



June 27, 2024

U.S. Department of Education  
400 Maryland Ave., SW  
5<sup>th</sup> Floor  
Washington, D.C. 20202

**Docket ID #: ED-2024-OPE-0069**

To Whom It May Concern:

Thank you for the opportunity to submit comments on the Department of Education’s proposed priorities, requirements, and definitions for use in the Postsecondary Student Success Grant (PSSG) program. Arnold Ventures is a philanthropy dedicated to tackling some of the most pressing problems in the United States. For the past seven years, we have invested in research, policy development, litigation, and advocacy to end predatory behavior in higher education and increase the return on investment of higher education for both students — especially students who have been historically marginalized — and taxpayers.

We write today to express our strong support for the Department’s regulations and for the PSSG program, and to propose some additional changes that would further streamline the program and emphasize the importance of evidence-based interventions. Should you have further questions regarding these comments, we welcome the opportunity to discuss them further.

Access to a quality higher education is one of the surest paths to economic mobility, particularly for those who grew up in low-income families and for people of color. Yet inequities in access and affordability have meant the promise of education beyond high school goes unfulfilled for too many. Among the 2.4 million students who enrolled in college for the first time in 2017, more than 700,000 dropped out within the next six years, and only half (51 percent) completed at their original institution.<sup>1</sup> Black adults are especially likely to have some college experience but no degree — a category that includes both those who left school before completing their program and those who completed only a certificate/non-degree program.<sup>2</sup>

For students who don’t complete, leaving school often represents a loss of future earnings potential on top of the costs expended to enroll in school. These costs include tuition, spending down their Pell Grant eligibility without a credential to show for it, and potentially foregoing more hours of work or better-paying job opportunities. Those with student debt but no degree are left

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<sup>1</sup> “Completing College: National and State Reports,” Figure 3, National Student Clearinghouse Research Center, November 2023, [https://nscresearchcenter.org/wp-content/uploads/Completions\\_Report\\_2023.pdf](https://nscresearchcenter.org/wp-content/uploads/Completions_Report_2023.pdf).

<sup>2</sup> “Educational Attainment in the United States,” Table 3, United States Census Bureau, February 2022, <https://www.census.gov/data/tables/2021/demo/educational-attainment/cps-detailed-tables.html>. Twenty-six percent of white non-Hispanic adults, 33 percent of Black adults, and 31 percent of Hispanic adults have only a high school diploma. Fifteen percent of white non-Hispanic adults, 18 percent of Black adults, and 13 percent of Hispanic adults have some college but no degree.

in a particularly precarious position, which often involves financial struggles and disappointment about their educational experience.<sup>3</sup> Individuals who leave school with debt but no degree are three times as likely to default on their loans without the means to repay them despite having accrued less debt, on average, during their shorter time spent in school.<sup>4</sup>

The PSSG program is critically important to ensuring institutions are able to address the needs of their students and help more of them stay in school through graduation, by providing both the resources and the initiative to invest in evidence-based interventions for higher education. Below are additional comments regarding the specific aspects of the proposed framework for future PSSG competitions.

Should you have questions about the content of these comments, please do not hesitate to reach out at [kmcmanus@arnoldventures.org](mailto:kmcmanus@arnoldventures.org) or [jmilner@arnoldventures.org](mailto:jmilner@arnoldventures.org). Thank you for your time and consideration.

Sincerely,

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Arnold Ventures

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Arnold Ventures

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## Comments from Arnold Ventures:

### Evidence Standards

We strongly support the Department's use of evidence standards within Priorities 1-3. We believe that stipulating evidence standards – from Promising to Moderate to Strong – will help to focus applicant attention on the design and implementation of increasingly rigorous evaluations to discern program impact.

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<sup>3</sup> Lockwood, Jacob and Douglas Webber, “Non-Completion, Student Debt, and Financial Well-Being: Evidence from the Survey of Household Economics and Decisionmaking,” Board of Governors of the Federal Reserve System, FEDS Notes, August 2023, <https://www.federalreserve.gov/econres/notes/feds-notes/non-completion-student-debt-and-financial-well-being-20230821.html?s=09>; Whistle, Wesley, “Ripple Effect: The Cost of the College Dropout Rate,” Third Way, January 2019, <https://www.thirdway.org/report/ripple-effect-the-cost-of-the-college-dropout-rate>.

<sup>4</sup> Whistle, Wesley, “Ripple Effect: The Cost of the College Dropout Rate,” Third Way, January 2019, <https://www.thirdway.org/report/ripple-effect-the-cost-of-the-college-dropout-rate>.

## Completions of Value

The Department proposed, in each of its first three priorities, to require that applicants submit “programs that are designed to improve postsecondary success for underserved students, including retention, upward transfer, and completions of value...” Elsewhere, these “completions of value” are defined as those that lead to transfer from a two-year to a four-year school; to subsequent enrollment in graduate education; and/or to economic mobility, as assessed by whether the graduates earn enough to exceed the typical earnings of a high school graduate, plus enough to recover their costs of enrolling in higher education.<sup>5</sup>

We welcome this focus on completions of value. Far too often, even for students who do receive the degree or certificate they were seeking, those credentials do not pay off – particularly when also considering how much the students may have paid to complete the program. As we wrote to the Department in our comments on the proposed Gainful Employment and Financial Value Transparency Rules, “programs may cost far more at some schools than others, or yield better-paying jobs for graduates, affecting the return on students’ investments. For example, a bachelor’s degree in education may lead the typical graduates of one program to jobs that pay as little as \$25,000 three years after completing the program, or in another program, to earn as much as \$52,000 over the same timeframe.<sup>6</sup> A master’s in social work program may lead graduates to owe just \$20,000 in debt or less, or to owe \$80,000 or more, despite earning similar salaries of around \$55,000.<sup>7</sup> An associate degree in mechanic and repair technologies, even within a single state, could lead graduates to jobs where they typically earn \$26,000 per year or \$37,000 per year, depending on the institution where they completed the program.<sup>8</sup> The vast majority of programs in postsecondary education are well worth the time and money spent on them, both for students and for taxpayers; but too many are not.”

By ensuring that colleges are focused not only on ensuring students complete their programs, but that those programs have value to students’ academic and career aspirations, the Department is working to improve the value of the postsecondary education system more broadly – and especially for the underserved students who most stand to benefit from efforts to improve success rates in higher education.

In addition to focusing on completions of value, we propose that the Department consider whether the programs in which students are being retained, or to which students are transferring, are also of value. In all cases – whether focused on the final years of students’ academic

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<sup>5</sup> Specifically, the Department proposes to define *completions of value* as “credentials that lead to further education through upward transfer or graduate education and/or that lead to economic mobility through earning enough to experience a premium over high school graduates and earning enough to recoup investment in postsecondary education.”

<sup>6</sup> Analysis of Department of Education data released alongside the GE/FVT Notice of Proposed Rulemaking. Examines programs offered at credential level: bachelor’s; and at 4-digit CIP code 13.01.

<sup>7</sup> Analysis of Department of Education data released alongside the GE/FVT Notice of Proposed Rulemaking. Examines programs offered at credential level: master’s; and at 4-digit CIP code 44.07. Among such programs with a median debt of \$20,000 or less, median earnings are \$54,637; among programs with a median debt level of \$80,000 or more, median earnings are \$55,400.

<sup>8</sup> Analysis of Department of Education data released alongside the GE/FVT Notice of Proposed Rulemaking. Examines programs offered at credential level: associate’s; and at 4-digit CIP code 47.06 in the state of Georgia.

experiences, or the early years – it is critical that institutions ensure their programs provide return on investment to students, and that the Department of Education ensure taxpayer dollars are not spent on programs that will not provide that minimum level of value.

### **Scale for Mid-Phase and Expansion Grants**

The Department proposed that (in addition to meeting the applicable evidence priorities), mid-phase grant applicants implement their projects at multiple institutions or campuses and that they serve at least 2,000 students; and that expansion grant applicants implement their projects at multiple institutions and serve at least 10,000 students. The Department also note that it is “particularly interested in” comments submitted on these proposed scale requirements.

We appreciate the Department’s interest in distinguishing between the two types of grants in ways other than the evidence levels, and we understand why the Department may have selected these scale requirements. However, we propose an alternative approach that would provide applicant institutions with more flexibility while maintaining a high level of rigor among grantees.

The proposed scale requirement, both for mid-phase and expansion grants, is likely much larger than the Department needs to effectively ensure grantees are serving students well and to distinguish between the grant types. It is also larger than the Department required in its most recent (FY 2023) PSSG competition. Under that competition, the Department required applicants to either mid-phase or expansion grants to implement their interventions at more than one campus, OR at a single campus that included at least 2,000 students.<sup>9</sup> Here, the Department has proposed to require applicants to BOTH serve 2,000 students (10,000 for expansion grants) and to operate on multiple campuses.

Furthermore, this is a larger number of students served than the Institute of Education Sciences’ What Works Clearinghouse requires for evaluations to be considered for Moderate or Strong levels of evidence (the levels required to be cited for mid-phase and expansion grant applications, respectively). According to the What Works Clearinghouse’s Handbook, those tiers require only a multi-site (two or more campuses) implementation with a sample of at least 350 students.<sup>10</sup> The 2,000-student requirement would be more than five times larger than that requirement; and the 10,000-student requirement would be more than 28 times larger.

The limitation on the number of students also means that the cost per participant is likely to be relatively low – too low, even, to cover the costs of some of the most effective interventions, at least without additional fundraising. For instance, the FY 2023 competition notice estimated that even the largest Mid-Phase/Expansion grants would qualify for \$8 million over 4 years.<sup>11</sup> At 10,000 participants served across all four years (2,500 students per year), that would qualify

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<sup>9</sup> “Application for New Awards; Postsecondary Student Success Grant Program (PSSG),” U.S. Department of Education, July 26, 2023, available at: <https://www.federalregister.gov/documents/2023/07/26/2023-15780/applications-for-new-awards-postsecondary-student-success-grant-program-pssg>.

<sup>10</sup> “What Works Clearinghouse Procedures and Standards Handbook, Version 5.0,” Institute of Education Sciences, August 2022 (revised December 2022), available at [https://ies.ed.gov/ncee/WWC/Docs/referenceresources/Final\\_WWC-HandbookVer5\\_0-0-508.pdf](https://ies.ed.gov/ncee/WWC/Docs/referenceresources/Final_WWC-HandbookVer5_0-0-508.pdf).

<sup>11</sup> “Application for New Awards; Postsecondary Student Success Grant Program (PSSG),” U.S. Department of Education, July 26, 2023, available at: <https://www.federalregister.gov/documents/2023/07/26/2023-15780/applications-for-new-awards-postsecondary-student-success-grant-program-pssg>.

applicants for just \$800 per participant per year. Even other Department grant programs with much lower evidence standards have much higher funding per participant.<sup>12</sup> Yet some of the most effective interventions seen to date are costlier, particularly in the early years of their implementation. For instance, the Accelerated Studies in Associate Programs (ASAP) intervention launched by the City University of New York (CUNY) – yielding dramatic improvements in community college-student graduation rates – costs \$3,400 per participant at CUNY, though costs are lower at other replication sites.<sup>13</sup>

Moreover, these substantial scale requirements are likely unnecessary to ensure the Department is supporting rigorous, high-quality research and the expansion of proven student success efforts across the county. Specifically, the proposed scale requirements are not necessary to rigorously evaluate an intervention as long as the evaluation is well-designed and well-powered.<sup>14</sup> Many of the gold-standard research studies examining retention and completion interventions included samples of far fewer students and still provided a well-powered, quality evaluation able to detect an intervention’s effects. For example, a well-powered evaluation of an ASAP replication in Ohio included a sample of 1,501 students across three community colleges.<sup>15</sup> When adapted to a four-year context (Accelerate, Complete, and Engage [ACE]), a well-powered and well-designed evaluation included 570 students;<sup>16</sup> and an evaluation of Bottom Line advising services included 2,422 students.<sup>17</sup>

We applaud the Department’s commitment to investing in high-quality, rigorous research and propose a three-part requirement for each grant type in lieu of the proposed scale requirements. These proposed requirements will ensure institutions are able to offer high-value interventions and that grantees are continuing to build evidence that will support future PSSG applications and establish a growing base of rigorous evidence. Our proposed three-part requirements are below:

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<sup>12</sup> For instance, Upward Bound provided more than \$5,000 per participant in FY 2023 and Student Support Services provided \$1,824. See: “Higher Education: Fiscal Year 2025 Budget Request,” U.S. Department of Education, page 105, available at:

<https://www2.ed.gov/about/overview/budget/budget25/justifications/w-highered.pdf>

<sup>13</sup> “Fast Facts,” CUNY ASAP|ACE, April 2024, [https://www.cuny.edu/wp-content/uploads/sites/4/page-assets/about/administration/offices/student-success-initiatives/asap/evaluation/CUNY-ASAP-and-ACE-Fast-Facts\\_April-2024\\_WebFinal.pdf](https://www.cuny.edu/wp-content/uploads/sites/4/page-assets/about/administration/offices/student-success-initiatives/asap/evaluation/CUNY-ASAP-and-ACE-Fast-Facts_April-2024_WebFinal.pdf).

<sup>14</sup> Arnold Ventures provides guidance on how researchers can ensure their study is sufficiently powered, including for different types of research designs. See: “Notes for Applicants on Power Analysis in Experimental and Non-Experimental Designs,” Arnold Ventures, Updated: April 2024, available at [https://craftmediabucket.s3.amazonaws.com/uploads/EE\\_Power-Analysis\\_ENEv1.pdf](https://craftmediabucket.s3.amazonaws.com/uploads/EE_Power-Analysis_ENEv1.pdf).

<sup>15</sup> “A Replication Randomized Controlled Trial of Accelerated Study in Associate Programs (ASAP) Measuring Degree Completion by Low-Income Community College Students in Ohio,” Arnold Ventures, April 20, 2020, <https://www.arnoldventures.org/stories/replication-randomized-controlled-trial-accelerated-study-associate-programs-asap-degree-completion-low-income-community-college-ohio>.

<sup>16</sup> “A Randomized Controlled Trial of Accelerate, Complete, Engage (ACE) at CUNY John Jay College of Criminal Justice, Aimed at Increasing the Rate of Graduation with a Bachelor’s Degree,” Arnold Ventures, May 18, 2023, <https://www.arnoldventures.org/stories/a-randomized-controlled-trial-of-accelerate-complete-engage-ace-at-cuny-john-jay-college-of-criminal-justice-aimed-at-increasing-the-rate-of-graduation-with-a-bachelors-degree>.

<sup>17</sup> “Positive Impacts on Bachelor’s Degree Receipt in a Randomized Controlled Trial of Bottom Line – a Program Providing One-on-One Guidance to Help Low-Income Students Get Into and Graduate From College,” Arnold Ventures, October 28, 2021, <https://www.arnoldventures.org/stories/positive-impacts-on-bachelors-degree-receipt-in-a-randomized-controlled-trial-of-bottom-line-a-program-providing-one-on-one-guidance-to-help-low-income-students-get-into-and-graduate-from-college>.

- **Well-Powered Studies:** All mid-phase and expansion grant applicants should be required to demonstrate they will be able to conduct a well-powered study with the number of students they propose to serve.
- **Number of Students Served:** All mid-phase and expansion grant applicants should meet the IES minimum standard for studies able to meet Moderate or Strong evidence (i.e., 350 students).
- **Multi-Site Requirement:** All mid-phase and expansion grant applicants should be required to implement the intervention at multiple sites (i.e., campuses), consistent with the IES minimum standard for studies able to meet Moderate or Strong evidence. Specifically, however:
  - **Mid-phase grants** should be implemented at multiple campuses.
  - **Expansion grants** should be implemented either at:
    - Multiple institutions; or
    - Multiple campuses, where the campuses serve different types of underserved students (as defined in this notice, such as institutions with larger shares of low-income students, students of color, first-generation students, or adult students), or in different locales (e.g., rural vs. urban campuses).

We believe this framework would enable expansion grants to contribute to the study of interventions across multiple adaptations and contexts, and/or for different populations – important insights into the scalability of the program. Below is example revised language for consideration:

*Proposed Priority 2—Mid-Phase: Projects Supported by Moderate Evidence.*

Projects that are designed to improve success for underserved students, including retention, upward transfer, and completions of value that lead to economic success and/or further education, and are supported by evidence that meets the definition of Moderate Evidence (as defined in 34 CFR 77.1). Projects under this priority must be **able to produce a well-designed, well-implemented independent evaluation (as defined in this Notice) that is sufficiently powered and that can meet the standards for Moderate or Strong evidence in WWC review implemented at multiple institutions of higher education or multiple campuses of the same institution and propose to serve at least 2,000 students.**

*Proposed Priority 3—Expansion: Projects Supported by Strong Evidence.*

Projects that are designed to improve postsecondary success for underserved students, including retention, upward transfer, and completions of value that lead to economic success and/or further education, and are supported by evidence that meets the definition of Strong Evidence (as defined in 34 CFR 77.1). Projects under this priority must be **able to produce a well-designed, well-implemented independent evaluation (as defined in this Notice) that is sufficiently powered and that can meet the standards for Moderate or Strong evidence in WWC review. Projects must also be implemented at**

multiple institutions of higher education **or multiple campuses that serve substantially different types of underserved students or that operate in different locales and propose to serve at least 10,000 students.**

#### **Proposed Priority 4: Using Data for Continuous Improvement**

The Department proposed a priority for applicants that intend to “[use] data to continually assess and improve the outcomes associated with funded activities and sustain data-driven continuous improvement processes at the institution after the grant period.”

We strongly agree this is a critical aspect of institutional improvement and warrants considerable attention from the Department. However, we recommend that the Department strike this item as a priority, and instead incorporate the applicant’s plans to use data for continuous improvement as a selection criterion.

We believe that all institutions should be regularly engaged in this work. Especially as institutions have gained considerable access to information about the short- and long-term outcomes of their students in recent years, through advancements in states’ longitudinal data systems, the College Scorecard and other Department of Education efforts, the Census Bureau’s Postsecondary Employment Outcomes (PSEO) project, and institutions’ own work to analyze and use data. With that increased transparency and understanding of whether institutions’ students are falling behind, and which students, comes a much greater responsibility to act on that information. Rather than providing bonus points to institutions for addressing this, the Department should require institutions to demonstrate their commitment to data-driven improvements by incorporating it into the selection criteria as an essential aspect of the quality of the project design.

#### **Proposed Priority 5: Projects That Support College-to-Career Pathways and Supports**

The Department also proposed a priority for applicants seeking to “[integrate] career-connected learning and advising support into their postsecondary success strategies,” including aligning coursework to career pathways and outcomes; designing program-level credential maps and transfer pathways, better incorporating career planning into college advising, providing work-based learning, and providing career navigation for graduating students.

We agree that this is an important set of activities in which institutions can and should engage to help improve the value of their credentials. However, we propose excluding it from the PSSG priorities, or clarifying that the Department will use it only as an invitational priority in future competitions.

A core advantage of the PSSG program is its singular, unwavering commitment to evidence-based policymaking – a belief that we can and should identify effective strategies to improve retention and completion, and bring what works to more students on more campuses across the country. To most faithfully implement this mandate from Congress, and to ensure the most innovative solutions rise to the top, we suggest requiring that grant awards are made based on the strength of the evidence backing them and the potential for their impact on retention and completion – agnostic to which strategy institutions use to get there. While we anticipate that many of the most

effective strategies to improve students' outcomes will, in fact, involve college-to-career pathways and career-driven supports, there is simply no need to predetermine that outcome.

### **Independent Evaluation**

The Department's proposed requirement 6 specifies the expectations for an independent evaluation of applicants' interventions. We strongly support the Department's proposed definition, which shows a commitment to rigor and which would establish new degrees of transparency by ensuring that grantees submit their evaluation reports to ERIC for review and possible inclusion in the What Works Clearinghouse.

To further implement our recommended changes related to the scale of Mid-Phase and Expansion grants, however, we suggest several conforming changes to ensure the evaluation is likely to meet What Works Clearinghouse standards and is sufficiently well-powered to demonstrate the impact of the intervention. Below is example revised language for consideration:

*Proposed Requirement 6: Independent Evaluation.* Grantees must conduct an independent evaluation of the effectiveness of the project **that is well-designed, well-implemented, and sufficiently powered to meet What Works Clearinghouse standards for Moderate or Strong evidence.** Grantees must also ~~and~~ submit the evaluation report to ERIC, available at <https://eric.ed.gov/>, in a timely manner.

### **Uses of Funds**

The Department proposed to codify several uses of funds, including developing data-systems; and implementing student success strategies, including through intensive advising, financial support like need-based or emergency aid, transfer support, and career support.

We strongly support the Department's proposed uses of funds. As we noted earlier in these comments, the purpose of the PSSG program is to test, replicate, and expand strategies that can effectively improve students' odds of success through retention and completion rates. In general, we believe that any uses of funds needed to do so with fidelity should be considered appropriate, and this language effectively accomplishes that.