Timeline for First Set of Gainful Employment Rates Slips Further

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This is one of several changes in ED's schedule to release the Completer Lists that were originally expected in November 2015. As a result, the date when institutions could be subject to the impact of the first set of rates – the requirement to issue student warnings based on a single year of failing rates – could be pushed out three to four months to the Spring of 2017.

The Completer Lists are significant since they represent the first concrete step in ED's process to calculate GE Rates. These lists are intended to identify every Title IV student who graduated from every GE program in the relevant time periods, so that ED can be sure it uses the right population to calculate rates for those programs. Once ED circulates these lists, institutions have 45 days to offer corrections and challenges, and then ED must proceed to attach the correct debt amount as well as the relevant earnings information from the Social Security Administration for each completer.

While ED has provided little information on the cause of the delays in preparing the Completer Lists, these difficulties are quite notable since the data processing challenges can only get more complex as ED attempts to integrate the debt and earnings data to calculate GE Rates. There were reports in Fall 2015 that ED was having trouble setting up its GE database system and it seems evident that those problems are persisting. The severe criticism of ED's data management systems at a House hearing last week could also contribute to the delays, since we understand that ED is now reviewing many of its data systems and procedures.

There is no official timeline for ED to take all of the steps to issue the GE Rates, but ED has previously provided guidance suggesting that it expected to issue Draft GE Rates in Summer 2016 and Final GE Rates in late 2016 or early 2017. With the further postponement of the Completer Lists, it is possible that those dates could slip another three to four months so that we might not see the first set of Draft GE Rates until late 2016 and the first set of Final GE Rates, which could trigger the student warnings, until Spring 2017. The time period when programs might lose eligibility based on failing rates for two years in a row could slip until early 2018. We will be monitoring to see if ED clarifies this timing.

Institutions will have several opportunities to challenge the data used to calculate the GE Rates, once the Completer Lists are issued. If you want more information on the timelines and procedures for challenges, please let us know.

View ED's latest announcement on the timing of the Completers List.

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