

Cynthia:

Today, we are gonna cover the status of the GE regulations, including the new disclosure deadlines that were just announced. Then, I'll talk about the programs, like which programs are GE programs so we can make sure that every GE program on your campuses does have the appropriate disclosures on your websites and in your promotional materials. Then, I will turn it over to Jessica, who will discuss exactly what the regulations require and how those disclosures must be made available before taking over the microphone again myself to go over some compliance tips and GE resources.

We should have plenty of time for questions at the end, but if you get home and need more information, I will show you where you can find on our website all things GE.

Now, per June 30, 2012 court decision, the department has the authority to regulate a definition of what it means to be a program in gainful employment in a recognized occupation. What the court did, however, is vacate the thresholds, so all of the metrics and the reporting regulations were vacated, as were the changes to the new program's regulations. We previously had new program regulations in place and we changed them as a result of the regulations and the court got rid of some of those changes. This means that the metrics are unenforceable and institutions are not currently required to report to the department the information listed in the reporting regulations. However, the department has asked the court to restore the reporting regulations and we are waiting for a decision from the judge on that. And the disclosure regulations were upheld, so they are still in place.

And, as I mentioned earlier, the department recently announced that schools should update their disclosures on their websites and in their promotional materials by July – no – by January 31st, so that's just a few months away – should update your disclosures using 2011-12 award year data. And that part isn't on the slide 'cause it was just announced last week. You might have also heard it in the federal update that David and Jeff did.

Oh, and the other thing that happened last week is, because there were some changes to the new program's regulations, we put out an electronic announcement, which is electronic announcement number 41, that talked about the state of play of the new program regulations. For the electronic announcement that talks about updating your disclosures, that is number 42. It is also posted on IFAP.

So, which programs are GE programs? The Higher Education Act, the HEA, defines which programs are eligible for Title IV funds. You all know that to be Title IV eligible, your program must be long enough and must be covered by your state authorization and accreditation to be eligible for Title IV. In general, Title IV funds can only go to students enrolled in degree programs at a public or non-profit institution or to students enrolled in any type of program if that program prepares students for gainful employment in a recognized occupation. If your school offers a certificate in wine appreciation, that's great but that doesn't lead to any sort of recognized occupation. So, those students are not going to be eligible for Title IV funds. You have to have a program that actually leads to gainful employment in a recognized occupation. So, I'm gonna take the next few slides to discuss which programs are those programs that lead to gainful employment.

At a proprietary, for profit school, all of your programs must lead to gainful employment in a recognized occupation except for preparatory coursework necessary for enrollment in another eligible program. For this coursework, no certificates are offered by our institution and students can only get 12 months of loans. They're not eligible for Pell grants or other forms of federal student aid.

The other exception is a program that leads to a Bachelor's Degree in Liberal Arts. That's been offered since January of 2009 and accredited since October of 2007. There are very, very, very few of the programs that were grandfathered in when the statute changed. Chances are, there are not programs at your institution that would qualify for that second exemption. But, there's more information about it in the frequently asked questions, GQ 18, so you can check there and see if you're program may qualify.

So, at public and non-profit institutions, which programs are GE programs? At these types of institutions, all of your Title IV programs are GE programs except for degree programs. Now, this is one of the big differences between for profits and non-profit schools. Degree programs are not GE programs at public and non-profit institutions. However, just a word of warning, lead to a degree does not mean you can transfer credits from a program to a degree program. It means when the student completes that actual program that he or she is enrolled in, the student is awarded, by your institution, an AA, an AS, a BA, some sort of actual degree. And a note for any graduate schools are out there, if you have a certificate of advanced study, that is considered a certificate

program. I know it's similar to a Master's, but it is not a Master's. It is a certificate program and it is a GE program.

The second exemption for public and non-profit schools are programs that are designed as transfer programs. This is an exception to the law that allows students who are enrolled in non-credential transfer programs, generally offered by community colleges, to be eligible for Title IV aid, as they prepare to transfer to a four year degree program. These programs, while Title IV eligible under the exemption are not GE programs since they are designed to lead to transfer and not to direct employment. Programs that are not designed solely for transfer purposes and that lead to some sort of credential, such as a certificate or a diploma awarded by your institution; those are not included in this exemption. Those programs, the ones where students earn a certificate, are GE programs. The program is a GE program even if all of the credits in that program were to transfer to the third year of a Bachelor's Degree program.

The third exemption for public and non-profit schools is preparatory coursework, which is the same as for for profit schools. Preparatory coursework does not earn students a credential from your school. It prepares them to enroll in another program.

So, GE programs include teacher certification programs, where there is a credential awarded by the institution. I know that the state actually awards the certification to teach, but if your institution also awards some sort of credential, then the program is still a GE program.

GE programs also include English as a second language programs. There's more information on both of these in the frequently asked questions section as well.

And, here again is a summary of what some types of programs that are not GE programs. GE programs do not include teacher certification programs where the institution does not award a credential. And just a side note on these teacher programs, there is a provision in the law that allows Title IV programs – I mean, Title IV eligibility for programs where the school does not award a certificate for teacher education programs. But, it is for elementary and secondary classroom teachers only; not principals, superintendents, school nurses, guidance counselors, school librarians. If you have a program that you're not offering a certificate for and leads to one of these non-classroom teacher,

education professionals, then forget GE. That program isn't even Title IV eligible, so you really need to be offering a certificate from your institution for those types of programs.

Preparatory coursework, I've already talked about several times, but I want to emphasize that the aid awarding rules are different. More information on these programs is in electronic announcement number 34 and I would highly recommend you take a look at electronic announcement number 34. We had previously put out some incorrect information about these programs and electronic announcement number 34 has all the correct information, including the correct loan amounts 'cause the loan amounts are different. And so, that's all in electronic announcement number 34.

Transfer programs at public and non-profit schools are also not GE programs and before I turn the presentation over to Jessica for the next session, I want to mention, if you have any questions about specific programs at your institution and whether or not they're GE programs, I'm happy to answer questions at the end. And I'll turn it over to Jessica.

Jessica Finkel:

I'm a shorty. I always have to change it. Alright. Hi, everybody. Again, my name's Jessica Finkel. I'm in the Office of Post-Secondary Education. To pick up where Cynthia left off, we're gonna talk a little bit about what you have to do if you – if any of the programs that you have at your school fall into the definition of a GE program that Cynthia just described.

So, for each program at your school that's a GE program, you're required to make a set of disclosures available on your website and in your promotional materials. And the set of disclosures, which are found in the regulations at 668.6B, includes the occupations that the program prepares students to enter; the time it takes to complete the program; the percentage of program completers that actually finished in that stated length of time to complete; costs, like tuition and fees; the placement rate for completers; the median loan debts of completers; and any other information the secretary provided to the institution about the program. And we're gonna talk about each of these in depth in just a minute, but I want to note that all of these requirements are not new. A lot of you raised your hands, you already know this, that the disclosures were required last year. The difference is that now we've announced, as of, I think, Friday, that the disclosures have to be updated for the 2011-2012 year by January 31, 2013. So, these aren't new and now you need to update them for the next year.

Now, the first required disclosure is about the occupations where your graduates typically find employment after they complete a particular GE program. And in complying, you would list both the name and the SOC code – that's the standard occupational classification code – of the jobs that pertain to your program. And then, for each of the occupations that you identify, you also have to provide lengths to the corresponding job profiles on O*NET, which is a Department of Labor website.

To determine which occupations are related to your GE program, you would use your program's six digit CIP code, that's your classification of instructional program code. We have SOCs and we have CIPs and we have O*NET and all these abbreviations. But, you're gonna use your program's six digit CIP code and then use the O*NET crosswalk to determine which occupations are related to the program.

Now, some programs might map onto many occupations, so how do you handle that? The regulations specified that if your program prepares students for more than 10 occupations, then what you can do is provide a representative sample of those occupations; and you would still do it by name and SOC code, but you do a representative sample of the occupations in which your graduates typically find employment within a few years of completing the program. That's if you have more than 10 occupations.

On the other hand, what if your program doesn't crosswalk onto at least one or maybe a few more SOC codes? In that case, you would add SOC codes that align significantly and substantively with the program learning outcomes of your program, as long as you can document it. As long as you have evidence that graduates of the programs found employment in those fields and you can document that and show it, then it's okay to add those SOC codes. If you cannot determine what occupation your program prepares students to enter and you can't document that it aligns significantly with the learning outcomes in the SOC code, then you need to stop awarded Title IV aid for the program because it's not Title IV eligible. So, something to keep in mind. It is critical that you're able to identify a SOC code that relates to the program because, otherwise, it doesn't meet the definition of a program that prepares students for gainful employment in a recognized occupation.

Now, as you see on the slide, I referenced electronic announcement number 25. This EA generally explains how you would separate programs out for disclosure purposes. So, for example, if you have a program – two programs with the same CIP code and certificate,

but different program lengths, in some cases, it might make sense to separate those out for your disclosures. The EA goes into that and we're gonna talk a little bit more about that towards the end of the presentation, but I did want to include it as a note here because it references this particular disclosure and it's something you might want to take a look at.

The next disclosure isn't actually explicitly mentioned in the regulations, but it's tied to the on time graduation rate for completers, so I've included it separately here. Normal time is the amount of time necessary for a student to complete all of the requirements for a degree or certificate according to your institutional catalog or your promotional materials. So, in other words, it's how long you tell students it's gonna take them to complete the program. So, maybe it's two years for an associate degree or maybe it's 12 months for a cosmetology certificate. In some reviews at institutional websites, we've noticed that some schools haven't included the normal time for the program with their GE disclosure, and in some cases, they've said, "Well, go see how long the program will take you in another place in the catalog." The idea is that you're making these disclosures user friendly, so that's the kind of information. Normal time is something that you would include in the information with the rest of your disclosures.

Now, in the example I just gave, I said 2 years for an Associate's Degree or 12 months for a certificate. Make sure that when you're disclosing the normal time for the program, you're using common units of time, like years and months and weeks. Don't use things like clock hour, credit hour, semester or quarter credit hours. Remember, that most consumers aren't steeped in Title IV lingo like the rest of us are and they don't intuitively know how a credit hour, for example, relates to real time. So, since the purpose, again, of the disclosures is to inform consumers, make sure you're using terms that they can understand. So, when you give them the normal time, give it to them in normal time units, like years and weeks and months.

One point that I wanted to make on this last slide also, keep in mind here that normal time for GE purposes is different from normal time under the student right to know provisions in 668.45. There's a different definition here. We decided to use a different one for two reasons. First of all, the student right to know disclosure is, as you probably know, is only based on your first time, full time students and when we first considered using that methodology or adapting it, we found that it was just gonna be too

difficult for schools and for the department to modify the existing methodology to include all students, not just first time, full time students.

And then, the second reason we decided not to use the student right to know definition of normal time is because student right to know is based on 150 percent of normal time, not the actual program's published length. And we really, again, this is all about consumer information. We really believe it's valuable for perspective students to know the extent to which former students actually completed a program on time so that they can adjust their expectations, they can better plan their time and expenses as they're considering entering a particular program.

Now, the on time graduation rate, as I said, is very closely tied to normal time and you can see why on this slide. In order to calculate your rate, you first have to determine the number of students who completed the GE program in the most recently completed award year. So, as you go to update your disclosures in the next two months, you're gonna be looking at how many completed in the 2011-2012 year. And in figuring this number, you're gonna include all students who satisfied all of the academic requirements of the program, regardless of whether they've actually received their degree, their certificate or other institutional credential, right? So, in other words, it doesn't matter if they've already walked across the stage and actually been handed their diploma. Once they have finished all of the academic requirements for the program, at that point, they're considered program completers.

Now, once you've determined the number of completers, you have to figure out how many of those students did so in normal time. And to do that, you would look back at when each person started the program to figure it out. And then, finally, you're gonna divide the number of students who completed in normal time by the total number of completers and you multiply to get a percentage rate. So, I'll give you a really simple example. Your first step is to figure out how many students completed, and let's just jump ahead and say, the 2011-2012 year because now you're updating your disclosures. So, you look at your school record and you determine that 200 students finished the program. Then, next, you looked at those 200 students' records and you saw that 150 of them completed your 4 year program within 4 years, so they finished that program within normal time.

So, next, as my first statistics professor used to say, you plug and chug the numbers, you divide 150 by 200 and that gives you .75. To get a percentage, you would multiply it by 100 and you have a 75 percent on time graduation rate. And that would actually be a really great rate. If you have a 75 percent rate, you're in really good shape, okay?

Now, a few things to keep in mind regarding the on time graduation rate. First of all, this rate includes leaves of absence. If a student takes a leave of absence, you don't stop the clock on their time to completion. Similarly, you don't stop the clock if the student withdraws and then, re-enrolls in the program later.

Second of all, if the student attends multiple programs at your school, you would calculate their time to completion from the time that they began any program at your institution, but there is an exception here. If they completed a program and then came back to enroll in another one, you wouldn't have to include their first program towards the completion time of the second program. And, again, that's only if they complete it.

So, I'll give you an example. Let's say your student completed a certificate in hairdressing and then, they returned for another certificate in skincare. Since the student finished the first program, you don't have to count the time that the student was in the hairdressing program. You're only gonna count the time from when the student started in the second skincare certificate program. Does that make sense? I see some heads nodding. Some of you are awake. Okay. There is audience participation, so make sure you're awake and ready for it. Okay.

Institutions have to also disclose the tuition and fees it charges a student for completing the program within normal time. Typical costs for books and supplies, unless you include books and supplies in your tuition and fees. And then, you also have to include the cost of room and board, if that applies at your school. Make sure that you are disclosing costs for all of these categories. Don't roll books and supplies and room and board into tuition and fees and just assume that that's clear to someone who's looking at your disclosures. You have to make sure that you identify each of these specific categories individually.

Also, remember that the costs have to reflect the full program. We're not just talking about the costs for one year of the program. So, for example – and this is where I need your help – if normal time for a student to complete a GE program is four semesters over

two years and the tuition and fees are \$1,000.00 for each semester, how much would you disclose for the tuition and fees category?

Audience: Four thousand.

Jessica Finkel: Four thousand, right. Okay. Some schools that we've seen are still just providing the cost of the categories for one year. Others have included a note saying something like, "This is the cost for one year and the cost should be the same for the next four years." This requires the consumer to do some math. Can't trust their math, of course. But, it puts you at risk for not being in full compliance. You know, you might as well go and take that extra step and give them the cost over the four years instead of requiring them to do some math because then, you know for sure you're in full compliance with the regulation.

Now, we recognize that tuition fees can change over time. So, in that case, it's fine to disclose the amounts using either the current rates or an estimated rate and, either way, you're gonna include a disclaimer. You're gonna say whether you use current or estimated rates, you're gonna let them know that the amounts may change and that's, kind of, to protect yourselves, as well as providing them with, you know, information that might effect their costs and fees.

Another quick note about fees. Fees include any charges that must be paid to the institution as a condition of enrollment or attendance. If the supplies are a mandatory fee to your institution, then those would be listed under tuition and fees instead of under books and supplies. So, fees are anything that are a condition of enrollment at your school.

And then, lastly, while tuition and fees, books and supplies and room and board are required categories for GE purposes, remember that you also have to disclose other expenses, like transportation or living expenses under student right to know in 668. – it's either 43 or 45, but I think it's 43.

So, you have the option of disclosing, also, transportation of living expenses, along with your GE disclosures, but that category, in particular, is not required. However, if you don't include it there, you have to, at a minimum, include a link from your GE disclosures to the other, you know, general student right to know disclosures that would give them the information.

Okay. So, first, let's step back and remember the big picture here. So far, you've identified all the GE programs at your institution and now, you've started to check off each of the disclosures that you need to make for each one. You've provided the name and the SOC codes for the occupations the program prepares students to enter. You've stated what normal time to completion is. You've provided them the percentage of students who graduated from the program on time. And you've given them the costs that are associated with completing the program.

Now, continuing down that checklist, the next disclosure that you need to make for each program is the placement rate for students who complete the program. The regulations require institutions to use an NCES methodology, once that's available. Now, NCES convened a technical review panel back in early 2011 and they were charged with developing a placement rate methodology for all GE programs that could be used nationally. Unfortunately, the panel believed that limitations in our data systems and in the data that's available generally made it too difficult for them to develop a definitive suggestion at the time and they suggested that we continue to monitor the data that's available to see if, you know, they could revise their recommendation at a later point.

So far, we still don't have a national methodology. So, until we have better data and we have better data sources, what should you do? If your institution is required by your accrediting agency or state to calculate a placement rate on a program basis, you must disclose that rate, or both rates if you are required to do so by both entities, and you would identify the accreditor or the state that required the calculation. If your accrediting agency or your state requires you to calculate a placement rate on an institutional level or on other than a program basis, you would apply that institutional level methodology to the program level to calculate a rate for your GE programs. Does that make sense? Okay.

Next up is the median loan debt that's incurred by students who completed the program. And notice this is the median, not the mean. If you reach way back to your elementary or secondary school math, does everybody remember the difference among mean, median and mode and how to determine each of them? Okay. I don't mean to insult your intelligence, but let's go through a quick example to refresh your memories on median, alright? Get your pencils ready. Again, audience participation. Write down numbers five, two and seven. What is the median?

Audience:

Five.

Jessica Finkel:

Five. Right. Okay. And to figure that out, you put the numbers in order and you found the middle number, right? So, two, five, seven, the middle number is five. And if you accidentally did the mean, you would have had seven. So, in some cases, not always, sometimes the mean and the median are the same, but, in some cases, it can make a difference. And now, for the purposes of disclosing median loan debt, you first would determine which students completed the GE program in the most recently completed award year. So, again, updating our disclosures, so the 2011-2012 award year.

Next, you would arrange each student's debt in ascending order and you would include any students who had zero debt in that number. That's something that not everybody was aware of. So, you would include zero debts in that number.

Next, you would identify the middle value, just like we did with the really simple example. And if there were an odd number of values, it would be really easy to find the middle one. If there were an even number of values, you would add the two middle numbers together and then divide by two to get the average of the two values at the halfway point, okay?

Since the median loan debt must be separated out into three categories, there's Title IV loan debt, private education loan debt and institutional debt, you're gonna do this process three times. So, in other words, you will have three medians. You're gonna have one for each category of loan debt. Okay.

Now, let's take a little bit of a closer look at the three loan debt categories. For Title IV loans, you should consider FFEL and direct loans, including grad PLUS loans. You should not include parent PLUS loans, Perkins loans or teach grants that have been converted to unsubsidized direct loans. Private educational loans are actually defined in section 140 of the Truth and Lending Act, or the TILA, and its implementing regulations. And it's defined as non-Title IV loans that are provided by private educational lenders expressly for post-secondary educational expenses. And this definition, again, in TILA and in the regulations, is actually the purview of the Federal Reserve Board. It's not a definition that comes from the department or from Title IV regulations, but private educational loans are an area where we've worked really closely with the Federal Reserve Board. In particular – I think we're actually gonna save questions for the end, if that's okay. Thanks. I appreciate it. But, it's in the purview of the Federal

Reserve Board, who we work really closely with in issues related to private educational loans and, in particular, private educational loan disclosures. We've had some presentations in past years at the conference and at NASFAA conference on those disclosures and that's where we've gotten a little bit more in depth on TILA and the TILA regulations and the definition of a private educational loan.

But, anyway, aside from that, generally, examples of private education lenders who are making these private educational loans, typically, that includes banks and credit unions. It can include institutions of higher education or their affiliates. It could include states, localities. There are a number of groups that fall into this definition.

Now, remember, for Title IV loans and for private educational loans, the disclosure is for all of the loans that are taken out over the course of the program. It's not just for one year of it. Oh.

Institutional debt is unlike Title IV and private loan debt where institutions report the total amount that the student received for attendance in the whole GE program. Instead, the amount reported for institutional debt is the total amount that the student owes the school as of the day they completed the GE program. It also includes any loan, extension of credit, payment plan or other financing mechanism that was provided by the institution or a related party for attendance in the GE program and that, otherwise, is not reported as a private education loan and it results in a debt that the student must repay to the institution after they complete the program. It also includes any charge that is attributable to the student's attendance in the GE program that the student still owes. So, maybe they have unpaid library fees or parking tickets or extra time charges, graduation fees, any outstanding financial obligation after the student leaves.

One note that I want to point out that only applies to institutional debt medians, if the aggregate amount is under \$200.00, you don't have to include it to determine your median. So, when you're listing your values in ascending order, if someone owes under \$200.00 in the institutional loan debt category, you would include it in that list as a zero debt, okay? This threshold, again, it only applies to institutional debt for amounts \$200.00 or less. If you have amounts that are under that threshold for the other two categories, for private loan and Title IV loan debt, then they are still gonna be included in your medians.

And then, this last disclosure in the regulations is a little bit of a catch all, but the language says that, in addition to the information that we've already discussed, schools also have to disclose other information that the secretary provides to the school about the GE program. So, at this point, given the court decision and we're still waiting for the judge to issue his final decision – we have no idea when that will be – at this point, there's nothing to disclose under this provision. And so, we'll just wait to see where we end up. We'll provide more information as it becomes available. So, for right now, the most important thing to know is that this provision exists and know that it's on hold for the time being.

So, now that we've gone over the information that you're required to disclose under 668.6B1 – can you tell I'm a total policy nerd here? 668.6B1, let's spend a few minutes talking about how you have to go about making them available to students. And this part is outlined in 668.6B2. The regulation requires that all of these disclosures have to be available in the promotional materials that you make available to perspective students and on your website.

So, what are promotional materials? This includes a variety of things, but some examples would be an invitation to an information session on a particular GE program, advertisements on the subway, for a specific GE program, maybe your course catalog to the upcoming term, a blog posting about the program on the institution's website. All of these are promotional materials and so, you get the idea. We've had a number of questions on this and so, I encourage you to check our FAQs when you get back to the office, but let me fill you in on some of the guidance that we've given in the FAQs.

First of all, if you talk about a specific GE program or programs in your promotional materials, the disclosure should be included whenever feasible. And if it's not feasible, say, you want to put out something on Twitter and you only have 140 very valuable characters, you have to include a link to the – excuse me – to the disclosure information in that Tweet. For those of you who don't know Twitter, all of the links take up your characters, but there are ways to shorten the links. There's a website called Bitly, for example, that will allow you shorten the URL so it takes up fewer of those precious characters. So, if you're looking for a way to include a link to the disclosures and also have a little bit more wiggle room to provide other information, that's one way to do it with Twitter, in particular, in a place where you have very limited text options.

Second of all, for promotional materials that advertise more than one GE program, you have two options. You can either provide one link on the promotional material where prospective students will be redirected to a list of web links for all of your GE program websites or you can provide a direct link to the homepage for each GE program on the material. So, for example, let's say I have a brochure that mentions six certificate programs at my institution and it's just not feasible; there's not enough space to include all of the required disclosures for all six of the programs in that brochure, I have two options. I can either include a link in the brochure that takes students to a website that then allows them to link to the individual GE program, so a landing page, more or less; or I could include a link to the program homepage for each program in the brochure. So, if I'm looking at my brochure, "Here's program A. Here's the link to program A's homepage. Program B, here's the link to program B's homepage." You got the picture. In the landing page version, it would say, you know, "See this website." When you click on it, it lists all of the program homepages for each GE program and then, if I click on program A, it takes me to their homepage and that homepage has all of the disclosures. If I click on program B, it takes me to the program B homepage and it lists all of the program B disclosures.

Third, if you don't include a disclosure in the promotional material itself, but you include the URL or you provide a live link to the website with the required information, you have to include a clear explanation of the information that's available at that link. So, for example, you might say, "For more information about our graduation rates, the median loan debt of the students who completed the program and other important information, please visit www.jessicaandcynthiaspresentation.com", something like that. You have to let people know what they're gonna find. I'm, in particular, more likely to click on a link if I know what's gonna be there. I'm not just gonna click on something just because it's in blue and underlined, okay? So, let people know what they're gonna find.

Now, as I said, the disclosures have to be provided in or accessible from your promotional materials and on your website. And this goes back to some of the examples I just gave. As far as your website, remember that the disclosures have to be prominently placed on the homepage for the applicable GE program. So, again, program A homepage, here are my disclosures for program A. And, as I mentioned before, also, you can't only have that single landing page where you list all of your GE programs and your disclosures. So, it's not okay to say, "Program A disclosures,

program B disclosures, program C disclosures” all on a single website, okay? These disclosures have to be on the homepage for each GE program.

Also, note that consumers have to be able to access the disclosures on the program homepage, that the ones that are on the program homepage, they have to access it from other institutional websites that directly talk about the program or relate to the program. And those links also have to be permanent and direct to the program homepage.

Also, note that the disclosures have to be prepared in an open format that’s easily searched by common web search applications. The language in the regulations that require this reflects a broad initiative across the government right now to make important information available and accessible to consumers so that they have the critical information that they need to make informed decisions.

And then, lastly, those of you who were at our session last year – anybody at our session last year? Those of you who were here last year heard all about our GE disclosure template and we were really excited about it and we were hoping to release it this past July to help you all with your disclosures going forwards. Unfortunately, we still have not released the template. Because of the pending court decision, our attorneys won’t let us release the template. But, we’re hopeful that we’ll have it very soon because it really does have some great features and we think it’ll really be useful to schools in preparing their disclosures and also, it’ll make it easy for students to look at a standardized set of information across different programs. Again, the disclosure template release date is still to be determined, but keep your fingers crossed and we hope to make that available to you soon.

We also plan – as a note, we also plan to update our GE disclosure question, I think it’s 19, that addresses when the template will be released and when you have to update your disclosures with the template. We’re planning to update that FAQ given the electronic announcement that went out on Friday saying, “You should go ahead and update them by January 31st.” And until we have the template, you should continue to use an institutionally designed or decided format until we have a more standardized format available, okay?

With that, I will turn it back over to Cynthia. She's gonna share some compliance tips based on questions that we've received along the way.

Cynthia:

Thank you, Jessica. Alright. So, here are some tips on who to include. When you're doing your calculations, trying to figure out your medians or who's doing your on – who's included in your on time completion, who do you include in these calculations? We're talking about students who completed the program in the most recently completed award year. So, for the ones that are updated by January 31st, that'll be students who completed in the '11-'12 award year, so, between July 1, 2011 and June 30, 2012, regular students. If there are high school students in your GE program, then whether or not you include them would depend how they were admitted to your school and to this program. If they were admitted as regular students, then you would include them. And high school students can be admitted as regular students, even though they are not eligible for Title IV aid. It's all regular students for whom you have social security numbers. So, if you do not include this – you do not include the student if nowhere in your organization is that student's social security number. It's not enough to look around your office and say, "Ahhh, I don't have it. I don't have to include this person." You need to look everywhere – in the registrar's office, _____'s office, admissions. If nowhere there's a social security number in any of your systems, then that student would not be included.

So, all of your GE programs should have disclosures on your website and in your promotional materials. However, for small programs, in order to protect students' privacy, there are certain things you do not disclose – the medians and completion rate if there are fewer than 10 completers in a given award year. You must disclose all the other information, even if you have one student or no students in the program in that particular year. This is frequently asked question G7.

So, even if no one is enrolled in a program, your disclosures still must be made. You can still disclose the occupations, the time it takes to complete the program and the tuition and the fees. For placement rates, you would include these if it's consistent with the small numbers requirements of your accreditor or your state. So, although our minimum number is 10 and we tell you that 10 is the minimum number to protect student privacy, if you're in a state that says, "Well, our number for our placement rates is 15", then you would not disclose the program's placement rate if you had 14 students in the program. But, you'd still disclose the other items

listed here – the occupations, the normal time and the tuition and fees for the entire program.

Now, a little bit about this electronic announcement number 25 that Jessica mentioned earlier. In September 28, 2011, we posted this electronic announcement. What we discovered is a lot of you all had come to us and said, “We have two programs, same CIP code, same credential level, but they’re different lengths of time. One might be a 12 month certificate program; the other’s an 18 month certificate program.” And, obviously, they’re different lengths of time, but they’re also – may have different costs, different completion rates. And so, in the interest of having the most accurate disclosures available to students, the department modified our previous guidance and told you guys to consider doing disclosures for these two programs separately. So, if the length of the program differs by more than 3 months, 12 weeks or more than 1 Title IV payment period, separate disclosures should be considered. Institutions should also consider providing separate disclosures if the cost of the program differs by more than 10 percent, like from 1 program to another, even though they have the same CIP code and credential level.

Now, some resources. I hope we’ll have plenty of time for questions, but if you get back to your desk and you’re like, “Ahhh, I should have asked her that”, one of your best resources is the GE information page. There are several sections to this – regulations and federal registered notices; dear colleague letters and electronic announcements; frequently asked questions; training; and other resources. I cannot emphasize how helpful the frequently asked question section is. I’d say, probably, a good half of the questions that get sent in to the GE-questions@ed.gov email address have already been answered by the frequently asked questions.

The other place that’s extremely helpful would be the training section. You’ll find links for all the webinars we’ve ever done on gainful employment and gainful employment related topics. This presentation will also be posted there in a couple of weeks when we get back from the conference and, of course, all the dear colleague letters and electronic announcements. There’s now 42 electronic announcements, some as simple as, “Oh, we just posted this to others that give you some really solid information about various aspects of gainful employment and what you should be doing”, including the all important number 42, which tells you about the deadlines, the January 31st deadline for your updated disclosures.

So, here's how you would get to the GE information page. The arrow on the right takes you from the main IFAP website and there's a click onto GE information page. I also put a little red box around my IFAP, which is on the left – or am I getting my right and left mixed up? Yeah, it's on the left. If you have not already signed up to my IFAP to receive these emails, I'd highly recommend you do so. If you register on the site, on my IFAP, you can get emails, either once a week or once a day – I get them once a week – that tell you everything that's been posted in the previous week and it's really helpful because it's hard to keep up with all the stuff that the department posts. And since IFAP is the main way that we communicate with institutions of higher education, I highly recommend you register. And multiple people at your organization, at your school, can register. So, have everybody do it. Okay.

So, we are happy to take some questions and I – yes, I'd love as many as possible to come up and talk in the microphones. We've had some sessions where everybody waits and, like, bombards people at the end and then, everybody else doesn't get the benefit of hearing your question. So, if we'll start at the microphone in the back.

Audience: Okay. For '11-'12 disclosure, we wait on the template or we disclose by January 31 without the template?

Cynthia: You do not wait on the template. You disclose by January 31 based on whatever the format is that you guys used last year to determine that.

Audience: Okay. Thank you. Thank you very much.

Cynthia: Do not wait on the template. It will not be ready by January 31st. Yes, ma'am?

Audience: I have two questions with regarding to the leave of absence 'cause we've had a debate in our school with regarding to that. A student goes on a leave of absence in '11-'12 and comes back in '11-'12. So, that student is considered not completing in a normal time period, correct? The student goes on to –

Cynthia: Depending on how long your program is, yes.

Audience: Right. Okay. The student goes on a leave of absence in '11-'12 and comes back in '12-'13. Is that student also still counted as not completed in a timely, normal time period?

Cynthia: For disclosures, what you're looking at is you're looking backwards. So, you're taking all the students who actually complete the program and looking back to when they started. And let's say it's a two year program. So, you're taking all of the students that completed as of, let's say, December 1st and looking back, how many of those started, you know, December the 1st two years ago? If they started before that, then they're not included. If they started December 1st or sometime since then, then they are included.

Audience: So –

Cynthia: So, that's the on time – I mean, you include all the students. Those are the ones that it will have been on time for their completion is the ones that completed it in whatever the length of time, normal length of time, your program is. So, it's actually a little backwards at when those completers started.

Audience: I'm still not clear.

[Laughter]

I'm sorry.

Cynthia: Let's talk about it more after.

Audience: Okay, great. Thank you.

Cynthia: In the back?

Audience: I think I know the answer to this question, but just for my administrator's sake, they're gonna ask me if I asked this. I know that the disclosures need to be made by January 31st and that includes course catalogs. What happens when the school has already received their course catalogs from the printers, and this is about 40,000 course catalogs? What do you suggest we do in that situation?

Cynthia: You have a couple of options in that case. One is you could do an errata sheet. Another is, I – it depends what's in your course catalog. I – your catalog – if your course catalog has, like, all of the disclosures listed, which is wonderful, then, probably, having an errata sheet is the best thing or having some note in there that says, "This is as of this date. For more up to date", I guess, "disclosures, please see our website" and include that as well.

Audience: Okay. Thank you.

Audience: If a school is, on their webpage rather than prominently placing the GE disclosures on that program homepage, they have a link to a PDF or a Word.doc, is that still meeting the requirement?

Jessica Finkel: If it's com – is this on? If it's common – if it's able to be searchable by common web search applications, then it's okay. In some cases, PDFs aren't – I think they have to go through OCR, optical character resolution, I think, which makes them searchable documents. Sometimes, if people link and they have it as a PDF and it's not a searchable PDF, it won't show up when you do a Google search, for example. So, it's really – the regulatory language, basically, means someone should be able to use Google or Bing or something like that and search, you know, GE disclosures for this program and it should be able to – it should be found. So, if it's in some sort of format that's not searchable like that, that's problematic. Does that make sense?

Audience: Great. Yeah, absolutely.

Jessica Finkel: So, sometimes, a PDF is searchable; sometimes, it's not. Word documents, typically, are. Just double check with your IT department on how to make sure that they're searchable.

Audience: Okay. Thank you.

Cynthia: Yes, ma'am.

Audience: Hello. At one point, you guys disclosed the median loan debt percentages to us. Are we now responsible for calculating those percentages by January 31st?

Cynthia: You are responsible for calculating those percentages yourself. Because we did not do reporting this past year, we do not have the data for your '11-'12 year.

Audience: Okay.

Cynthia: So, we cannot calculate your medians. We hope that the judge rules in our favor and we are doing reporting once again and we will be able to calculate those at some point in the future. But, as of right now, since we didn't do reporting, we don't have the data to be able to do the medians. So, you're gonna have to do it yourself one more year.

Audience: Yeah, that makes sense. Thank you.

Audience: Can you please cover the information you had in slide six again? I got a little confused. It's about public institutions and what is not a GE program and you have on there, "Lead to a degree", but you made a comment about a community college.

Cynthia: I think this is the right one. Alright.

Audience: Yes.

Cynthia: So, with public institutions and non-profit institutions, the easy rule of thumb is if you have a certificate or diploma or any non-degree, then it's a GE program. The exemptions are programs that lead to a degree, programs that are at least two years in length and designed to fully transferable to a Bachelor's Degree. Those programs do not lead to certificates. Your institution, if it's designed as a transfer program, then your institution should not be offering a certificate for it. It's designed just as a transfer program and then, they transfer those credits to the four year school. And then, the third one's preparatory coursework.

Audience: So, any Associate Degree that we offer would not be – I'm thinking of my Association Degree in Nursing. You made the comment about –

Cynthia: Those would be degree programs.

Audience: That's what I thought. But, you made a comment about community college and I got a little confused, but that's okay.

Cynthia: The two year in length transfer programs are not very common these days, but there's a lot of 'em at – there's still some at community colleges 'cause they're remnants of the way the statute was written a long time ago. So, they don't tend to be a program. Those type of two year transfer programs tend to be at community colleges as opposed to other colleges.

Audience: Okay.

Cynthia: That's all I was saying.

Audience: Okay. Thank you.

Audience: Hi. I work at a community college and we've noticed over the past few years problems with our completers and calculating it because it comes to a relatively low number because many students end up having to start with remedial or developmental classes prior to actually completing the certificate. It was our understanding that we could put additional disclosures out there stating that, "This number does not include the students who had to take remedial or development classes prior to completing the program." And I want to make sure we're okay, partly because we're now also under a Department of Labor grant to create more of these certificate and gainful employment programs.

Jessica Finkel: So, if I'm understanding your question right, it sounds to me like you should including the people who took the developmental and remedial courses in your rate.

Audience: Even if the certificate is one year and they had to take, maybe an extra semester because they needed to take developmental English and writing before they could proceed to the classes that were required for the certificate?

Cynthia: Yes.

Jessica Finkel: Yeah, I think so.

Cynthia: Yes.

Jessica Finkel: But, for the second part of your question, you know, it's fine to go beyond what the minimum disclosure is and explain that, you know? If you say that, you know, "This is our program completion rate or on time completion rate" and, you know, if 90 percent of your students are doing this preparatory work, you know, it's fine to give people additional information that will clarify or explain why that number, maybe, looks so low in your case.

Audience: Okay.

Jessica Finkel: It's fine to do that. That does lead me to another point that I meant to mention earlier. We got a question yesterday about, "Well, what if we don't have to disclose, for example, a placement rate right now 'cause we're not required to by either our state or our accreditor? Do we just leave it blank?" In general, it's always better to, at least, affirmatively address something, even if you're gonna say, "You know, the answer – you know, the number is zero right now because we don't have to calculate it", right? You know, it's always better to at least address all of the elements from

a compliance standpoint to make sure you guys have your backs covered. It's always better to address everything rather than just leave it blank or to not even include it at all. And so, at least address it and then, if you want to explain it beyond the minimum disclosure, that's fine, as long as it's not gonna confuse students. We do still have the **misrep** regulations, so make sure you're not trying to mislead people or that you're not gonna unnecessarily confuse them. If it's for the purpose of, you know, explaining something to make it clearer, I think that's fine.

Audience: So, if we do use that lower rate, we could put the disclosure out there, but if we use, as you said, we can use those students who have to take those courses. Even though it extends the program beyond the 12 months, that's okay as well?

Jessica Finkel: No. Let me clarify.

Audience: No? Okay.

[Laughter]

Jessica Finkel: You have to – if you have a one year program –

Audience: Yep.

Jessica Finkel: – and most of the students in your program take two years because they have a year's worth of pre-req classes or remedial classes –

Audience: They don't count then?

Jessica Finkel: You still count those students.

Audience: *[Crosstalk].*

Jessica Finkel: They have not completed the program on time because it's taken them two years to complete a one year program. They did not complete the program on time. And you just have fairly low on time completion rate. However, you can then put a statement on there that explains why that it is the case.

Audience: Okay. Alright.

Jessica Finkel: So, if you look at the slide, maybe this will help. If you look at the slide, number one is gonna be all the students who completed the program, right? All the ones who completed, you know, the one year, even if they took a year of pre-req classes. Box two is only

gonna be the number of people who completed in that one year certificate program timeframe. Does that make sense? Does that help?

Audience: It does. Yep.

Jessica Finkel: Okay, great.

Audience: Thank you.

Cynthia: Yes, ma'am?

Audience: I just had a follow up to the nursing question. I'm from a community college as well and my question is we have a nursing program, for example, and we offer a nursing certificate and we also offer a nursing Associate Degree. So, students – there are some students that, you know, complete both or they go on track and we do that – we have that for a lot of our programs. Like in automotive, an Associate Degree in automotives, but we have various automotive certificates. So, are these considered gainful employment programs or not because they can lead to a degree?

Cynthia: If students can be enrolled in the certificate program, then you have GE program. And all students who are enrolled in that certificate program need to be included.

Audience: Okay.

Cynthia: So, it depends what the student was enrolled in and it sounds, from what you've said, it's not one of those where you have an AA and some students also happen to earn a certificate. You have both tracks. You have a certificate and an AA and the students that are enrolled in the certificate program, that is a GE program, you need to do your disclosures.

Audience: So, it is a G – it is considered a GE program, even though the certificate leads to a degree?

Cynthia: Correct 'cause your AA is actually the program that leads to the degree. A certificate leads to a certificate.

Audience: The certificate leads to the AA degree.

Cynthia: I know you can transfer from one to the other, but your certificate program is still a GE program.

Audience: Okay. Thank you.

Cynthia: Yes, sir?

Audience: Hi. I was just wondering, do you guys present this at any other conferences, like the Association of Community Colleges or any other academic affairs conferences? The reason I –

Cynthia: We – I've presented this at a number of different conferences and, if you want to flip to our contact information – do you have the flipper? If there's a specific conference that you want us to present at, let us know.

Audience: Okay. I was just wondering 'cause the reason I asked is because, to me, a lot of this is not the responsibility of the financial aid office, but more on the academic side. And I know, at some institutions, including mine, if it's linked to financial aid and it's part of the financial aid conference, so they look to us to implement it –

Cynthia: I agree.

Audience: – when it really shouldn't be us. So, I was just hoping it was presented at some of those other conferences as well.

Cynthia: Yes, and actually, we've presented it at Institutional Research Conference recently as well, so –

Audience: Okay.

Jessica Finkel: We did. I mean, generally, if we're invited to go somewhere to speak, we try our best to go. Right now, at least in OPE, our travel budget is next to nothing. But, you have noticed there, I think, a grand total of maybe four OPE people here at this conference. But, in general, you know, if we're invited, we do try our best to go. So, if those tend to be – it's better for us if there are local conferences to DC or to wherever we're located.

Audience: Okay.

Jessica Finkel: But, yeah, we go out. We do also post all of our presentations, as Cynthia mentioned. So, if you want to share it with other people on your campus, point them to IFAP. Point them to all of our web sources – website resources and things for that.

Cynthia: Absolutely. They can listen to this and all of our other ones.

Jessica Finkel: Right.

Cynthia: And it's – but, the slides and the audio should be posted to the website.

Audience: Thank you.

Cynthia: Yes, ma'am?

Audience: Thank you. I have two questions. The first one relates to the actual placement of the disclosures. I have shopped many, many institutions' disclosures over the last couple of years in search of the best way, the most convenient way, the whatever, the most attractive way. And there's all sorts of different ways. But, the crux of my question lies, is one of the most efficient ways I've seen is where an institution, on the program homepage, would have a simple link, which takes you to a booklet. I think a lady before me asked a similar question, but I guess my question is, can you put all your disclosures in one document and just put your link on the homepage? And I've seen where they disclosures, like the right to know disclosures, the accrediting commission disclosures, all of 'em.

Cynthia: Yeah.

Audience: All in one document.

Cynthia: Yeah. What the regulations actually say is that the GE disclosures has to be on the program homepage and that's what the regulations say. I think it is something for us to continue to look at, but as of now, that's what's required is that they all be on the program homepage.

Audience: Unless it's too cumbersome, like a billboard, for example. You'd need that statement.

Cynthia: Like for your promotional material?

Audience: Like you have a billboard – yes, promotional materials. Yes, I'm sorry.

Cynthia: Right.

Audience: I'm thinking of them all in the same way. Okay. My second question has to do with normal completion time. Again, this is

something where you see many, many variations. For example, a one year program, a two year program. I think for your on time completion rate, that is, you know, that's presenting your graduation rate in the most convenient light. If you – I guess, what I really want to know is does the department expect the institution to use the terminology and then the same numbers, say, for example, that you would wind up reporting to your accrediting commission? My – specifically, if your program is 36 weeks, 38 weeks, 48 weeks, 49 weeks, are you committed to that or can you say, a 10 month program, an 11 month program? Because, then, you can –

Cynthia: What your normal time is what you tell your students the normal time is.

Audience: Yeah. Okay.

Cynthia: So, wherever you have, on your website and your promotional materials, whatever, what you're telling your students is the normal time to complete the program is the normal time to complete that program.

Audience: Right. Okay.

Cynthia: So, it's what you tell your students. I know there's some programs that might have, like, a test that's required at the end and they want to tack on an extra week at the end. They can't actually graduate until after they've completed this test. It's what you're telling your students.

Audience: So, would that be, then, the minimum time? I know you referenced nursing or cosmetology. Those are two easy ones 'cause you'd have, say, a 1,350 hour program. However that equates to weeks would be your normal completion time. So, I guess, the difficulty that institutions face when you're committed to a set number of weeks is that if you have someone that misses a day or takes a week off because whatever; or I know the leaves of absence and all that, but it does make it more challenging when you're absolutely identical to what you use with your accrediting agency.

Jessica Finkel: I think one way you can address that, again, you know, if it's a 36 week program, you know, it's – your accreditor knows it's a 36 week program and maybe there is some variation in how long it takes students to complete the program. Tell them that the, you know, the time that this program is supposed to take is 36 weeks.

There's no reason you can't include additional information saying that, you know, some students take longer, some people take a less amount of time. I mean, I think that's okay.

Cynthia: Well, to be able to do normal time, it's – actually – it's not –

Jessica Finkel: Your calculations.

Cynthia: – what you would necessarily say what it is for your accreditor. It's what you tell your students. So, if your accreditor says it's a 36 week program, but, you know, there happens to be Christmas holidays in there and stuff, then you need to tell your students how long it's gonna take them to complete this program, not how many weeks of instruction there is, necessarily.

Audience: Okay. Alright.

Cynthia: So, you tell them – it's what you tell the students.

Audience: That's really what – okay.

Cynthia: That's what's important.

Audience: Okay. Great. Thank you very much.

[Inaudible]

Jessica Finkel: Oh, one other thing I did want to note to your first question. The reason why it's a little bit, you know, we're like, "Well, is a PDF link okay, is it not?", we anticipate that when we have the disclosure template, the way that it's probably gonna have to work is that you'll have to click on a link that will then open up the disclosure template application and produce something that's not necessarily gonna match the exact same language in the regulations that, say, on your program homepage. So, right now, until we have the disclosure template and we see exactly how that will look when it's implemented, I think that that explains a little bit why we're like, "Well, as long as it's searchable and" –

Cynthia: Yeah.

Jessica Finkel: That's why it's a little bit –

Cynthia: Yeah, mushy right now.

[Laughter]

In the back?

Audience: Hello.

Cynthia: Hi.

Audience: I have two questions. The first one is, we've been processing aid on my campus since May of this year and so, I'm trying to figure out when we're first required to disclose GE.

Cynthia: You are required to disclose GE by January 31st, if you haven't done so already.

Audience: Okay.

Cynthia: You need to have your disclosures on there. Because you only have a partial year, you can – you still need to have things – you might not have any completers yet.

Audience: Yeah. Okay.

Cynthia: So, you'd still disclose the length of time it takes to complete the program, the occupation, the SOC code, all those same things you'd have with small numbers.

Audience: Okay.

Cynthia: 'Cause you don't have any completers yet.

Audience: Okay.

Cynthia: So, you'd still need your disclosures up and you just wouldn't have the median debts and the –

Audience: And the completers.

Cynthia: And the completions. You actually don't have the completers.

Audience: Okay. And then, just a quick question about our campus. With a full time program and part time program, it's the same program costs for either way. The only difference is full time's nine months; part time is 18. Do we need separate disclosures for each of those?

Cynthia: Your school does have the option of doing it as separate disclosures based on electronic announcement number 25 in the *[Crosstalk]* there.

Audience: Okay. Okay.

Cynthia: And I think they need to turn the room around, so I'm gonna step down and if you guys have any additional questions, I'm happy to answer them.

Audience: Okay. Thank you.