

Session #39

Gainful Employment Disclosures and Template Demonstration

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FEDERAL STUDENT AID

What We Will Cover

- Background
- Regulatory Framework
- Electronic Announcement #25
- Tips from the Frequently Asked Questions
- Template Overview
- Resources

Background

- Negotiated Rulemaking
 - Negotiations held late 2009-early 2010
 - NPRM published 6/18/2010
 - <http://edocket.access.gpo.gov/2010/pdf/2010-14107.pdf>
 - Final rule published 10/29/2010
 - <http://www2.ed.gov/legislation/FedRegister/firule/2010-4/102910a.pdf>
 - Effective date: July 1, 2011

Regulatory Framework

- Requirements in §668.6(b)
- Apply to all GE Programs under this section
- To determine whether your program is a GE Program, see:
 - GEN-11-10
 - GE E-Announcement #s 3, 11, 12, and 19

Tips: What is a GE Program?

- Non-Title IV programs are not GE Programs
- Non-degree programs of any length are GE Programs
- If the program is two-years in length and is fully transferable – still a GE Program unless it is DESIGNED as solely a transfer program

Regulatory Framework

- Must disclose for each GE Program:
 - Occupations
 - On-time graduation rate for completers
 - Tuition and fees, books and supplies, room and board
 - Placement rate for completers
 - Median loan debt

Regulatory Framework

- Occupations (668.6(b)(1)(i))
 - Occupations by names and SOC codes that program prepares students to enter
 - Links to occupational profiles on O*NET
 - <http://online.onetcenter.org/crosswalk/>
 - Representative sample for >10
 - See GE E-announcement #25

Regulatory Framework

- On-time graduation rate
 - **Determine:**
 1. Number of students who completed the program in most recently completed award year
 2. Number of those that completed within *normal time* (668.41(a))
 - **Calculate:**
 - $\#2/\#1 \times 100 = \text{on-time grad rate}$

On-time Completion

If 100 students completed in most recent award year

$$\frac{75}{100}$$

of students who completed within normal time

Total # of students who completed in the 2010-2011 AY

$$75 \div 100 = 0.75$$

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



Tips: On-Time Completion

- On time completion calculations include leave of absence
- Includes enrollment in other programs if the student did not complete the other program

Regulatory Framework

- Costs*
 - Tuition and fees
 - Typical costs for books and supplies
 - Room and board, if applicable
 - Other expenses (optional)
 - Must provide access to program cost information under §668.43(a)

*For completion of program within normal time.

Regulatory Framework

- Placement rate
 - For students completing the program
 - To be determined using NCES methodology, once available
 1. Disclose/use accrediting agency and/or state rates or methodologies or
 2. If not required by an accrediting agency or state, then not required until NCES methodology is available



Regulatory Framework

- Median loan debt
 - Median (not mean) incurred by students who completed the program
 - Data provided to institutions by the Secretary
 - Must separate median loan debt from Title IV, HEA program loans and from private education loans and institutional financing plans

Tips: Median Debt - Title IV

- Federal Family Education Loan (FFEL) Program
- William D. Ford Federal Direct Loan (Direct Loan) Program (Include GRAD PLUS)

Not included:

- Parent PLUS Loans, TEACH grants that may have been converted to Unsubsidized Direct Loans, Federal Perkins Loans

Tips: Median Debt – Private Loan

- The Truth-in-Lending regulations at 12 CFR 226.46(b)(5) provide the definition
- Examples include, but are not limited to: loans made expressly for educational expenses by:
 - Financial institutions or credit unions
 - Institutions of higher education or their affiliates
 - States and localities

Tips: Median Debt - Institutional Financing

- Amount owed as of the day the student completed or withdrew from the GE Program
- Any loan, extension of credit, payment plan, or other financing mechanism that was provided by the institution or a related party, that results in a debt a student must repay to the institution or the related party, after withdrawing from or completing the GE Program

Regulatory Framework

- Include information in promotional materials and on institution's website
- Use template, once available (stay tuned!)



Regulatory Framework

- Information on website
 - Must be prominent on program home page
 - Accessible from other institutional web pages about program
 - Prepared in an open format that can be easily searched by common web search applications

Tips: Promotional Materials

- Invitation, advertisement, or solicitation mentions or otherwise refers to a specific GE Program or Programs
- Institution may display the URL or provide a live link to the webpage where the required information is located, with a clear explanation of the information that is available at that webpage



Tips: Webpage

Question: Can my institution include the information for all of my GE Programs on one central webpage?

Answer: No. Disclosure information must be on the home page of each GE Program.

Electronic Announcement #25

- Length of the Programs – Is there is a significant difference in the published length of the programs?
- Tuition and Fees – Is there is a significant difference in the tuition, fees, or other costs for the programs?
- Programs Offered in Different States – Are programs offered in different states that require different placement rate calculations and different minimum requirements?

Tips: Who to include

- If no SSN, do not include that student in disclosure calculations
- If high school student is a “regular student” then you should include the student

Tips: Small Programs

- If the number of students who completed a GE Program during the award year was less than 10, the school should not disclose to the public:
 - Median debt amounts (Title IV debt, private loan debt, institutional debt)
 - On-time completion rate

Tips: Small Programs

- Schools must disclose all of the following, regardless of the number of students who were enrolled in or completed the program:
 - The occupations (by names and SOC codes) that the program prepares completers to enter
 - Tuition/fees charged to complete the program in normal time
 - Placement rates if aligned with the requirements of the accreditor or state



Template Overview

- What is the template?
 - Similar to the template used for the Net Price Calculator requirement, allow institutions to enter their own data, combines it with Dept of Ed data, and displays in consistent consumer-friendly webpage
 - Difference: NPC template was an optional way to meet disclosure requirement; GE template is required

Process to Develop Template

- Review of regulatory requirements
- Development of mock screens
- Focus groups with students for input on webpage that will be displayed for each program
- Focus groups with institutional representatives on data entry form for template
- Federal Register notice of proposed form including public comment periods

How It Works

- For each GE, institution enters information (OPEID, CIP, and credential level) into an online form that allows ED to look up data (previously reported by institution) to include:
 - Median federal debt
 - Median private loan debt
 - Median institution debt
 - Repayment rate
 - Debt-to-earnings ratio

How It Works - continued

- For each GE, institution enters additional data into the online form that ED does not have:
 - Program length
 - Related SOCs
 - Total tuition and required fees for the entire program
 - Total estimated costs for books and supplies
 - Room and board (if applicable)
 - On-time graduation rate for completers
 - Job placement rate and info about job placement rate

How It Works - continued

- After entering all the data for the program, hit submit
- ZIP file produced with html page to be put on your institution's website
- Note: file upload option will be available so you don't have to enter all data for all programs on screen/manually – produce screens for all programs at once

Example of Output Screen

Baking and Pastry Arts Certificate Program

Click on the links for more information on jobs related to this program: [Chefs and Head Cooks](#), [Bakers](#)

C O S T	Q: How much will this program cost me?					
	A: Tuition and fees: \$XX,XXX Books and supplies: \$XXX On-campus room & board: Not offered  What's included?					
F I N A N C I N G	Q: What are my financing options to pay for the program?					
	A: In addition to any grant and scholarship aid that students received, XX % of graduates used loans to help finance their education. The median debt for program graduates is shown below: <table><tr><td>Federal loans</td><td>\$X,XXX</td></tr><tr><td>Private educational loans</td><td>\$X,XXX</td></tr><tr><td>Institution financing plan</td><td>\$X,XXX</td></tr></table>	Federal loans	\$X,XXX	Private educational loans	\$X,XXX	Institution financing plan
Federal loans	\$X,XXX					
Private educational loans	\$X,XXX					
Institution financing plan	\$X,XXX					
S E R V I C E S	Q: How long will it take me to complete this program?					
	A: The program is designed to take XX months to complete. XX% of graduates from this program finished in this time.					
	Q: What are the chances of getting a job when I graduate?					
	A: The job placement rate for students who complete the program is XX%.  What type of jobs? How long did it take?					
	Q: Will I be able to pay back my student loans?					
	A: Former students are successfully repaying XX% of the total amount of student loans they took out for attending the program. Typical graduates of the program use XX% of their monthly earnings to make student loan payments.  What does this mean?					

 For a list of other institutions that offer similar programs, [click here](#).

Template – Next Steps

- 30-day comment period in Federal Register
- Final development of online form and tool
- Testing
- Available no later than July 1, 2012

Resources

The Department has created a site for all information on GE on IFAP:

<http://ifap.ed.gov/GainfulEmploymentInfo/>

- Regulations
- Dear Colleague Letters and Electronic Announcements
- Frequently Asked Questions
- Training
- Resources



Resources

The screenshot shows the IFAP website interface. At the top, there is a browser address bar with the URL <http://ifap.ed.gov/ifap/> and a search bar labeled "Live Search". Below the browser window, the website header features the Department of Education logo and the slogan "START HERE GO FURTHER FEDERAL STUDENT AID". The main navigation menu includes links for Home, Getting Started, What's New, Calendar, iLibrary, Training, Help, and Feedback. A search bar is located on the left side of the page. The central content area is titled "Information for Financial Aid Professionals (IFAP)" and includes a description of the site's purpose, a list of "Hot Topics" such as "Net Price Calculator" and "Negotiated Rulemaking 2009/2010", and several resource boxes for "Tools for Schools", "Worksheets, Schedules, & Tables", "Publications", and "Processing Resources". A "What's New" section with an RSS feed icon is also present. On the right side, there are sections for "Gainful Employment" and "Direct Loan Information". A large red arrow points to the "Gainful Employment" section. The footer of the website includes the slogan "START HERE GO FURTHER FEDERAL STUDENT AID" and the text "Local intranet | Protected Mode: Off".

Resources

After reviewing the Dear Colleague Letter, Electronic Announcements, and FAQs.

Send policy questions by e-mail to:

GE-Questions@ed.gov

Contact Information

We appreciate your feedback & comments.

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