

LETTER *Published July 9, 2024 · 12 minute read*

Comments to the Department of Education on Postsecondary Student Success Grants



Michelle Dimino, Director of Education, Lanae Erickson, Senior Vice President for Social Policy, Education & Politics

July 8, 2024

The Honorable Nasser H. Paydar
Assistant Secretary for Postsecondary Education
United States Department of Education
400 Maryland Ave. SW, 5th Floor
Washington, D.C. 20202

Docket ID: ED-2024-OPE-0069

Dear Dr. Paydar:

Thank you for the opportunity to provide comment on the Department of Education’s proposed priorities, requirements, and definitions for use in future competitions for the Postsecondary Student Success Grant (PSSG) program.

Third Way fervently supports the PSSG program and its focus on advancing evidence-based practices and interventions that will improve postsecondary outcomes. Higher education offers one of our nation’s clearest pathways to financial security and socioeconomic mobility—but stagnant college completion rates mean that far too many students who enroll will not make it across the finish line to graduation. Nearly 37 million American adults have attended college but left without earning a credential, and this “some college, no degree” population often faces the worst outcomes: they are more likely to struggle to repay their student loans, defaulting at three times the rate of college graduates, and often experience lower earning potential compounded by the opportunity costs from their time enrolled. ¹

The PSSG program directs critical federal funding to programs and initiatives proven to reverse this tide and achieve stronger retention and completion outcomes at colleges across the country that are dedicated to enrolling and supporting underserved students, including students from low-income backgrounds, students of color, and first-generation students. By promoting innovation and connecting institutions to needed resources to implement evidence-based interventions that will help more of their students persist and complete college, PSSG supports national attainment goals and addresses equity gaps in postsecondary graduation rates. We applaud the Department’s proposed regulations and offer below our recommendations to further clarify and strengthen the priorities, requirements, and definitions for future PSSG grant competitions to maximize the impact of this important program.

Comments on Proposed Priorities

Proposed Priorities 1, 2, and 3

Third Way strongly supports the evidence requirements for Early Phase, Mid-Phase, and Expansion grants outlined in Proposed Priorities 1, 2, and 3. By conforming with statute in 34 CFR 77.1 and allowing PSSG eligibility for projects that demonstrate a range of promising, moderate, and strong evidence levels, the Department will effectively support the development, implementation, and expansion of a variety of student success initiatives that promote completions of value for underserved student populations. The tiered evidence model is a core design component of PSSG that creates the conditions for continuous improvement and knowledge building for the higher education field as well as the cost-effective use of taxpayer dollars invested in the program.

Beyond meeting the evidence requirements, the Department proposes scale requirements for Mid-Phase and Expansion grant applicants and notes its particular interest in receiving comments on

the scale requirements under these two priorities. In its proposal, the Department stipulates that under Proposed Priority 2, Mid-Phase projects “must be implemented at multiple institutions of higher education or multiple campuses of the same institution and propose to serve at least 2,000 students” and under Proposed Priority 3, Expansion projects “must be implemented at multiple institutions of higher education and propose to serve at least 10,000 students.” We are concerned about the rigidity of these larger scale requirements, which differ from and exceed those of the Department’s Fiscal Year 2023 PSSG competition, under which Mid-Phase/Expansion grants were required to either “be implemented at a multi-site sample with more than one campus **or** in one campus that includes at least 2,000 students” (emphasis added).² Under the proposed rule, the Department would require applicants to both implement their project at multiple campuses or institutions *and* serve at least 2,000 students for Mid-Phase grants or 10,000 students for Expansion grants.

We appreciate the Department’s intent to establish scale requirements that differentiate Mid-Phase and Expansion grants and increase the reach of evidence-supported interventions. However, the scale requirements as proposed are likely more substantial than is necessary to ensure students are served well or to promote rigorous research and evaluation. For the purposes of high-quality evaluation, a well-designed study can effectively assess the effect and significance of an intervention with a smaller sample size. To meet the standards for the Tier 1 (Strong Evidence) or Tier 2 (Moderate Evidence) ratings set by the Institute of Education Sciences’ What Works Clearinghouse (for which independent evaluations of PSSG-funded projects may be reviewed under Proposed Requirement 7 of this rule), a study must include a multi-site analytic sample of at least 350 individuals—a sample size over five times smaller than the 2,000 minimum benchmark proposed by the Department for Mid-Phase applicants.³

Further, we are concerned that setting such a significant scale requirement for Mid-Phase and Expansion grants would dilute the ability of grant awards to feasibly fund some of the most well-proven interventions, which often have a higher per-student cost (particularly during the initial years of implementation). For example, consider two programs with rigorous evaluations demonstrating their effectiveness at increasing graduation rates and their respective per-participant costs. First, the highly regarded ASAP model (Accelerated Studies in Associate Programs) pioneered by the City University of New York (CUNY)—which has been shown to double graduation rates for community college students and has been replicated with successful results in other state and institution contexts, including in Ohio and California—costs \$3,440 per participating student per year.⁴ The Bottom Line model—which operates in Boston, Chicago, New York City, and Ohio, and has been shown to increase bachelor’s degree graduation rates by nearly ten percentage points—costs roughly \$4,000 per student.⁵ Under the Fiscal Year 2023 PSSG competition, for which \$45 million was appropriated and from which ten projects were funded, each of the three Mid-Phase/Expansion grant recipients received between \$7 and \$8 million for four-year projects, or less than \$2 million per year. At current and anticipated funding levels, it

would not be feasible for ASAP, Bottom Line, or other highly proven programs with similar per-participant costs to meet requirements without significant external support beyond the required 10% match or additional fundraising by the grantees. As a result, the proposed scale could risk encouraging less costly—but also potentially less comprehensive or impactful—applications that may not achieve the Department’s broader goals of successful intervention expansion in these higher-evidence tiers.

Given these considerations, we recommend that if the Department seeks to maintain a scale requirement for the number of students to be served by Mid-Phase or Expansion grants, it instead aligns the requirement with the 350 minimum sample size for demonstrating Moderate or Strong evidence by What Works Clearinghouse standards in lieu of the proposed 2,000- and 10,000-student requirements. Doing so would ensure that applications are considered based on their evidence of effectiveness, ability to scale, and likelihood of achieving meaningful impacts.

Proposed Priorities 4 and 5

Proposed Priorities 4 and 5, respectively, would establish priorities for applicants using data for continuous improvement and projects that support college-to-career pathways. We agree with the intent of these proposed priorities and recognize the importance of both using data for ongoing assessment and improvement of student success projects and of ensuring that students are equipped for strong career and economic outcomes post-graduation. However, rather than designating these items as competition priorities, we believe it is more appropriate to instead integrate them into the selection criteria used to evaluate applications and as allowable uses of program funds.

Regarding Proposed Priority 4, we strongly concur that the use of 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” is important and strategic for the Department and participating grantees. Accordingly, we appreciate and support the clear inclusion in Proposed Requirement 1(a) of related applications of this focus area in the list of allowable uses of program funds, namely: “Developing and using data systems, tools, and training to implement data-driven processes and interventions as part of a comprehensive continuous improvement effort.” This language sufficiently establishes the Department’s emphasis on data-driven improvement. By further incorporating that emphasis in selection criteria, applicants will be incentivized to engage with data and transparency in project design.

Regarding Proposed Priority 5, we agree that college-to-career learning and advising are both meaningful and worthwhile components of many proven-effective student success initiatives. For this reason, we are pleased to see the robust inclusion of career-connected supports in the allowable uses of funds outlined in Proposed Requirement 1(b): “career support, including integrated career planning, counseling, and coaching, work-based learning opportunities, and

college-to-career navigation support.” We believe Proposed Requirement 1—Uses of Funds is the more appropriate section in these regulations in which to cover career-connected learning strategies, rather than in the competitive priorities. Data show that completing college and career success are implicitly correlated—indeed, as the Department notes in the Background information included in its proposal, “as educational attainment increases, median earnings steadily increase.” We can reasonably anticipate that many of compelling applications for PSSG awards are likely to integrate career-connected learning strategies and supports, and that the program’s overall focus on improving retention and completion rates will naturally contribute to positive career outcomes for participating students. Consequently, we do not see a need to elevate any specific set of strategies or tactics as a priority in future grant competitions. Rather, the PSSG program should allow for the most effective, innovative proposals that meet evidence requirements and can be implemented and scaled with fidelity to be fully and appropriately considered for grant awards.

By incorporating data usage for continuous improvement and career-connected learning and supports as selection criteria and acceptable uses of funds, the Department will ensure these key areas are appropriately considered in the competitive selection of funded projects. This will also promote clarity around PSSG’s distinct purpose as a tiered-evidence fund focused on college completion interventions. This purpose is in alignment with Congressional intent, has to date meaningfully differentiated PSSG from other federal grant programs, including other programs under the Fund for the Improvement of Postsecondary Education (FIPSE), and should be clearly and thoughtfully maintained in the Department’s final rule.

Comments on Proposed Requirements

We broadly support the proposed requirements put forth by the Department. In Proposed Requirement 1, the Department provides a thorough and flexible overview of allowable uses of funds, which we believe is wholly appropriate and offers applicants a comprehensive set of approaches from which to select, customize, and deploy in developing proposals to improve student retention and completion rates. We also appreciate the clarification that direct financial assistance in the form of need-based and emergency aid can be included as a component of a funded project under specific parameters. We would note that the current proposed language states that “program funds must be used for *one or more*” allowable uses (emphasis added), meaning that an applicant could propose a project that would solely provide direct financial assistance to students. To maintain clear delineation between the purpose of PSSG and that of other FIPSE programs and ensure that the evidence-driven nature of PSSG is not diluted, we would support the addition of further clarifying language stipulating that an applicant proposing to include financial assistance as a component of their project must propose to use at least one additional allowable component in conjunction with the financial assistance.

We believe the 10% match of non-Federal contributions by grantees outlined in Proposed Requirement 3 is key to ensuring strong institutional commitment and buy-in for the proposed project, and likewise appreciate the inclusion of the waiver authority, which reflects proper consideration of resource inequities and constraints across institutions. We additionally support the limitation on eligibility for new grants to applicants that do not have current active PSSG awards in Proposed Requirement 4 and the supplement-not-supplant provision in Proposed Requirement 5.

The Department's Proposed Requirement 6 would require grantees to conduct rigorous independent evaluations of their projects and submit reports in a timely manner to ERIC—promoting both well-designed research and increased transparency. We agree that high-quality evaluation of funded projects is essential to meeting Congressional intent for the PSSG program and for building the evidence base of retention and completion interventions included in the What Works Clearinghouse, and the proposed requirement achieves both aims. In the interest of clarity for prospective applicants, we encourage the Department to consider whether additional language may be beneficial to address the costs of conducting a rigorous evaluation of funded projects and whether such costs should be included as allowable uses of funds under the grant.

We firmly support the eligibility criteria for grantees in Proposed Requirement 7. Targeting eligibility to under-resourced institutions that serve high proportions of students from groups historically underrepresented in higher education will promote upward mobility and contribute to the closing of attainment gaps. We believe nonprofit partnerships can be both valuable and effective in contributing student success capacity, flexibility, and innovation for grantees and appreciate the clarity in the proposed language affirming that nonprofit organizations that are not institutions of higher education or associated with an institution of higher education are permitted to apply for PSSG awards only in partnership with an eligible institution. To emphasize the importance of strong commitment at the leadership level within an institution in ensuring a project's success and sustainability, we would further prefer to see a requirement that an institution of higher education must be the lead applicant for applications involving one or more institutions and an eligible nonprofit organization partner.

Comments on Proposed Definitions

We applaud the Department's definition of completions of value. At Third Way, our work centers on ensuring that all students who enter the U.S. higher education system are left better off than when they started, which means receiving high-quality credentials, recouping their costs of attendance, and experiencing upward mobility and financial security. By emphasizing the importance of completions 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,” the Department's proposed definition of completions of value speaks to the heart of what today's

students are seeking from their investment in higher education and the urgency of the promise of the Postsecondary Student Success Grant program.

Thank you for your consideration of these comments. We are grateful for the Department's ongoing dedication to strengthening student outcomes and commitment to ensuring that the PSSG program continues to provide high-impact opportunities to advance student success and build the evidence base of effective practices that benefit students and institutions nationwide. Our team welcomes the opportunity to discuss our comments should you have any questions.

Sincerely,

Michelle Dimino
Director of Education
Third Way
mdimino@thirdway.org

Lanae Erickson
Senior Vice President, Social Policy, Education & Politics
Third Way
lerickson@thirdway.org

ENDNOTES

1. “Some College, No Credential Student Outcomes: 2024 Report for the Nation and the States.” *National Student Clearinghouse Research Center*, 6 Jun. 2024, <https://nscresearchcenter.org/some-college-no-credential/>.
2. “Application for New Awards; Postsecondary Student Success Grant Program (PSSG).” U.S. Department of Education, 26 Jul. 2023, <https://www.federalregister.gov/documents/2023/07/26/2023-15780/applications-for-new-awards-postsecondary-student-success-grant-program-pssg>.
3. *What Works Clearinghouse Procedures and Standards Handbook, Version 5.0*. U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation, Aug. 2022 [revised Dec. 2022], https://ies.ed.gov/ncee/WWC/Docs/referenceresources/Final_WWC-HandbookVer5_0-0-508.pdf.
4. *CUNY ASAP: Scaling Intensive Student Support Services to Raise Graduation Rates at Bronx Community College*. Results for America, Economic Mobility Catalog Case Study, May 2021, https://www1.cuny.edu/sites/asap/wp-content/uploads/sites/8/2021/05/28283961_For-RFA_CUNY_Case-Study.pdf.
5. Barr, Andrew and Benjamin Castleman. “The Bottom Line on College Advising: Large Increases in Degree Attainment.” *Annenberg Institute at Brown University*, Oct. 2021, <https://edworkingpapers.com/ai21-481>.