

## **Jerry Malitz, January 30, 2019 National Press Club for ACTA's Launch of HowCollegesSpendMoney.com**

### What is IPEDS and Why IPEDS?

Although the National Center for Education Statistics (NCES) was legislatively created in 1974 it was in reality functioning as a statistical agency for many years before that. One of those functions was conducting the Higher Education General Information Surveys (HEGIS) which was administered between 1966 and 1986. At that time the survey universe consisted of 3,400 two and four year postsecondary institutions. The Integrated Postsecondary Education Data System (IPEDS) was phased-in between 1985 and 1988 at which time the universe of institutions increased to include all institutions whose primary purpose was providing postsecondary education programs and that were open to the general public. As a result the 1987 Directory of Postsecondary Institutions reported 12,052 institutions (2,652 four-year, 2,925 two-year, and 6,475 less-than-two-year) for that first run of IPEDS.

IPEDS is a single, comprehensive system that is built around a series of 12 interrelated survey components designed to collect institution-level data and not student-record level data in such areas as enrollment, program completions, graduation rates, student financial aid, tuition and fees, faculty, staff, and finances.

*12 Components include: Institutional Characteristics; Completions; 12-month Enrollment Student Financial Aid; Graduation Rates; Admissions; Outcome Measures, Fall Enrollment; Finance; Human Resources; Academic Libraries*

Since 1993, completion of the IPEDS survey has been mandatory for all postsecondary institutions with a Program Participation Agreement (PPA) with the U.S. Department of Education's Office of Postsecondary Education (OPE) meaning institutions that participate in or are eligible to participate in any federal student financial assistance program authorized by Title IV.

Over the years the number of institutions in the IPEDS universe has decreased due to definition changes to where for the 2016-17 school year it totaled 6,760 Title IV institutions and 74 administrative offices (central or system offices). *Of those 6,760 Title IV institutions, 2,918 were classified as 4-year institutions, 1,995 were 2-year*

*institutions, and the remaining 1,847 were less-than-2-year institutions.* I reference that year since that is the final year of Finance and related data that HowCollegesSpendMoney uses in its Data Tool of 1,497 institutions of which Armand will be talking about in a few minutes.

So, why is IPEDS important?

- It has broad coverage of institutions and an almost 100% response rate
- it is subject to rigorous quality control standards, mandated for statistical agencies
- it offers historical consistency
- it is disseminated widely and effectively and made accessible to all potential users in a variety of formats
- it provides extensive training formats for data reporting and data use

As for the IPEDS Finance data:

- it is the only publicly-available source of finance data for most U.S. postsecondary institutions
- its scope helps support comparisons among U.S. postsecondary institutions
- Its longitudinal nature trend analysis is possible.

All 3 of these are key components of the data tool that we are here to discuss today.

Although the Finance survey in particular undergoes some revisions or updates annually it consistently maintains sections for institutional revenues, expenditures, student financial aid, and assets and liabilities. The Revenue categories include tuition and fees, governmental appropriations and grants, gifts and investment income, and revenue from auxiliary enterprises and independent operations. Expenditure categories include instruction, research, public service, academic support, student services, institutional support, auxiliary enterprises, hospital facilities, and operations and maintenance.

How Colleges Spend Money also includes data from the IPEDS Human Resources survey which has information on the number of employees and total outlays in

categories such as research, public service, fiscal operations, and administrative support.

[https://nces.ed.gov/ipeds/pdf/npec/data/NPEC\\_Paper\\_New\\_IPEDS\\_Finance\\_Metrics\\_2017.pdf](https://nces.ed.gov/ipeds/pdf/npec/data/NPEC_Paper_New_IPEDS_Finance_Metrics_2017.pdf)

So, because of the data included in IPEDS it is possible to answer some simple and some more complex questions about institutional spending, revenues, and personnel resources.

As for its availability, data collection for the 2000 IPEDS became an on-line survey only instead of via paper and soon thereafter Dennis Carroll, who at that time was the Associate Commissioner overseeing IPEDS managed to get permission for IPEDS data to be released when an institutions data was deemed clean and final and not wait until the entire data file for all institutions for a given year were deemed to be final. This made a tremendous difference in how quickly the data got into the hands of the public.

Although data was now becoming available quicker Margaret Spellings who was Secretary of Education from 2005-08 expressed a desire in 2007 for NCES to develop a newer more comprehensive and consumer-friendly application that could be used by students and parents along with stakeholders and researchers. That initiative turned into the College Navigator which was released later that year and remains NCES' most used data tool.

In addition to the College Navigator NCES now has the IPEDS Data Center which includes data tools such as a Trend Generator, Data Feedback Reports for institutions, tables, custom data files, and an institutional comparison tool <https://nces.ed.gov/ipeds/use-the-data> And now, although not an NCES data tool we are fortunate to be able to add HowCollegesSpendMoney to the list of publicly available data applications, that help leverage and promote Data-informed (or evidence-based) decision-making which seeks to use the best available data for research to get to the heart of policy development, to implement needed change and to help transform higher education. Using data, such as what is available through this tool, can help assist in identifying potential issues rather than simply relying on unsubstantiated anecdotes or speculative hypotheses.

According to data in the American Council on Education’s 2017 “American College President Study,” only 12% of presidents ranked the use of institutional research and evidence among the top five areas of growing importance for presidents in the future (*Gagliardi, Espinosa, Turk, and Taylor 2017*).

I will conclude my time by saying that a by-product of this increased possibility for easier access and use of data, such as what is afforded through HowCollegesSpendMoney, is that throughout NCE’s history whenever data becomes available in newer, more accessible, and easier to use formats the quality of the data improves as data providers realize that data transparency escalates and more and more people are putting their eyes on their submitted data, and yes, accountability increase when they realize that well-informed decisions and research initiatives are being powered by and formulated based on empirical data. Thank you for your time.