

## Adding/Removing Gainful Employment Programs – by Institutions

### REPORTING NEW EDUCATIONAL PROGRAMS THAT PREPARE STUDENTS FOR GAINFUL EMPLOYMENT IN A RECOGNIZED OCCUPATION

Under the Program Integrity regulations that took effect July 1, 2011, an institution that intends to add a new GE Program to its list of Title IV eligible programs must notify ED at least 90 days prior to the expected first day of class for the proposed program.

**If an institution does not give notice at least 90 days before the first day of class, or is provisionally certified,** it must wait for ED's approval before disbursing funds to students enrolled in the new GE Program. In addition, if the institution is adding a direct assessment or Comprehensive Transition and Postsecondary (CTP) Program, it must wait for ED's approval of that program. The institution must also inform students that the institution has not yet received ED's approval for the program to be eligible for federal student aid. The institution may continue to disburse Title IV funds to its existing and previously approved programs.

**If an institution does give notice at least 90 days before the first day of class and is fully certified,** it may receive a response at least 30 days before the first day of class, that either the program is approved or the institution must wait for approval. If the notice was complete and timely, and the institution does not receive a response from ED at least 30 days before the first day of class, the institution may make a self-determination of the program's eligibility and disburse funds to students enrolled in the new GE Program. In this case, the school will receive a determination from ED when review of the program has been completed.

When an institution notifies ED of a new GE Program, it must include information to demonstrate that the program meets the requirements of an eligible program as outlined in [34 CFR 668.8](#) by reporting the program on [Federal Student Aid's \(FSA's\) Application for Approval to Participate in the Federal Student Financial Aid Programs \(E-App\)](#) and, in most cases, must include a *Notice of Intent to Offer an Educational Program*, as described in [34 CFR 600.20 \(d\)\(2\)](#), which includes descriptions of:

- how the institution determined the need for the program;
- how the institution designed the program to meet local market needs, or for an online program, regional or national market needs [\[34 CFR 600.20\(d\)\(2\)\]](#). This description must contain any wage analysis the institution may have performed, including any consideration of Bureau of Labor Statistics (BLS) data related to the program; and

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## GAINFUL EMPLOYMENT OPERATIONS MANUAL

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- the review or approval of the program by, or development in conjunction with, business advisory committees, program integrity boards, public or private oversight or regulatory agencies, and businesses that would likely employ graduates of the program.

The institution must also submit documentation of accrediting agency approval of the program or show that it is otherwise included in the institution's accreditation, or comparable documentation if the institution is a public postsecondary vocational institution approved by a recognized state agency for the approval of public postsecondary vocational education.

For information on the procedures for institutional notification to ED of new GE Programs using [FSA's Application for Approval to Participate in the Federal Student Financial Aid Programs \(E-App\)](#), and *Notice Format for Intent to Offer an Educational Program*, see [Electronic Announcement #16](#).



**NOTE:**

**If an institution is not required to wait for approval, and the institution errs in its self-determination that an educational program is eligible, all Title IV funds disbursed for students in that program become an institutional liability. For this reason, many schools prefer to wait for a response from ED before disbursing funds.**



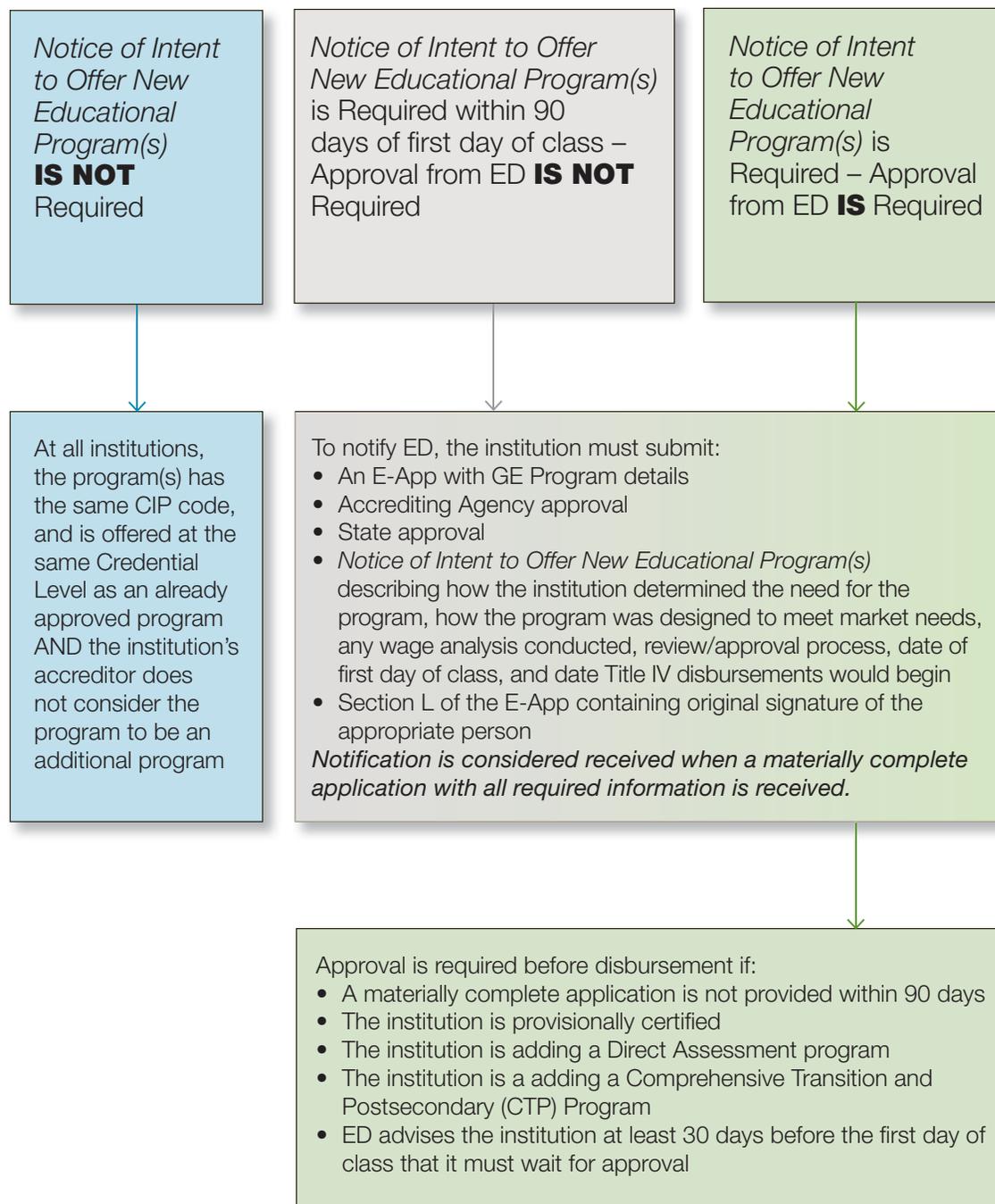
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## Adding New Gainful Employment Programs: When to Notify ED and How

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### REPORTING THE NEW GAINFUL EMPLOYMENT PROGRAMS USING THE E-APP

Below are the instructions for reporting new GE Programs using the E-App.

Access your institution's E-App at [eligcert.ed.gov](http://eligcert.ed.gov).

The E-App is password protected. The login information belongs to the institution, not an individual. You must have the institution's eight-digit OPEID assigned by ED and nine-digit Employer Identification Number (EIN) or Taxpayer Identification Number (TIN) to access the application. Your Program Participation Agreement (PPA) and your Eligibility and Certification Approval Report (ECAR) list the OPEID and EIN/TIN of the institution.

**Login Information:**

The username is the institution's eight-digit OPEID number preceded by the letters ED. The password is the institution's nine-digit Employer Identification Number (EIN) also preceded by the letters ED. Do not add any spaces between the required characters.

**Login Example:**

OPEID: 00123400 and EIN: 012345678

The login is ED00123400, and the password is ED012345678.

### E-APP HELP

For assistance with the [eligcert.ed.gov](http://eligcert.ed.gov) website, your user ID and/or password, or in completing the E-App, contact the School Participation Team (SPT) for your institution.

The [eligcert.ed.gov](http://eligcert.ed.gov) homepage contains telephone numbers for each team. For expanded contact information, see the end of the Introduction section of the E-App.

For schools in the U.S. and its territories, there are SPTs in 10 U.S. cities. Your SPT is generally determined by which state authorizes your institution's main location. There is also a team for schools located in foreign countries.

### STRUCTURE OF THE E-APP

There are 13 sections to the application, plus a glossary at the end. The sections that are relevant to reporting new GE Programs are:

- Section A, where you describe the purpose for the application.

- Section E, which contains questions about your educational programs.
- Section K, which contains questions about your administrative capability and financial responsibility and also provides the institution an opportunity to enter narrative information about the application and/or changes made.
- Section L, which must be printed and signed by your President/CEO/Chancellor and mailed to ED.
- Section M, which contains a list of documents you must send to ED with the signature page.
- Glossary, which defines terms to assist you in completing the application.

### COMPLETING THE E-APP

Always begin with Section A. Answering the screening question about why you are submitting the application allows the skip logic to work; the system will direct you to answer only the questions needed for the type(s) of application you are completing.

Some application data previously given to ED pre-populates on the application. You can update this data, except your OPEID number.

Each page has an *OK/Save Data* button at the bottom, which will take you through the application displaying only those sections relevant to the type of application you are submitting. Some sections have a *Go to...* next section button in the middle of the page that you can use if the rest of the section does not apply to you or if you want to skip to another section. After entering all of your data on the page, click either button to save the changes and display the next page of the form.

When you have completed the necessary updates, you must click on *Submit Application* for it to be considered submitted to ED.

Section M will list the attachments you need to send separately to ED. Refer to the Introduction for instructions on mailing the signature page and attachments. You do not need to mail ED a copy of the application.

### INSTRUCTIONS FOR SUBMITTING A NEW GAINFUL EMPLOYMENT PROGRAM

- For Question 1 in Section A, select Update Information and select Non-degree/Vocational Program.
- For Questions 26 and 27 in Section E, supply complete information to report new non-degree programs. Note: In Question 27, the Date First Provided field for the educational program may be a date in the future.
- In Question 69 Section K, enter the following explanation: This application includes notification of new Gainful Employment Program(s). The required documentation will be mailed with the signature page.
- Section L, enter requested information, print and sign.
- Submit the application electronically following the instructions in the E-App.

- Mail the following to the address provided in the E-App:
  - Signature page,
  - Current letter of accreditation and any attachments,
  - Current valid state license or other authorization, and
  - Written notice of intent to offer an educational program (see *Notice Format for Intent to Offer an Educational Program*).

### NOTICE FORMAT FOR INTENT TO OFFER AN EDUCATIONAL PROGRAM

An institution that is notifying ED of its intent to offer a new GE Program must include supporting information of the institution's determination of the need for the program.

If the institution used the same, or a similar, process to determine the need for multiple programs, the supporting information may apply to more than one new GE Program.

#### Information to provide includes the following:

1. Institution name.
2. OPEID.
3. Program name(s) and program CIP code(s) supported by this documentation.
4. Narrative description of how the institution determined the need for the program. For example, describe what need this program will address and how the institution became aware of that need. If the program is replacing a current program(s), identify the current program(s) that the new program(s) replaces and provide details describing the benefits of the new program(s). If the institution offers (or will offer) the program in connection with, or in response to, an initiative by a local, state, or federal government entity, provide the details of that initiative.
5. Narrative description of connection between the program design and local market needs; or for an online program, regional, or national market needs. For example, note the use of Bureau of Labor Statistics data or a state labor data system, and/or consultation with any state, regional, or local workforce agencies. Include information about the development of course content, program length, academic level, admission requirements, and prerequisites; include information received from potential employers about course content; and include information regarding the target students and employers.
6. Narrative description of any wage analysis the institution may have performed, including any consideration of Bureau of Labor Statistics wage data related to the new program.
7. Narrative description of how the program was reviewed or approved by, or developed in conjunction with, one or more of the following:
  - Business advisory committees

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**NEED HELP?**

Contact the SPT assigned to your school. The telephone numbers for the SPTs are listed on the [elgcert.ed.gov](http://elgcert.ed.gov) website.

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- Program integrity boards
  - Public or private oversight or regulatory agencies (not including the state licensing or authorizing agency and the accrediting agency that approve the institution's programs)
  - Businesses that would likely employ graduates of the program (for example, describe the steps taken to develop the program, identify when and with whom discussions were held, provide relevant details of any proposals or correspondence generated, and/or describe any process used to evaluate the program).
8. Date of the first day of class. Include both:
- The first day the program was (or will be) offered by the institution, and
  - The day you would like to begin disbursing Title IV aid to students enrolled in the program.

**Remember:** The institution must retain supporting documentation of this description for review. ED may request that the institution submit copies of the supporting documentation for review. Supporting documentation may include items such as copies of meeting minutes, correspondence, proposals, or other documentation to support the development, review, and/or approval of the program.

ED issued [Dear Colleague Letter \(DCL\) GEN-11-10](#) on April 20, 2011, to provide guidance on several of the regulatory requirements related to an institution's educational programs that "lead to gainful employment in a recognized occupation" (GE Programs). DCL GEN-11-10 included information on the new regulatory requirements related to the addition of a new GE Program by an institution.

## REGULATORY CHANGES

ED issued a [Notice of Proposed Rulemaking \(NPRM\)](#) on September 27, 2011, that proposes changes to the regulations on adding new GE Programs. The comment period ended November 14, 2011. Any changes in regulations would not be effective before July 1, 2013.

## COMPLIANCE

*(More information will be added to this section in future editions of this guide.)*

The SPT is responsible for monitoring an institution's compliance with the requirements of the Title IV programs, including Gainful Employment requirements. The SPT may review an institution's website or promotional materials to assess and monitor compliance. The SPT may review this information as part of recertification or approval of additional institutional eligibility, the Audit Resolution process, Program Review, etc.

Your independent auditor may also ask to review data related to GE Programs as part of the annual compliance audit.

### WARNINGS

The Chief Operating Officer of FSA sent electronic or hard copy notices of non-compliance to the President/CEO of each school that did not report students to NSLDS. This includes schools that notified ED that the institution was not required to report, yet ED had reason to believe the institution had GE Programs.

### SANCTIONS

ED will notify schools in writing if an action to impose a sanction will be taken. Failure to follow federal regulations may lead to administrative action. An administrative action may include but is not limited to the imposition of a fine and/or limitation, suspension, or termination of the institution's Title IV program participation, as outlined in [34 CFR Section 668, Subpart G](#).