

## Purpose/Overview

### PURPOSE

This manual contains information about the 2010 and 2011 gainful employment regulations. It is intended for institutions that participate in the federal student assistance programs authorized under Title IV of the Higher Education Act of 1965, as amended (HEA). Within this manual, you will find guidance regarding implementation and compliance with each aspect of the gainful employment regulations.

If you have comments or suggestions about this manual, please send them to the Gainful Employment Operations Team at: [GE.Operations@ed.gov](mailto:GE.Operations@ed.gov).

### THE LAW

The HEA defines a Title IV eligible educational program of study as either one offered by a public or non-profit institution leading to a degree, or a program of study offered by any institution that leads to gainful employment in a recognized occupation. Throughout this manual, we will refer to the later set of educational programs as “Gainful Employment Programs” or “GE Programs.”

### REGULATIONS

The Department of Education (ED) published final regulations on October 29, 2010, related to Gainful Employment Program institutional reporting requirements, GE Program institutional disclosure requirements, and the requirements that an institution must meet if it wishes to add an additional GE Program to its listing of approved Title IV eligible educational programs. Those regulations went into effect on July 1, 2011.

Under those regulations, institutions were required to report information about their GE Programs by October 1, 2011, although ED announced that it would “continue to accept reporting through November 15, 2011.” As provided by a notice in the *Federal Register* published March 15, 2012, reporting of 2011-2012 award year data will be due October 15, 2012.

On June 13, 2011, ED published its final rule on the Debt Measures that will be used to determine if an educational program leads to gainful employment. The effective date for the Debt Measures regulations is July 1, 2012.

### WHAT IS A GAINFUL EMPLOYMENT PROGRAM?

Under the HEA, to be eligible to participate in the Title IV student assistance programs, an educational program that does not lead to a degree awarded by a public or non-profit postsecondary institution must lead to gainful employment in a recognized occupation. There are a small number of exceptions that are described in the Gainful Employment Program Determination graphic on the next page.

The following describes which of an institution's educational programs must lead to gainful employment if the program is to be Title IV eligible.

**All For-Profit (Proprietary) Institutions** — All educational programs are GE Programs except for:

- Preparatory course work necessary for enrollment in an eligible program; and
- Programs leading to a bachelor's degree in liberal arts that have been offered by the institution since January 2009 and which have been regionally accredited since 2007.

**All Public and Non-Profit Institutions** — All educational programs are GE Programs except for:

- Programs that lead to a degree – associate's, bachelor's, master's, doctoral, professional;
- Programs of at least two years in length that are designed to be fully transferable to a bachelor's degree;
- Teacher certification course work that does not lead to a certificate awarded by the institution; and
- Preparatory course work necessary for enrollment in an eligible program.

Thus, any non-degree program for which an institution awards a certificate or diploma is a GE Program.

In Gainful Employment [Electronic Announcement #11](#), published June 24, 2011, ED provided additional guidance on determining if a program of study is a GE Program. The Gainful Employment Program Determination graphic illustrates [Electronic Announcement #11](#).

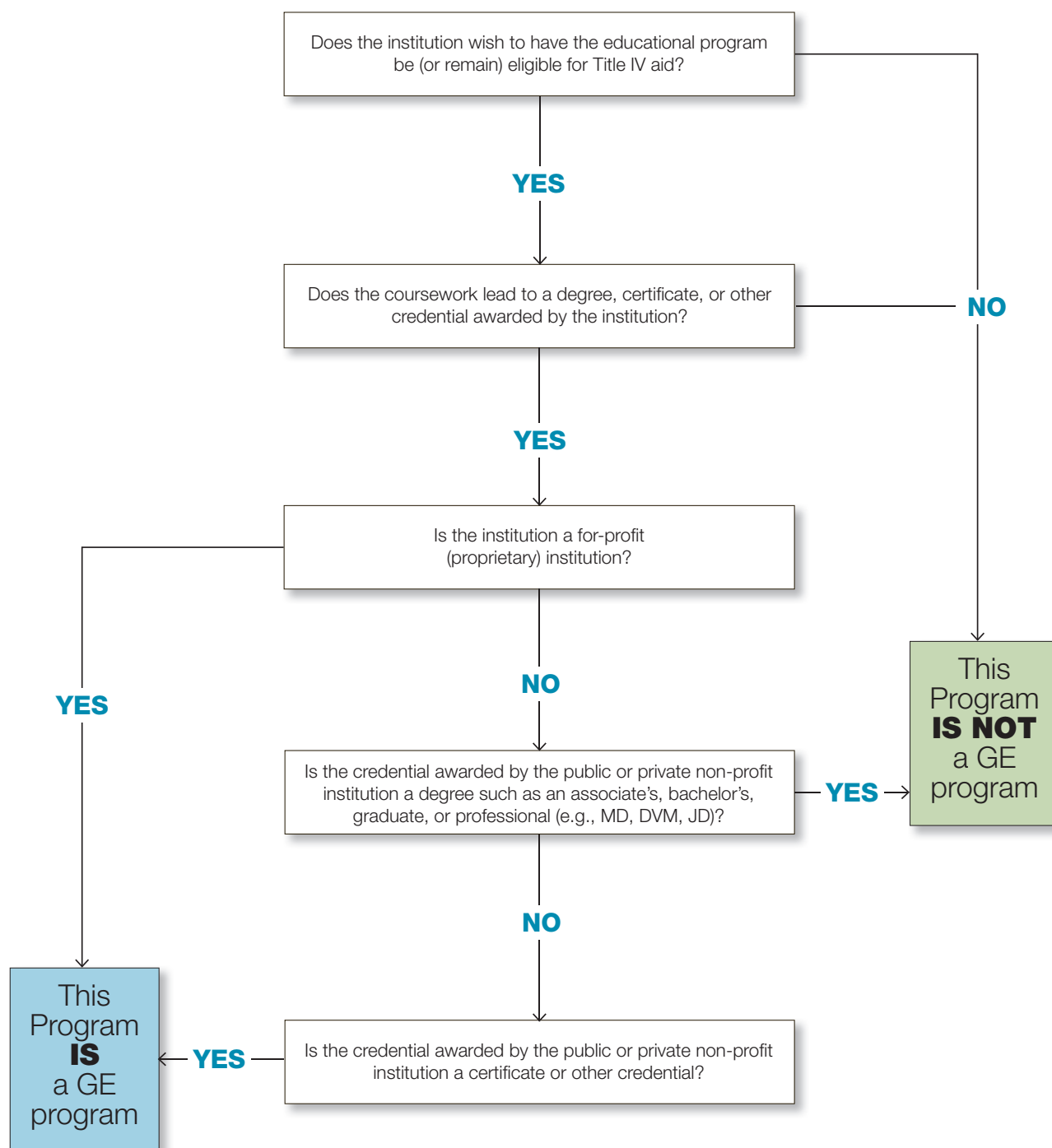
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### Gainful Employment Program Determination: Is the Institution's Program a GE Program?

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There are three exceptions to the general requirement that an educational program must lead to a credential awarded by the institution to be eligible for Title IV aid.

1. A program of at least two years in length that was designed to be acceptable for full credit toward a bachelor's degree and that qualifies the student to be admitted into the third year of a bachelor's degree program. Otherwise eligible students enrolled in this program may receive funding from any of the Title IV student aid programs. Even though this program is Title IV eligible, it is not a GE Program because it does not lead to a credential awarded by the institution.
2. Course work necessary for the student to receive a state professional teaching credential or certification where the institution itself does not provide a certificate or other credential. Students must be enrolled at least half-time and are eligible only for the Title IV loan programs and Federal Work-Study (FWS) funds. Even though the course work is Title IV eligible, it is not a GE Program because it does not lead to a credential awarded by the institution.

Note that similar courses of study that do result in a certificate or other non-degree credential awarded by the institution are GE Programs.

3. Preparatory course work that does not lead to a degree, certificate, or other credential awarded by the institution and that is necessary for enrollment in an eligible program. Students are eligible for no longer than one 12-month period and only for loans. Even though the course work is Title IV eligible, it is not a GE Program because it does not lead to a credential awarded by the institution.