

Gainful Employment



Gainful Employment Overview

David Bartnickij | March 2016
U.S. Department of Education
NCASFAA Spring Conference

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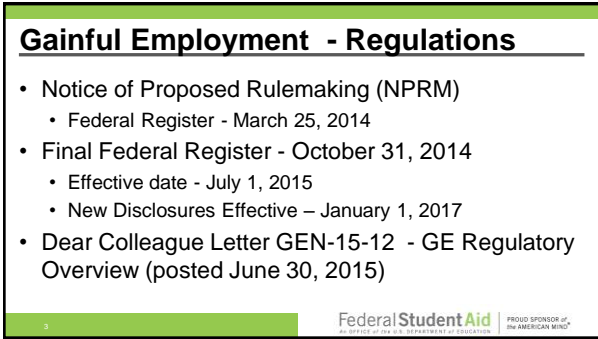


Agenda

- Regulation
- Which Programs are Gainful Employment (GE) Programs
- Important Dates
- Reporting
- Metrics
- Disclosures
- Certifications

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Gainful Employment - Regulations

- Notice of Proposed Rulemaking (NPRM)
 - Federal Register - March 25, 2014
- Final Federal Register - October 31, 2014
 - Effective date - July 1, 2015
 - New Disclosures Effective – January 1, 2017
- Dear Colleague Letter GEN-15-12 - GE Regulatory Overview (posted June 30, 2015)

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Which Programs are GE Programs

The HEA provides that to be Title IV-eligible an educational program must be offered by:

- A public or non-profit postsecondary educational institution, if the program leads to a degree; or
- Any institution, if the program prepares students for "gainful employment in a recognized occupation"

Generally, all non-degree programs must lead to *gainful employment*

Generally, most programs at for-profit institutions must lead to *gainful employment*

Electronic Announcement #53; GE Operations Manual

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GE Programs

- At proprietary institutions, ALL programs (degree and nondegree) are GE Programs except for –
 - Preparatory coursework necessary for enrollment in a Title IV eligible program
 - Approved Comprehensive Transition and Postsecondary Programs for students with intellectual disabilities; and
 - A limited number of bachelor degree programs in liberal arts if the institution has been regionally accredited since October 2007 and the program has been offered by the institution since January 2009

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GE Programs

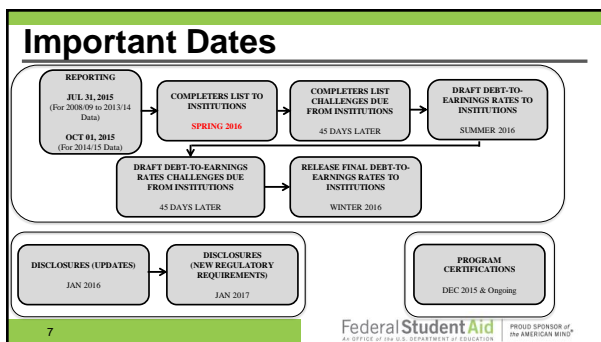
- At public institutions and not-for-profit institutions, all NONDEGREE programs are GE Programs except for:
 - Programs of at least 2 years in length designed to be fully transferable to a bachelor's degree program where school does not confer a credential upon completion of coursework
 - Approved Comprehensive Transition and Postsecondary Programs for students with intellectual disabilities
 - Preparatory coursework necessary for enrollment in an eligible program; and
 - Teacher certification programs where the institution does not award a credential

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GE Reporting

- Report all Title IV Students by July 31, 2015
 - Report 2008–09 through 2013–14 award years
 - Programs with Medical and Dental Residencies report 2007–08 through 2013–14 award years
- Report 2014–15 Award Year by October 1, 2015
- Report 2015–16 Award Year by October 1, 2016
- Title IV students only

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GE Data to Report

- Institutional, Program, Student Enrollment, and Student Financial Data
 - **ONLY** submit data on students enrolled in a GE program
 - Title IV eligible programs
 - **ONLY** submit data on Title IV aid recipients
 - **ONLY** submit data for programs that **exist as of 7/1/12**
 - Schools must report data for GE programs that were discontinued on or after July 1, 2012 and before July 1, 2015 for any of the award years 2008-2009 through 2013-2014, in which students received Title IV aid for enrollment in the programs
 - 8/10/15 Electronic Announcement

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Reporting – Students to include

- All Title IV students enrolled in GE Programs
- A student enrolled in more than one GE Program must be reported separately for each program
- A student who 'stopped out' and re-entered the same GE Program during the same award year must be reported separately for each enrollment
- A student who was enrolled in the same GE Program during multiple award years must be reported separately for each award year

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GE Program Tracking

- Gainful Employment Program Tracking Web page (NSLDS)
 - Listed under the ORG Tab
 - Provides a listing of the GE programs ED records show the institution offers
 - Shows whether the institution has reported to NSLDS the GE information for any required programs
- Resources
 - NSLDS Gainful Employment User Guide, Chapter 4
 - "GE Program Detail Response Status Report" - provides GE data institution has reported to NSLDS

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Confirming GE Compliance

GE EA #61 – October 8, 2015

- An institution has met its reporting requirement for a GE program on the NSLDS GE Program Tracker List for a year –
 - If 'Yes' is in the 'Source GE' column for the program
 - 'Yes' indicates institution reported students for that program for that year

OR

- If any value other than 'A1' is in the 'Status Reason' column for the program for that year
 - A value other than 'A1' means that the institution annotated the tracker to indicate that the program does not need GE reporting for that year


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Reporting Accuracy

- Data Quality
- Completeness
- Accuracy
- Consistency
- Data Quality Reviews



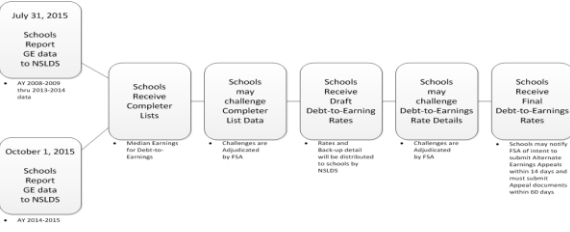
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Debt to Earnings Measures



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Debt to Earnings Overview



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Data Challenges and Appeals Solution

- GE electronic announcement #64 – October 22, 2015
- **NEW Data Challenges and Appeals Solution (DCAS) system** will allow schools to submit challenges to data elements from the Draft GE Completers List and eventually to challenge information used to calculate the debt-to-earnings (D/E) rates
 - Going forward, DCAS functionality will expand in phases to include all appeals, requests for adjustments and challenges related to institutional cohort default rates (CDRs)
 - After DCAS is fully implemented, eCDR Appeals system will end
 - Authorized users at your school will gain access to the new service via the SAIG Enrollment Web site
 - *Stay tuned to IFAP for training opportunities, updated manuals and registration and system availability*

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Data Challenges and Appeals Solution

- GE electronic announcement #67 – October 26, 2015
- Primary Destination Point Administrator (Primary DPA) may now enroll authorized users in the DCAS Online Service via SAIG
 - Attached to the EA is detailed instructions for the Primary DPA to complete the process
 - A signature page will be required, before access will be granted

ANN-15-17 – Webinar Recordings – Interpreting GE Completer Lists & How to Submit A Challenge to GE Completer List

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Gainful Employment Measure

- Debt-to-earnings (D/E) rates
 - Annual Earnings D/E rate
 - Discretionary Income D/E rate
 - Passing: Annual D/E \leq 8% or Discretionary D/E \leq 20%
 - Failing: Annual D/E $>$ 12% and Discretionary $>$ 30%
 - Zone: Annual D/E $>$ 8% and \leq 12% or Discretionary D/E $>$ 20% and \leq 30%

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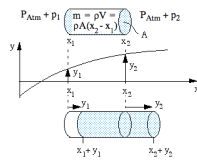
Cohort Periods

- D/E rates are calculated using debt and earnings of students who complete a GE program during a specific cohort period
- Cohort period is either two- or four-years
 - Two-year cohort used if 30 or more students completed during the period
 - Four-year cohort used if fewer than 30 students completed during the two-year cohort period
- If fewer than 30 students completed during the four-year cohort period, D/E rates will not be calculated

Cohort Periods

- Two-year cohort is students who completed the program during the 3rd and 4th award years prior to award year for which rates are calculated
- Four-year cohort is students who completed the program during the 3rd, 4th, 5th and 6th award years prior to the award year for which rates are calculated
- D/E rates calculation for 2014-15
 - Two-year cohort period is 2010-11 and 2011-12
 - Four-year cohort period is 2008-09, 2009-10, 2010-11 and 2011-12

GE Rates Calculation



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D/E Rates Calculation

- Discretionary Income Rate = annual loan repayment divided by (the higher of the mean or median annual earnings less(1.5 times the HHS Poverty Guideline))
- Annual earnings rate = annual loan payment divided by the higher of the mean or median annual earnings

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D/E Rates Calculation

- Annual loan repayment
 - Calculated by determining the median loan debt of students who completed the program during the applicable cohort and amortizing that debt
 - Includes private education loans and total amount outstanding on any other credit extended by the institution
 - Capped at lesser of total amount of student's tuition and fees, books and supplies, and equipment or the total amount of debt the student incurred for the program

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D/E Rates Calculation

- Annual earnings
 - Based on earnings obtained from SSA
 - ED submits a list to SSA of students who completed the program during the cohort period and received Title IV aid
 - SSA calculates and returns the mean and median annual earnings of students on the list for whom it was able to match earnings data for the GE "earnings year"
 - GE earnings year is two calendar years preceding the year in which D/E rates are calculated
 - SSA does not provide individual earnings data or the identity of any student

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G/E Rates Calculations

- Exclusions
 - Any of student's Title IV loans are in a military-related deferment
 - Any of student's Title IV loans have been approved or are under consideration for a T/P disability discharge
 - Student was enrolled in any other program during the calendar year for which SSA earnings are obtained
 - For undergraduate GE programs, student completed a higher-credentialed undergraduate program at the same institution
 - For graduate GE programs, the student completed a higher-credentialed graduate GE program at the same institution
 - The student is dead

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Gainful Employment Results

- Program's loses Title IV eligibility if:
 - D/E measures – Fails in two out of three years
OR
 - D/E measures - Fails or in the zone for four consecutive years

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Disclosures


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Required Disclosures

- Occupations
- Normal time to complete program
- On-time graduation rate for completers
- Tuition & fees, books & supplies, room & board
- Placement rate for completers (as determined by State or Accreditor methodology)
- Median loan debt
- Other program information provided by the Secretary

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Required Disclosures

- On-Time Graduation Rate for Completers
- Specify the percent of students who completed in the most recently completed award year within normal time

Step 1
Determine how many students completed in the most recently completed award year.

Step 2
Determine the number of students in Step 1 who completed within normal time.

Step 3
Divide the number in Step 2 by the number in Step 1. Then, multiply by 100.

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Required Disclosures

- Example: On-Time Graduation Rate for Completers

$$\frac{150}{200}$$


150 ← Number of students who completed within normal time

200 ← Total number of students who completed in the 2013-14 AY

$$150 \div 200 = 0.75$$

↓

$$0.75 \times 100 = 75\%$$


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Required Disclosures

- On-Time Graduation Rate for Completers includes:
 - Leaves of absence
 - Time if a student withdrew and then returned
 - Enrollment in other programs if the student did not complete the other program

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Required Disclosures

- Educational Costs
 - Provide tuition & fees charged for completing the program within normal time
 - Provide typical costs for books & supplies (unless included in tuition and fees)
 - Provide costs for room & board, if applicable
 - Other expenses are optional, but provide a link/access to program cost information under Student Right-to-Know

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Required Disclosures

- Median Loan Debt
 - Specify the median (not mean) loan debt incurred by students who completed the program
- Three categories of debt → 3 medians!
 - Title IV, HEA program loans
 - Private education loans
 - Institutional financing plans

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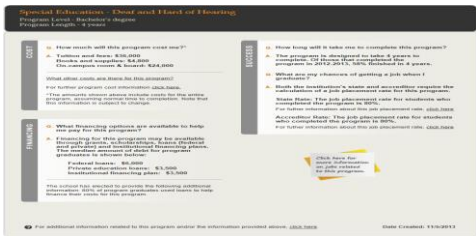
Disclosure Template

- The template is an application that creates a standardized Web page with the GE disclosure information
- Web page must be hosted on Institution's site



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Disclosure Template



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Disclosure Template

- If you offer multiple programs with the same CIP Code and Credential Level, consider separate disclosure templates if there is a significant difference in the:
 - Published length of the program
 - Tuition, fees, or other costs
 - Placement rate calculations (e.g., offered in different States)




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Disclosure Availability


- Include the Template in all promotional materials about the GE program
- Promotional materials include invitations, ads, course catalogs, social media, etc. that mention or otherwise refer to a specific GE program
- If not feasible to include the Template, include a live link or URL to it and clearly explain what is available at that Web page

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Disclosure Availability


- Post the Template on your institution's Web page
- Prominently display direct links to the Template on:
 - The GE program home page
 - Other institutional Web pages about the GE program



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Gainful Employment - Disclosures

- Schools *must use ED's GE Disclosure Template*
 - Schools must update their GE program disclosures with 14-15 information no later than **January 31, 2016**
 - GE Electronic Announcement #65 (10/23/15)
- Template updates include:
 - Automatically disables median debt fields when institution reports fewer than 10 completers
 - Institution can indicate it is required to calculate placement rates, but had no graduates in the program for applicable award year
 - Changes "Who is included?" field to "Placement Rate Methodology," when a state and/or accrediting agency job placement rate is required

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GE Disclosure Resources

- GE Disclosure Template
<http://www2.ed.gov/policy/highered/reg/hearulemaking/2009/negreg-summerfall.html>
- Requirement
- Template application
- Quick start guides
- Bulk data file upload tool
- Help desk: 855-359-3697, gedt@inovas.net

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Disclosures Under New Final Rules

- Transition from current disclosure requirements to requirements of the final regulations
- Consumer testing & Focus groups
- Seek comments on new disclosure template
- Guidance and technical assistance
- Delay in effective date of new disclosure requirements until January 1, 2017, gives the Department time to conduct consumer testing and prepare new disclosure template

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Disclosures Under New Final Rules

- Institution must use the disclosure template provided by ED to disclose information about each GE program to enrolled and prospective students
- Will include Student Warnings, if applicable
- ED will identify information that must be disclosed in the template in a notice published in the Federal Register
- Information to be disclosed may include, but is not limited to, the items listed on the following slides

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Potential Future Disclosure Items

- Primary occupations
 - by name and SOC code the program prepares students to enter, along with links to occupational profiles on O*NET
- Program's completion and withdrawal rates
 - for full-time and less-than-full-time students
- Length of the program
 - in calendar time (i.e., weeks, months, years)
- Number of clock-hours, credit-hours or equivalent, as applicable, in the program
- Total number of individuals enrolled in the program during the most recently completed award year
- Loan repayment rate
 - for any one or all of the following groups of students who entered repayment on Title IV loans during the two-year cohort period:
 - All students who enrolled in the program
 - Students who completed the program
 - Students who withdrew from the program

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Potential Future Disclosure Items

- Total cost of tuition and fees, and the total cost of books & supplies, and equipment that a student would incur for completing the program within the length of the program
- Placement rate for the program
 - (if institution is required by accreditor or State to calculate a placement rate for either the program or the institution, or both) using the required methodology of that accreditor or State
- Of individuals enrolled in the program during the most recently completed award year, the percentage who received a Title IV loan or private loan for enrollment in the program
- Median loan debt of any or all of the following groups:
 - Those students who completed the program during the most recently completed award year
 - Those students who withdrew from the program during the most recently completed award year
 - All of the students referenced above

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Potential Future Disclosure Items

- Mean or median earnings of any one or all of the following groups of students
 - Students who completed the program during the cohort used by ED to calculate the most recent D/E rates for the program
 - Students who were in withdrawn status at the end of the cohort period used by ED to calculate the most recent D/E rates for the program
 - All of the students referenced above
- Most recent program cohort default rate
- Most recent annual earnings rate
- Whether program does/does not satisfy:
 - Applicable educational prerequisites for licensure or certification in each State within the institution's MSA*
 - Applicable educational prerequisites for professional licensure or certification in any other State for which the institution has made a determination regarding such requirements*
 - *For any State not described above, must include statement that the institution does not have a determination about licensure or certification requirements in those states*
- Whether program is programmatically accredited and name of the accreditor
- Link to ED's College Navigator website

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Certifications

- Transitional Certification
 - Required of current Title IV institutions offering GE programs
 - Must be submitted to ED no later than 12/31/15, unless:
 - Institution has submitted an E-App that resulted or will result in a new PPA executed between July 1, 2015 and December 31, 2015
 - GECertification@ed.gov
 - Must be signed by institution's President/Chancellor/CEO
- Certifications renewed when institution recertifies PPA

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Certifications

- Institution must update information about its GE programs using the Application to participate in Federal Student Aid Programs (E-App) so that its Eligibility and Certification Approval Report (ECAR) is current
- Institution must certify that each GE program it offers:
 - Is approved by a recognized accrediting agency or otherwise included in the institution's accreditation by its recognized accreditation agency
 - If a public vocational institution, is approved by a State agency recognized to approve such programs in lieu of accreditation
 - Is programmatically accredited if required by a Federal governmental entity or by a governmental entity in the state where the institution is located or in which it is otherwise required to obtain State approval

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Certifications

- Satisfies applicable educational prerequisites (in the State in which the institution is located or in which it is otherwise required to obtain state approval for professional licensure or certification requirements in that State) so that a student completing that program and seeking employment in that State qualifies to take any licensure or certification examination needed to practice or find employment in an occupation that the program prepares students to enter
- Is not substantially similar to a program offered by the institution that, in the prior three years, became ineligible under the D/E rates measure or was failing, or in the zone, and was voluntarily discontinued by the institution
 - Programs that share the same four-digit classification of CIP code are considered to be substantially similar

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Certifications

- Changes after transitional certification requirement met
 - Institution adding or revising GE information on E-App that does not result in a new PPA must provide a new certification each time the E-App is updated
- Includes:
 - Establishing or reestablishing the eligibility of a program
 - Discontinuing a program's eligibility
 - Ceasing to provide a program for 12 consecutive months
 - Losing program eligibility
 - Changing a program's CIP code, or credential level
- ED will monitor (on an ongoing basis) certifications for accuracy and completeness

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Certifications

- GE Electronic Announcement #54 – *Certification Requirements for Gainful Employment Programs*
 - Reminds institutions of the requirement to provide ED with an accurate listing of their GE programs
 - Provides instructions for institutions on the GE program certifications they must submit to ED
 - Contains two enclosures
 - *Instructions for Providing Transitional Certification*
 - *Sample GE Transitional Certification*

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Certifications – GE EA #66

Question: Can an institution certify that a GE program meets the programmatic accreditation requirements if the institution has not yet obtained full programmatic accreditation for the program?

Answer: For the purpose of the transitional certification, an institution may certify that a program that has not yet received full programmatic accreditation meets the requirements in 34 CFR 668.414(d)(2) if the State in which the institution is located permits the institution to offer that program to students in that State as of the date that the institution's certification is provided to the Secretary.

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Certifications – GE EA #66

Question: Because some States require that a program be programmatically accredited in order for graduates of that program to be eligible to obtain professional licensure or certification (or sit for a licensure exam) in that State, may an institution certify that a program meets the requirements if the program has not yet obtained full programmatic accreditation?

Answer: An institution can certify that the requirements in 34 CFR 668.414(d)(3) are met under these circumstances - if, on the date the certification is made, the State requiring programmatic accreditation for licensure would permit graduates from the program to apply for the relevant licensure.

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GE Resources

- GE Information Page on IFAP
 - Federal Register Notices; DCLs; Electronic Announcements; FAQs; Webinars; Presentations; Resources
 - <http://www.ifap.ed.gov/GainfulEmploymentInfo/indexV2.html>
- NSLDS Gainful Employment User Guide

send questions to GE-Questions@ed.gov

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Contacts

- Atlanta School Participation Team
 - Main Number: 404-974-9303
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- Atlanta Training Officers
 - David Bartnicki – 404-974-9312



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Training Feedback

To ensure quality training we ask all participants to please fill out an online session evaluation

- Go to <http://s.zoomerang.com/s/DavidBartnicki>
 - Evaluation form is specific to David Bartnicki
- This feedback tool will provide a means to educate and inform areas for improvement and support an effective process for "listening" to our customers
- Additional feedback about training can be directed to joann.borel@ed.gov

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Questions



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