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Postsecondary Education: Many States Collect Graduates' Employment Information, but Clearer Guidance on Student Privacy Requirements Is Needed

**Presentation to Next Steps Work Group
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Introduction and Objectives

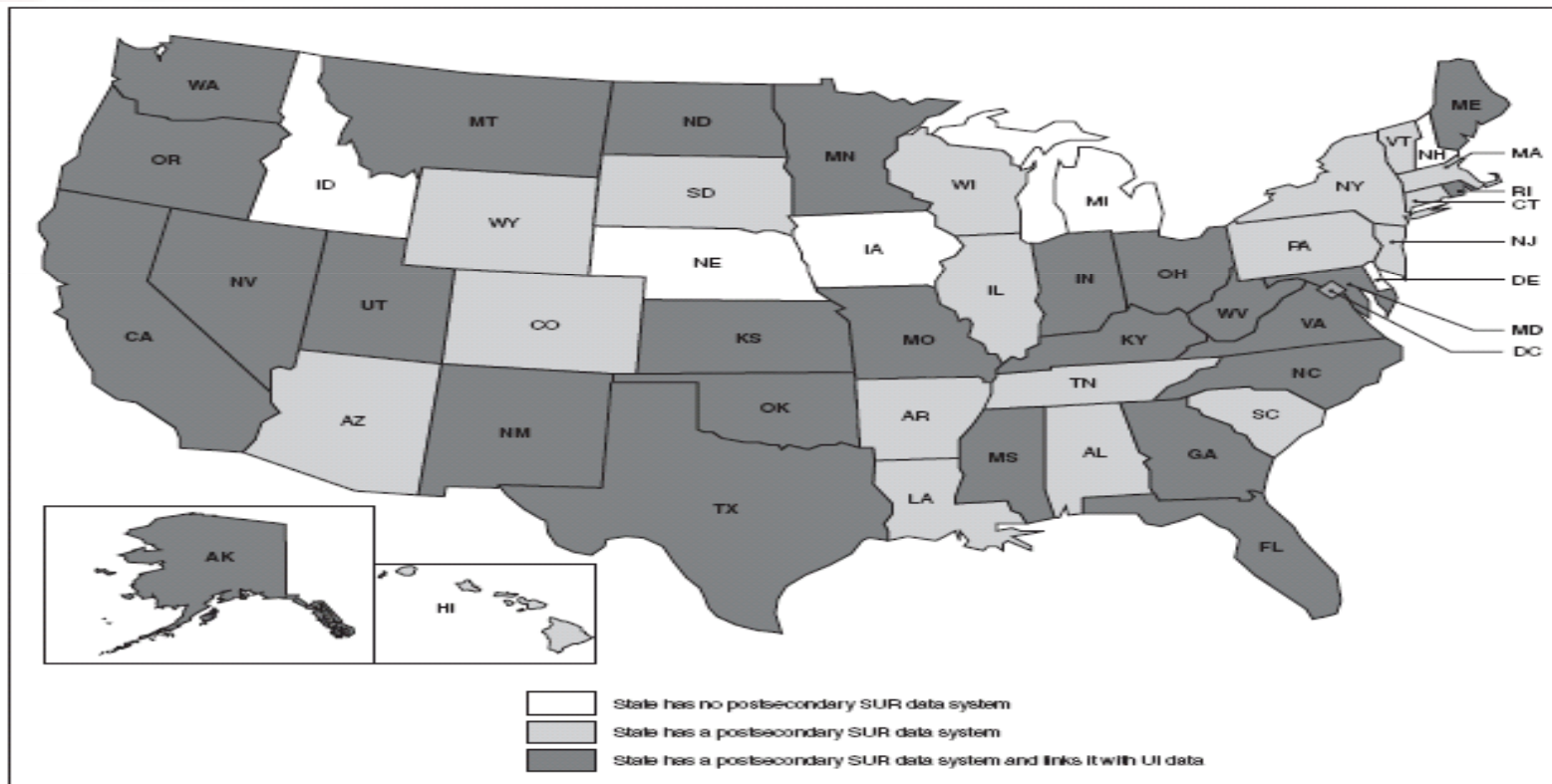
- The Higher Education Opportunity Act of 2008 directed GAO to study the information that states have on the employment outcomes of postsecondary graduates.
- GAO report addresses the following questions:
 1. To what extent and for what purposes are states collecting employment-related information on postsecondary graduates, and what challenges have they faced in doing so?
 2. What are the potential approaches and challenges to expanding the collection of graduates' employment information across states and nationwide?
 3. How do selected states and postsecondary institutions collaborate with employers to align education and workforce needs?

Summary of Findings

- About half of states collect employment-related information on graduates for a variety of purposes, but compliance with student privacy requirements presents challenges.*
- Possible approaches to expanding collection of graduates' employment data include: direct state-to-state data sharing, using a third party, and expanding national education-related surveys that track postsecondary education outcomes.
- States and postsecondary schools collaborate with employers to align education and workforce needs in several ways.

Finding 1: State Data Collection

Twenty-six States Link Postsecondary and Labor Data Systems (as of July 2010)



Sources: SHEEO Report *Strong Foundations: The State of State Postsecondary Data Systems*, State Higher Education Executive Officers (July 2010); Art Explosion (map).

Note: According to SHEEO, Iowa had limitations to its data system and enrollment numbers that precluded it from being included in the report.

Types of Schools Included in The Linkage And The Employment Data Collected

- These 26 states collect data from:
 - public 2-and 4-year schools (24 states),
 - Independent, nonprofit institutions (8 states),
 - For-profit schools (5 states).
- Employment-related data collected include:
 - Whether graduates were employed in-state,
 - Wages earned,
 - Employer name,
 - Industry of employment.
- Labor data generally does not include whether job is related to field of study.

Finding 1: State Data Collection



Employment Data Collection for Our Site Visit States (as of September 2010)

Table 1: Data Capabilities of Selected States and Extent to Which These States' Postsecondary Data Systems Collect Certain Education and Employment Data on Graduates

Characteristics of selected states' postsecondary data systems	Selected states						
	Colo.	Conn. ^a	Fla.	Ind.	Mich.	N.Dak.	Wash.
Has postsecondary data system	X	X	X	X		X	X
Links postsecondary data system to labor data			X	X		X	X
Data elements collected							
Course of study	X	X	X	X		X	X
Job obtained within employer's industry		X	X	X		X	X
Whether job is related to course of study							
Salary		X	X	X		X	X
Student satisfaction with job preparation							
Financial aid received	X	X	X	X		X	X

Source: GAO analysis of data capabilities of selected states and the following data elements specified in HEOA mandate: type of job obtained, whether job was related to courses of study, starting salary, student's satisfaction with his or her preparation for job, guidance provided with respect to securing job, and type of assistance received for recipients of federal student aid.

^aWhile Connecticut does not link its postsecondary SUR data system to UI wage records, a state labor official said that the state has linked postsecondary data provided directly from public postsecondary institutions to UI wage data to capture certain labor elements required for annual reporting requirements.

Site Visit States All Received Federal SLDS Grants

- Some states awarded federal funds for state longitudinal data systems have used or have plans to use grants funds to:
 - Expand current data collection efforts to capture employment data with student unit record data systems,
 - Develop data systems that are linked to K-12, postsecondary, and workforce.

Graduates' Employment Data Used For Variety of Purposes

- Promote economic development,
- Provide institutional feedback,
- Raise consumer awareness.
- Some stakeholders cautioned against potentially inappropriate uses of the data:
 - Evaluating schools on outcomes beyond their control,
 - Using data that might not be comparable among institutions.

FERPA Is A Key Challenge

- Linking student and employment records can entail sharing student records with state labor agencies, and FERPA does not explicitly address this type of linkage.
- In some states, the labor agency provides data to the educational agency, which links data in house.
- Varying state interpretations of FERPA requirements has led to confusion.

Student Mobility Presents Another Challenge

- Collecting information on graduates who move out of state.
- This is partly due to lack of:
 - Common data elements,
 - Standard definitions,
 - Interoperable data systems.

We Identified 3 Potential Approaches to Expanding Collection of Employment Data

- Expand direct state-to-state data sharing,
- Use third party,
- Expand national surveys that track postsecondary education outcomes.

Finding 2: Expanding Data Collection

Possible Approach 1: State-to-state data-sharing agreements

- Link one or more states' individual student data to other states' data.
- Benefits include expanding the data across state lines and allowing analysis at student, institution, and state levels.
- Challenges include FERPA compliance and interstate data coordination.

Possible Approach 2: Third Party Intermediary

- States use third parties to coordinate data sharing, linking, or housing graduates' employment data.
- Benefits include expanding the data across state lines and allowing analysis at student, institution, and state levels.
- Challenges include FERPA compliance, interstate data coordination, and selection and payment of third party.

Possible Approach 3: National Surveys

- Expand existing national education-related surveys.
- Benefits include eliminating the FERPA issue and possibly providing more information than what linked student and wage records currently provide.
- Challenges include reliability of data, since it is self-reported, and ability to analyze data at state or institution level.

States and Postsecondary Schools Collaborate with Employers in Several Ways

- Local workforce investment boards,
- Advisory committees.
- Informal communication,
- Surveys of employers and graduates.

Conclusions

- Expanding collection of employment data on postsecondary graduates can help:
 - Close knowledge gap on students who obtain employment in another state,
 - Obtain more comprehensive picture of what happens to graduates when they enter workforce,
 - Raise consumer awareness by publicizing information.
- But many states are unsure about how to collect and share information and still comply with FERPA.

Recommendations

- The Secretary of Education should develop and disseminate guidance that clarifies the means by which state education agencies can share student records to facilitate obtaining graduates' employment information while ensuring privacy protection under FERPA.

Education's Response

- Education agreed with recommendation and plans to improve guidance and technical assistance:
 - Use rulemaking process to revise FERPA regulations,
 - Create Chief Privacy Officer position,
 - Release technical briefs related to privacy,
 - Launch Privacy Technical Assistance Center.

GAO Products and Contact Information

- To obtain a copy of this or any other GAO products free of charge, visit www.gao.gov (The report number for this particular study is GAO-10-927.)
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