should be asked and answered about a student data system should be about the purpose and desired use of the data, not about technical challenges and solutions. What do we want to know, how often do we want to know it, and what details do we want to know? Answer those questions first. The public discussion of accountability should not get buried under a technical discussion of accountability measures. They must proceed hand-in-hand, driven by a focus on which

questions a high-value data system should answer about student success as they move through the education pipeline and the economy and about institutional performance in supporting student learning and success.

Privacy concerns should be taken seriously and protected. At the same time, accountability, research and consumer uses should be maximized and supported.

Privacy concerns raised by many critics of this proposal are indeed serious and any national system should be designed to protect individual student data. Technically, protecting individual confidentiality is quite feasible. A number of states have developed and refined creative ways to protect individual level data while making unit records available for sophisticated and targeted use by institutions and state agencies to guide decisionmaking and improvement. A balance can be maintained between privacy concerns and research and accountability needs, and experienced state system officials can help identify that balance. A Department of Education review and clarification of privacy laws and regulations could also minimize obstacles to institutions, states, and independent researchers being able to analyze and use student data to inform improvement efforts that can make a real difference in institutional performance.

The federal government should approach the task collaboratively, recognizing the interests of the multiple investors and stakeholders in postsecondary education.

A federal student record data system will be expensive to build and maintain and will impose additional requirements on postsecondary institutions. Yet, the federal government is only one (and not the largest) of many stakeholders and significant investors in higher education—from state governments to institutions and, of course, individuals who pursue higher education. Data that will be included in a national system will not be the only information that institutions and states may want to know about the performance of individuals and institutions—and the analyses possible with such a system will also be limited. States are likely to require additional reporting and want to have access to more granular information about the institutions supported by state funds. In this context, the federal government should enter into this important effort with a collaborative, open, and respectful attitude and approach to system design, implementation, management, and sustainability.

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