



## **Obama's Problematic College Scorecard**

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Last weekend, the U.S. Department of Education released its College Scorecard—a massive federal data set on America's colleges and universities. The Obama administration hailed the scorecard as a more comprehensive way to analyze college quality, in contrast with ranking systems like U.S. News and World Report.

Yet the federal government "scoring" colleges and universities presents us with a few problems.

### **Private College Rating Systems Already Provide Extensive Transparency**

Organizations such as U.S. News and World Report, College Factual, Forbes, Princeton Review, and College Atlas offer their own college rankings along with detailed information about the schools and the methodology they used.

Last year, Gallup and Purdue University teamed up to release "Great Jobs Great Lives: A study of More than 30,000 College Graduates Across the U.S." Prospective students and parents demanded greater information about college outcomes, and the free market responded. Government involvement in this area invites a government-knows-best mentality into a system where federal subsidies have already clouded the value of a college degree.

### **The Scorecard Effectively Serves as a Federal Ranking System Despite the Administration Saying It Had Abandoned Plans to Rank Colleges**

Although the Obama administration has abandoned its proposed federal ranking system of colleges, the new scorecard makes some strong suggestions to students about which colleges the federal government thinks are doing a good job, effectively picking winners and losers. The Scorecard declares itself "the best national data on higher education, ranging from the demographic information to student outcomes, from the Department of Education's National Center for Education Statistics, the Federal Student Aid office, and the Department of the Treasury."

On the home page of the website, visitors will see "check out these schools," which includes a list of

- 23 four-year schools with low costs that lead to high incomes
- By state, two-year colleges where students earn high salaries after graduation while keeping costs low

- 30 four-year schools with high graduation rates and low costs
- 15 public four-year colleges with high graduation leading to high incomes

Although not calling it an official ranking, the college scorecard puts the Department of Education in the business of declaring which colleges and universities it deems worthy to be listed in the “check out these schools” section, given the federal government’s criteria. Moreover, putting the federal imprimatur on certain colleges will likely crowd out the existing private agencies that rank and review colleges and universities, which provide analyses of college success based on very different factors.

For example, Forbes ranks a school’s post-graduate success on a number of criteria, including the number of Nobel and Pulitzer Prize-winning alums and those elected to the National Academy of Sciences, among other interesting data, including earnings information from Payscale.com.

And although the Department of Education argues that the Scorecard offers unique information about campus diversity, universities all across the country know all too well that it’s nearly impossible to get a favorable ranking from U.S. News and World Report without passing that evaluator’s rigorous diversity standards.

College should be far from one size fits all. Yet a federal scorecard boils down the value of higher education to earnings. Although the return on investment should be an important consideration for any prospective student—especially given the levels of debt often associated with obtaining a four-year degree—the design on the administration’s scorecard suggests that is one of the only factors students should consider.

Moreover, the website puts borrowing at the click of a button. Next to these “rankings” you will find a convenient and well-labeled button to apply for your federal student loan.

### **Encourages More Student Loan Borrowing**

A federal scorecard doesn’t address the root of the problem of ever rising college costs: a massive influx of easy federal student loan money and billions in federal grants that are infused into the system annually. “Federal student aid is almost certainly self-defeating, enabling rampant tuition inflation, massive noncompletion, wasteful campus extravagances, and dangerous credit inflation,” writes Neal McCluskey of the Cato Institute.

The Department of Education’s College Scorecard includes only federal student loans in its database and offers quick links to how to sign up. Additionally, the scorecard uses an interesting metric ostensibly designed to let students know if taking out student loans is worth it or not. The college scorecard reports data on “Students Paying Down Their Debt,” raising questions about how the Department is taking into account students who put off paying their debt for any number of reasons.

### **Earnings Data Raises Questions About Women’s Lifestyle Choices**

President Obama famously said during remarks on childcare that “sometimes, someone, usually mom, leaves the workplace to stay home with the kids, which then leaves her earning a lower wage for the rest of her life as a result. And that’s not a choice we want Americans to make.”

Yet many women choose to go to college, get married, have children, and stay at home to raise their family. While many would agree that this is a perfectly acceptable choice for women to make, it is unclear whether the College Scorecard accounted for this voluntary exit from the workforce in its earnings data. Women who willingly take themselves out of the workforce after college or choose to work part-time should not be included in earnings data—as that would fare poorly for colleges where a substantial number of women make that choice.

Christendom College, for example, proudly touts that it has “100s of stay-at-home alumnae mothers who are doing great work by raising their families.” Then again, Christendom *was not even included in the federal College Scorecard.*

Although the Department of Education claims that one of the goals of the College Scorecard is to educate consumers about affordable college options, it left out a college (Christendom) that Kiplinger listed as a “Best Value College.”

The Obama administration and the Department of Education should leave college rankings to private institutions and avoid further federal entanglement in higher education.