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## **READY TO ASSEMBLE:**

Grading State Higher Education Accountability Systems

By **Chad Aldeman and Kevin Carey**



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## ABOUT EDUCATION SECTOR

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States need strong higher education systems, now more than ever. In the tumultuous, highly competitive 21st century economy, citizens and workers need knowledge, skills, and credentials in order to prosper. Yet many colleges and universities are falling short. Only about half of all entering freshmen complete a bachelor's degree in six years or less, and the numbers for black, Hispanic, and low-income students are even worse. Where the United States was once the international leader in granting college degrees, we've now fallen to 10th.<sup>1</sup> Meanwhile, tuition and fees have doubled after accounting for inflation over the last 20 years. And more students are borrowing more money to attend college than ever before.

There is little new money available to solve these problems—the economic crisis is squeezing state revenues dry. States can, however, improve the way they fund and govern higher education. To give all students the best possible postsecondary education, states must create smart, effective higher education accountability systems, modeled from the best practices of their peers, and set bold, concrete goals for achievement.

In 2008 and 2009, Education Sector conducted a comprehensive analysis of higher education accountability systems in all 50 states, the District of Columbia, and Puerto Rico. We analyzed thousands of documents, Web sites, policies, and laws attempting to answer two questions:

1. What information do states collect on their higher education institutions?
2. How do they use that information to affect institutional improvement?

Based on this research, we graded every state accountability system in 21 categories. Some categories, including student learning outcomes, productivity, faculty scholarship, student engagement, and affordability, focus on the information states gather about various means and ends of higher education. Other categories, including governance, funding, and public information, focus on the ways states use information to hold institutions accountable for quality and results. To be clear, we did not evaluate state *results* in various higher education outcomes, but rather the breadth, accuracy, and strength

of their systems designed to hold institutions *accountable* for results.

In each category, states were graded on a three-level scale. States with particularly well-developed measurement and reporting instruments earned a “best practice” rating. Others, with less complete efforts, received a rating of “in progress.” States where little is being done, or vital elements are missing, garnered a “needs improvement” rating.

Grades were based on a range of factors, including accuracy, timeliness, comparability, and breadth of information. States received more credit for information reported consistently by all institutions than for information reported idiosyncratically by only a few. Because accountability must be transparent to be meaningful, we considered only publicly available information. Every effort was made to grade states consistently and fairly. On some level, however, the grades represent the subjective judgment of the authors. The grades should be seen as tools for improvement. Even states that receive “best practice” ratings have room to learn from the innovations and experiences of their peers.

This report summarizes the current state of state higher education accountability systems in each of the graded categories. Comprehensive report cards for each state, as well as individual reports summarizing all state grades in each category, are also available from Education Sector.

The time is ripe for policymakers to act on this information. States now collect more data on more

measures than ever before; they have better data systems to track individual student progression through the K–12 and higher education pipeline. In recent years, nonprofit organizations have produced a variety of new tools, including the National Survey of Student Engagement (NSSE), the Collegiate Learning Assessment (CLA), and the Voluntary System of Accountability, to help measure institutional effectiveness. These and other measures have been widely adopted by individual institutions, but few states have harnessed their full utility. From higher-order thinking skills to efficiency ratios to post-graduate student success, state accountability systems collect more useful and more innovative data than ever before. If states were to copy the best practices of their peers, they could easily compile the type of balanced, effective accountability systems needed across the country.

## GATHERING INFORMATION

Measurement isn't sufficient for accountability, but it is necessary. Any legitimate effort to hold institutions accountable for success must begin with a fair, accurate process for gauging success. Higher education is multifaceted in design and mission—there are many different kinds of institutions serving diverse student groups while working to accomplish a large variety of goals. Accountability systems that don't examine all facets of an institution risk presenting a narrow, distorted view of success and creating unbalanced or even perverse incentives that are misaligned with institutional missions and larger policy goals.

Fortunately, many states have made strides when it comes to gathering information. The laboratories of democracy have produced a wide range of methods, practices, and data sources for judging higher education quality. In combination, the best of these methods can paint a rich, layered portrait of institutional quality.

### Student Outcomes

Colleges and universities have no greater obligation than ensuring their students learn, progress, and complete a degree, and, hopefully, turn that credential into successful employment. Because these functions are essential, our weighting scale places a large emphasis on rankings for these three categories (see appendix). But, there are disparities between how states stack up on each.

**Learning:** The most important job for colleges and universities should be helping students learn. Human

learning in any subject is inherently complex and thus difficult to measure with accuracy, particularly when it comes to the higher-order thinking at which colleges excel.

But while measuring learning is difficult—38 states earned our lowest ranking on this measure—it's not impossible. Four states (South Dakota, Tennessee, Texas, and Wyoming) earned the highest rating for promising efforts under way to gather and publish learning results for accountability purposes using a range of methods. All University of Texas institutions participate in the CLA, an attempt to measure “value-added” of each general education curriculum. The results are comparable across institutions. Tennessee earned its rating for requiring public postsecondary institutions to administer some nationally normed assessment to students. The results are presented against national averages and shown over time. South Dakota employs the Collegiate Assessment of Academic Progress (CAAP), produced by the makers of the ACT college-entry exam, for two purposes. First, the results are compiled by higher education institution into “gain” scores to determine whether students made “lower than expected,” “expected,” or “greater than expected” progress during their first two years in school. The results also serve as a high-stakes exam for students; if they fail the test three times they are not permitted to re-enroll in a South Dakota public institution. About 2 percent of students fall under this provision annually. Wyoming earned its rating for reporting CLA scores for the University of Wyoming, the sole public four-year institution in the state, and for comparing CAAP scores at the state's community colleges to national averages in five subjects.

The common features of high-achieving states were the inclusion of entire systems of institutions, the ability to make comparisons across institutions, and some type of objective assessment.

**Progression and Attainment:** It's not enough for students to merely learn in college; they need credentials that demonstrate that learning to the world. Unfortunately, many students who enter college never graduate. Overall, only about half of college freshmen earn a degree or credential within six years of starting. Results for low-income, first-generation, and minority students are often much worse. Nearly one in five working-age adults reports their highest level of education as “some college, no degree.” The job market provides very little partial credit when it comes to a college degree—you get one, or you don't.

The 1990 Student-Right-to-Know and Campus Security Act required all colleges and universities to report the

percentage of first-time, full-time students who graduate within 150 percent of the expected time: three years for students entering a two-year institution and six years for students who begin at a four-year institution. The results are broken down by students' race/ethnicity and gender, and colleges with a transfer mission report the percentage of students who leave and enroll elsewhere. Colleges also report the percentage of freshmen who return for a second year.

While federal graduation rate data provide a solid foundation for accountability, the measures have limitations. Recognizing those limitations, many states are already doing more. Twelve states earned “best practice” status for going beyond, comparing institutional rates to peers; including non-traditional and part-time students; breaking data down into important socioeconomic sub-groups; tracking intermediate success rates like credit accumulation, success in remedial courses, or transfer success rates; and linking current performance with future goals. Twelve states received the lowest grade for failing to publicly report basic elements about retention and graduation rates at the institutional level—information that must be sent to the federal government in order for institutions to qualify for federal financial aid money.

**Further Employment, Education, and Life:** A college education is a means to an end. The true measure of success in college often doesn't come until years after students leave school, as they thrive (or not) in further education, the work force, and life. This presents a dilemma for accountability, since the most important student outcomes are often grounded in college decisions made long in the past.

But, these challenges are being overcome in many places. Eight states earned “best practice” status, while another 25 were rated “in progress.” The most proactive states have linked their higher education systems to labor department data sources to give them the ability to track real employment data of graduates, by institution. Users of these systems can see whether graduates were able to find jobs in-state, whether those jobs were in the field of expertise, and how much those jobs paid. Other places do a good job reporting whether students earning credentials were able to pass licensing exams required in order to work in the field.

## Institutional Practices

While student outcomes should be the first priority of accountability, states can also hold institutions

accountable for adopting research-proven practices that, in turn, lead to desirable student outcomes. Focusing on these areas has the added benefit of providing guidance for improvement, by helping colleges understand how to better serve their students. Accountability systems shouldn't just point out where universities are falling short—they should also help them do better. Institutional practice measures also incorporate the crucial element of resource use. Colleges don't just need to achieve positive student outcomes—they also need to do so efficiently, particularly given the likelihood of serious resource constraints in the immediate future.

**Teaching and Engagement:** The principles of good college teaching are not a mystery. Many institutions have whole education departments dedicated to the study of learning and pedagogy. Works like Arthur Chickering and Zelda Gamson's seminal 1987 paper, “Applying the Seven Principles for Good Practice in Undergraduate Education,” have synthesized years of cognitive science and research into clear guidelines for maximizing student learning.<sup>2</sup> In general, researchers agree that students learn more when they're actively engaged with their subject matter, professors, and fellow students. Students need to be challenged by high expectations and given opportunities to solve problems, perform original analysis, and get regular, high-quality feedback on their progress. From “learning communities” that allow small groups of freshmen to learn together through a sequence of linked classes to “capstone courses” that challenge students to synthesize their general learning and disciplinary knowledge into senior projects, there are plenty of best practices out there.

States have developed varying ways to measure best institutional practices. Many states require institutions to participate in NSSE and report, at the bare minimum, NSSE's five benchmark scores. Other places are using the survey in more targeted ways by tracking student responses on questions deemed particularly important. One state, Vermont, puts the results for all 80 survey questions into a publicly available, searchable database that allows users to compare results over time and against peers.

Overall, eight states earned a grade of “best practice” in this category. Besides advanced usage of NSSE scores, other exemplars included utilizing other student or faculty surveys; tracking student-faculty ratios and other measures of faculty attention to teaching; and reporting on student participation in extracurricular

activities, student government, capstone courses, undergraduate research, etc. Twenty-one states merited “needs improvement” ratings for failure to consistently track meaningful measures of teaching, learning, and engagement at their state institutions.

**Efficiency and Financial Stewardship:** Economic hard times will reduce state tax revenues while simultaneously driving displaced workers and new students into public higher education systems. If history is any guide, state policymakers will enact significant cuts to higher education budgets at the very time that colleges and universities have more students to serve. To give students a high-quality education at an affordable price, colleges and universities will need to spend their resources wisely.

Ten states received the top ranking for already measuring resource use and efficiency in important ways. Many states track revenue and expenditures by source and function, respectively, but the top states typically put those numbers in context by breaking them down by institution and comparing them to peers. Several states placed them in further context by computing them as ratios that indicate the overall financial health of institutions. Other promising measures included graduation efficiency (the average amount of time and credits required to complete a degree), private support and endowment per student, space utilization rates, and the availability of non-traditional courses (evening, weekend, online, etc.). Seventeen states earned the lowest mark for reporting only basic revenue and spending numbers.

**Equity, Access, and Affordability:** A college providing high-quality educational services isn’t much good to a student who isn’t allowed to enroll there or can’t afford to pay for tuition, room, and board. States overall scored fairly well in this category as many are able to answer which students attended which institutions. At the bare minimum, efforts to track equity and access measures ensured a minimum grade of “in progress” for 27 states. Yet, 17 states earned the lowest grade for failing to break enrollment down by institution or important socioeconomic factors, being woefully out of date with its data, or failing to report any measure of affordability beyond gross costs.

Seven states earned the highest rating. These states were marked for their balance and thoroughness. California, for example, reports not only enrollment by race/ethnicity and gender, common features in many state access reports, but also recognizes that most postsecondary institutions are designed to serve the local population. Thus, California compares institutional enrollment to

the demographics of the local population and local high school graduates. The best affordability measures track net costs compared to peers, average student borrowing, and enrollment and cost by race/ethnicity and family income. Only a few states provide such informative measures by institution.

**Alignment With Pre K–12 Education:** Colleges stand near the end of the education pipeline. Their ability to help students learn and graduate is significantly affected by the kind of preparation that students receive in elementary, middle, and high school. Often, that preparation is inadequate.

But it’s important to remember that colleges are not powerless to improve high school preparation. Most colleges know where their students are coming from, and they can establish the academic standards students must meet to enroll in college-level work, by administering placement tests to incoming freshmen and choosing the cut score that forces students into remedial courses. (Twenty-five percent to 40 percent of all freshmen are forced to take at least one remedial course, and some estimates put the number significantly higher.) These standards can be communicated to local high school students and aligned with high school curricula—or not.

The first step states must do to align their Pre K–12 and higher education systems, and to earn our highest grade, is track students through the educational pipeline. Too few states have developed data systems with that capability.

Eighteen states are already modeling how that capability can be used. These states are able to determine how many high school graduates required and completed remedial coursework upon entering a state postsecondary institution, by high school, subject, and year. Many do the same for average first-year GPA, credit accumulation, and retention and graduation rates. These measures help policymakers identify leakages in the education pipeline, an often-discussed but still understudied topic in higher education policy.

**Scholarship and Research:** Most colleges have a dual mission: creating and distributing knowledge. It varies widely—full professors at major research universities often spend the majority of their time engaged in scholarship, while educators in liberal arts colleges and two-year institutions frequently devote most of their energies to teaching. But on some level, all higher education institutions have a charge to increase the sum total of human knowledge and engage with scholarly pursuits.

States have devised a number of ways to quantify this contribution. About a third of the states tracked at least research and scholarship expenditures in total, but this was not sufficient to merit “best practice” status. Eight states went further, reporting things like participation in the National Academies, publications produced, patents applied for, licensing income brought in, or comparative measures like research dollars per faculty member or research expenditures compared to peers. Twenty-six states have much to learn from these peers, earning the lowest grade for failing to report current information on state postsecondary institutions’ contributions to scholarship and research.

### Economic and Community Development

The benefits of colleges accrue to both individuals and society at large. College-educated workers earn more money than others and thus pay more taxes into state coffers. Colleges and universities themselves provide value and build communities. They are often the largest employers in certain regions; campus visitors attract additional revenue; and they operate museums, hospitals, and other ventures whose values are not easily quantified in dollar amounts.

**Degree Production and Economic Impact:** Counting the number of degrees and certificates awarded in a given year is a relatively simple measure of institutional production, and all but six states—the ones earning our lowest grade—gather information about the total number of degrees and certificates individual institutions produce. Some break the numbers down by course of study, to see if colleges are producing enough teachers, scientists, and other professionals to meet state needs.

More so than in other categories, states tend to do very similar things, focusing mainly on listing total degree production, sometimes broken down by academic discipline, race/ethnicity, gender, or degree level. The six states earning the highest grades in this category went further, especially on the economic impact portion of their colleges and universities. Common features include calculating the higher earnings college graduates contribute to state coffers through higher tax payments, reductions in crime and corrections, research and scholarship activities that bring in additional revenue to the state, and student and visitor spending that benefits local economies. Such reports often include a multiplier effect, some simple and others more complex, that attempts to extrapolate the entire economic impact of state postsecondary institutions.

**Arts, Culture, and Service:** Colleges and universities do not exist solely to output workers; they contribute to quality of life in many others ways. Through dramatic and musical events, speakers and conferences, student and faculty volunteer efforts, and a myriad of other things, colleges and universities enrich their local communities in ways that are difficult to quantify. While some states are experimenting with ways to measure these contributions, states have yet to view these elements as worthy of attention in accountability systems. Neglecting any one category is likely to lead to unbalanced systems that place too much emphasis on certain areas while leaving others without direction.

Only five states earned a “best practice” label in this category, and they attained it in different ways. Connecticut was the only state to track the number of artistic and creative products attributable to state institutions—things like plays, compositions, paintings, etc. Many states use NSSE scores for some accountability purpose, but only a few use those results to track the percentage of students involved in service learning, results that any institution with NSSE scores has access to. Hawaii places an emphasis on its Hawaiian language courses and Hawaiian culture studies program by tracking enrollment by institution. The University of Wisconsin System, like many public universities, partners with local public radio and television. But Wisconsin, unlike other states, holds those partnerships accountable by tracking the number of weekly listeners and viewers, respectively. A few other states have individual institutions tracking similar contributions, but by and large, states are completely ignoring these measures. One state earned a rating of “in progress” for compiling the data at the state level only, and 46 states merited “needs improvement” rankings.

**Adult Education and Extension Services:** Postsecondary institutions, especially community and technical colleges, are asked to educate more than just traditional college students. They’re asked to provide specific training for company employees, to help high school dropouts earn their GED, and to provide distance and night classes for those who work or live far from a campus. In recognition of these diverse missions, some states track student enrollment in non-credit career and technical education courses, enrollment in “custom fit” courses and the number of businesses served, average training contract per business, number of employees trained, and the average training cost per employee. These courses can also be broken down by whether the business was new to the state, whether it was expanding or stable, and

whether it was from the manufacturing industry. Other places track the percentage of GED applicants who are successful, the percentage of at-risk youth who obtain employment upon a program completion, and the percentage of dislocated workers who obtain employment with at least a certain percentage of their prior earnings.

Four states are already reporting enough of these measures to earn our highest grade. Twelve more received a rating of “in progress,” while the rest, 36, failed to report publicly and systematically on their efforts in this area.

## Overall Quality of Information

Within each of the categories, states vary in the quality and depth of the information they provide. Context about institutional missions, students, and circumstances is crucial for policymakers, educators, and the general public to render fair judgments about accountability information. This category specifically graded states on how well they gathered information with the following characteristics:

- Separated for individual institutions
- Includes two-year institutions
- Includes institutions from the private nonprofit and private for-profit sectors
- Timely
- Disaggregated by important student characteristics, including race/ethnicity, gender, age, income, aid status, first generation, and part-time or full-time status.
- Disaggregated by program area and major, lower division/upper division.
- Presented longitudinally
- Compared to similar measures at peer institutions
- Presented relative to pre-established goals and expectations.

Four states earned “best practice” status for what we deemed exemplary practices in information quality. These states typically did an excellent job of presenting data at the institutional level, breaking data down by socioeconomic factors, and comparing results to peers and against pre-determined goals. Seventeen states earned the lowest rating, which was given if they failed to provide data on a variety of issues, if the data were out of date (more than five years old), or if the state failed to regularly break data down by institution. Thirty-one states fell somewhere in between.

## State- and Systemwide Information

While the focus of the report is primarily on institution-level accountability, we recognize that some states have invested significant resources in gathering and reporting statewide higher education indicators. Ideally states would report performance accountability data at both the state and institutional level, but this category gives credit specifically to states that chose to focus only on the former. These states have developed robust statewide measures tied to larger state strategic plans, and in states with more than one higher education system, the systems often report data on a systemwide but not state- or institutional-level. Twenty-one states earned at least some credit on this measure, while an additional six received our highest grade. Those six are notable for either reporting state- or systemwide data that were exceptional in scope or importance, or for doing a good job pairing institutional data with state- or systemwide performance.

## USING INFORMATION

All states have some form of a constitutional or statutory higher education accountability system, but they vary widely in authority and impact. Most gather a significant amount of data. But too often, that’s where the process ends. Information is gathered, published, and then it sits there, on a Web site for whoever might want to look. In many cases, few people do. Having looked, fewer take action.

Simply making information available does not, in and of itself, constitute a well-functioning accountability system. Measurement is only step one; step two is making the information that comes from measurement meaningful. There are different ways to do this, but they’re all variations on a theme: injecting information about quality into existing processes that college decision-makers care about. Below, those processes are grouped into three areas: governance and strategic planning; funding; and transparency and markets.

## Governance and Strategic Planning

Some states have established strong central authorities that set tuition, allocate resources, control which degree programs institutions may offer, and oversee college presidents. A few large states have multiple such authorities, each governing a system of colleges and universities while also reporting to a central coordinating body. States with stronger authorities tended to perform

better on this category, measuring the degree to which institutions operated under clear guidelines. Fourteen states earned our highest ranking for designing tangible, numeric goals aligned to state priorities. These states are also noteworthy for devoting resources to the presentation of results, matching goals with actual performance, often with a baseline and several years of data, and presenting it in a format that's accessible to lay readers.

A handful of states saw their grades enhanced because of statewide performance accountability systems. These are long-term strategic plans that seek to harmonize different sectors of government and focus public resources on key goals and corresponding indicators. Tracking college and university performance in the context of larger, shared goals keeps institutions focused on continuously improving their contribution to the larger public interest.

Other states grant institutions more autonomy, limiting governance to the appointment of university trustees who in turn manage personnel, spending, etc. These states tended to have less robust accountability systems. Seventeen states were rated “in progress,” and 21 states earned “needs improvement” status in this category. Some systems earned this rating for not setting specific achievement goals, some leave accountability to individual institutions (which manifests in substantial differences in the focus and style of accountability information), and a few states lack even the basic elements of effective accountability systems.

## Funding

Accountability systems rely on incentives to influence behavior. Given the relatively decentralized nature of higher education governance, the public purse strings often represent policymakers' most powerful levers for change. A number of states have experimented throughout the years with linking accountability information to funding.

States have chosen to do this in two ways, which Joseph Burke, a higher education expert at the Rockefeller Institute of Government, terms “performance budgeting” and “performance funding.”<sup>3</sup> The former merely consists of reporting accountability information to policymakers as they make budgeting decisions. Colleges might, for example, be required to include outcome measures in their annual or biennial request to the state legislature for money. Performance funding, by contrast, explicitly ties university funding levels to accountability metrics through a formulaic process. The more success institutions

exhibit, the more funding they receive, creating incentives to boost performance.

Fourteen states earned our “in progress” ranking for pursuing some efforts linking funding to performance. These are mostly boutique efforts or plans that are in their infancy. Another two states, Tennessee and Pennsylvania, earned our highest rating for directly tying more than 5 percent of their higher education budgets to a performance funding system. Both states make their formulas public, and both include important components measuring student outcomes. The remaining 36 states have yet to develop such funding systems.

## Transparency and Markets

Colleges and universities exist in a competitive environment in which they compete for students, resources, and public recognition. As such, releasing public information about higher education performance can be an effective accountability strategy—but only if states proactively publicize that information and communicate it in a manner that is accessible to students, parents, members of the media, and the general public.

Many states maintain Web sites designed to provide information to prospective college students. If a state integrates accountability information into those sites and creates tools that students and parents can use to compare institutions, this can influence consumer decision-making and thus institutional incentives. Indeed, states that lack formal governance- or funding-based accountability policies often cite the power of public information as the key to their system.

But transparency- and market-based accountability systems only work if they actually influence people. And it is completely unrealistic to expect that significant numbers of teenagers and their parents will log into state coordinating board Web sites, download lengthy PDF documents or Excel spreadsheets, and sort through columns of numbers to decide where to apply to college. The same is true (unfortunately) for many of the reporters and opinion leaders who influence public perception. States cannot simply publish raw data if they expect it to have an impact. They need to aggressively work to interpret that information, contextualize it, publicize it, and make it available in a user-friendly way.

Unfortunately, only three states—Texas, Minnesota, and Georgia—earned our “best practice” label for developing particularly user-friendly Web sites to transmit accountability information. Texas has done an

exceptional job presenting performance accountability information on a Web site where users can, for example, compare performance of individual institutions to the achievements of five peers. Minnesota and Georgia have each constructed innovative ways to display information. Minnesota has a “dashboard” that looks similar to a car’s and includes gauges on a host of measures. Georgia’s “scoreboard” is similar except that it looks like a scoreboard for a major sport and lets users compare results to state, regional, and national averages.

Many states partner with the Xap Corporation for nearly identical Web sites. These sites have “comparative views” that let users see state data for state institutions on student/faculty ratios, percentage of students living on campus, enrollment, percentage of students receiving financial aid, and the gross cost. A “matching assistant” allows users to search by similar categories. Some of these sites permit users to apply online, but they do not include basic student outcome data like retention and graduation rates or affordability measures beyond gross cost. Twenty-nine states earned “needs improvement” ratings for failing to go to even this minimal level.

## ENDNOTES

- <sup>1</sup> *2006 State Expenditures Report* (Paris, France: Organization for Economic Cooperation and Development, September 2007).
- <sup>2</sup> Arthur W. Chickering and Zelda F. Gamson, *Applying the Seven Principles for Good Practice in Undergraduate Education* (San Francisco, CA: Jossey-Bass, 1991).
- <sup>3</sup> Joseph C. Burke and Henrik Minassians, *Performance Reporting: ‘Real’ Accountability or Accountability ‘Lite’ Seventh Annual Survey 2003* (Albany, NY: The Nelson A. Rockefeller Institute of Government, 2003).

# Grading Scale

<b>Overall State Grade (100%)</b>	<b>Gathering Information (50%)</b>	<b>Student Outcomes (25%)</b>	<b>Learning (40%)</b>
			<b>Progression and Attainment (30%)</b>
			<b>Further Employment, Education, and Life (30%)</b>
		<b>Institutional Practices (25%)</b>	<b>Teaching and Engagement (25%)</b>
			<b>Efficiency and Financial Stewardship (20%)</b>
			<b>Equity, Access, and Affordability (25%)</b>
			<b>Alignment With Pre K-12 Education (15%)</b>
		<b>Economic and Community Development (10%)</b>	<b>Scholarship and Research (15%)</b>
			<b>Degree Production and Economic Impact (50%)</b>
			<b>Arts, Culture, and Service (30%)</b>
	<b>Using Information (50%)</b>	<b>Adult Education and Extension Services (20%)</b>	
		<b>Overall Quality of Information (20%)</b>	
		<b>State- and Systemwide Information (20%)</b>	
	<b>Using Information (50%)</b>	<b>Governance and Strategic Planning (40%)</b>	
<b>Funding (20%)</b>			
<b>Transparency and Markets (40%)</b>			

Grades are composed of the elements in the column directly below and to the right. To calculate numerical composite grades, multiply the percentages above by the following scale:

Best Practice: 2

In Progress: 1

Needs Improvement: 0

To see how this works in practice, consider Alabama's grades under Student Outcomes. It received a "Needs Improvement" grade for Learning, another "Needs Improvement" grade for Progression and Attainment, and an "In Progress" grade for Further Employment, Education, and Life. The math to calculate its Student Outcomes grade looks like this:

$$\begin{aligned} \text{Student Outcomes} &= 0(.40) + 0(.30) + 1(.30) \\ &= 0.30 \end{aligned}$$

To convert the numerical grades to status grades, use the following scale:

0.00–0.66      Needs Improvement (–)

0.67–1.33      In Progress (✓)

1.34 and above      Best Practice (+)

