From: <u>Cosner, Christian</u>

Subject: USDOE Changes to Title IV Financial Value Transparency and GE Program Length

Date: Friday, May 17, 2024 10:50:15 AM

Dear Reports Coordinators,

The purpose of this email is to check in with each of the colleges informally to ensure awareness of the new regulation changes to Title IV funding Financial Value Transparency metrics and Gainful Employment (GE) program length. Furthermore, this email serves to offer any help and guidance for implementation. A summary of the regulation changes is given below.

On October 31, 2023, the US Department of Education published new final Certification Procedures regulations. Among the many regulation changes, two stand out: 1) a new limit placed on GE program length (e.g., the 150% rule reduced to the 100% rule) and 2) a requirement for new reporting metrics such as Debt-to-earnings ratio and Earnings Premium.

The program length regulation limits the number of hours in a GE program to the greater of the minimum number of clock hours, credit hours, or the equivalent required for training in the recognized occupation for which the program prepares the student, as established by the state in which the institution is located or, in some cases, another state. As a result, some institutions may be required to reduce the number of credit or clock hours in a GE program to maintain Title IV eligibility. This previous rule was known as the "150 Percent Rule" which limits the program length to 150% of the hours required by the State to achieve basic competency in an occupation. The new rule limits this to 100% of the hours required.

Regarding the reporting metric change, the regulation change introduced two new financial metrics, Debt-to-earnings (D/E) and Earnings Premium (EP), which will first be reported by October 1, 2024. This regulation change effectively introduces consequences for programs whose graduates have a high debt burden compared to their earnings or do not earn more than a high school graduate.

If you have any questions or concerns regarding the USDOE changes to Title IV Financial Value Transparency and GE Program length, please do not hesitate to contact me at (850) 245-9854 or via email at Christian.cosner@fldoe.org.

Best Regards,