



Evaluating Student Success Outcomes

Student Success Indicators

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Introduction

In early 2024, HLC launched a multi-phase project to evaluate and support the improvement of student success outcomes at our member institutions. Our goals for this project are to:

1. Identify concerns that require institutional attention or HLC follow-up.
2. Identify opportunities for HLC to support institutions.
3. Increase transparency with students and other stakeholders.

In the first phase of this project, HLC has developed student success indicators for evaluating institutional performance on certain educational outcome measures. Over the past year, HLC has collected extensive feedback from institutional representatives and peer reviewers regarding our methodology for evaluating these outcomes, and we have refined our approach based on that input. This document describes the final benchmarking approach and conditions that would require HLC follow-up with member institutions regarding possible performance concerns. The student success indicators will be launched in spring 2025 as part of HLC's [risk indicator process](#).

Incorporating student success indicators into the risk indicator process is one of multiple ways that HLC is working toward our student success goals. More information about HLC's efforts in this area, including how HLC supports member institutions in their efforts to improve student outcomes, is available on [HLC's website](#).

Background

At the beginning of this project, and following extensive study of multiple data sets, HLC determined that we would use IPEDS Fall Enrollment, Graduation Rate and Outcome Measures survey data to compute and evaluate three educational outcome measures:

- First-year retention rate
- Graduation rate within 150% of normal time
- Completion and transfer rate at 8 years after entry to college

In May 2024, HLC identified proposed benchmarks for these measures and surveyed institutions whose performance fell below these benchmarks to better understand how they track and use student outcome measures and how these data related to their institutional mission and student body. In this proposed benchmarking model, institutions were assigned to one of four peer groups based on their undergraduate enrollment profile and admissions selectivity. Using a pooled-cohort approach, HLC calculated the outcome measures for each institution using IPEDS data for the past three academic years. Each institution's outcomes were compared against the mean of their peer group and categorized as one of the following:

- At or above the mean
- Between the mean and 25th percentile
- Between the 25th percentile and 5th percentile
- Within the lowest 5th percentile

Institutions in the last two categories were invited to complete the survey so that HLC could better understand their respective contexts and circumstances. HLC received feedback from a total of 197 institutions (78% response rate out of 252 institutions surveyed.) Institutions largely agreed the measures are well-defined and utilized by all institutions. A number of respondents recommended that the peer groups needed more consideration, focusing on different institutional characteristics. Other feedback included that the measures should be weighted differently based on the type of institution.

Based on these findings, HLC determined that the three outcome measures were appropriate to use in the final process. We also refined our approach to assigning member institutions into peer groups and calculating benchmarks based on those groups.

Relationship to the Revised Criteria for Accreditation

In June 2024, HLC's Board of Trustees adopted revised Criteria for Accreditation, which will go into effect on September 1, 2025. The revised Criteria include Core Component 3.G, Student Success Outcomes, which states:

The institution's student success outcomes demonstrate continuous improvement, taking into account the student populations it serves and benchmarks that reference peer institutions.

In demonstrating compliance with this Core Component, institutions are **not** limited to the three measures evaluated under the student success indicators or the peer groups described below. Institutions may look at these measures and peer groups for that purpose, and/or they may develop more customized benchmarking activities using other data points and peer institutions. As is the case with all Core Components, an institution's distinctive mission will inform how it demonstrates that it meets Core Component 3.G.

Defining Educational Outcome Measures

First-Year Retention Rate (First-Time Cohort)

The rate at which first-time students, including both full-time and part-time, persist in their educational program at an institution, computed using IPEDS Fall Enrollment survey data.

For four-year institutions, this is the percentage of first-time, bachelor's (or equivalent) degree-seeking undergraduates from the previous fall who are again enrolled in the current fall.

For all other institutions, this is the percentage of first-time, degree/certificate-seeking students from the previous fall who either re-enrolled or successfully completed their program by the current fall.

Institutions reporting:

All institutions that enroll a first-time, degree/certificate-seeking, undergraduate cohort

Students included in the cohort:

Full-time and part-time, first-time, degree/certificate-seeking undergraduates

Basic formula:

$$\frac{\text{Students from the previous year cohort who re-enroll or complete their program by the current year}}{\text{All students in the adjusted cohort from prior year}}$$

IPEDS survey data variables and formula:

$$\frac{(\text{RET_NMF} + \text{RET_NMP})}{(\text{RRFTCTA} + \text{RRPTCTA})}$$

Graduation Rate Within 150% of Normal Time

The percentage of full-time, first-time, degree/certificate-seeking undergraduate students in a particular cohort year who complete their educational program within 150% of normal time, computed using IPEDS Graduation Rates survey data.

Institutions reporting:

All institutions that enroll a full-time, first-time, degree/certificate-seeking undergraduate cohort

Students included in the cohort:

Full-time, first-time, degree/certificate-seeking undergraduates

Basic formula:

$$\frac{\text{Students in the cohort who complete their program within 150\% of normal time}}{\text{All students in the adjusted cohort}}$$

IPEDS survey data variables and formula:

$$\frac{(\text{GRTOTLT where GR\text{TYPE} = 3 or 30})}{(\text{GRTOTLT where GR\text{TYPE} = 2 or 29})}$$

Completion and Transfer Rate at 8 Years After Entry

A broad measure of student success that adds together the completion and transfer rates into one measure, computed using IPEDS Outcome Measures survey data. The combined measure provides the percentage of all entering undergraduate students in a particular cohort year, inclusive of all Pell Grant status, prior college experience and attendance levels, who completed their educational program or transferred to subsequent institutions, measured at 8 years after entry.

Institutions reporting:

All institutions that enroll degree/certificate-seeking undergraduate students

Students included in the cohort:

All entering degree/certificate-seeking undergraduates

Basic formulas:

Completion and transfer rate at 8 years after entry = completion rate + transfer rate.

Completion rate

$$\frac{\text{Students in the cohort who complete their program within 8 years after entry}}{\text{All students in the adjusted cohort}}$$

Transfer rate

$$\frac{\text{Students in the cohort who transfer out of the reporting institution without completing their program and subsequently enroll in another institution anytime within 8 years after entry}}{\text{All students in the adjusted cohort}}$$

IPEDS survey data variables and formulas:

Completion rate

$$\frac{(\text{OMCERT8} + \text{OMASSC8} + \text{OMBACH8 where OMCHRT} = 50)}{(\text{OMACHRT where OMCHRT} = 50)}$$

Transfer rate

$$\frac{(\text{OMENRAI where OMCHRT} = 50)}{(\text{OMACHRT where OMCHRT} = 50)}$$

Calculating Institutional Outcome Measures

HLC will use publicly available data from the IPEDS Fall Enrollment, Graduation Rates and Outcome Measures surveys to calculate the outcome measures for most institutions and set benchmarks. To calculate institutional-level outcome measures, HLC will use a pooled-cohort approach by combining student cohort data from the three most recent survey years to account for institutions with a small enrollment size and year-over-year variations in entering student cohort characteristics. We will combine raw data values, such as the adjusted cohort total and the number of completers within 150% of normal time, from these survey years to calculate the respective numerator and denominator in the IPEDS formula for each outcome measure.

Institutions That Do Not Report to IPEDS

HLC's compiled dataset accounts for more than 93% of HLC membership. These are the institutions that (1) participate in the federal student financial aid programs, (2) have an undergraduate student population, and (3) reported data for at least one of the three student outcome measures in the three most recent IPEDS survey years.

Presently, four HLC member institutions with undergraduate student populations do not report to IPEDS because they do not participate in federal student financial aid programs. HLC will soon develop a method for collecting the same educational outcome data from these institutions so that all member institutions with undergraduate populations will be evaluated under this process.

Institutional Peer Groups

Early in the development of the student success indicator process, HLC recognized that the process had to take into account the diverse characteristics of HLC member institutions. To achieve that goal, HLC will divide institutions into peer groups for the purposes of setting benchmarks and evaluating institutional performance.

Initially, HLC planned to divide institutions into four peer groups based on their undergraduate enrollment profile and admissions selectivity. Specifically, the peer groups we proposed in May 2024 were: two-year institutions; tribal colleges; four-year, inclusive institutions; and four-year, selective institutions.

Based on feedback from members, HLC modified our original approach to consider additional institutional characteristics in a tiered format at different points in the indicator process:

- First, to set benchmarks, HLC will assign institutions into three primary peer groups:
 - Two-year institutions
 - Four-year institutions
 - Tribal institutions
- Next, to identify conditions that require HLC follow-up based on these benchmarks, HLC will consider the composition of entering student class for four-year institutions. As a result, institutions will be assigned into four groups at this point in the process:
 - Two-year institutions
 - Tribal institutions
 - Four-year traditional institutions
 - Four-year nontraditional institutions
- Finally, HLC will further refine the institutional groups for the purposes of evaluating those institutions that trigger the indicator conditions. Specifically, we will assign two-year and four-year institutions to smaller subgroups based on additional institutional characteristics. These characteristics include geographic area, enrollment size, institutional control and entering student class composition.

This tiered approach allows HLC to set meaningful benchmark values and indicator conditions using larger groups of institutions, while still taking institutions' unique context into account at other points in the process.

Two-Year Institutions

HLC defines a “two-year institution” as one that predominantly awards two-year degrees or certificates. Such institutions will be divided into subgroups based on enrollment size and geographic location.

Geographic area

Institutions will be categorized as “rural” or “urban” based on their IPEDS locale classification:

- **Rural:** [category name is followed by IPEDS category number]
 - Town: Fringe (31), Town: Distant (32), Town: Remote (33), Rural: Fringe (41), Rural: Distant (42), Rural: Remote (43)
- **Urban:**
 - City: Large (11), City: Midsize (12), City: Small (13), Suburb: Large (21), Suburb: Midsize (22), Suburb: Small (23)

Two-year institutions will be able to request a modification to their geographic area categorization when peer groups are initially assigned or when they are updated.

Enrollment size (for urban institutions only)

Urban two-year institutions will be categorized as “small” or “large” based on their three-year average of full-time equivalent (FTE) enrollment of degree/certificate-seeking students:

- **Small:** FTE enrollment is less than 5,000
- **Large:** FTE enrollment is 5,000 or more

Four-Year Institutions

HLC defines a four-year institution as one that (1) predominantly awards four-year and/or advanced degrees and (2) has an undergraduate student population. Such institutions will be divided into subgroups based on three characteristics: institutional control, entering student class composition and enrollment size.

Institutional control

Institutions will be categorized as one of the following:

- **Private** (includes both for-profit and nonprofit)
- **Public**

Entering student class composition

Institutions will be categorized as “traditional” or “nontraditional” based on the percentage of full-time first-time (FT/FT) degree/certificate-seeking students in the entering class (i.e., the total number of entering undergraduate students).

- **Traditional:** FT/FT students account for 50% or more of the entering class
- **Nontraditional:** FT/FT students account for less than 50% of the entering class

Four-year institutions will be able to request a modification to their entering student class composition categorization when peer groups are initially assigned or when they are updated.

Enrollment size

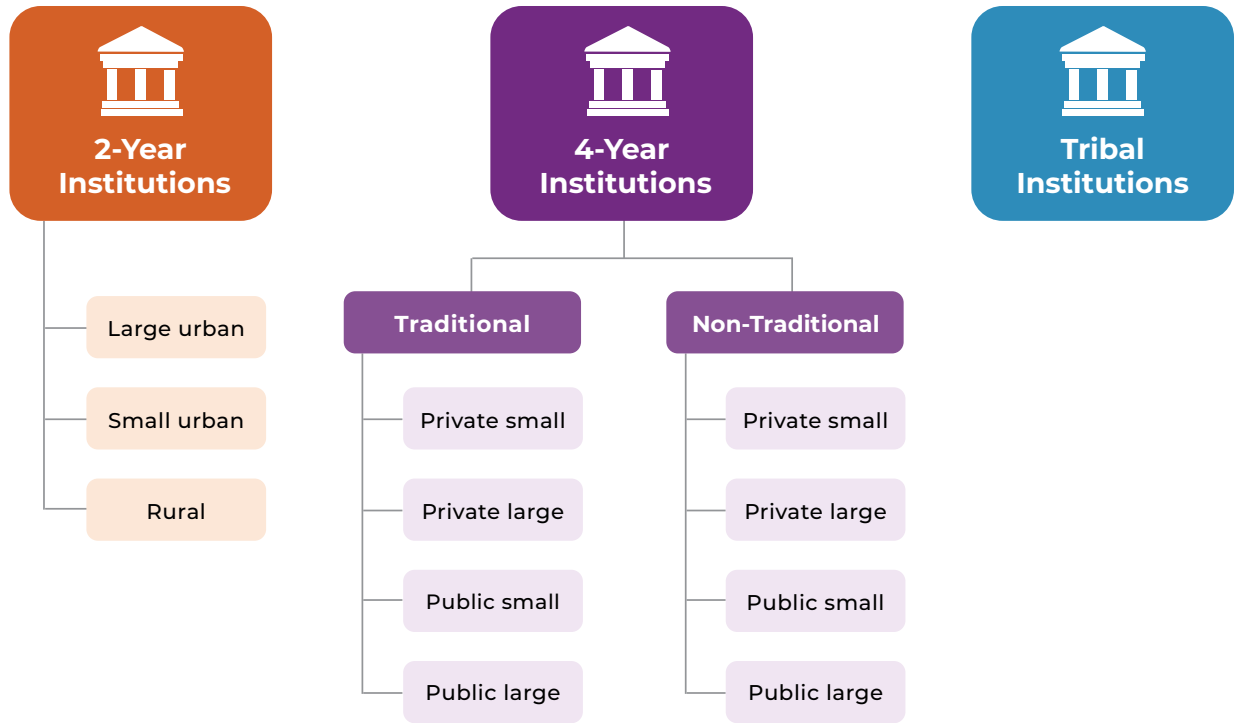
Institutions will be categorized as “small” or “large” based on their institutional control category and their three-year average of full-time equivalent (FTE) enrollment, which is calculated as full-time headcount plus one-third part-time headcount of degree/certificate-seeking undergraduate students and of graduate students."

- **Private institutions:**
 - Small: FTE enrollment is less than 2,000
 - Large: FTE enrollment is 2,000 or more
- **Public institutions:**
 - Small: FTE enrollment is less than 4,000
 - Large: FTE enrollment is 4,000 or more

Tribal Institutions

Tribal colleges and universities will be assigned to a separate peer group as per the Basic Carnegie Classification.

Tiered Peer Group Format



The following table shows the number of institutions currently in each peer group and subgroup based on HLC’s application of the institutional characteristics drawn from HLC data and IPEDS survey data as of January 2024.

Peer Group	# of Institutions
Two-Year Institutions ¹	317
Two-year large urban institutions ⁴	30
Two-year small urban institutions ⁴	115
Two-year rural institutions ⁴	172
Four-Year Institutions ²	546
Four-year traditional institutions ³	362
Four-year private traditional small institution ⁴	166
Four-year private traditional large institutions ⁴	78
Four-year public traditional small institution ⁴	33
Four-year public traditional large institutions ⁴	85
Four-year nontraditional institutions ³	184
Four-year private nontraditional small institutions ⁴	85
Four-year private nontraditional large institutions ⁴	40
Four-year public nontraditional small institutions ⁴	34
Four-year public nontraditional large institutions ⁴	25
Tribal Institutions ¹	26

¹ Used to set both benchmark values and indicator conditions ² Used to set benchmark values

³ Used to set indicator conditions for four-year institutions ⁴ Used for evaluating institutions

Setting Benchmarks

As noted, HLC will determine benchmarks for each outcome measure based on the three primary peer groups:

- Two-year institutions
- Four-year institutions
- Tribal institutions

Each institution's outcomes will be compared against the median of their peer group and categorized as one of the following:

- At or above the median
- Between the median and 25th percentile
- Between the 25th percentile and 5th percentile
- Within the lowest 5th percentile

HLC will initially set the benchmark values in spring 2025. Following that, the benchmarks will be recalculated every three years.

Application of Benchmarks

As part of HLC's risk indicator process,¹ HLC will review institutional IPEDS data for these three outcome measures each year. Institutions will be assigned additional HLC review when they meet certain conditions based on the benchmarks.

After receiving feedback from institutions via the survey, HLC determined that certain measures should be weighted differently based on the type of institution and, for four-year institutions, the composition of the entering undergraduate student class. For purposes of applying the benchmarks, HLC will set indicator conditions for the following four institutional groups:

- Two-year institutions
- Four-year nontraditional institutions
- Four-year traditional institutions
- Tribal institutions

Conditions Requiring a Student Success Improvement Plan

Institutions will be required to participate in a three-year Student Success Improvement Plan if the following conditions are met. Institutions will submit their plan for HLC review and approval in the first year, and then will submit annual updates regarding the implementation of the plan in the following two years.

For two-year institutions, four-year non-traditional institutions and tribal institutions, participation in a Student Success Improvement Plan would be required when either of the following conditions are triggered:

- The institution's completion and transfer rate is within the lowest 5th percentile of their peer group; or
- The institution's completion and transfer rate is between the 5th and 25th percentile **and** its retention rate or graduation rate is within the lowest 5th percentile of their peer group.

¹ The other parts of the risk indicator process are related to [financial and non-financial indicators](#). HLC will evaluate financial and non-financial indicators separately from the new student success indicators, using data reported in the Institutional Update.

For four-year traditional institutions, participation in a Student Success Improvement Plan would be required when either of the following conditions are triggered:

- The institution's graduation rate is within the lowest 5th percentile; or
- The institution's graduation rate is between the 5th and 25th percentile and its retention rate or completion **and** transfer rate is within the lowest 5th percentile.

An HLC peer reviewer will evaluate the institution's initial report and their annual updates. When possible, HLC will assign a peer reviewer who is employed at an institution in a similar peer group as the institution being reviewed.

If the peer reviewer determines there is a concern with the institution meeting HLC requirements as related to student success outcomes, the peer reviewer can recommend monitoring in the form of an interim report or focused visit based on the applicable HLC requirement. This monitoring recommendation along with the institution's response will go to the Institutional Actions Council for review and final action.

Conditions Requiring Staff Review

If an institution's student success outcomes data do not trigger the conditions requiring a Student Success Improvement Plan as outlined above, yet their graduation rate is within the lowest 5th percentile of their peer group, the institution will be required to submit a brief explanation about their low graduation rate as compared to their peers. This explanation will be reviewed by HLC staff for possible follow up, which may, depending on the circumstances, include the assignment of monitoring.

Next Steps

In October 2024, HLC's Board of Trustees approved proposed policy changes on first reading related to the risk indicator process. HLC member institutions, peer reviewers and other stakeholders are invited to comment on the proposal before the Board considers the change for adoption at its February 2025 meeting. See [HLC's website](#) for additional information.

In spring 2025, HLC will evaluate institutions against the student success indicators for the first time. At that time, HLC will provide full details about the indicator process and follow-up reviews related to student success indicators. We will inform institutions of their assigned peer group and give two-year and four-year institutions the opportunity to request a change to their geographic area or entering student class composition classification, respectively. When the peer group assignments are finalized, HLC will set benchmark values and notify institutions that have triggered conditions for a Student Success Improvement Plan or staff review.

Questions?

Contact indicators@hlcommission.org