

Disclosures Required by Institutions

GENERAL DISCLOSURES

ED published its final regulations for the GE Program disclosure requirements on October 29, 2010 and these regulations went into effect on July 1, 2011.

As part of the GE Program disclosure requirements, institutions who have GE Programs must publish specific data about each of their GE Programs for prospective students. The disclosure information will help students make informed choices about enrolling in a GE Program.

[34 CFR 668.6\(b\)\(1\)](#) provides the specific data items that must be disclosed. [Dear Colleague Letter GEN-11-10](#) and the Gainful Employment page on the [Information for Financial Aid Professionals \(IFAP\) website](#) provide additional guidance and information.

IS THE INSTITUTION REQUIRED TO DISCLOSE INFORMATION?

The first step is to determine if your program is a Title IV eligible GE Program. For information on how to determine if your program is a GE Program, see graphic of [Electronic Announcement #11](#) in the Purpose/Overview section of this manual. All GE Programs are required to disclose information on completers in the most recently completed award year. If the program is a GE Program, the institution must report information about it to ED annually and also provide disclosures about the program on its website.

GAINFUL EMPLOYMENT PROGRAM DISCLOSURE TEMPLATE

The regulations provide that the institution *use the disclosure form issued by the Secretary, when available*. The National Center for Education Statistics (NCES) is creating this form. It was not available as of the July 1, 2011, effective date of the regulations. Although the NCES template was not available, the institution was still responsible for meeting the disclosure requirements by the July 1 deadline.

ED will provide the disclosure form to institutions through an online Web application. Institutions will be required to use this form to disclose information about their GE Programs once the form is available. ED will give institutions a reasonable amount of time to begin using the form.

This application will allow institutions to create a Web page containing the required disclosure information. Similar to the net price calculator template developed by ED,

■ ■

NOTE:
ED anticipates providing the GE Program Disclosure Template for institutional use in July 2012.

■ ■

the institution will enter each GE Program's required data into the online form, resulting in an 'html' file that the institution will post to the Web site home page for that program.

Using this process, an institution will first enter (or upload) data into the Web-based application for each of its GE Programs. ED will use some of the information entered (such as the OPEID of the institution and CIP code and Credential Level for the program) to look up and import data from ED databases for use in the output disclosure Web page. The institution will enter additional institutional program-level data to be included on the output page.

ANNUAL UPDATING OF DISCLOSURE INFORMATION

The regulations requiring institutions to disclose the required information to prospective students about each GE Program went into effect on July 1, 2011, and this data must be updated at least annually by the institution. ED will provide further information about any future disclosure deadlines, as well as the release of the GE Disclosure Template through subsequent Electronic Announcements on the [IFAP website](#).

DISCLOSURE DATA REQUIREMENTS

The institution must provide the following data for each GE Program:

- Occupations associated with the training provided by the GE Program (by name and Standard Occupational Classification [SOC] code)
- Published length of time it takes to complete the program (normal time)
- On-time completion rate
- Program costs
- Placement rate(s)
- Median loan debt (Title IV debt, private educational loan debt, and debt from institutional financing)

Before looking at each of these elements more carefully, there are a few things to know about the GE Program disclosure requirements. Disclosures for the on-time completion rate and median loan debts are calculated only for the students who completed the GE Program in the most recent award year. Please note that this is different from reporting GE information to NSLDS where all students enrolled, withdrawn, and completed are reported.

TREATMENT OF HIGH SCHOOL STUDENTS

Institutions may have students who are enrolled at their institutions in GE Programs who are also still enrolled in high school. The determination of whether or not to

include these students in the GE Program disclosures depends upon their status as a *regular student* at your institution.

The Higher Education Opportunity Act (HEOA) of 2008 allowed institutions to admit high school students as *regular students* while still enrolled at their secondary school, even though the student is not eligible for Title IV student aid.

All *regular students* enrolled in a GE Program must be included in the gainful employment disclosures. Therefore, if a high school student is enrolled as a *regular student* in a GE Program, the student must be included in the disclosure requirements (e.g., median loan debts, on-time completion rates). However, high school students who are not enrolled as *regular students* should not be included in disclosure rates. The regulations define a *regular student* as a person who is enrolled or accepted for enrollment at an institution for the purpose of obtaining a degree, certificate, or other recognized educational credential offered by that institution.

TREATMENT OF ESL OR ESOL PROGRAMS

To be a Title IV eligible program, an English as a Second Language (ESL) or English for Speakers of Other Languages (ESOL) program must lead to a certificate or other credential being awarded by the institution. To determine if a Title IV eligible ESL or ESOL program is a GE Program, institutions should use the same determination as the institution would for other programs to determine if it is a GE Program.

As before, consider the following criteria:

- Is the program Title IV eligible?
- Does the program lead to a degree, certificate, or other credential offered by the institution?
- Is the program offered by a for-profit institution, or is it a non-degree certificate or credential program offered by a public or private not-for-profit institution?

Remember, all programs offered at for-profit institutions are GE Programs, with minor exceptions, while only programs that lead to a certificate or other credential at a public or private not-for-profit institution are GE Programs. See the Gainful Employment Program Determination graphic in the Purpose/Overview section of this manual.

TREATMENT OF GAINFUL EMPLOYMENT PROGRAMS WITH SMALL ENROLLMENT

If your institution has a GE Program where less than 10 students completed that program during the award year, to protect the privacy of students in those programs, two of the disclosure requirements would **not** be disclosed. The institution would not disclose:

- On-time completion rate
- Median loan debt (Title IV debt, private educational loan debt, and debt from institutional financing)

However, all institutions, regardless of the number of students who enrolled or completed the program, must disclose:

- Occupations (by name and SOC code)
- Published length of time it takes to complete the program (normal time)
- Program costs
- Placement rate(s)

Note that institutions with a small enrollment should disclose the placement rate(s) if required to calculate rates by their accrediting agency and/or state agency. Given that some states and accrediting agencies use a minimum number that is higher than the 10-student figure for gainful employment disclosures, the institution should provide the placement rates at the program level that are calculated in accordance with the requirements of that agency. For example, if the agency requires a minimum of 15 students instead of 10 to disclose placement rates, the institution should use the minimum number required by that agency.

Important Point:

Even if there are no students currently enrolled in a GE Program at the institution, the institution must still disclose the occupation(s), SOC code, normal time to completion, program costs, and placement rates (as applicable) for each GE Program.

The following subsections examine each of these disclosure data elements more closely. Remember that the institution needs to disclose this information for **each** GE Program.

OCCUPATIONS (BY NAME AND SOC CODE):

- List the names of the occupation(s) that the program prepares students to enter if the student completes this program of study.
- List the Standard Occupational Classification, or SOC code, for each of these occupations. The SOC codes are published by the Department of Labor and are available at www.bls.gov/soc.
- Provide links from the institution's website to the occupational profiles located on the [O*NET website](http://online.onetcenter.org).
- The occupation(s) profiles are found on the [O*NET website](http://online.onetcenter.org) by using the O*NET crosswalk table and the CIP code assigned to your GE Program of study. This crosswalk table will allow the entry of the CIP code and will provide the occupation(s) and description of the occupation(s). The links to occupational profiles on O*NET are located at <http://online.onetcenter.org/crosswalk/>.
- If a CIP code does not crosswalk to one or more SOC codes, select an occupation and SOC code that most practically and substantially matches

NOTE:

Sponsored by the U.S. Department of Labor, the Occupational Information Network (O*NET) is a free database containing hundreds of standardized and occupation-specific descriptors. It is the primary source for exploring and searching occupations.

the program results, provided that the institution has evidence that graduates of that program found employment in the field(s). See [GE FAQ D-Q10](#).

A listing of CIP codes is available at <http://nces.ed.gov/ipeds/cip2010>. There is also a list of CIP codes available when completing the E-App.

Information about CIP codes may also be available at your institution's Office of Institutional Research, Academic Affairs Office, or Registrar's Office.

TREATMENT OF DIFFERENT GE PROGRAMS WITH SAME CIP CODE AND CREDENTIAL LEVEL

When developing the final regulations for the GE Program eligibility metrics, ED understood that some institutions offer more than one educational program with the same CIP code and Credential Level. For example, an institution might offer a one-year certificate program in a specified subject area and also offer a two-year advanced program in the same subject area. Since both programs have the same CIP code and Credential Level, ED will use data on students from both programs to calculate the GE Program metrics.

The GE Program metrics use combined information for an institution's educational programs that have the same CIP code and Credential Level. Although two programs with the same CIP code and Credential Level were to be treated as one program for reporting purposes, updated guidance has been provided by ED for institutions to determine when it is appropriate to provide disclosures by individual programs and when disclosures can be combined by CIP code as they were reported to ED. See Gainful Employment [Electronic Announcement #25](#) - Disclosures by Educational Program.

Institutions may make separate disclosures for programs that have the same CIP code and Credential Level if doing so provides more accurate and useful information about the program's characteristics.

Institutions must consider whether the disclosures provided to prospective students for two programs that share the same CIP code and Credential Level accurately reflect each program. Institutions should determine whether the information should be disclosed separately for each of an institution's educational programs, even if the program has the same CIP code and Credential Level as another GE Program at the institution, by answering the following questions:

1. **Length of the Programs** — Is there is a significant difference in the published length of the programs?

If the length of the programs differs by more than three months, 12 weeks, or one Title IV payment period, separate disclosures should be considered.

For example, if an institution offers a one-year gainful employment certificate program and also a two-year certificate program, both with the same CIP code and Credential Level, this would be a significant difference between the programs where separate disclosures would be needed.

In addition, separate disclosures would be needed if, for example, the institution offers a 900 clock hour program, with two 450 hour payment periods, and also offers a 1,350 clock hour program, with three 450 hour payment periods. This would be a significant difference between the programs where separate disclosures would be needed.

2. **Tuition and Fees** — Is there a significant difference in the tuition, fees, or other costs for the programs?

Institutions should consider providing separate disclosures if the cost of the programs differs by more than 10%.

For example, an institution may offer a program in a standard term-based format with instruction usually occurring during weekdays at one tuition rate and also offer the same program online with a tuition that is 25% lower.

This is a significant difference from the programs that need a separate disclosure.

3. **Programs Offered in Different States** — Does the institution offer programs at different locations in different states that require different placement rate calculations and different minimum requirements?

This is a significant difference from the programs that need a separate disclosure.

As a reminder, the guidance in Gainful Employment [Electronic Announcement #25](#) relates to the disclosure of information for a GE Program as required by the regulations. It does not apply to the definition of a GE Program for reporting to ED or to the calculation of an educational program's gainful employment metrics. For both reporting and metrics, a GE Program at an institution is defined as a program or programs that have the same CIP code and Credential Level.

ON-TIME COMPLETION RATE

List the on-time completion rate for students who completed the program of study in normal time in the most recently completed award year.

To calculate the on-time completion rate for GE Programs:

- divide the number of students who completed the GE Program during the most recently completed award year within normal time (numerator);
- by the number of students who completed the GE Program in the most recently completed award year (denominator); and,
- multiply the result by 100.

Example: During the 2010-11 award year, 200 students completed the GE Program, but only 150 of them completed the program within the normal time (as published by the institution). Divide 150 by 200 to get .75. Then multiply .75 by 100 to get 75. For this GE Program, 75% is the on-time completion rate.

Number of students who
completed the program within
the normal time

Number of students who
completed the program in
the most recently completed
award year

X 100 = **On-time
Completion
Rate**

TREATMENT OF LEAVES OF ABSENCE IN ON-TIME COMPLETION RATE

Time a student spent on an approved leave of absence is included when determining whether a student completed a GE Program within normal time.

For example, the normal time to complete a GE Program is two years, and the student took 2.5 years to complete the program because of a six-month leave of absence; the student would **not** be included in the number of students who completed the GE Program within normal time to calculate the GE Programs on-time completion rate.

Thus, students who do **not** complete the GE Program in normal time due to a leave of absence (or for any other reason) are included in the denominator of the completion rate fraction but **not** in the numerator. See [GE FAQ D-Q12](#).

Remember, if the institution had less than 10 students complete a GE Program in an award year, for privacy reasons, the on-time completion rate for that program should **not** be disclosed. But if in any award year, there are 10 or more students completing the GE Program, all required data elements must be disclosed. Thus,

the disclosure requirements for a GE Program could change from award year to award year depending upon the number of students who complete that GE Program each year.

PROGRAM COSTS

List the total amount of tuition and fees, room and board, and typical costs of books and supplies that a student would incur for completing the entire program of study within the normal length of the program.

If the cost of books and supplies is already included in the tuition and fee costs, do not include these costs a second time.

The institution may also include information about other costs related to enrollment in the program, such as transportation and living expenses, but the institution must provide a Web link or access to the program cost information that is made available to its prospective and current students.

Note that this figure is total cost for the entire program of study in the amount of time that a typical student would complete the program, as advertised by the institution.

The institution can use the current tuition and fee rates to determine the total program costs, or the estimated tuition and fee costs can be used with a disclaimer indicating the rates may change.

An example of the total costs might be for a student enrolled in a two-year program (four semesters) and for each semester, the cost is \$2,500 for tuition, fees, books, and supplies. The institution in this example does not offer on-campus housing or a food plan.

**If a student's program takes two years (or four semesters),
the total program cost would be:**

\$2,500 per term X 4 terms = \$10,000
total program cost

PLACEMENT RATE

List the job placement rate for students who complete this program of study at your institution. See GE [Electronic Announcement #31](#) and [GE FAQ D-Q8](#).

The regulations provide that institutions must use a methodology to determine placement rates as established by the National Center for Education Statistics (NCES). The NCES method to determine the placement rate has not yet been established.

Until an NCES methodology is determined, the institution must still provide a placement rate if the institution is:

- required by its accrediting agency to calculate a placement rate, and/or
- required by its state agency to calculate a placement rate.

If the institution is required to calculate a placement rate for students who complete the program by both its accrediting agency and its state agency, then the institution should list both placement rates as part of their disclosure.

Be sure to identify which agency (or both if applicable) required the calculation of the placement rate as part of your disclosure for the GE Program. In addition, be certain to disclose this information on a program basis even if the formula is for institutional-level placement rates.

If the institution is not required to calculate a placement rate by either an accrediting or state agency, then the placement disclosure is **not** required **until** the NCES establishes a methodology for the institution to use.

Important Note:

In March 2011, NCES convened a technical review panel (TRP). The TRP determined that, at this time, a single job placement rate methodology could not be developed without further study because of limitations in data systems and available data. While the TRP consensus was that calculating job placement rates using a common metric would be preferable, the group was unable to provide a more definitive suggestion. Until the NCES establishes a placement rate methodology for GE Program disclosures, institutions should continue to use methodology required by the state or accreditor, as applicable.

MEDIAN LOAN DEBT

For each program, list the median loan debt that is incurred by students who complete the program of study. This data will be provided to the institutions by ED/NSLDS. However, institutions may enter their own medians if the institution knows that their calculation is more accurate.

The median is the middle value in a list of values, where there are an equal number of values above and below that middle value. It is **not** the mean (average) of the values.

For an example on how to calculate the median loan debt, go the [GE FAQ "D-Q5: How do I calculate the median loan debt for purposes of gainful employment disclosures?"](#) which provides the steps to determine this figure.

Although ED will be providing this information to each institution to disclose, here is a breakdown of what elements are part of the median loan debt data for your GE disclosures.

The institution should individually list the following:

- **Median Title IV Loan Debt** — for both the Federal Family Education Loan (FFEL) Program and the William D. Ford Federal Direct Loan (DL) only, this would be the amount borrowed by the student for the program of study.
 - This does include Graduate PLUS Loans.
 - This does **not** include the following loans:
 - Parent PLUS Loans
 - TEACH Grants that may have been converted to Unsubsidized Direct Loans due to a student's failure to complete service agreement
 - Federal Perkins Loans
- **Private Loan Educational Debt**
 - This debt figure would include the entire amount of private educational loan debt that the student borrowed.
 - The Truth-in-Lending regulations at [12 CFR 226.46\(b\)\(5\)](#) provide the definition of private education loan for this calculation.
 - Examples of private loan educational debt include, but are not limited to:
 - Loans made expressly for educational expenses by financial institutions; credit unions; institutions of higher education or their affiliates; states; localities; and guaranty agencies. This could include loans made by the institution to the student.
- **Institutional Financing Plan Debt**
 - Unlike the Title IV debt and private educational loan debt, the institutional financing plan debt is the amount owed by the student as of the day the student completed or withdrew from the GE Program.
 - Institutional financing plan debt includes any loan, extension of credit, payment plan, or other financing mechanism that was provided by the institution or related party for attendance in the GE Program, and that is not already reported as a private education loan that results in a debt that the student must repay after withdrawing from or completing the GE Program.

Remember, if the institution had less than 10 students complete a GE Program in an award year, for privacy reasons, the median loan debt should **not** be disclosed for that program. But if, in any award year, there are 10 or more students completing the GE Program, the institution must disclose the median loan debt along with the other required data elements. Thus, your disclosure requirements for a GE Program could change from award year to award year, depending upon the number of students who complete that GE Program each year.

INSTITUTIONAL OPTION AND MEDIAN LOAN DEBT

Even though ED will be providing the median loan debt information to the institutions for disclosure purposes (from the institution's reported data and NSLDS), the institution has the option of using its own median loan debt if it feels that its own information is more accurate.

The GE Program disclosures must be clear and understandable to students and their families. Providing accurate GE Program information to students and families comes within the Misrepresentation regulations under the Program Integrity rules.

LOCATION OF DISCLOSURE INFORMATION

Now that data elements for the disclosure information have been identified, the institution must provide that information to prospective students in a simple and meaningful way. The disclosure information about each GE Program must be on the home page of the specific GE Program **and** included in any promotional materials that are made available to those potential students.

The institution must also provide a prominent and direct link on any other Web page containing general, academic, or admissions information about the program, to the GE Program's home Web page that contains all the required information.

The institution cannot place all the disclosure information on one central Web page rather than including the disclosures on the home page for each GE Program.

As stated earlier, the required disclosure information must also be included in promotional materials for that GE Program. This could include, but is not limited to:

- Postcards
- Invitations/solicitations
- Flyers
- Billboard and transit advertising
- Radio advertising
- Television advertising
- Web and similar advertising
- Social networks and other new media

If any of these invitations or advertisements mentions or refers to a specific GE Program(s), the disclosure must be included if it is feasible to do so. If providing the disclosure information is not feasible because of the size or format of the invitation or advertisement, the institutions may display the URL or provide a live link to the Web page where the required information is located.

The institution needs to provide a clear explanation about the information that is available at this Web page. For promotional materials that advertise more than one GE Program, the institution has the option of:

- providing one link on the promotional material where prospective students can be redirected to a list of the Web links to all the GE Programs' home Web pages, OR
- providing a direct link for each program on the promotional material. This single Web page is in addition to the disclosure information placed on each program's Web page.

An example of compliant disclosure under this guidance could include the following text: *For more information about our graduation rates, the median debt of students who have completed the program, and other important information, please visit our website at www.XYZCollege.edu/ABCprogram/disclosure.*

ED realizes that, for economic reasons, institutions often produce printed promotional materials long in advance of their use for a program. ED does not require the institution to dispose of those materials that were prepared before new compliance requirements were announced, but institutions should update these promotional materials within a reasonable period of time to provide the proper disclosure information to their prospective students.

For institutions that use new media channels, such as social networks and microblogs (e.g., Twitter), to promote a GE Program, that messaging must include a direct link to the program's gainful employment disclosure information using the suggested text included in [GE FAQ D-A3](#), noted earlier. If, because of limitations of the specific technology (e.g., character limitations), it is not feasible to provide the suggested text and/or the full hyperlink, the institution may use a URL shortener, as long as that shortener will lead directly to the GE Program's home page where the required disclosure information is located. Furthermore, institutions (or their officials) that repost an update that promotes a GE Program from an outside party must include a direct link to the program disclosures on the reposted update regardless of whether the original update contained a link to the disclosure information.

ED reminds institutions that individuals affiliated with the institution that provides information about a GE Program, whether or not they are acting in an official capacity of the institution, must inform prospective students about where the disclosure information can be found and provide a direct link to the program disclosures.

For example, a faculty member who promotes an institution's GE Program on his or her personal blog is required to provide a direct link to the program disclosures on the blog posting. This requirement, however, does not apply to students or former students unless those persons are acting under the auspices of the institution.

HOW TO DISCLOSE YOUR GAINFUL EMPLOYMENT PROGRAM INFORMATION

It is important that the institution provide the disclosure data to its prospective students in a simple and meaningful way. It must be easy to understand for the student population and must be in an open document format that can be retrieved,

GAINFUL EMPLOYMENT OPERATIONS MANUAL

downloaded, indexed, and searchable using commonly used Web search applications.

This means that the format of the data must be readable with different operating systems (Windows, Mac, etc.) that are likely to be used by prospective students to view the information. It should be relatively easy for a prospective student to access this information in a few clicks of the mouse, and institutions should take care not to bury the disclosure information within their websites.

For additional questions about gainful employment disclosures, review the GE FAQ located on the [IFAP website](#), and if the issue is not addressed there, send an email to ge-questions@ed.gov.