

Putting Students First: EdTrust's 5 Principles for Higher Education Accountability to Meet the Moment

By Roxanne Garza, higher education policy director and Robbie Ha, senior policy analyst

Introduction

From the online corridors of social media to the halls of Congress, doubt toward the value of a college education has become increasingly ubiquitous. [TikTok](#), [Instagram](#), and [YouTube](#) are brimming with anecdotes of many young people who believe they've been on the receiving end of a bait-and-switch after buying into the promise of higher education. Traditional [news outlets](#) are covering the topic just as closely. Their experiences are ones where a four-year degree has become too expensive, too dependent on student loan debt, and too often sold with the promise of economic returns that don't materialize, particularly given ever evolving technology and a rapidly changing world of work. Indeed, a concerning majority of our nation's youth [believes](#) that a college education is now a "questionable" investment.

Now, we must acknowledge that, on average, higher education clearly [remains](#) one of the strongest and most consistent drivers of upward economic mobility. That reality is on track to become even starker, with [nearly three quarters](#) of all U.S. jobs expected to require at least some postsecondary education by 2031. That said, it is equally true that far too many students have been harmed by high-cost or low-quality programs and institutions that the federal government should have never allowed to receive federal funding in the first place. Both are realities of the current moment that require recognition. Yet for too long, federal policymakers and thought leaders have broadly extolled the value of higher education without acknowledging these poor outcomes or doing much to prevent them. The result of that dissonance should be a surprise to no one: young people who believe they've been gaslit — and consequently, a decades-long [decline](#) in the public's perception of higher education.

We can't blame students for losing faith in higher education as a guaranteed pathway to prosperity if we don't put in the work to ensure that it is one, particularly for students who are traditionally underserved by our system. We also cannot continue arguing for greater access to educational opportunity for students of color while standing by as they enroll in institutions that are [increasingly](#) leaving students worse off financially.

The public's heightened scrutiny towards higher education — along with the growing affordability crisis driving higher student debt volumes — have led to a renewed urgency from policymakers and thought leaders to bolster accountability in higher education, with the most recent step in that direction driven by 2025's One Big Beautiful Bill Act (OBBBA). The law created an earnings test, labelled the do-no-harm (DNH) test, that requires all programs with access to federal loan dollars to demonstrate that their graduates earn more than a working adult without that credential. While that framework takes a step in the right direction, it merits a reexamination of how the federal government can advance a more comprehensive system of accountability that puts students first and restores the public's trust in higher education.

We need a system that protects students from poor quality programs that lead to inadequate earnings, unreasonable indebtedness, and high rates of attrition — particularly for students from underserved backgrounds who have the most to lose. A system that pushes institutions to use the dollars that the public has bestowed upon them to expand educational opportunity and to benefit the communities they are meant to serve. Here, we detail our five principles for advancing that vision.

Key Assumptions

A few assumptions guiding our five principles:

- 1. We are comfortable with departing from existing processes and norms.** As EdTrust has long argued, a well-designed accountability system is one of the most important tools for protecting students from programs and institutions that exploit them and leave them worse off. In our principles, we prioritize the integrity of the accountability system we envision and place less emphasis on how it can comport with existing policies and infrastructures. Departing from how accountability is often discussed, we realize there are constraints (statutory, regulatory, and technical) that currently stand in the way of these principles from being implemented. We hope that the conversations that these principles generate give rise to the actions needed to address those barriers.
- 2. We focus on undergraduate education.** Although these overarching principles may apply to the full breadth of higher education (e.g., graduate degrees and graduate-level certificates), the focus of our accountability principles is to specifically address undergraduate education (e.g., bachelor's degrees, associate degrees, and undergraduate-level certificates).
- 3. We are not aiming to be exhaustive.** There are many benefits to higher education that cannot easily be measured or monitored at the federal level, including its [non-economic effects](#) on both students and society. We do not address most of these in our framework. Our omission does not mean that we believe those benefits lack value — rather, it reflects our view that a *federal* accountability framework may not be the best avenue to evaluate and assure them.
- 4. We set a clear distinction between accountability and value.** An accountability framework sets and enforces a floor for outcomes, protecting students from the lowest-performing programs and institutions. In contrast, a values framework aims to improve outcomes beyond the bare minimum. While complementary, these two goals require different policy mechanisms for success. Although we focus primarily on accountability, we highlight opportunities to pursue values-based levers within the framework, recognizing that an ideal federal system would incorporate both.

The Five Principles for Higher Education Accountability

We believe a well-designed accountability framework should embody the following five fundamental principles:

- 1. Sets adequate and equitable floors for program-level measures of student outcomes — defined by both student retention and post-graduate outcomes — that are enforced as a condition for a program’s ability to access federal financial aid, including Pell Grant dollars. Floors must be:**

Adequate: An accountability framework for higher education must have adequate program-level floors to guarantee that students are not exploited or left worse off had they not enrolled in the first place. These floors aren’t meant to guarantee a certain level of value across higher education. Rather, they are meant to set a common-sense baseline that all students should expect out of any program that the federal government has deemed sufficient to have access to federal financial aid dollars. These guarantees must align with what students would already expect from their programs, including that programs are affordable; that students successfully graduate or transfer to meet their credentialing goals; that graduates can get a job and earn more than those without that degree; and that they earn enough money to be able to pay back their student loans.

Holistic, but not too complex: The do-no-harm test from OBBBA was a step in the right direction by guaranteeing a floor for earnings. That said, a framework reliant on just one factor is too blunt to adequately capture the full breadth of undergraduate programs, particularly those that lead to high-value yet low-wage careers. For example, as EdTrust has [argued](#), relying on the do-no-harm test alone disproportionately hurts “entire fields that prepare students for essential careers, which might be poorly compensated — like early childhood education, social work, and ministry.” We must acknowledge instances when a program’s outcomes reflect systemic wage deficiencies in a particular field. In these cases, external factors, like state and local wage decisions, require shared accountability and joint solutions (e.g., program tuition subsidies, wage subsidies, or employer partnerships). Additionally, measures of affordability, progression, and manageable debt would provide a more complete picture of student outcomes, rather than just a sole metric on earnings.

A complex framework with a myriad of measures is also not the right answer, as it could make it easier for programs to evade deserved scrutiny. An accountability framework with holistic measures of student outcomes must be judicious in the number of factors it measures — not too few to penalize programs for factors outside of their control, but also not too many to dilute the framework itself.

Equitable: Both our research and that of our peer institutions’ research indicate that using state-wide aggregates in earnings tests (like the one used in the do-no-harm test) penalizes institutions in lower wage economies, particularly institutions that serve students or communities that are underrepresented in higher education, like those located in areas that are more rural and with higher rates of poverty. At the same time, they allow institutions in high cost-of-living regions to avoid deserved scrutiny for graduate earnings that aren’t competitive in the region’s economy. An accountability framework with equitable floors must be adjusted for regional earnings and cost-of-living differences to prevent penalizing institutions in lower wage economies.

A condition of federal financial aid access, including Pell Grant dollars: As [research](#) from the Postsecondary Education & Economics Research (PEER) Center shows, not all Title IV recipients are federal loan borrowers. At private nonprofit and for-profit institutions, only about 60% of undergraduate Title IV recipients take out federal loans; at public institutions, the share is even lower at just 32%. As a result, limiting sanctions to the loss of federal loan eligibility, as the do-no-harm test currently does for both gainful employment (GE) and non-GE programs, leaves many programs — particularly those serving students who rely primarily on Pell Grants — largely unaffected. A consistently enforced accountability framework would expand any program-level sanctions to all Title IV aid, including Pell Grants, to ensure that low-performing programs cannot continue operating on the backs of students with Pell Grants. It would help protect Pell Grant recipients, who are disproportionately students from underrepresented backgrounds, by preserving limited funds that could have produced better outcomes for the student had they gone to a better performing program.

2. Holds Title IV institutions accountable to their obligation, as recipients of the public's taxpayer dollars, to expand educational opportunity and benefit the students and communities they reside in

Institutions must expand educational opportunity for underserved students: EdTrust has consistently argued that institutions receiving public funding must serve the public good by advancing educational opportunity for the students who have the most to gain. Despite how intuitive that obligation appears, the federal government has done virtually nothing to require that the full range of institutions successfully enroll and serve a student population that reflects the community where institutions are located. For example, [data shows](#) that Black and Latino students are significantly underrepresented at many public flagship universities compared to the share of Black and Latino high school graduates in their states.

The Supreme Court's 2023 decision that overturned race-conscious affirmative action in admissions further eroded that institutional obligation, furthering higher education's ongoing transformation into a luxury item for the wealthy that calcifies racial and economic inequities instead of rectifying them. An ideal accountability framework would address this head on, setting a clear and un-gameable floor, such as one tethered to Pell-recipient status, to make expanding educational opportunity for underserved students a condition for accessing federal financial aid. It is a policy failure that the universities enrolling the fewest Pell students are often the most selective with the largest endowments — even though [research clearly shows](#) that there are indeed more high-achieving low-income students than those who are enrolled in highly selective colleges.

Another factor of institutions' obligation to expand educational opportunity is using the tuition revenue they receive towards instructional spending and support services that are directly supporting student success. To justify the tuition rates they charge their students, institutions should demonstrate that those revenues are directly funding students' teaching and learning. We acknowledge that Congress needs to direct improvements to IPEDS so that true instructional spending can be cleanly separated from non-teaching expenses, like those used for athletic facilities and executive compensation.

3. Encourages institutional improvement through an accountability system that is graduated rather than all-or-nothing — and uses targeted grants to incentivize positive change

An ideal accountability framework foregoes all-or-nothing sanctions, particularly at the institution level. As we've seen with the Cohort Default Rate (CDR) — the federal government's oldest accountability measure that sanctions institutions if a large share of its students default on their federal loans — and accreditation, binary institution-wide sanctions create an incentive to manipulate data, create waivers, exceptions, or to simply not impose the sanctions: no entity wants to shut down an entire university, a far more disruptive act than closing a single program, so the threat is not credible and thus deters nothing. Moreover, all-or-nothing sanctions do nothing to incentivize institutions that are barely above a particular floor to pursue any improvements beyond what will mark them as adequate, which should not be the goal of our higher education system.

Instead, an ideal accountability framework:

- Relies on multiple measures at the institution and program level so that sanctions are not imposed based on a single metric
- Utilizes additional monitoring and oversight based on levels of performance
- Consistently enforces sanctions
- Rewards progress continuously to increase value

Moreover, to incentivize improvement beyond a set floor and increase value, a grant program — e.g., funded by the savings generated from federal aid dollars not going to failing programs — could further award funding to institutions that perform exceptionally well across institutional-level requirements. These grants could be targeted toward historically under-resourced institutions, like historically Black colleges and universities (HBCUs), minority-serving institutions (MSIs), tribal colleges and universities (TCUs), and community colleges.

4. Increases investments in historically under-resourced institutions

An equitable accountability framework pairs rigorous, consistent floors for outcomes with good-faith efforts to level the playing field for under-resourced institutions. MSIs [enroll](#) nearly 5 million students — around a quarter of all undergraduate students and half of all undergraduate students of color in the country. Many MSIs are also community colleges, with [around 35%](#) of all MSIs being two-year public institutions — the largest share across institutional sectors. These institutions also educate a disproportionate share of students from low-income backgrounds and play a crucial role in expanding economic opportunity. Yet, despite their outsized impact, they have been consistently [underfunded](#) for decades. It would be inherently unfair to ask these institutions — that are already doing more with less — to meet uniform floors for outcomes without first giving them the opportunity to showcase what they could achieve with adequate resources. To account for this, an ideal framework would provide targeted grants to under-resourced institutions, giving them a fair shot to demonstrate their performance.

5. Builds a transparent and understandable system that empowers and protects students

Policy deliberations around accountability have become so esoteric that they have lost sight of the audience that matters most for accountability: students. And that’s not for lack of interest — students have clearly demonstrated that they want quality and easily digestible information, with the option to go deeper as needed (e.g., websites like [Rate My Professors](#)). An accountability system that provides no clear value-proposition, understanding, or countervailing power to students is one that cannot last.

As such, an accountability framework must be highly visible and easily understood by the students it protects, bringing them directly into the accountability system. To do so, we propose using an accountability framework that culminates in a public-facing tool that all students intuitively understand: report cards. For example, program-level and institutional-level measures could carry an A-F grade aligned to its threshold performance (a program that fails a metric receives an F), rolled up into a composite grade for the program and the institution, allowing for a framework of multiple measures to assess institutions and programs.

These grades should be visible and usable. For example, every program could be required to display a standardized report card (for both the program and the institution) on its website for prospective students and at every step of enrollment, including outreach, admissions, and registration. The report card would appear on a standardized federal template so institutions cannot bury or reformat it. Below is an illustrative example of what the report card could look like:

Example: College Value Report Card

* The sample metrics featured herein are for demonstrative purposes

College Value Report Card	
Bachelor of Science in Nursing	
Example State University Data years: 2023–2025	
Overall Grade	B
Combined program and institution performance	
This Program	B
Earnings premium	A
Graduates earn X% more than adults with only a high school degree	
Debt vs. earnings	B
Typical loan payment is X% of graduate income	
Student retention	C
XX% of students stayed enrolled or successfully transferred	
This Institution	A
Economic mobility	B
XX% of graduates are Pell Grant recipients	
Instructional spending	A
XX% of tuition is spent on teaching and learning	

Affordability gap

Net tuition costs \$XXXX more than a student could cover by working 10 hours a week at their state's minimum wage

A

Grades are issued annually by the U.S. Department of Education.

Programs receiving an F risk losing federal student aid eligibility.

Conclusion

News stories about and social media posts from young people who feel misled by the promises of higher education aren't going to go away anytime soon — especially as technology continues to upend our economy. Their growing frustration reflects a clear demand for evidence that a four-year degree is worth the investment of time and money in today's economy, particularly as affordability continues to be the top concern for students. It also underscores how federal policymakers and thought leaders have largely ignored students' direct needs in conversations around improving higher education.

Students shouldn't have to dig through social media or rely on anecdotes to gauge a program's value or to ensure that they won't be harmed; they should be able to clearly see it for themselves in language they can understand, before they even enroll. That's what these five principles seek to address.

Finally, while this piece lays out fundamental principles that should be embedded into an improved and more comprehensive accountability framework, EdTrust will publish forthcoming analyses and more detailed recommendations on a multi-measure accountability framework that can further guide policy development in this area. We welcome collaboration from others thinking about how to improve upon accountability in higher education to ensure all students succeed and get value from their experience.