

Why GAO Did This Study

College students sometimes opt to transfer schools in response to changing interests or for financial reasons. The extent to which students can transfer previously earned course credits can affect the time and cost for completing a degree. Given the federal government's sizeable investment in student aid—\$125 billion in fiscal year 2016—and potential difficulties students may face in transferring credits, GAO was asked to examine the college transfer process.

GAO examined (1) transfer rates and challenges students face in transferring credits, (2) the possible financial implications of transfer, and (3) the extent to which students are provided with transfer information to help them plan their college path. GAO analyzed Education's data, including its most recent available transfer data from the 2004-2009 student cohort, interviewed a non-generalizable sample of stakeholders from 25 schools and higher education organizations, and reviewed a nationally-representative sample of 214 school websites.

What GAO Recommends

GAO recommends that Education (1) require schools to disclose on their websites (a) the list of other schools with which they have articulation agreements and (b) when no such agreements are in place; and (2) provide general transfer information to students and families. Education disagreed with the first and agreed with the second recommendation. GAO maintains that students can more easily understand transfer options if information is accessible on a school's website, as discussed in the report.

View [GAO-17-574](#). For more information, contact Melissa Emrey-Arras at (617) 788-0534 or emreyarrasm@gao.gov.

HIGHER EDUCATION

Students Need More Information to Help Reduce Challenges in Transferring College Credits

What GAO Found

Based on GAO's analysis of the Department of Education's (Education) most recently available data, an estimated 35 percent of college students transferred to a new school at least once from 2004 to 2009, and GAO found that students may face challenges getting information or advice about transferring course credits. An estimated 62 percent of these transfers were between public schools. According to stakeholders GAO spoke with, students can face challenges transferring credits between schools that do not have statewide policies or articulation agreements, which are transfer agreements or partnerships between schools designating how credits earned at one school will transfer to another. Stakeholders also said that advising and information may not be adequate to help students navigate the transfer process.

The possible financial implications of transferring depend in part on the extent of credits lost in the transfer. Using Education's transfer data, GAO estimated that students who transferred from 2004 to 2009 lost, on average, an estimated 43 percent of their credits, and credit loss varied depending on the transfer path. For example, students who transferred between public schools—the majority of transfer students—lost an estimated 37 percent of their credits. In comparison, students who took some of the less frequent transfer paths lost a relatively higher percentage of their credits. For example, students who transferred from private for-profit schools to public schools accounted for 4 percent of all transfer students but lost an estimated 94 percent of their credits. Transferring can have different effects on college affordability. Students seeking to obtain a bachelor's degree at a more expensive school may save on tuition costs by transferring from a less expensive school. On the other hand, transfer students may incur additional costs to repeat credits that do not transfer or count toward their degree. Transfer students can receive federal financial aid. GAO's analysis showed that almost half of the students who transferred from 2004 to 2009 received Pell Grants and close to two-thirds received Federal Direct Loans. Students who lose credits may use more financial aid to pay for repeated courses at additional cost to the federal government, or they may exhaust their financial aid eligibility, which can result in additional out-of-pocket costs.

While GAO estimated that the websites for almost all schools nationwide provided credit transfer policies, as required by Education, about 29 percent did not include a list of other schools with which the school had articulation agreements. Among those schools, GAO found that some did not have any articulation agreements, while others did but did not list partner schools on their websites. Schools must provide such listings, but they are not required to do so specifically on their website. As a result, students may not have ready access to this information to fully understand their transfer options. Moreover, Education provides limited transfer information to students and their families, contrary to federal internal control standards that call for agencies to provide adequate information to external parties. General information on key transfer considerations that are applicable across schools and more complete information on schools' articulation agreements can help students avoid making uninformed transfer decisions that could add to the time and expense of earning a degree.