



4000-01-U

DEPARTMENT OF EDUCATION

34 CFR Chapter VI

Proposed Priorities, Requirements, Selection Criterion, and Definitions -- First in the World Program

CFDA Numbers: 84.116F and 84.116X

AGENCY: Office of Postsecondary Education, Department of Education.

ACTION: Proposed priorities, requirements, selection criterion, and definitions.

SUMMARY: The Assistant Secretary for Postsecondary Education proposes priorities, requirements, a selection criterion, and definitions under the First in the World (FITW) Program. The Assistant Secretary may use these priorities, requirements, selection criterion, and definitions for FITW competitions in fiscal year (FY) 2015 and later years. These priorities, requirements, selection criterion, and definitions would enable the Department to focus the FITW program on identified barriers to student success in postsecondary education and advance the program's purpose to build evidence for what works in postsecondary education through development, evaluation, and dissemination of innovative strategies to support students who are at risk of failure in persisting in and

completing their postsecondary programs of study.

DATES: We must receive your comments on or before [INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Submit your comments through the Federal eRulemaking Portal or via postal mail, commercial delivery, or hand delivery. We will not accept comments submitted by fax or by email or those submitted after the comment period. To ensure that we do not receive duplicate copies, please submit your comments only once.

- Federal eRulemaking Portal: Go to [www.regulations.gov](http://www.regulations.gov) to submit your comments electronically. Information on using Regulations.gov, including instructions for accessing agency documents, submitting comments, and viewing the docket, is available on the site under "Are you new to the site?"

- Postal Mail, Commercial Delivery, or Hand Delivery: If you mail or deliver your comments about these proposed regulations, address them to Frank Frankfort, U.S. Department of Education, 1990 K Street, NW., room 6166, Washington, DC 20006.

Privacy Note: The Department's policy is to make all comments received from members of the public available for public viewing in their entirety on the Federal eRulemaking

Portal at [www.regulations.gov](http://www.regulations.gov). Therefore, commenters should be careful to include in their comments only information that they wish to make publicly available.

FOR FURTHER INFORMATION CONTACT: Frank Frankfort.

Telephone: (202) 502-7513 or e-mail:

[frank.frankfort@ed.gov](mailto:frank.frankfort@ed.gov).

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

Invitation to Comment: We invite you to submit comments regarding this notice. To ensure that your comments have maximum effect in developing the notice of final priorities, requirements, selection criterion, and definitions, we urge you to identify clearly the specific proposed priority, requirement, selection criterion or definition that each comment addresses.

We invite you to assist us in complying with the specific requirements of Executive Orders 12866 and 13563 and their overall requirement of reducing regulatory burden that might result from these proposed priorities, requirements, selection criterion, or definitions. Please let us know of any further ways we could reduce potential costs or increase potential benefits while preserving the

effective and efficient administration of the program.

During and after the comment period, you may inspect all public comments about this notice by accessing Regulations.gov. You may also inspect the comments in person in room 6164, 1990 K. St., NW., Washington, DC between the hours of 8:30 a.m. and 4:00 p.m., Washington, DC time, Monday through Friday of each week except Federal holidays. Please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Assistance to Individuals with Disabilities in Reviewing the Rulemaking Record: On request we will provide an appropriate accommodation or auxiliary aid to an individual with a disability who needs assistance to review the comments or other documents in the public rulemaking record for this notice. If you want to schedule an appointment for this type of accommodation or auxiliary aid, please contact the person listed under FOR FURTHER INFORMATION CONTACT.

Purpose of Program: Earning a postsecondary degree or credential is a prerequisite for the growing jobs of the new economy and the clearest pathway to the middle class. Average earnings of college graduates are almost twice as high as that of workers with only a high school diploma and, over this decade, employment in jobs requiring

education beyond a high school diploma will grow more rapidly than employment in jobs that do not.<sup>1</sup>

But today, even though college enrollment has increased by 50 percent since 1990, from almost 14 million students to almost 21 million students, and despite the importance of a postsecondary education to financial security for American families and for the national economy to grow and remain competitive in the global economy, only 40 percent of Americans hold a postsecondary degree.<sup>2</sup> While the vast majority of high school graduates from the wealthiest American families continue on to higher education, only half of high school graduates from the poorest families attend college.<sup>3</sup> About 60 percent of students at four-year institutions earn a bachelor's degree within six years.<sup>4</sup> For low-income students, the prospects are even worse as only 40 percent reach completion.<sup>5</sup> Almost

---

<sup>1</sup> Carnavale, A., Smith, N., Strohl, J., Help Wanted: Projections of Jobs and Education Requirements Through 2018. Georgetown Center on Education and the Workforce, 2010.

<sup>2</sup> National Center for Education Statistics. "Total fall enrollment in degree-granting postsecondary institutions, by attendance status, sex of student, and control of institution: Selected years, 1947 through 2012." Retrieved from: [http://nces.ed.gov/programs/digest/d13/tables/dt13\\_303.10.asp](http://nces.ed.gov/programs/digest/d13/tables/dt13_303.10.asp)

<sup>3</sup> National Center for Education Statistics. "Percentage of recent high school completers enrolled in 2-year and 4-year colleges, by income level: 1975 through 2012." Retrieved from: [http://nces.ed.gov/programs/digest/d13/tables/dt13\\_302.30.asp](http://nces.ed.gov/programs/digest/d13/tables/dt13_302.30.asp).

<sup>4</sup> National Center for Education Statistics. "Percentage distribution of first-time postsecondary students starting at 2- and 4-year institutions during the 2003-04 academic year, by highest degree attained, enrollment status, and selected characteristics: Spring 2009." Retrieved from: [http://nces.ed.gov/programs/digest/d13/tables/dt13\\_326.40.asp](http://nces.ed.gov/programs/digest/d13/tables/dt13_326.40.asp).

<sup>5</sup> Id.

37 million Americans report "some college, no degree" as their highest level of education.<sup>6</sup> Due to these outcomes, the U.S. has been outpaced internationally in higher education. In 1990, the U.S. ranked first in the world in four-year degree attainment among 25-34 year olds; in 2012, the U.S. ranked 12th.<sup>7</sup>

Recognizing these factors, President Obama set a goal for the country that America will once again have the highest proportion of college graduates in the world. To support this national effort, the Administration has outlined a comprehensive agenda that includes expanding opportunity and increasing quality at all levels of education, from early learning through higher education. The FITW program is a key part of this agenda.

Unlike in previous generations, adult learners, working students, part-time students, students from low-income backgrounds, students of color, and first-generation students now make up the majority of students in college.<sup>8</sup> Ensuring that these students persist in and complete their postsecondary education is essential to meeting our

---

<sup>6</sup> U.S. Census Bureau, 2012 American Community Survey.

<sup>7</sup> Organization of Economic Co-operation and Development, *Education at a Glance 2014*.

<sup>8</sup> U.S. Department of Education. 2010. *Profile of Undergraduate Students: 2007-08*. National Center for Education Statistics: 2010-205. Washington DC.

nation's educational challenges. However, the traditional methods and practices of the country's higher education system have typically not been focused on ensuring successful outcomes for these students, and too little is known about what strategies are most effective for addressing key barriers that prevent these students from persisting and completing.

The FITW program addresses these problems by supporting the development of innovative solutions to persistent and widespread challenges in postsecondary education, particularly those that affect adult learners, working students, part-time students, students from low-income backgrounds, students of color, and first-generation students, and building evidence for what works in postsecondary education by testing the effectiveness of these strategies in improving student persistence and completion outcomes. Similar to the Department's Investing in Innovation Fund, which supports innovation and evidence building in elementary and secondary education, a key element of the FITW program is its multi-tier structure that links the amount of funding that an applicant may receive to the quality of evidence supporting the efficacy of the proposed project. Applicants proposing practices supported by limited evidence can receive relatively small

grants (Development grants) that support the development and initial evaluation of innovative but untested strategies. Applicants proposing practices supported by evidence from rigorous evaluations can receive larger grants (Validation and Scale-up grants), in amounts commensurate to the level of supporting evidence, for implementation at greater scale to test whether initially successful strategies remain effective when adopted in varied locations and with large and diverse groups of students. This structure provides incentives for applicants to build evidence of effectiveness of their proposed projects and to address the barriers to serving large numbers of students within institutions and across systems, States, regions, or the country. Additionally, the Department is exploring ways to accelerate the progress of building evidence for effective strategies that improve college completion through rapid scaling by allowing larger awards in lower tiers for college and university systems and consortia that collaborate with leading experts to test and rigorously evaluate the most promising strategies at multiple sites.

All FITW projects are required to use part of their budgets to conduct independent evaluations (as defined in this notice) of their projects. This ensures that projects

funded under the FITW program contribute significantly to improving the information available to practitioners and policymakers about which practices work, for which types of students, and in what contexts.

Program Authority: 20 U.S.C. 1138-1138d.

BACKGROUND: The proposed priorities, requirements, selection criterion, and definitions for the FITW program set forth in this notice would better enable the Department to achieve the purpose and goals of the FITW program by creating mechanisms to direct funding to priority areas of work that address the most important challenges in postsecondary education and, additionally, set evidence and evaluation requirements. There are currently no such program-specific priorities, requirements, selection criteria, or definitions for the FITW program.

PROPOSED PRIORITIES: This notice contains nine proposed priorities. In any grant competition under this program, the Secretary may use, individually or in combination, one or more of these priorities or subparts of these priorities, priorities from the final supplemental priorities and definitions for discretionary grant programs, published in the Federal Register on December 10, 2014 (79 FR 73425), and priorities based on the statutory

requirements for the Fund for the Improvement of Postsecondary Education (FIPSE).

Background: The proposed priorities correspond to what the Department believes are the greatest current challenges in postsecondary education and most important areas of work seeking to address barriers to postsecondary student success. As provided under 34 CFR 75.105, these priorities may be used by the Department as absolute or competitive preference priorities in grant competitions for the FITW program in FY 2015 and later years to direct FITW funds to projects that address these identified challenges and areas of work. In addition, we may also use priorities from the Department's final supplemental priorities and definitions for discretionary grant programs, published in the Federal Register on December 10, 2014 (79 FR 73425) (Supplemental Priorities), as absolute or competitive preference priorities in the FITW program. Accordingly, we are not proposing priorities in this notice that are already included in the Supplemental Priorities.

Establishing program-specific priorities would provide the Department the option to focus a particular year's FITW grant competition on any or all (or none) of the policy areas set forth in those priorities. For each year that new funds are available under the FITW program, the

Department would determine which, if any, of the priorities to include in the grant competition.

The proposed priorities are organized so that the Department has the flexibility to determine the area of focus for the priority. For example, with respect to Proposed Priority 1--Improving Success in Developmental Education, the Department could choose to include in a notice inviting applications a competitive preference priority for any type of project that seeks to improve outcomes in developmental education by using the broadest language in the priority:

- (example) Competitive Preference Priority: Improving Success in Developmental Education--Projects designed to improve student success in developmental education or accelerate student progress into credit bearing postsecondary courses.

Or, we could choose more specific language from the priority to target a particular aspect of developmental education reform by choosing to also include one of the subparts of Proposed Priority 1:

- (example) Competitive Preference Priority: Improving Success in Developmental Education--Projects designed to improve student success in developmental education or accelerate student progress into credit bearing postsecondary courses through redesigning

developmental education courses or programs through strategies such as contextualization of developmental coursework together with occupational or college-content coursework.

We may also use priorities in combination with each other in a notice inviting applications. For example, a competitive preference priority for low cost, high impact strategies (Proposed Priority 6--Implementing Low Cost-High Impact Strategies to Improve Student Outcomes) that influence non-cognitive factors (Supplemental Priority 2--Influencing the Development of Non-cognitive Factors) could be included as follows:

- (example) Competitive Preference Priority: To meet this competitive preference priority, an applicant must meet both sections (A) and (B) of this priority.

(A) Implementing Low Cost-High Impact Strategies to Improve Student Outcomes--Projects that use low cost tools or strategies, such as those that use technology, that result in a high impact on student outcomes.

(B) Influencing the Development of Non-cognitive Factors--Projects that are designed to improve students' mastery of non-cognitive skills and behaviors (such as academic behaviors, academic mindset, perseverance, self-regulation, social and emotional skills, and approaches toward learning strategies) and enhance student motivation and engagement in learning.

With respect to the proposed priorities, the Department is particularly interested in brief comments responding to the following questions:

- Do the proposed priorities sufficiently address the greatest challenges and barriers to postsecondary student success?

- Do the subparts for each proposed priority adequately capture the most promising aspects of the policy topic area of each priority?

Proposed Priorities:

The Assistant Secretary proposes the following priorities for this program. In any grant competition under this program, the Secretary may use, individually or in combination, one or more of these priorities or subparts of these priorities, priorities from the final supplemental priorities and definitions for discretionary grant programs, published in the Federal Register on December 10, 2014 (79 FR 73425), and priorities based on the statutory requirements for the Fund for the Improvement of Postsecondary Education (FIPSE).

Proposed Priority 1--Improving Success in Developmental Education.

Background: "Developmental" courses are instructional courses, typically non-credit bearing, designed for

students deficient in the general competencies necessary for a regular postsecondary curriculum. The most common developmental courses to which beginning students are referred are math and reading/writing.<sup>9</sup> It is estimated that almost one-third of all students take some form of developmental course.<sup>10</sup> While participation rates vary widely across States and institution types, low-income, African-American, and Hispanic students are referred to developmental courses at much higher rates.<sup>11 12 13</sup>

Developmental education is one of the leading barriers to postsecondary persistence and completion.<sup>14</sup> Discouraged by the inability to enroll in courses that will allow them to earn credit and advance in their programs of study, many students never even enroll in the developmental courses to which they are referred.<sup>15</sup> For those students that do enroll in developmental courses, the majority do not

---

<sup>9</sup> <http://ccrc.tc.columbia.edu/media/k2/attachments/referral-enrollment-completion-developmental.pdf>.

<sup>10</sup> U.S. Department of Education, National Center for Education Statistics, 2011-12 National Postsecondary Student Aid Study (NPSAS:12), Profile of Undergraduate Students 2011-12, Table 6.2. Report available at: <http://nces.ed.gov/pubs2015/2015167.pdf>.

<sup>11</sup> MDRC, *Unlocking the Gate*, June 2011. Article available at: [http://www.mdrc.org/sites/default/files/full\\_595.pdf](http://www.mdrc.org/sites/default/files/full_595.pdf).

<sup>12</sup> Attewell, P. A., Lavin, D. E., Domina, T., & Levey, T. 2006. New Evidence on College Remediation. *The Journal of Higher Education*. Article available at: <http://www.jstor.org/stable/3838791>.

<sup>13</sup> <http://ccrc.tc.columbia.edu/media/k2/attachments/referral-enrollment-completion-developmental.pdf>.

<sup>14</sup> [http://www.mdrc.org/sites/default/files/full\\_595.pdf](http://www.mdrc.org/sites/default/files/full_595.pdf).

<sup>15</sup> Complete College America. 2012. Remediation: Higher Education's Bridge to Nowhere. Report available at: [http://www.completecollege.org/resources\\_and\\_reports/](http://www.completecollege.org/resources_and_reports/).

complete them, eventually dropping out of postsecondary education altogether.<sup>16 17</sup> Promising new practices in developmental math education that have shown greater learning gains and success in credit-bearing coursework by students indicate that the traditional sequence, teaching, and content of developmental coursework has been ineffective in supporting student mastery of the material.

A number of institutions are making great effort to reform traditional developmental education with promising results that would benefit from more rigorous evaluation, in part to determine their effectiveness on student performance, persistence, and completion, but also to identify effective implementation strategies. Further, for the interventions that have produced evidence of positive impacts on student outcomes, almost none have been replicated and evaluated at scale.

Proposed Priority 1--Improving Success in Developmental Education.

Proposed Priority: The Secretary gives priority to:

- (a) Projects designed to improve student success in

---

<sup>16</sup> Complete College America. 2012. Remediation: Higher Education's Bridge to Nowhere.

<sup>17</sup> Bailey, T. 2009. Challenge and Opportunity: Rethinking the Role and Function of Developmental Education in Community College. In New Directions for Community Colleges. (Available Article available at: <http://onlinelibrary.wiley.com/doi/10.1002/cc.352/pdf>.)

developmental education or accelerate student progress into credit bearing postsecondary courses; or,

(b) Projects designed to improve student success in developmental education or accelerate student progress into credit bearing postsecondary courses through one or more of the following:

(i) Identifying and treating academic needs prior to postsecondary enrollment, including while in middle or high school, through strategies such as partnerships between K-12 and postsecondary institutions;

(ii) Diagnosing students' developmental education needs at the time of or after postsecondary enrollment, such as by developing alternatives to single measure placement strategies, and identifying specific content gaps in order to customize instruction to an individual student's needs;

(iii) Offering alternative pathways in mathematics, such as non-Algebra based coursework for non-math and science fields.

(iv) Accelerating students' progress in completing developmental education, through strategies such as modularized, fast-tracked, or self-paced courses or placing students whose academic performance is one or more levels

below that required for credit-bearing courses into credit-bearing courses with academic supports;

(v) Redesigning developmental education courses or programs through strategies such as contextualization of developmental coursework together with occupational or college-content coursework;

(vi) Integrating academic and other supports for students in developmental education.

#### Proposed Priority 2--Improving Teaching and Learning.

Background: A large percentage of students in postsecondary education struggle academically because they arrive to college unprepared for college-level coursework.<sup>18</sup> These struggles make the prospect of dropping out more likely.<sup>19</sup> Further, for students that do complete, the

---

<sup>18</sup> Xianglei Chen and others, *Academic Preparation for College in the High School Senior Class of 2003-04: Education Longitudinal Study of 2002 (ELS: 2002), Base-year, 2002, First Follow-up, 2004, and High School Transcript Study, 2004* (Washington: U.S. Department of Education, National Center for Education Statistics, January 2010); Jay Greene and Greg Foster, "Public High School Graduation and College Readiness Rates in the United States," Working Paper 3 (New York: Manhattan Institute, Center for Civic Information, Education, September 2003). Greene and Foster define being minimally "college ready" as: graduating from high school, having taken four years of English, three years of mathematics, and two years of science, social science, and foreign language, and demonstrating basic literacy skills by scoring at least 265 points on the National Assessment of Educational Progress in reading.

<sup>19</sup> Eric Bettinger and Bridget Terry Long, "Addressing the Needs of Under-Prepared College Students: Does College Remediation Work?" *Journal of Human Resources* 44, no. 3 (2009); Brian Jacob and Lars Lefgren, "Remedial Education and Student Achievement: A Regression-Discontinuity Analysis," *Review of Economics and Statistics* 86, no. 1 (2004): 226-44.

limited available information on learning proficiency suggests that too many students are lacking the critical thinking, analytical, and communication skills needed for the modern workforce.<sup>20</sup> Some research indicates that as much as a third of students show no high-order cognitive learning gains over the course of their undergraduate educations.<sup>21</sup>

These deficits are accompanied by a decline in productivity in higher education. Controlling for inflation, the cost of attending college has more than doubled over the past three decades.<sup>22</sup>

Despite these challenges, which are felt more acutely by the types of students that now make up the majority of students enrolled in postsecondary education, adult learners, working students, part-time students, students from low-income backgrounds, students of color, and first-generation students, there has been little change in the methods of teaching and instruction, as well as how

---

<sup>20</sup> Arum, Richard and Roksa, Josipa, Academically Adrift: Limited Learning on College Campuses (University of Chicago Press, January 2011).

<sup>21</sup> Richard Arum and Josipa Roksa, "Are Undergraduates Actually Learning Anything?" Chronicle of Higher Education, January 18, 2011. Retrieved from: <http://chronicle.com/article/Are-Undergraduates-Actually/125979/>.

<sup>22</sup> National Center for Education Statistics. "Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting institutions, by level and control of institution: 1969-70 through 2011-12." Retrieved from: [http://nces.ed.gov/programs/digest/d12/tables/dt12\\_381.asp](http://nces.ed.gov/programs/digest/d12/tables/dt12_381.asp).

students experience learning in college. With some exceptions, the same degrees and other credentials are offered in the same way, by counting up the amount of hours students are taught. Methods of teaching have stayed largely static. Given the poor outcomes many students are experiencing, new approaches to teaching and learning, using new tools and strategies that can help customize learning to accommodate diverse learning styles, are needed at all levels of postsecondary education to improve accessibility and quality and reduce cost.

Proposed Priority 2: Improving Teaching and Learning.

The Secretary gives priority to:

- (a) Projects designed to improve teaching and learning; or,
- (b) Projects designed to improve teaching and learning through one or more of the following:
  - (i) Instruction-level tools or strategies such as adaptive learning technology, educational games, personalized learning, active- or project-based learning, faculty-centered strategies that systematically improve the quality of teaching, or multi-disciplinary efforts focused on improving instructional experiences;
  - (ii) Program-level strategies such as competency-based programs that are designed with faculty, industry,

employer, and expert engagement, use rigorous methods to define competencies, and utilize externally validated assessments, online or blended programs, or joint offering of programs across institutions;

(iii) Institution-level tools or strategies such as faculty-centered strategies to improve teaching across an institution, use of open educational resources across, or tailoring academic content and delivery to serve the needs of non-traditional students.

Proposed Priority 3--Improving Student Support Services.

Background: Almost all secondary schools and institutions of higher education offer a diverse array of student support services to assist with college preparation, application and enrollment, financial aid, academic barriers and other issues related to access, persistence, and completion. The range of services and support is extensive, and include interventions both inside and outside the classroom and campus. Many of these services are also provided by outside organizations, including non-profits. Further, several of the Department's programs, including TRIO, GEAR UP, and the Aid for Institutional Development programs, provide funding for student and academic support services.

However, few student support services strategies have

been rigorously evaluated. Given the need to improve outcomes, particularly for adult learners, working students, part-time students, students from low-income backgrounds, students of color, and first-generation students, new and innovative approaches are needed, including those that are cost effective, so that a greater number of students can be served.

Proposed Priority 3: Improving Student Support Services.

The Secretary gives priority to:

(a) Projects designed to improve the supports or services provided to students prior to or during the students' enrollment in postsecondary education; or,

(b) Projects designed to improve the supports or services provided to students prior to or during the students' enrollment in postsecondary education through one or more of the following:

(i) Integrating student support services, including with academic advising and instruction;

(ii) Individualizing or personalizing support services such as advising, coaching, tutoring, or mentoring to students and their identified needs using tools or strategies such as predictive analytics to identify students who may need specific supports, or behavioral interventions used to provide timely, relevant, and

actionable information for students at critical points such as when they may be at risk of dropping out;

(iii) Connecting students to resources or services other than those typically provided by postsecondary institutions, such as providing assistance in accessing government benefits, transportation assistance, medical, health, or nutritional resources and services, child care, housing, or legal services;

(iv) Utilizing technology such as digital messaging to provide supports or services systematically.

Proposed Priority 4--Developing and Using Assessments of Learning.

Background: Learning assessment has shown promise as an effective instructional strategy to increase student success. While learning assessment, in the past, focused more on traditional testing, current assessment has expanded to assess not just what students know but also what they can do. Further, a knowledge-based economy requires assessment of higher-order thinking skills such as recall, analysis, comparison, inference, application, and evaluation. New forms of assessments must be developed for these purposes. Assessments are also needed to measure what is learned outside the classroom, such as through previous work experience.

Proposed Priority 4: Developing and Using Assessments of Learning.

The Secretary gives priority to:

(a) Projects that support the development and use of externally validated assessments of student learning and stated learning goals; or,

(b) Projects that support the development and use of externally validated assessments of student learning and stated learning goals through one or more of the following:

(i) Alternative assessment tools or strategies such as micro- or competency-based assessments, assessments embedded in curriculum, or simulations, games, or other technology-based assessment approaches;

(ii) Professional development or training of faculty on the approaches to developing, using, and interpreting assessments;

(iii) Combining or sequencing assessments from multiple sources to strengthen diagnostic capabilities;

(iv) Aligning assessments across sectors and institutions, such as across kindergarten through grade 12 and postsecondary education systems or across 2-year and 4-year institutions, to improve college-readiness and content delivery;

(v) Open-source assessments.

Proposed Priority 5--Facilitating Pathways to Credentialing and Transfer.

Background: Students obtain knowledge and skills through a variety of experiences and from a range of institutions and providers. Many postsecondary students attend more than one institution on their way to earning a certificate or degree. Although increasing numbers of States and educational institutions are entering into articulation agreements to facilitate credit transfer, too many students continue to lose time and incur additional expense due to lost credits when transferring between institutions. Further, many student learning experiences, such as learning that occurs through work experience or from non-traditional education providers, are simply not recognized.

Alternate systems and methods of assessing, aggregating, and credentialing learning experiences are needed to help more students reach completion in accelerated timeframes. Additionally, new systems of portable, stackable postsecondary degrees and credentials along transparent career pathways must be designed and opportunities to obtain such degrees and credential must be expanded.

Proposed Priority 5: Facilitating Pathways to

Credentialing and Transfer. The Secretary gives priority to:

(a) Projects designed to develop and implement systems and practices to capture and aggregate credit or other evidence of knowledge and skills towards postsecondary degrees or credentials; or,

(b) Projects designed to develop and implement systems and practices to capture and aggregate credit or other evidence of knowledge and skills towards postsecondary degrees or credentials through one or more of the following:

(i) Seamless transfer of credits between postsecondary institutions;

(ii) Validation and transfer of credit for learning or learning experiences from non-institutional sources;

(iii) Alternate credentialing or badging frameworks;

(iv) Opportunities for students to earn college credits prior to postsecondary enrollment, such as through dual enrollment, dual degree, dual admission, or early college programs.

Proposed Priority 6 -- Increasing the Effectiveness of Financial Aid.

Background: The federal government, States, and institutions make a wide range of financial aid in the form

of grants, loans, and tax credits available to students pursuing postsecondary education. Evidence shows that lowering the costs of college, the result of student aid, can improve access and completion.<sup>23</sup> Indeed, since the adoption of the Higher Education Act almost 50 years ago, average aid per student has more than tripled, from \$3,347 in 1971-72 to \$12,455 in 2010-11 (in constant 2010 dollars), while full-time equivalent enrollment has more than doubled, from about 6.2 million in 1971-72 to 14.2 million in 2010-11.<sup>24</sup>

But, this conclusion is not without exception. Due to the numerous types of aid that are available, the range of sources, and the detailed application process, the financial aid system is complex. This complexity may have the unintended effect of creating barriers to access, one of the very problems that financial aid is designed to address. Further, some types of aid may have a greater impact on outcomes than others, achievement incentives may help improve persistence and completion, and in the case of loans, levels of debt may influence student decisions. In general, the effectiveness of financial aid is impacted by

---

<sup>23</sup> Dynarski, S. (2003). [Does Aid Matter? Measuring the Effects of Student Aid on College Attendance and Completion](#). *American Economic Review*.

<sup>24</sup> Dynarski, S., & Scott-Clayton, J. (2013). Financial aid policy: Lessons from Research. *The Future of Children. Postsecondary Education in the United States. Vol 23. No. 1.*

a number of factors including the design and delivery of aid programs, the level of understanding by students and families of costs and availability of aid, and the ability of students and families to navigate the application process and make optimal decisions. New and innovative strategies and tools that address these realities to maximize the effectiveness of financial aid are needed.

Proposed Priority 6: Increasing the Effectiveness of Financial Aid. The Secretary gives priority to:

(a) Projects designed to improve the effectiveness of financial aid.

(b) Projects designed to improve the effectiveness of financial aid through one or more of the following:

(i) Counseling, advising, creation of information and resources, and other support activities on higher education financing and financial literacy delivered by financial aid offices or integrated with other support services provided by institutions, including on student loan repayment options such as income driven repayment plans and public service loan forgiveness and debt management;

(ii) Personalized approaches to financial aid delivery, counseling, advising, and other support activities which may include early warning systems, use of predictive analytics, need based aid, emergency aid, or bonuses or other incentives for successful outcomes such as on-time academic progress and completion.

Note: As with any project supported by the FITW program, grantees may not disburse project funds under this priority to students for the purpose of providing student aid. FITW funds may be used to pay project costs such as costs for the design, administration, and evaluation of aid programs or financial aid strategies.

Proposed Priority 7--Implementing Low Cost-High Impact Strategies to Improve Student Outcomes.

Background: Given the limited resources of secondary schools, institutions of higher education, and other relevant stakeholders, the cost effectiveness of any intervention designed to improve student outcomes is of primary importance. In recent years, numerous institutions, researchers, and others have begun testing interventions that are relatively low cost but have the ability to have a high impact on student outcomes. Many of these interventions minimize cost through the use of technology, such as digital messaging. Others incorporate low cost approaches, such as non-cognitive interventions. We are particularly interested in effective low cost interventions because even institutions with limited resources would be able to scale such strategies to impact large numbers of students, and, such interventions, particularly those that use technology, are often easily

replicable. This proposed priority could be used in combination with other priorities.

Proposed Priority 7: Implementing Low Cost-High Impact Strategies to Improve Student Outcomes. The Secretary gives priority to projects that use low cost tools or strategies, such as those that use technology, that result in a high impact on student outcomes.

Proposed Priority 8--Improving Postsecondary Student Outcomes at Minority-Serving Institutions.

Background: Minority-serving institutions (MSIs) (as defined in this notice), including Historically Black Colleges and Universities (HBCUs), enroll a significant and disproportionate share of students from low-income backgrounds, students of color, and first-generation students. As the goal of the FITW program is to identify strategies that work in improving the postsecondary outcomes of these students, and because, in some cases, MSIs face unique challenges, it is important that the FITW program supports projects at MSIs. Accordingly, the Department proposes this priority to prioritize projects at MSIs. This proposed priority could be used as an absolute priority to set aside a specific amount of funds to support projects at MSIs, or to give competitive preference points

to applicants that are MSIs. The lead applicant under this proposed priority must be an MSI.

Proposed Priority 8: Improving Postsecondary Student Outcomes at Minority-Serving Institutions. The Secretary gives priority to projects designed to improve student outcomes at Minority-Serving Institutions (as defined in this notice).

Proposed Priority 9--Systems and Consortia Focused on Large-scale Impact.

Background: The Department is including this proposed priority to encourage the formation of college consortia and systems that can collaborate with leading experts to implement promising strategies that address key barriers to completion. This would allow applicants to increase the number of students participating in or impacted by a project and would allow for development, testing, and robust evaluation of projects at multiple sites whose results could be more rapidly generalized and applied to other institutions. While Validation and Scale-up projects would be designed to serve relatively larger numbers of students across multiple institutions, Development projects may be more limited in scope so long as they have the sample size necessary to meet the proposed requirements for evaluation design described below. Encouraging greater

collaboration with other institutions and partners would enable postsecondary institutions and systems to expand the number of students served by a project, more rapidly improve the quality and applicability of the evidence produced from the required evaluations, and encourage efforts in the field to work across networks to share emergent effective practices across the higher education enterprise.

Proposed Priority 9: Systems and Consortia Focused on Large-scale Impact. The Secretary gives priority to projects that involve consortia of institutions, including across a college or university system, and partnerships with leading experts that are implemented at multiple sites with large sample sizes to allow for more rapid development, evaluation, and scaling of practices determined to be effective.

Types of Priorities:

When inviting applications for a competition using one or more priorities, we designate the type of each priority as absolute, competitive preference, or invitational through a notice in the Federal Register. The effect of each type of priority follows:

Absolute priority: Under an absolute priority, we consider only applications that meet the priority (34 CFR

75.105(c)(3)).

Competitive preference priority: Under a competitive preference priority, we give competitive preference to an application by (1) awarding additional points, depending on the extent to which the application meets the priority (34 CFR 75.105(c)(2)(i)); or (2) selecting an application that meets the priority over an application of comparable merit that does not meet the priority (34 CFR 75.105(c)(2)(ii)).

Invitational priority: Under an invitational priority, we are particularly interested in applications that meet the priority. However, we do not give an application that meets the priority a preference over other applications (34 CFR 75.105(c)(1)).

PROPOSED REQUIREMENTS, SELECTION CRITERION, AND

DEFINITIONS:

This notice contains eight proposed requirements, one proposed selection criterion, and three proposed definitions.

Background: The proposed requirements, selection criterion, and definitions would allow the Department to set the eligibility, evidence, and evaluation expectations for grant recipients under the FITW program. We may also use requirements, selection criteria, or definitions from 34 CFR parts 75 and 77 and other sections of the Education

Department General Administrative Regulations (EDGAR). Accordingly, we are not proposing requirements, selection criteria, and definitions in this notice that are already included in EDGAR.

The Department may award three types of grants under this program: "Development" grants, "Validation" grants, and "Scale-up" grants. These grants differ in terms of the level of prior evidence of effectiveness required for consideration of funding, the level of scale the funded project should reach, and, consequently, the amount of funding available to support the project. We provide an overview to clarify our expectations for each grant type:

(1) Development grants provide funding to support the development or testing of processes, products, strategies, or practices that are supported by relatively less evidence, likely strong theory (as defined in 34 CFR 77.1(c)) or evidence of promise (as defined in 34 CFR 77.1(c)), and whose efficacy should be systematically studied. Development grants would support new or substantially more effective practices for addressing widely shared challenges. Development projects are novel and significant nationally, not projects that simply implement existing practices in additional locations or support needs that are primarily local in nature.

All Development grantees must evaluate the effectiveness of the project at the level of scale required in the notice inviting applications under which they applied.

(2) Validation grants provide funding to expand projects supported by greater evidence than would be required for a development grant, likely moderate evidence of effectiveness (as defined in 34 CFR 77.1(c)), to multiple sites such as multiple institutions. Validation grants must further assess the effectiveness of the FITW-supported practice through a rigorous evaluation, with particular focus on the populations for and the contexts in which the practice is most effective. We expect and consider it appropriate that each applicant would propose to use the Validation funding to build its capacity to deliver the FITW-supported practice, particularly early in the funding period, to successfully reach the level of scale proposed in its application. Additionally, we expect each applicant to address any specific barriers to the growth or scaling of the organization or practice (including barriers related to cost-effectiveness) in order to deliver the FITW-supported practice at the proposed level of scale and provide strategies to address these barriers as part of its proposed scaling plan.

All Validation grantees must evaluate the effectiveness of the practice that the supported project implements and expands. We expect that these evaluations would be conducted in a variety of contexts and for a variety of students, would identify the core elements of the practice, and would codify the practices to support adoption or replication by the applicant and other entities.

(3) Scale-up grants provide funding to expand projects supported by greater evidence than would be required for Development or Validation grants, likely strong evidence of effectiveness (as defined in 34 CFR 77.1(c)), and to a larger number of sites than would be required for a Development or Validation grant, such as across a system of institutions, across institutions in a State, a region, or nationally, or across institutions in a labor market sector. In addition to improving outcomes for an increasing number of high-need students, Scale-up grants will generate information about the students and contexts for which a practice is most effective. We expect that Scale-up grants would increase practitioners' and policymakers' understanding of strategies that allow organizations or practices to expand quickly and efficiently while maintaining their effectiveness.

Similar to Validation grants, all Scale-up grantees must evaluate the effectiveness of the FITW-supported practice that the project implements and expands; this is particularly important in instances in which the proposed project includes changing the FITW-supported practice in order to more efficiently reach the proposed level of scale (for example, by developing technology-enabled training tools). The evaluation of a Scale-up grant must identify the core elements of, and codify, the FITW-supported practice that the project implements to support adoption or replication by other entities. We also expect that evaluations of Scale-up grants would be conducted in a variety of contexts and for a variety of students in order to determine the context(s) and population(s) for which the FITW-supported practice is most effective.

With respect to the proposed requirements, selection criterion, and definitions, the Department is particularly interested in brief comments responding to the following questions:

- Are there a sufficient number of postsecondary strategies or interventions addressing important challenges in postsecondary education that are supported by moderate evidence of effectiveness (as defined in 34 CFR 77.1(c)), the likely evidence standard requirement that would be assigned by the Department to a competition for Validation grants, to warrant making Validation grants available in the FY 2015 FITW grant competition? The Department encourages commenters responding to this question to provide citations

or links to any studies they believe would meet the moderate evidence of effectiveness standard.

- Are there a sufficient number of postsecondary strategies or interventions addressing important challenges in postsecondary education that are supported by strong evidence of effectiveness (as defined in 34 CFR 77.1(c)), the likely evidence standard requirement that would be assigned by the Department to a competition for Scale-up grants, to warrant making Scale-up grants available in the FY 2015 FITW grant competition? The Department encourages commenters responding to this question to provide citations or links to any studies they believe would meet the strong evidence of effectiveness standard.

- Which of the proposed priorities should be included as absolute or competitive preference priorities in the FY 2015 FITW program grant competition?

Proposed Requirements:

The Assistant Secretary proposes the following requirements for this program. We may apply one or more of these requirements in any year in which this program is in effect.

1. Innovations that Improve Outcomes for High-Need Students: The Secretary may require that--

(a) Grantees must implement projects designed to improve outcomes of high-need students (as defined in this notice) in postsecondary education; or,

(b) Grantees must implement projects designed to improve one or more of the following outcomes of high-need students (as defined in this notice) in postsecondary education:

- (i) Persistence;
- (ii) Academic progress;
- (iii) Time to degree; or,

(iv) Completion.

2. Eligibility: The Secretary may make grants to, or enter into contracts with, one or more of the following:

(a) A public or private non-profit institution of higher education, a public or private non-profit institution, or combinations of such institutions; or,

(b) A public or private non-profit agency.

The Secretary will announce the eligible applicants in the NIA.

Note: Section 741 of the HEA provides that, under the FIPSE, the Secretary is authorized to make grants to, or enter into contracts with, institutions of higher education, combinations of such institutions, and other public and private nonprofit institutions and agencies. The requirement for eligibility simply restates these statutory provisions. In any grant competition under this program, the Department could choose to allow applications from one or more of the eligible entities, including public or private non-profit educational institutions that are not institutions of higher education as defined under the HEA and public agencies or third party non-profit organizations or entities.

3. Types of FITW grants: Awards may be made for Development grants, Validation grants, and Scale-up grants. The Secretary will announce the type of grants that applicants may apply for in the NIA.

4. Evidence and Sample Size Standards: To be eligible for an award--

(a) An application for a Development grant must be supported by one of the following:

(i) Evidence of promise (as defined in 34 CFR 77.1(c));

(ii) Strong theory (as defined in 34 CFR 77.1(c)); or

(iii) Evidence of promise or strong theory.

The Secretary will announce in the notice inviting applications which evidence standard will apply to a Development grant in a given competition. Under (a)(iii), applicants must identify whether their application is supported by evidence of promise or strong theory.

(b) An application for a Validation grant must be supported by moderate evidence of effectiveness (as defined in 34 CFR 77.1(c)).

(c) An application for a Scale-up grant must be supported by strong evidence of effectiveness (as defined in 34 CFR 77.1(c)).

(d) The Secretary may require that an application for a Development grant, Validation grant, or Scale-up grant must be supported by one or more of the following levels of sample size:

(i) Large sample (as defined in 34 CFR 77.1(c));

(ii) Multi-site sample (as defined in 34 CFR 77.1(c)), such as at multiple institutions; or

(iii) Scaled multi-site sample, such as across a system of institutions, across institutions in a State, a region, or nationally, or across institutions in a labor market sector.

The Secretary will announce in the NIA which sample size standards will apply to each type of FITW grant (Development, Validation, or Scale-up) that is available.

(e) Where evidence of promise, moderate evidence of effectiveness, or strong evidence of effectiveness is required to receive a grant, an applicant's project must propose to implement the core aspects of the process, product, strategy, or practice from their supporting study as closely as possible. Where modifications to a cited process, product, strategy, or practice will be made to account for student or institutional characteristics, resource limitations, or other special factors or to address deficiencies identified by the cited study, the applicant must provide a justification or basis for the modifications. Modifications may not be proposed to the core aspects of any cited process, product, strategy, or practice.

5. Evaluation:

(a) The grantee must conduct an Independent Evaluation (as defined in this notice) of its project. The evaluation must estimate the impact of the FITW-supported practice (as implemented at the proposed level of scale) on a relevant outcome (as defined in 34 CFR 77.1(c)).

(b) The evaluation design for a Development grant, Validation grant, or Scale-up grant must meet one or either of the following standards:

(i) What Works Clearing Standards without reservations (as defined in 34 CFR 77.1(c)); or

(ii) What Works Clearinghouse Standards with reservations (as defined in 34 CFR 77.1(c)).

The Secretary will announce in the NIA the evaluation standard(s) that will apply to each type of FITW grant (Development, Validation, or Scale-up) that is available.

(c) The grantee must make broadly available digitally and free of charge, through formal (e.g., peer-reviewed journals) or informal (e.g., newsletters) mechanisms, the results of any evaluations it conducts of its funded activities. The grantee must also ensure that the data from its evaluation are made available to third-party researchers consistent with applicable privacy requirements.

(d) The grantee and its independent evaluator must

agree to cooperate on an ongoing basis with any technical assistance provided by the Department or its contractor, including any technical assistance provided to ensure that the evaluation design meets the required evaluation standards, and comply with the requirements of any evaluation of the program conducted by the Department. This includes providing to the Department, within 100 days of a grant award, an updated comprehensive evaluation plan in a format and using such tools as the Department may require. Grantees must update this evaluation plan at least annually to reflect any changes to the evaluation and provide the updated evaluation plan to the Department. All of these updates must be consistent with the scope and objectives of the approved application.

6. Funding Categories: An applicant will be considered for an award only for the type of FITW grant (Development, Validation, and Scale-up) for which it applies. An applicant may not submit an application for the same proposed project under more than one type of grant.

7. Limit on Grant Awards: The Secretary may choose to deny the award of a grant to an applicant if the applicant already holds an active FITW grant from a previous FITW competition or, if awarded, would result in the applicant receiving more than one FITW grant in the same year.

8. Management Plan: Within 100 days of a grant award, the grantee must provide an updated comprehensive management plan for the approved project in a format and using such tools as the Department may require. This management plan must include detailed information about implementation of the first year of the grant, including key milestones, staffing details, and other information that the Department may require. It must also include a complete list of performance metrics, including baseline measures and annual targets. The grantee must update this management

plan at least annually to reflect implementation of subsequent years of the project and provide the updated management plan to the Department.  
Proposed Selection Criterion:

The Assistant Secretary proposes the following selection criterion for evaluating an application under this program. We may apply this criterion or any of the selection criteria from 34 CFR part 75 in any year in which this program is in effect. In the notice inviting applications, the application package, or both, we will announce the maximum points assigned to each selection criteria.

1. Collaborations: The extent to which the proposed project is designed to engage individuals or entities with expertise, experience, and knowledge regarding the project's activities, such as postsecondary institutions, non-profit organizations, experts, academics, and practitioners.

Note: This proposed selection criterion - Collaborations -

- would assess the extent to which applicants collaborate with knowledgeable or experienced parties in designing and implementing their projects. It is intended to encourage such collaboration in order to increase the quality of an application and project. The purpose of the Collaborations selection criterion is distinct from the purpose of Proposed Priority 8--Implementing Partnerships Focused on Large-scale Impact, which focuses on increasing impact.

The proposed selection criterion for Collaborations would not assess scope of impact. Rather, it would determine

whether an applicant has engaged relevant third party experts in designing the project.

Proposed Definitions:

The Assistant Secretary proposes the following definitions for this program. We may apply one or more of these definitions in any year in which this program is in effect.

1. High-need student means a student at risk of education failure or otherwise in need of special assistance and support such as adult learners, working students, part-time students, students from low-income backgrounds, students of color, first-generation students, and students who are English learners.

2. Independent evaluation means an evaluation that is designed and carried out independent of and external to the grantee, but in coordination with, any employees of the grantee who develop a process, product, strategy, or practice and are implementing it.

3. Minority-serving institution means an institution that is eligible to receive assistance under sections 316 through 320 of part A of Title III, under part B of Title III, or under Title V of the HEA.

Final Priorities, Requirements, Selection Criterion, and

Definitions:

We will announce the final priorities, requirements, selection criterion, and definitions in a notice in the Federal Register. We will determine the final priorities, requirements, selection criterion, and definitions after considering responses to this notice and other information available to the Department. This notice does not preclude us from proposing additional priorities, requirements, definitions, or selection criteria, subject to meeting

applicable rulemaking requirements.

Note: This notice does not solicit applications. In any year in which we choose to use one or more of these priorities, requirements, selection criterion, and definitions, we invite applications through a notice in the Federal Register.

Executive Orders 12866 and 13563

Regulatory Impact Analysis

Under Executive Order 12866, the Secretary must determine whether this regulatory action is "significant" and, therefore, subject to the requirements of the Executive Order and subject to review by the Office of Management and Budget (OMB). Section 3(f) of Executive Order 12866 defines a "significant regulatory action" as an action likely to result in a rule that may--

(1) Have an annual effect on the economy of \$100 million or more, or adversely affect a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities in a material way (also referred to as an "economically significant" rule);

(2) Create serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(3) Materially alter the budgetary impacts of entitlement grants, user fees, or loan programs or the rights and obligations of recipients thereof; or

(4) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles stated in the Executive order.

This proposed regulatory action is not a significant regulatory action subject to review by OMB under section 3(f) of Executive Order 12866.

We have also reviewed this proposed regulatory action under Executive Order 13563, which supplements and explicitly reaffirms the principles, structures, and definitions governing regulatory review established in Executive Order 12866. To the extent permitted by law, Executive Order 13563 requires that an agency--

(1) Propose or adopt regulations only on a reasoned determination that their benefits justify their costs (recognizing that some benefits and costs are difficult to quantify);

(2) Tailor its regulations to impose the least burden on society, consistent with obtaining regulatory objectives and taking into account--among other things and to the extent practicable--the costs of cumulative regulations;

(3) In choosing among alternative regulatory

approaches, select those approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity);

(4) To the extent feasible, specify performance objectives, rather than the behavior or manner of compliance a regulated entity must adopt; and

(5) Identify and assess available alternatives to direct regulation, including economic incentives--such as user fees or marketable permits--to encourage the desired behavior, or provide information that enables the public to make choices.

Executive Order 13563 also requires an agency "to use the best available techniques to quantify anticipated present and future benefits and costs as accurately as possible." The Office of Information and Regulatory Affairs of OMB has emphasized that these techniques may include "identifying changing future compliance costs that might result from technological innovation or anticipated behavioral changes."

We are issuing these proposed priorities, requirements, selection criterion, and definitions only upon a reasoned determination that their benefits would justify their costs. In choosing among alternative

regulatory approaches, we selected those approaches that would maximize net benefits. Based on the analysis that follows, the Department believes that this regulatory action is consistent with the principles in Executive Order 13563.

We also have determined that this regulatory action would not unduly interfere with State, local, and tribal governments in the exercise of their governmental functions.

In accordance with both Executive orders, the Department has assessed the potential costs and benefits, both quantitative and qualitative, of this regulatory action. The potential costs are those resulting from statutory requirements and those we have determined as necessary for administering the Department's programs and activities.

Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. One of the objectives of the Executive order is to foster an intergovernmental partnership and a strengthened federalism. The Executive order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

This document provides early notification of our

specific plans and actions for this program.

Accessible Format: Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the program contact person listed under FOR FURTHER INFORMATION CONTACT.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at:

[www.gpo.gov/fdsys](http://www.gpo.gov/fdsys). At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at: [www.federalregister.gov](http://www.federalregister.gov). Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: February 13, 2015

---

Ted Mitchell,

Under Secretary.

[FR Doc. 2015-03502 Filed 02/20/2015 at  
8:45 am; Publication Date: 02/23/2015]