



Gainful Employment 101

An illustration of a stack of money. Several bills are shown flying out from the top of the stack, scattered across the lower half of the slide. The bills are depicted in a light gray, semi-transparent style.

Kevin Fleming, Ph.D.

January 14, 2016



DISCLAIMER

https://www.youtube.com/watch?v=ZIRdST_Dc0M

The screenshot shows a web browser window displaying a YouTube video. The browser's address bar contains the URL https://www.youtube.com/watch?v=ZIRdST_Dc0M. The browser's menu bar includes File, Edit, View, Favorites, Tools, and Help. The search bar contains the text "The Four Year Plan download". The YouTube player interface includes the YouTube logo, a search bar, and a video player showing a scene with three people (two men and one woman) standing outdoors in front of a house. The video player controls show a progress bar at 0:10 / 1:40. Below the video, the title "The Four Year Plan" is displayed, along with the channel name "PAR, Inc" and a "Subscribe" button with 47 subscribers. The video has 7,420 views, 27 likes, and 0 dislikes. The bottom of the player shows options for "Add to", "Share", and "More".

57 baccalaureate jobs



43 underemployed



Career Technical Education: the Path Out of Poverty

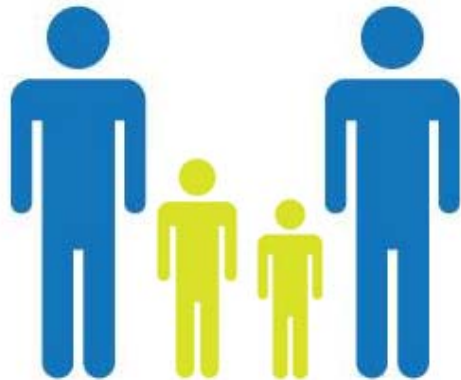
CA living wage:

\$60,771

(\$29.22/hour)

2-parent household with
1 working adult & 2 children

Source: CA Budget Project



\$66,000

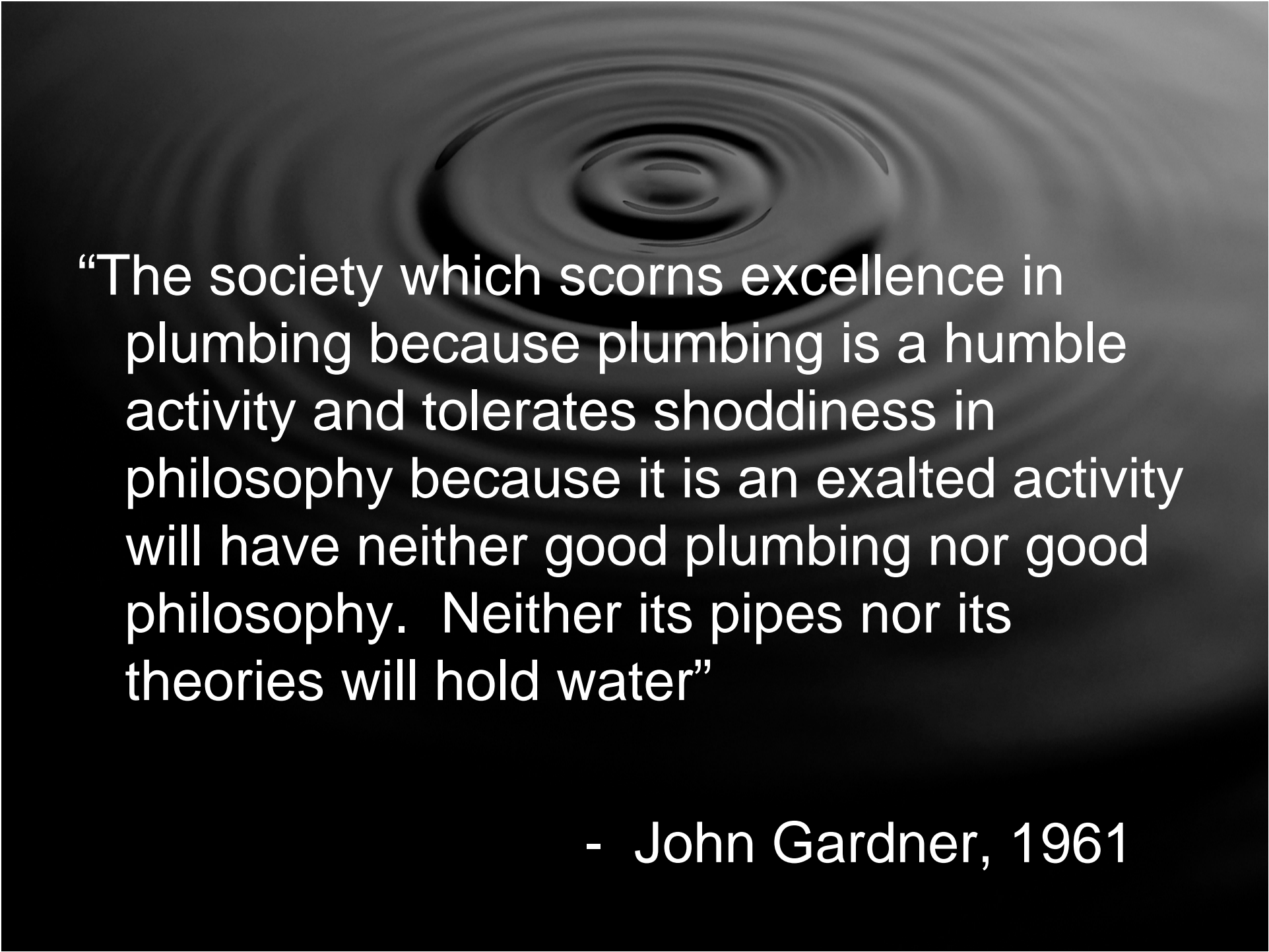
AA – Career Technical Education
5-years later

Source: Salary Surfer, 112 CA Community Colleges

\$38,500

AA - General Education
5-years later

Source: Salary Surfer, 112 CA Community Colleges



“The society which scorns excellence in plumbing because plumbing is a humble activity and tolerates shoddiness in philosophy because it is an exalted activity will have neither good plumbing nor good philosophy. Neither its pipes nor its theories will hold water”

- John Gardner, 1961

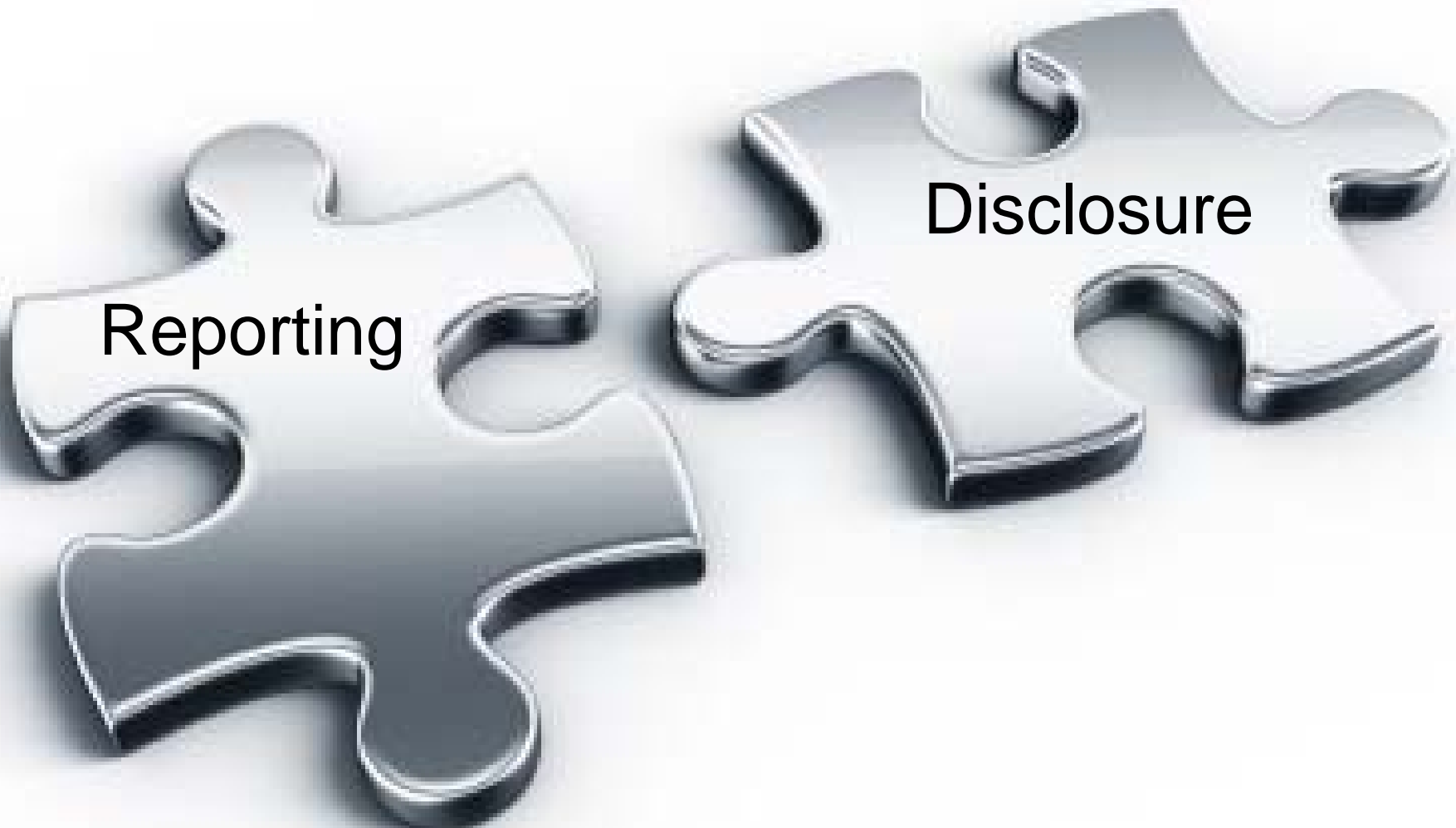
A black and white photograph of concentric ripples in water, centered in the upper half of the frame. The ripples are dark and light, creating a sense of depth and movement. The background is a dark, solid color.

Student loan debt exceeded credit card debt
in 2010, and auto loans in 2011, and it
passed the \$1 trillion mark in 2012.

Time.com

January 11, 2016

2 major components



Reporting

Disclosure



In June 2012, The Department of Education released the 2011 Gainful Employment Informational Rates that provide the public with information about educational programs that prepare students for gainful employment in a recognized occupation.

What accountability measures must my GE programs meet to remain eligible for Title IV aid? §668.403(b).

GE programs must meet two requirements:

- Certification, and
- Debt-to-earnings (D/E) rates.

California Gainful Employment Performance		
Number of Institutions with Gainful Employment Programs	Number of Programs with Gainful Employment Data	Percentage of Programs not Meeting any Thresholds*
262	831	1 %



On June 30, 2012, the Department received a court ruling in a legal challenge which affects the implementation of the Gainful Employment regulations. On March 19, 2013, the court issued a decision that denied a request from the Department to reinstate certain GE provisions, including the reporting requirements. That decision does not affect the GE disclosure requirements for institutions.

Final regulations published in the Federal Register on October 29, 2010, require institutions to report certain information about students who enrolled in Title IV eligible educational programs that lead to gainful employment in a recognized occupation (GE programs). Those regulations also provide that institutions must disclose to prospective students certain information about the institution's GE Programs.



Like the 2011 version of the GE rule, the 2014 rule includes significant new disclosure requirements for GE programs, as well as a notice and approval process for the creation of new GE programs. Our colleges must notify the Department if we wish to add an additional GE Program to its list of Title IV eligible programs.

In general, under the debt-to-earning metric, students who complete a GE program would need to spend, on average, no more than 8 percent of their annual income, or 20 percent of their discretionary income, on their student loan payments. Under the program cohort default metric, no more than 30 percent of the students who enrolled or completed a particular GE program could default on their student loans.



What are the debt-to-earnings rates?

§668.402, §668.404.

ED established two D/E rates:

- *Discretionary income rate*: The percentage of a GE program's students' annual loan payment compared to the discretionary income of the students who completed the program.
- *Annual earnings rate*: The percentage of a GE program's students' annual loan payment compared to the annual earnings of the students who completed the program.

The loan debt includes Title IV, private and institutional debt, but excludes cancellations and adjustments. The median amount used in the calculation will be the lesser of:

- Amount of tuition, fees, books, supplies and equipment.
- The actual loan amount, including any portion for living expenses.



What programs are subject to the gainful employment rules?

§668.402; *Gainful Employment Q&A, G-Q3*

- Nearly every program at proprietary schools, and all non-degree programs at nonprofit institutions (public or private). Programs at nonprofit institutions are only subject to the GE rules if they have non-degree programs — essentially, certificate programs. Teacher certificate programs are exempt if the state awards the certificate; however, if the school awards the certificate, the program is subject to GE rules.

What students are included in the GE rules?

§668.402

- Effective July 1, 2015, the rules apply to students enrolled in GE programs who receive Title IV aid. Prior to that date, the rules apply to any student enrolled in a GE program.



What are the certification requirements?

§668.414

The school must certify each GE program is:

- Included in the school's accreditation, or for vocational schools, approved by the recognized state agency.
- Satisfies applicable state or federal program-level accreditation requirements.
- Satisfies applicable state licensing and certification requirements relevant to the program.

US Dept of Ed will implement this certification as an addendum to the Program Participation Agreement for existing programs. Schools were required to make the first certifications to US Dept of Ed by Dec. 31, 2015.



What metrics must my GE programs pass to remain eligible for Title IV aid?
 §668.403(c)

ED established three measures to determine whether a program remains eligible: passing, failing and zone.

	Discretionary Income Rate	Annual Earnings Rate
Passing	Less than or equal to 20%.	Less than or equal to 8%.
Failing	Greater than 30%, or discretionary earnings of the rate is negative or zero.	Greater than 12%, or annual earnings of the rate is zero.
Zone	Greater than 20%, but less than 30%.	Greater than 8%, but less than 12%.

ED considers a program “passing” if it meets at least one of the passing thresholds outlined above. A GE program will no longer be eligible to participate (no student financial aid) if:

- It fails *both* measures for two out of any three consecutive years.
- It has a combination of failing and “in the zone” rates for four consecutive years.

Gainful Employment Programs

- At public institutions and not-for-profit institutions, all Title IV eligible, non-degree programs are GE Programs except for:
 - Programs of at least two years in length that are designed to be fully transferable to a bachelor's degree program (ADTs).
 - Preparatory coursework necessary for enrollment in an eligible program



- Generally, all non-degree programs must lead to *gainful employment*
- Generally, all programs at for-profit institutions must lead to *gainful employment*

Gainful Employment Disclosures

What disclosures must my college make regarding GE programs?

Schools must provide general disclosures for all GE programs and specific warning disclosures for GE programs subject to ineligibility during the next award or fiscal year.

§668.6(b), §668.412

ED will establish each year what items schools must disclose for its GE programs and publish that information annually in the Federal Register. ED will revise the current disclosure template to reflect the new regulations. Schools must comply with existing disclosure requirements through Dec. 31, 2016, with the new rules going into effect on Jan. 1, 2017.



BUS-20 Business Mathematics (3 units)
 BUS-22 Management Communications (3 units)
 CIS-1A Intro to Computer Information Systems (3 units)*
 or
 BUS/CIS/CAT-3 Computer Applications for Business (3 units)



*This class transfers towards one or more CSUSB or Cal Poly majors. Visit www.assist.org or the Counseling Office for details.

SUGGESTED SEMESTER SEQUENCE			
Fall 1	Spring 1	Fall 2	Spring 2
ACC-1A BUS-10 BUS-22	ACC-1B BUS-20 ACC-65	BUS-18A BUS-22 ACC-63	BUS-47

For more information regarding certificate program, course sequencing or scheduling:
 Patty Worsham, Associate Professor • (951) 372-7194 • patti.worsham@norcollege.edu

Norco College Counseling Department
 (951) 372-7101

Jobs & Wages

- **Entry Level Accountant** (13-2011.01)
- **Entry Level Cost Accountant** (132011.01)
- **Entry Level Payroll Accountant** (43-3051.00)
- **Accounting Analyst** (13-2031.00)
- **Accounts Manager** (13-2011.01)
- **Bookkeeper** (43-3031.00)
- **Accounting Technician** (43-3031.00)
- **Accounting Clerk** (43-3031.00)
- **Tax Preparer** (13-2082.00)

tuition
\$1,380
 books & supplies
\$1,518
 duration of study
16 MONTHS



As of 2014. Subject to change.

Program Costs and Gainful Employment Disclosure

† An Associate of Science Degree in Business Administration with a concentration in Accounting will be awarded upon completion of the required courses (30 units) plus the General Education requirements. Please refer to the Norco College Catalog or visit the Counseling Center.

For more information about our graduation rates, the median debt of students who completed the program, and other important information, please visit our website at: <http://www.norcollege.edu/cte/Pages/bus-accounting.aspx>

- Athletics
- Bookstore
- Career & Job Placement
- Class Schedule
- College Police
- Counseling
- Disability Resource Center (DRC)
- Enrollment Fees
- Financial Aid
- Learning Resource Center
- Library
- Lynda.com@Norco
- Online Classes/Blackboard
- Parking
- Standards of Student Conduct
- STEM
- Strategic Planning
- Student Employment
- Student E-Mail
- Student Handbook
- Transfer Center
- Tutoring
- Wireless Access (WiFi)

Business Administration: Accounting Concentration

Program Level - Undergraduate certificate

Program Length - 18 months



COST

Q. How much will this program cost me?*

- A. Tuition and fees: \$1,380**
Books and supplies: \$1,572
On-campus room & board: *not offered*

What other costs are there for this program?

For further program cost information [click here](#).

* The amounts shown above include costs for the entire program, assuming normal time to completion. Note that this information is subject to change.

SUCCESS

Q. How long will it take me to complete this program?

- A. The program is designed to take 18 months to complete. Of those that completed the program in 2013-2014, 6% finished in 18 months.**

Q. What are my chances of getting a job when I graduate?

- A. The job placement rate for students who completed this program is *%.**

* This institution is not currently required to calculate a job placement rate for program completers.

FINANCING

Q. What financing options are available to help me pay for this program?

- A. Financing for this program may be available through grants, scholarships, loans (federal and private) and institutional financing plans. The median amount of debt for program graduates is shown below:**

Federal loans: \$0
Private education loans: \$0
Institutional financing plan: \$0

Click here for more information on jobs related to this program.

	Required through 2016	Required beginning 2017
Primary occupation.	X	X
Completion and withdrawal rates, by enrollment status.*	X	X
Program length in calendar time.		X
Number of hours in program, or equivalent measure.		X
Total enrollment during last award year.*		X
Loan repayment rate.*		X
Total cost to complete the program on time.	X	X
Percentage of students who incurred debt during last award year.*		X
Placement rate, if required by an accrediting or state agency.	X	X
Median loan debt.*	X	X
Mean or median earnings.*		X
Most recent Program CDR (pCDR).*		X
Most recent annual earnings rate.*		X
If program meets requirements for professional licensure in specified locations, and whether a determination was not made in other states.		X
Programmatic accreditation required to obtain employment, if applicable, and the name of the accrediting agency.		X
Link to College Navigator website, or other similar federal resource.		X
Applicable prospective student warnings.		X

* Schools will not report when the data is based on fewer than 10 students.

GE Reporting

- **ONLY** submit data on students who were enrolled in a GE program
- **ONLY** submit data on Title IV aid recipients (exclude Federal Work Study and FSEOG only recipients)
- **ONLY** submit data for programs that exist as of July 1, 2015 (i.e. if program existed in a prior year but won't exist for the coming year, do not report it)

GE Data - Students to Include

- All Title IV students enrolled in GE Programs
- A student enrolled in more than one GE Program must be reported separately for each program.
- A student who 'stopped out' and re-entered the same GE Program during the same award year must be reported separately for each enrollment.
- A student who was enrolled in the same GE Program during multiple award years must be reported separately for each award year.

GE Data to report

1. Institution data

- Institution Code (OPEID)
- Institution Name

2. GE Program Information

- Program Name
- Award Year
- CIP Code (NCES 2010 version)
- Credential Level
- Medical or Dental Internship or Residency not applicable for CCCs
- Length of GE Program
- Length of GE Program Measurement



GE Data to report

3. Student data

- Student Social Security Number
- Student First Name
- Student Middle Name or Initial
- Student Last Name
- Student Date of Birth
- Enrollment Status on first day
- Program Attendance (start and end dates)
- Program Attendance Status during award year (graduated, withdrew, enrolled)



GE Data to report



4. Financial Data for Students

- Report at time of graduation or withdrawal, report full amounts
- Private Loan Amount
- Institutional Debt Amount owed to college at time of graduation or withdrawal
- Tuition and Fees Amount (**Actual** amount assessed the student)
- Allowance for Books, Supplies, and Equipment
- Note: The lower of tuition and fees, plus books, supplies and equipment, or the total debt will be used to calculate debt to income ratios.

GE Reporting Details (Yes, there's more)

Length of GE Program

- The length of the instructional program in weeks, months, or years as published by the school

Length of GE Program Measurement

- The unit of measure for the length of the instructional program as published by the school: 'W' (Weeks), 'M' (Months), or 'Y' (Years) – confirmed as academic years, not calendar years

Case Study-Single Program in Two Award Years

James started his Auto Mechanics GE Program course on May 15, 2008 and finished it on June 20, 2009, without taking any time off. So he was enrolled in the program in Award Year 2007-2008, and Award Year 2008-2009.

Name: James A. Brown

SSN: 000-00-9913

DOB: 10/1/1988

CIP: 150803

Case Study-Single Program in Two Award Years

Data Elements 1 through 9

	A	B	C	D	E	F	G	H	I
1	Award Year	Student Social Security Number	Student First Name	Student Middle Name	Student Last Name	Student Date of Birth	Institution Code	Institution Name	Program Name
2	20072008	0000009913	James	A	Brown	10/1/1988	06789900	North South University	Complete Engine Rebuild
3	20082009	0000009913	James	A	Brown	10/1/1988	06789900	North South University	Complete Engine Rebuild

Case Study-Single Program in Two Award Years

Data Elements 10 through 16

	J	K	L	M	N	O	P
	CIP Code	Credential Level	Medical or Dental Internship or Residency	Program Attendance Begin Date	Program Attendance Begin Date for This Award Year	Program Attendance Status During Award Year	Program Attendance Status Date
1							
2	150803	01	N	05/15/2008	05/15/2008	E	06/30/2008
3	150803	01	N	05/15/2008	07/01/2008	G	06/20/2009

Case Study-Single Program in Two Award Years

Data Elements 17 through 23

	Q	R	S	T	U	V	W
1	Private Loans Amount	Institutional Debt	Tuition and Fees Amount	Allowance for Books, Supplies, and Equipment	Length of GE Program	Length of GE Program Measurement	Student's Enrollment Status as of the 1st Day of Enrollment in Program
2					18	M	F
3	1750	0	1250	500	18	M	F



Where can I find more information?

The Department's provides all relevant Gainful Employment Dear Colleague Letters and Electronic Announcements, as well as updates through Frequently Asked Questions through this webpage:

www.ifap.ed.gov/GainfulEmploymentInfo/indexV2.html,

or schools may send questions to GE-Questions@ed.gov.