



# Managing (and Challenging) the New GE Disclosures

Part of the *Navigating Gainful Employment*  
Webinar Series | March 2016



# WELCOME & INTRODUCTION

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  - Partner, Higher Education Practice, Thompson Coburn LLP.
- Higher Education Practice
  - Provide regulatory counsel on federal, state, and accrediting agency laws and standards (*e.g.*, Title IV, Title IX, Clery, consumer information).
  - Assist with postsecondary transactions, contract drafting and negotiation, policy creation, and compliance systems design.
  - Represent institutions in student and employee litigation, government investigations, administrative proceedings, audits, and reviews.

# WELCOME & INTRODUCTION

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- **Prior Experience**
  - Senior Vice President of Regulatory Affairs & Strategic Development for postsecondary institution. Oversaw regulatory, compliance, and government affairs matters for 24 campus locations in Midwest and Southeast United States, as well as for online division.
  - Attorney in DC Higher Education Practice. Provided regulatory and policy guidance, managed agency proceedings, drafted and negotiated wide variety of agreements.

# GE WEBINAR SERIES SCHEDULE

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- How to Project Reliable Debt-to-Earnings Rates (February 11, 2016)
- Strategies for Improving Debt-to-Earnings Rates (February 18, 2016)
- Completers List Challenges, Debt Challenges, and Alternative Earnings Appeals (February 25, 2016)
- Preparing for and Managing Required “Student Warnings” (March 3, 2016)
- **Managing (and Challenging) the New GE Disclosures (March 10, 2016)**

# PRESENTATION OUTLINE

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- GE Timeline
- Content of New GE Disclosures
- Distribution of New GE Disclosures
- Challenging New GE Disclosures
- GE Resources

# THE GAINFUL EMPLOYMENT TIMELINE



# GE TIMELINE (2015)

DATE	2015 GAINFUL EMPLOYMENT EVENTS
July 1	<ul style="list-style-type: none"><li>• New gainful employment regulations become effective</li></ul>
July 31	<ul style="list-style-type: none"><li>• Report data for AY 08-09 to AY 13-14</li></ul>
October 1	<ul style="list-style-type: none"><li>• Report data for AY 14-15</li></ul>
November	<ul style="list-style-type: none"><li>• <a href="#"><u>Register to receive Completers Lists through SAIG Enrollment Web site</u></a></li><li>• <a href="#"><u>Enroll in Data Challenges and Appeals Solution (DCAS ) service</u></a></li></ul>
December 31	<ul style="list-style-type: none"><li>• Complete GE transitional certification</li></ul>

# GE TIMELINE (2016)

DATE	2016 GAINFUL EMPLOYMENT EVENT
Spring	<ul style="list-style-type: none"><li>• Issuance of AY 14-15 Completers Lists</li><li>• Prepare and submit AY 14-15 Completers List Challenges</li></ul>
Summer	<ul style="list-style-type: none"><li>• Issuance of AY 14-15 <b>Draft</b> D/E Rates</li><li>• Prepare and submit AY 14-15 Loan Debt Challenges</li></ul>
Fall	<ul style="list-style-type: none"><li>• Report data for AY 15-16 (October 1)</li><li>• Prepare and submit AY 14-15 Alternative Earnings Appeals</li></ul>



# GE TIMELINE (2017)

DATE	2017 GAINFUL EMPLOYMENT EVENT
January	<ul style="list-style-type: none"><li>• <b>New GE Disclosures effective</b></li></ul>
Winter/Spring	<ul style="list-style-type: none"><li>• Issuance AY 14-15 <b>Final</b> D/E Rates</li><li>• Continue to prepare and submit AY 14-15 Alternative Earnings Appeals</li><li>• Begin disseminating Student GE Warnings for programs with failing AY 14-15 Final D/E Rates</li></ul>

# CONTENT OF NEW GE DISCLOSURES



# CONTENT OF NEW GE DISCLOSURES

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## What information must be disclosed?

- Precise combination of disclosures will be determined by ED and reflected in GE Disclosure Template (GEDT).
  - ED will conduct “consumer testing” to determine best disclosure mix. Periodic notification through Federal Register.
- Disclosures will be based on data reported by schools, and in some cases, calculated by ED.

# CONTENT OF NEW GE DISCLOSURES

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Disclosure data directly from institution:

- **Occupational Data.** Primary occupations (by name and SOC code) that program prepares students to enter, along with links to occupational profiles on O\*NET.
- **Program length.** Program length in calendar time (*e.g.*, weeks, months, years).
- **Program hours.** Clock or credit or equivalent.
- **Total cost.** Cost for tuition and fees, books, supplies, and equipment (normal time).

# CONTENT OF NEW GE DISCLOSURES

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- **Placement rates.** Any rates state or accreditor requires institution to calculate.
  - If required to calculate rates for state and accreditor, must disclose both.
  - If required to calculate placement rate at institutional level, must calculate rate for program using same methodology.
  - Unclear whether institutions will still be required to disclose each regulator's placement rate methodology.

# CONTENT OF NEW GE DISCLOSURES

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- **Total Enrollment.** Total number of individuals enrolled in program during most recently completed award year.
- **Title IV Participation.** Of total enrollment, percentage that received a Title IV loan or a private loan for enrollment in program.
- **Programmatic accreditation.** Whether program is programmatically accredited and, if so, name of accreditor.
- **College Navigator.** Link to the ED website.

# CONTENT OF NEW GE DISCLOSURES

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- **Licensure and certification.**
  - Whether program satisfies educational prerequisites for professional licensure or certification in (1) each State within the institution's MSA, or (2) any other State for which institution has made a determination regarding such requirements.
  - For any other States, a statement that institution has not made a determination with respect to the licensure or certification requirements of those States.

# CONTENT OF NEW GE DISCLOSURES

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Disclosure data calculated by ED:

- **Completion rates.** Calculated by “enrollment cohort,” for full-time and less-than-full-time students.
  - An “enrollment cohort” for an award year includes students who began enrollment in the program during the award year.
  - Enrollment status is based on a student’s status on the first day of enrollment in the program.



# CONTENT OF NEW GE DISCLOSURES

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Number of **full-time students** in enrollment cohort who completed program within [100% | 150%] of program length

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Number of **full-time students** in the enrollment cohort

# CONTENT OF NEW GE DISCLOSURES

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Number of **less-than-full-time students** in enrollment cohort who completed program within [200% | 300%] of program length

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Number of **less-than-full-time students** in the enrollment cohort

# CONTENT OF NEW GE DISCLOSURES

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- **Withdrawal rates.** Calculated for all students who withdrew during “enrollment cohort.”

# CONTENT OF NEW GE DISCLOSURES

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Number of students in enrollment cohort who withdrew from program within [100% | 150%] of program length

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Number of students in the enrollment cohort

# CONTENT OF NEW GE DISCLOSURES

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- **Loan repayment rate.** For borrowers who entered repayment on Title IV loans during the “two-year cohort period,” including for:
  - all borrowers
  - for borrowers who completed their program
  - for borrowers who withdrew from their program

# CONTENT OF NEW GE DISCLOSURES

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Number of borrowers paid in full plus  
number of borrowers in active  
repayment

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Number of borrowers entering  
repayment

# CONTENT OF NEW GE DISCLOSURES

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- **Median loan debt.** Calculated using the formula used for transitional D/E rates, but for varying students groups:
  - Students who completed the program during most recent award year;
  - Students who withdrew during most recent award year; or
  - Both of the forgoing groups.

# CONTENT OF NEW GE DISCLOSURES

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- **Mean or median earnings.** Obtained from SSA using methodology similar to that used for standard D/E rates, but for varying students groups:
  - Students who completed the program during the cohort period;
  - Students who withdrew during the cohort period; or
  - Both of the forgoing groups.



# CONTENT OF NEW GE DISCLOSURES

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- **Annual Earnings Rate.** The most recent AER, as calculated in connection with the D/E Rate process.
- **Program cohort default rate.** As calculated in accordance with the procedures set out at [34 CFR 668.502](#).

# CONTENT OF NEW GE DISCLOSURES

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## **When must the content of the GEDT be updated?**

- Generally, must update GEDT information at least annually with most recent data available for each GE program.
  - In recent years, new award year data must be included by January 31 of the following year.
- Keep cost, length, and related program information current to ensure consistency with catalog and similar publications.

# CONTENT OF NEW GE DISCLOSURES

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- Also note that must update GEDT within 30 days of receiving notice from ED that institution must provide GE Warning to current and prospective students.

# CONTENT OF NEW GE DISCLOSURES

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## What if I offer a single GE program at more than one length (*e.g.*, different versions)?

- Institutions that offer a GE program in more than one program length **must** publish a separate GEDT for each length of the program.
- Each GEDT must clearly identify the applicable length of the program.

# CONTENT OF NEW GE DISCLOSURES

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**What if I offer a single GE program at more than one location or in different formats (e.g., full-time, part-time, accelerated)?**

- In such cases, institution **may** publish separate GEDT for each, if doing so would result in clearer disclosures.
- Each GEDT must clearly identify the applicable location or format of the program.

# CONTENT OF NEW GE DISCLOSURES

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**Can I create different disclosures if I offer versions of a single GE program under different names, at different prices, or with different specializations?**

- Under guidance relating to GE 2011, ED seemed amenable to different disclosures if it provided more useful information.
- However, current regulations only contemplate variations based on length, location, and format.

# CONTENT OF NEW GE DISCLOSURES

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**If I create a different GEDT for each version of my program, does that affect the information disclosed?**

- If an institution publishes a separate GEDT for different program versions, it must disaggregate the following:
  - Clock hours/credit hours
  - Total enrollment in most recent award year
  - Total cost of tuition, fees, books, and supplies
  - Program placement rate
  - Percentage of Title IV recipients for program
  - Licensure and certification information

# CONTENT OF NEW GE DISCLOSURES

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## Do I still have to generate a GEDT if I only have a few students enrolled?

- For privacy reasons, an institution should not include the following information if it's based on **fewer** than 10 students:
  - Completion rates
  - Total enrollment in most recent award year
  - Loan repayment rates
  - Program placement rate
  - Percentage of Title IV recipients for program
  - Median loan debt and median earnings information
  - Most recent program cohort default rate
  - Most recent Annual Earnings Rate



# CONTENT OF NEW GE DISCLOSURES

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## Is the data in the New GE Disclosures based on all students?

- No. All of the new GE framework incorporates a definition of student that only includes “an individual who received title IV, HEA program funds for enrolling in the GE program.”
- This is a significant departure from the 2011 GE framework. The old law, including the disclosure requirements that remain in effect through the end of 2016, are calculated using all students.

# DISTRIBUTION OF NEW GE DISCLOSURES



# DISTRIBUTION OF NEW GE DISCLOSURES

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## When and where must the GEDT be disclosed?

- On any **school webpage** containing academic, cost, financial aid, or admissions information about GE program maintained by **or on behalf** of institution.

# DISTRIBUTION OF NEW GE DISCLOSURES

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- In all **marketing and promotional materials** made available by **or on behalf** of school to prospective students that identify GE Program by name or otherwise promote the GE Program.
  - Examples include, but are not limited to, an institution's catalogs, invitations, flyers, billboards, and advertising on or through radio, television, print media, the Internet, and social media.

# DISTRIBUTION OF NEW GE DISCLOSURES

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- Directly **to any prospective student** (or third party acting on his behalf) before he signs an enrollment agreement, completes registration, or makes a financial commitment to the institution.

# DISTRIBUTION OF NEW GE DISCLOSURES

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## Is there any alternative to posting the entire GEDT?

- On webpages, or in promotional materials where space/airtime constraints preclude using the entire GEDT, schools may use a “prominent, readily accessible, clear, conspicuous, and **direct**” link to the GEDT.
- Schools must identify the link as “Important Information about the educational debt, earnings, and completion rates of students who attended this program.”

# DISTRIBUTION TO PROSPECTIVE STUDENTS

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## How may the New GE Disclosures be delivered to a prospective student (or third party)?

- Must be delivered in writing.
- May **hand-deliver** GEDT as a separate document.
  - Can be delivered individually or as part of a group presentation.
  - Must obtain written confirmation of receipt.

# DISTRIBUTION TO PROSPECTIVE STUDENTS

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- May deliver via **email** to primary email address used by institution for communicating with prospective student.
- If institution sends GEDT by email, must comply with specific distribution and record requirements on following slide.



# DISTRIBUTION TO PROSPECTIVE STUDENTS

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- Special email distribution requirements:
  - Ensure GEDT is only substantive content in email.
  - Receive electronic/written acknowledgement that email was received.
  - Send using different address or method of delivery if school gets failed delivery response.
  - Maintain records of efforts to provide GEDT.

# DISTRIBUTION OF NEW GE DISCLOSURES

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## When must institutions begin making the New GE Disclosures?

- Institutions must comply with the new requirements effective **January 1, 2017**.

# CHALLENGING NEW GE DISCLOSURES



# CHALLENGING NEW GE DISCLOSURES

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## **What if I think the disclosure data generated by ED is wrong?**

- Institutions will have opportunity to challenge disclosure information generated by ED.
  - Includes completion rates, withdrawal rates, repayment rates, median loan debt, mean and median earnings, and program cohort default rate.

# CHALLENGING NEW GE DISCLOSURES

- Challenges to **completion rate, withdrawal rate, repayment rate, and median loan debt.**
  - Can be challenged within 45 days of receiving draft data from ED.
  - Challenge process has not been detailed, but we think likely ED will use new Data Challenges and Appeals Solution (DCAS ) platform.

# CHALLENGING NEW GE DISCLOSURES

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- Unclear if median loan debt for students who completed the program during most recent award year can be challenged twice (once as part of transitional D/E rates calculation, once as part of disclosures).
- Also unclear how successful challenges during D/E rate process will be accounted for in disclosure challenge process.
- Following resolution of challenges, ED sends notice of determination and publishes final rates.

# CHALLENGING NEW GE DISCLOSURES

- Challenges to **mean and median earnings**.
  - Lists of students used to pull earnings data can be challenged within 45 days of receiving draft data from ED (could include a completers list **and** drop list).
  - We expect that this process will mirror completer's list challenge process for D/E rates, using SAIG mailbox, DCAS, etc.
    - Law recognizes data correction and student exclusions similar to D/E rate challenges; also requires at least 10 students in cohort.

# CHALLENGING NEW GE DISCLOSURES

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- Unclear how successful challenges to completers list during D/E rate process, or successful alternative earnings appeals, will be accounted for in disclosure challenges.
- There is no provision for a separate alternative earnings appeal for disclosure data.
  - ED will “not consider any challenges to the mean and median earnings calculated under this section.”



# CHALLENGING NEW GE DISCLOSURES

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- Challenges to draft program cohort default rate.
  - Challenge process will resemble that used for regular CDRs.
  - ED will issue draft rates and loan record detail report (likely using DCAS).
  - Institutions will have 45 days to challenge accuracy of data included on loan record detail report used for pCDR.

# CHALLENGING NEW GE DISCLOSURES

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- Challenges to final program cohort default rate.
  - Institutions will have various options to appeal a program's final pCDR , to include:
    - Uncorrected data adjustment
    - New data adjustments
    - Erroneous data appeals
    - Loan servicing appeals

# GE RESOURCES



# GE RESOURCES FROM ED

## NEW GE DISCLOSURES – ED RESOURCES

October 2014

[Final GE Regulations \(79 FR 64889\)](#):

Preamble includes discussion of new GE disclosures.

June 2015

[DCL GEN-15-12](#): Notes that ED will “issue additional guidance on the new disclosure requirements closer to the January 2017 effective date.”

# GE RESOURCES FROM ED

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## [IFAP - Gainful Employment Information Page](#)

- [Federal Register Notices](#)
- [Dear Colleague Letters and Electronic Announcements](#)
- [Frequently Asked Questions](#)
- [Webinars and Presentations](#)
- [Resource Manuals](#)
  - NSLDS Gainful Employment User Guide
  - RGEES Best Practices Guide
  - GE Operations Manual

# GE RESOURCES FROM TC

- Gainful Employment webinar series.
- [REGucation](#) higher education law and policy blog.



## REGucation

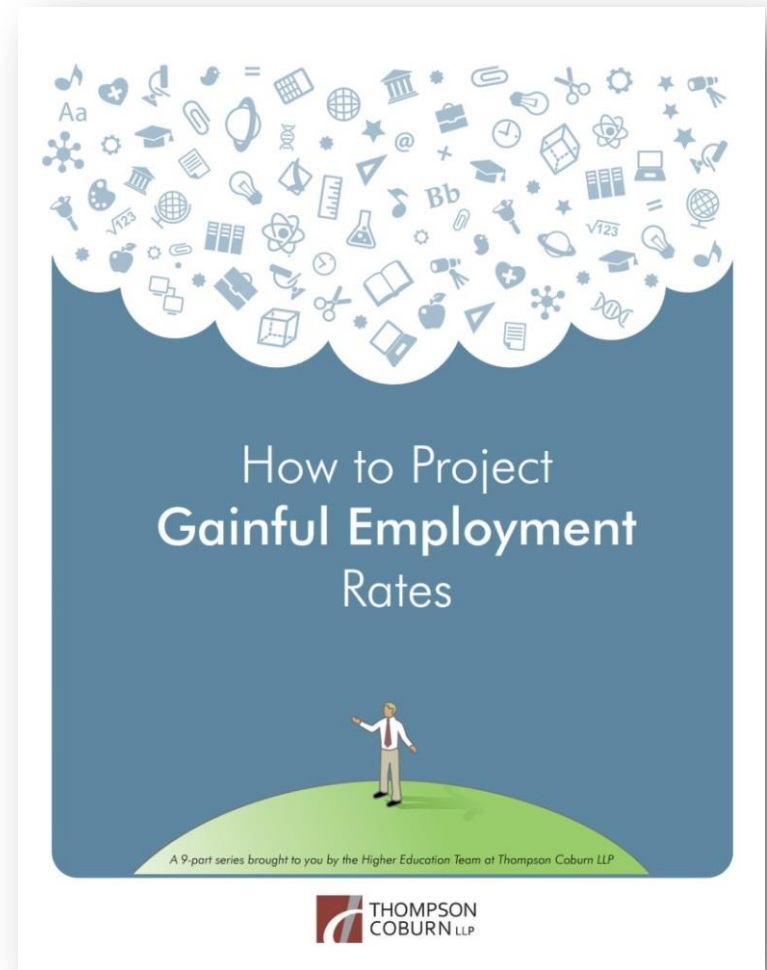
Regulatory and Policy Insights  
from the Thompson Coburn  
Higher Education Team

Higher Education Team

# GE RESOURCES FROM TC

## GE Desk Guide

- Provides step-by-step instructions for projecting reliable D/E rates.
- Offers detailed insight into how D/E rates are calculated.



# CONTACT INFORMATION

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