Gainful Employment Final Rules
Part 2: Reporting, Disclosures, and Warnings

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Gainful employment (GE) learning topics

GE Final Rules Part 2: Reporting, Disclosures, and Warnings

- Overview of transparency framework components
  - Reporting requirements (engine)
  - Disclosure requirements (results)
  - Student warnings, if necessary (informed decisions)
- A closer look at the final rule provisions on reporting, disclosure, and student warning requirements
Transparency framework components

GE final rules transparency framework requires:

• Reporting institutional and GE program data to the U.S. Department of Education (ED) for the calculation and publication of various program-level metrics

• Disclosing a wide range of data on individual GE programs to the public, current students, and prospective students wherever a school advertises or provides information on those programs

• If a program could lose Title IV eligibility for the next award year due to debt-to-earnings (D/E) rates, providing warnings to current and prospective students that they could lose future access to federal student aid funds to complete the program:
  – Current students must be advised of potential implications/options.
  – Prospective students must wait 3 business days to register or enroll.
Reporting requirements – institutional data

Schools report the following institution-level information for all GE programs offered by the school as of July 1, 2015:

• School name
• 6-digit OPE ID
• Overall placement rate, if an accrediting agency or state requires the school to calculate an institutional placement rate

Reporting requirements – program data

Schools report the following information for each GE program:

• Program name
• 6-digit Classification of Instructional Program (CIP) code
• Program length in calendar time (weeks, months, or years)
• Program placement rate, if an accrediting agency or state requires the school to calculate a program placement rate
• Indication of whether a program is a medical or dental program that requires students to complete an internship or residency
Reporting requirements – program data

Information reporting for each GE program, continued:

• Credential level
  – Undergraduate programs
    • Certificate or diploma program
    • Associate degree
    • Bachelor’s degree
    • Post-baccalaureate certificate
  – Graduate programs
    • Graduate/professional certificate
    • Master’s degree
    • Doctoral degree
    • First professional degree

Reporting requirements – Title IV student info

Schools report the following information for every student who received Title IV funds (grants/loans) to enroll in a GE program:

• Student’s identifier information
• Student’s first date of enrollment in the program
• Student’s enrollment status as of the first date of enrollment in the program
  – Full-time
  – Three-quarter time
  – Half-time
  – Less than half-time
Information reporting for every Title IV student who enrolled in a GE program, continued:

- Student information specific to the award year (AY) being reported:
  - Student’s attendance dates and attendance status during the AY: enrolled, withdrawn, or completed as of the end of the AY
  - If the student completed or withdrew from the program during the AY for which data is being reported:
    - Date on which the student completed or withdrew from the program
    - Total program charges for tuition and fees
    - Total Cost of Attendance (COA) allowances for books, supplies, and equipment for all AYs in which the student was enrolled in the program, or the actual amount of these program charges if higher than the allowance
    - Total amount of private education loans the student borrowed to enroll in the program (includes all amounts the school is, or should be, aware of)
    - Total amount of institutional debt incurred by the student to enroll in the program and still owed at the time of program completion or withdrawal

Schools will report this information in three parts:

- Initial reporting of multiple prior years of GE data must occur by July 31, 2015.
  - This includes the 2nd through 7th prior AYs (AYs 2008-2009 thru 2013-2014).
  - Medical or dental programs with required residencies or internships will include one additional year of data in the initial submission (AY 2007-2008).
  - A school failing to provide required information must provide an explanation, acceptable to ED, about why the school did not comply with requirements.

- Subsequent, annual reporting of the most recent AY data will occur no later than October 1 following the end of the AY.

- Placement rates will be reported at a later, yet-unspecified date.

ED will announce any changes to the reporting schedule or items to be reported via a Federal Register notice.
### Reporting requirements – timeframes

<table>
<thead>
<tr>
<th>Reporting deadline</th>
<th>Award year (AY)</th>
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<tbody>
<tr>
<td>July 31, 2015</td>
<td>2008-2009</td>
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<tr>
<td></td>
<td>2009-2010</td>
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<tr>
<td>Report data for 2nd through 7th prior AYs (6 years of data)</td>
<td>2010-2011</td>
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<td>2012-2013</td>
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<td>2013-2014</td>
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<tr>
<td>October 1, 2015</td>
<td>2014-2015</td>
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<tr>
<td>October 1, 2016</td>
<td>2015-2016</td>
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*GE medical or dental programs that include a required residency or internship will include AY 2007-2008 data (for the 8th prior AY) in the initial reporting process also.

### Disclosure requirements
Disclosure requirements – overview

Schools will continue to follow the current GE program disclosure requirements in § 668.6(b) and (c) through December 31, 2016.

ED is revising the current GE program disclosure template to align with the final rules. That process, which will include opportunities for public comment, is expected to be completed during 2016.

Effective January 1, 2017, the new GE program disclosure template will be used to disclose a broader range of information to the public, current students, and prospective students. Disclosures must be updated at least annually, or within 30 days of receiving notice from ED that student warnings are required, if applicable.

The final rules list 16 potential disclosure items. In an annual Federal Register notice, ED will specify which items to include in the next year’s disclosures. ED may also add items to the list.

Disclosure requirements – overview

Disclosure requirements overview, continued:

Schools must provide a link to the GE program disclosure template in a prominent, readily accessible, clear, conspicuous, and direct manner on any web page containing academic, cost, financial aid, or admissions information about that GE program.

Schools must include the disclosure template in all promotional materials identifying a specific GE program. These include, but are not limited to, catalogs, invitations, billboards, flyers, and advertising on or through radio, television, print, Internet, and social media. This includes marketing materials made available by, or on behalf of, the school. Where airtime or space limits do not permit inclusion of the disclosure template, the Web address of, or direct link to, the disclosure template is provided instead in a prominent manner with a label noting "Important Information".
Disclosure items

Information a school may be required to disclose for each GE program includes:

- Primary occupations for which the program prepares students
  - Include names and Standard Occupational Classification (SOC) codes
  - Provide links to occupational profiles on O*Net (www.onetonline.org)
- Program length as measured in clock or credit hours and calendar time (weeks, months, or years)
- Total cost to complete the program on time (tuition, fees, books, supplies, and equipment)
- Program’s compliance with all applicable accreditation, state, and occupational requirements (see § 668.412(a)(14) and (15) for details)
- Link to ED’s College Navigator web site
- Any required student warnings

Disclosure items

The following disclosures are provided unless the cohort includes fewer than 10 students, in which case they are not permitted:

- Most recent annual earnings rate
- Most recent program cohort default rate (pCDR)
- Placement rate for the program, if available
- Loan repayment rate: all Title IV students, completers, and withdrawn students
- Completion rates: full-time and less-than-full-time Title IV students (2 sets each)
- Withdrawal rates: Title IV students withdrawn in 100%, 150% of program length
- Median loan debt: all Title IV completers, withdrawn students, or both during the most recent AY
- Mean or median earnings: all Title IV completers, withdrawn students, or both during the cohort period used to calculate the most recent D/E rates
- Information regarding all enrollees in a program, not just Title IV students:
  - Total number of enrollees in the program during the most recent AY
  - Percentage of all those enrollees who borrowed Title IV or private loans
Disclosure delivery to students

Before a prospective student signs an enrollment agreement, completes registration, or makes a financial commitment to the school, the school must provide the prospective student, as a separate document, a copy of the disclosure template.

The disclosure template may be provided by:
• Hand-delivering to the prospective student individually or as part of a group presentation (written confirmation of receipt)
• Sending the disclosure template to the primary email address used by the school for communicating with the prospective student about the program.

Note: The above requirements are also applicable to a third party acting on behalf of the prospective student.

Varied program lengths, locations, or formats

A school that offers a GE program in more than one program length must provide a separate disclosure template for each program length. The school must ensure that each disclosure template clearly identifies the length of the program.

If a school offers a GE program in more than one location or in multiple formats (e.g., full-time, part-time, and accelerated), a separate disclosure template may be provided for each location or format, if doing so would result in clearer disclosures.

In both cases, the school must disaggregate the disclosures for some of the specified items (see § 668.412(f)(3) for details).
Student warnings

If ED notifies a school that a GE program could lose Title IV eligibility for the next AY based on D/E rates, the school:

- Must provide a warning to current and prospective students, or to any third party acting on behalf of a prospective student
- Must provide a link to ED's College Navigator web site for information about similar programs
- To the extent practicable, must provide alternatives to the English-language student warning for students and prospective students for whom English is not their first language
Warnings to current students

For warnings provided to current students:

• Describe academic and financial implications, including options for the students to continue their education at the school.
• Indicate whether or not the school will:
  – Continue classes and allow students to complete the program
  – Refund the tuition, fees, and other required charges paid to the school by, or on behalf of, the students to enroll in the program
• Explain whether coursework credits earned in the program can be transferred to another school.

Delivery to current students

A school must provide the warning **in writing** to each student enrolled in the program no later than 30 days after the date ED notifies the school of the warning requirement by:

• Hand-delivering the warning as a separate document to the student individually, or as part of a group presentation; or
• Sending the warning to the primary email address used by the school for communicating with the student about the program.
Warnings to prospective students

A school may not enroll, register, or commit a student financially with respect to a GE program until at least 3 business days after the school has provided the required warning.

If more than 30 days pass from the date the warning is provided, the school must provide another warning to the student and wait at least 3 business days before proceeding, as described above.

Delivery to prospective students

The warning must be given to each prospective student at the first contact with the school about the program by:

- Hand-delivering the warning as a separate document to the prospective student individually, or as part of a group presentation;
- Sending the warning to the primary email address used by the school for communicating with the prospective student about the GE program;
- Providing a copy of the GE disclosure template that includes the student warning; or
- Providing the warning orally if the contact is by telephone.
Warnings sent via email

For warnings sent to both current and prospective students by email, the school must:

- Ensure that the warning is the only substantive content in the email;
- Receive electronic or other written acknowledgement from the student that the student received the email;
- Send the warning using a different address or method of delivery if the school receives a response that the email could not be delivered; and
- Maintain records of its efforts to provide the required warnings.

Student warning content

The warning message must read as follows:

“This program has not passed standards established by the U.S. Department of Education. The Department based these standards on the amounts students borrow for enrollment in this program and their reported earnings. If in the future the program does not pass the standards, students who are then enrolled may not be able to use federal student grants or loans to pay for the program, and may have to find other ways, such as private loans, to pay for the program.”
Summary comments

ED indicated in the preamble to the final rules that it does not intend to include all 16 items on the GE disclosure template each year. Consumer testing will be conducted to help identify which disclosure items will be most meaningful to students.

Schools will be provided opportunities to challenge data used in disclosure calculations to help ensure accurate disclosures.