

Explanation of the Debt Measures

The HEA requires certain educational programs to prepare students for gainful employment in a recognized occupation. ED has established, through the regulatory process, the calculation of three Debt Measures as a means to determine if an educational program offered by an institution prepares students for gainful employment. Each of the measures uses the student loan repayment activity of the program's former students as proxies for determining if those students, on average, are gainfully employed. If the measures for a program meet the required regulatory standards, the program is considered to be one that leads to gainful employment and therefore remains eligible for Title IV participation.

The Debt Measures established to determine if an educational program is one that leads to gainful employment are a "Repayment Rate" and two "Debt-to-Earnings Ratios," one based on annual income and the other on discretionary income. Under these measures, an educational program is considered to lead to gainful employment if ED's Debt Measures calculations for a year result in the program meeting at least one of the following Debt Measures standards:

- A Repayment Rate of at least 35%;
- A Debt-to-Earnings Ratio based on annual income of 12% or less ; or
- A Debt-to-Earnings Ratio based on discretionary income of 30% or less.

Under the regulations, a GE Program loses Title IV eligibility only after failing the Debt Measures for three out of four years. However, certain requirements and restrictions apply to a program that fails the Debt Measures for one year, with increased requirements for a program that fails for two years.

COHORTS AND COHORT PERIODS

Each year's Debt Measures are calculated using information on the educational debt of the GE Program's former students. The Repayment Rate cohort is comprised of the GE Program's former students whose Title IV loans (FFEL and Direct Loans), taken out for enrollment in that program, entered repayment during a specific cohort period, as described below. The Debt-to-Earnings Ratios cohort is comprised of the GE Program's former students who completed the GE Program during a specific multi-year period, as described below.

Cohort Periods – The cohort period used for most Repayment Rate and Debt-to-Earnings calculations is the two-year period or '2YP Cohort Period.' However, there are four alternate cohort periods that are used in special situations, as discussed below.

The 2YP Cohort Period is the third and fourth federal fiscal years (FYs) preceding the GE Metric Calculation Year. For example, the GE Program's Repayment Rate and Debt-to-Earnings Ratios for the 2012 GE Metric Year, which will be calculated after September 30, 2012, will include the GE Program's former students who, for

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NOTE:
The Informational
Year Rates were
calculated using
the 2YP cohort
period.

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the Repayment Rate, entered repayment on their Direct Loan or FFEL Program loans and, for the Debt-to-Earnings Ratios, completed the GE Program during FY2008 and FY2009 (between October 1, 2007 and September 30, 2009).

ALTERNATE COHORT PERIODS

Under some circumstances, the cohort period for a GE Program's former students will not be the standard two-year period (2YP). The following describes the 2YP Cohort Period and the alternative cohort periods:

- 2YP Cohort Period — The 2YP Cohort Period is the standard cohort period and is the third and fourth FYs preceding the GE Metric Calculation Year.
 - For example, the 2YP cohort for the 2012 GE Metric Calculation Year (FY2012) is FY2008 and FY2009 (October 1, 2007 through September 30, 2009).
- 2YP-A Cohort Period — The 2YP-A Cohort Period will be used only for 2012, 2013, and 2014 and only for the Repayment Rate calculation. It is the first and second federal fiscal years preceding the GE Metric Calculation Year.
 - For example, the 2YP-A Cohort Period for the 2012 Repayment Rate calculation (FY2012) is FY2010 and FY2011 (October 1, 2009, through September 30, 2011).
- For Repayment Rate calculations for GE Metric Years 2012, 2013, and 2014, two rates will be calculated for each GE Program. One will use the 2YP Cohort Period, and one will use this 2YP-A Cohort Period. The GE Program's official Repayment Rate will be the higher of the two calculated rates.
- 4YP Cohort — The 4YP Cohort Period is used when the number of the GE Program's former students in the 2YP is 30 or fewer. It is the third, fourth, fifth, and sixth FYs preceding the GE Metric Calculation Year.
 - For example, the 4YP Cohort Period for the 2012 GE Metric Calculation Year (FY2012) is FY2006, FY2007, FY2008, and FY2009 (October 1, 2005, through September 30, 2009).
- 2YP-R Cohort — The 2YP-R Cohort Period is used for medical and dental GE Programs where students are required to complete an internship or residency. The 2YP-R Cohort Period is the sixth and seventh FYs preceding the GE Metric Calculation Year.
 - For example, the 2YP-R cohort for the 2012 GE Metric Calculation Year (FY2012) is FY2005 and FY2006 (October 1, 2004, through September 30, 2006).
 - Note that the use of 2YP-R will not begin until the 2013 GE Metric Calculation Year. Until then, GE metrics will not be calculated for these GE Programs.
- 4YP-R Cohort — The 4YP-R Cohort Period is used for medical and dental GE Programs where the students are required to complete an internship or

residency and the number of the GE Program's former students in the 2YP-R is 30 or fewer. It is the sixth, seventh, eighth, and ninth FYs preceding the GE Metric Calculation Year.

- For example, the 4YP-R Cohort Period for the 2015 GE Metric Calculation Year (FY2015) is FY2006, FY2007, FY2008, and FY2009 (October 1, 2005, through September 30, 2009).
- Note that the use of 4YP-R will not begin until the 2015 GE Metric Calculation Year. Until then, GE Metrics will not be calculated for these GE Programs.

REPAYMENT RATE

The Repayment Rate is a measure of whether students who were enrolled in a GE Program are repaying their FFEL and Direct Loan Program loans. These former students include both those who completed the educational program and those who did not. A Repayment Rate is calculated using the Title IV loan repayment activity for the most recently completed federal fiscal year. The Repayment Rate is calculated for the program's former students whose loan(s) entered repayment during the appropriate cohort period. That cohort period, for most calculations, is a two-year period consisting of the third and fourth federal fiscal years preceding the federal fiscal year for which the Repayment Rate calculation is performed. This two-year period is referred to as "2YP."

For example, the informational Repayment Rates issued for the most recently completed federal fiscal year of 2011 included the program's former students whose FFEL or Direct Loan Program loans entered repayment during federal fiscal years 2007 and 2008 (between October 1, 2006 and September 30, 2008). For this example, the calculation will use former students' repayment activity during FY2011, between October 1, 2010, and September 30, 2011.

The first rates for which institutions may be subject to sanctions will be calculated for the 2012 federal fiscal year. That Repayment Rate will include the "2YP" cohort of an educational program's former students whose FFEL and Direct Loan program loans entered repayment during federal fiscal years 2008 and 2009. That is between October 1, 2007, and September 30, 2009. Repayment activity on these loans will cover FY2012, between October 1, 2011, and September 30, 2012.

A Repayment Rate calculation uses the total of the former students' outstanding principal balance (including any capitalized interest) on FFEL and Direct Loan Program loans that entered repayment during the cohort period attributed to the GE Program, as of the date that those loans entered repayment. In the regulations, this is called the "original outstanding principal balance" (OOPB). The Repayment Rate is the value of the following fraction, multiplied by 100.

The Repayment Rate **numerator** is the total of the original outstanding principal balances (OOPB) included in the denominator for the program's former students'

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loans, where the repayment history during the most recently completed federal fiscal year meets one of the following repayment standards.

- The loan has been paid in full, unless the loan was paid in full through a consolidation loan, in which case the loan will not be included unless the consolidation loan is paid in full.
- For any undergraduate program, the borrower has made payments that result in the outstanding principal balance of the loan at the end of the Repayment Rate year (September 30) being less than the outstanding principal balance at beginning of the Repayment Rate year (October 1). For post-baccalaureate programs, the outstanding principal balance at the end of the Repayment Rate year is equal to or less than the balance at the beginning of the Repayment Rate year.
- For Direct Loans, the borrowers' public service eligible employment and payments made during the Repayment Rate year qualify the loan for the Public Service Loan Forgiveness program. This is true even if, under the borrowers' repayment plan, the principal balance of the loan did not decrease during the Repayment Rate year.
- During the Repayment Rate year, the borrower is repaying the loan under a repayment plan that requires scheduled payments for the fiscal year that are equal to or less than the interest that accrues on the loan during the fiscal year. This generally means that the loan is being repaid under the Income Based Repayment (IBR) Plan or the Income Contingent Repayment (ICR) Plan. When fully implemented the maximum amount of OOPB for a GE Program that will be included in the numerator under this provision will be 3% of the OOPB included in the denominator. However, until the Secretary has complete information on borrowers who are repaying under such plans, 3% of the OOPB in the denominator will be automatically included in the numerator for every GE Program.

The Repayment Rate ***denominator*** is the total of the original outstanding principal balance (OOPB) for all of the program's former students' loans that entered repayment in the cohort period for the program.

$$\frac{\text{OOPB of LPF} + \text{OOPB of PML}}{\text{OOPB}} \times 100 = \text{Repayment Rate}$$

OOPB = original outstanding principal balance
LPF = loans paid in full
PML = payments-made loans

Note that the OOPB of a loan will never be included in the numerator of the Repayment Rate calculation if the loan has ever been in default. This is true even if one of the listed conditions was met after the default, after rehabilitation, or after the defaulted loan was consolidated.

EXCLUSIONS

Neither the denominator nor the numerator of the Repayment Rate calculation will include the OOPB of a loan that was:

- in an in-school deferment status during the Repayment Rate year;
- in a military-related deferment status during the Repayment Rate year;
- discharged as a result of the death of the borrower; or
- discharged (or was in a provisional discharge) as a result of the total and permanent disability of the borrower.

DEBT-TO-EARNINGS RATIOS

The Debt-to-Earnings Ratios are measures of the average share of the GE Program's former students' income that must be used to repay student loan debt incurred by the students for attendance in the GE Program. The Debt-to-Earnings Ratios are calculated using information from only those students who completed the GE Program during the cohort period. There are two Debt-to-Earnings Ratios calculated for each GE Program. One, the Annual Income Debt-to-Earnings Ratio, uses the average annual earnings of the GE Program's completers. The second, the Discretionary Income Debt-to-Earnings Ratio, uses the average discretionary income of the GE Program's completers. Discretionary income, for this purpose, is the difference between the mean or median annual earnings of the GE Program's completers and 150% of the Department of Health and Human Services (HHS) Poverty Guideline for a single person in the continental U.S.

The first official Debt-to-Earnings Ratios will be issued sometime after September 30, 2012, which is the end of the 2012 federal fiscal year. These ratios will be calculated using the "2YP" cohort, which will include the GE Program's former students who completed the program during the 2008 and 2009 federal fiscal years (October 1, 2007, and September 30, 2009). The Debt-to-Earnings Ratios use earnings obtained from the Social Security Administration (SSA) for the calendar year that includes the beginning of the federal fiscal year for which the rates are being calculated. Thus, for the 2012 ratios, the earnings will be from the calendar year 2011, January 1, 2011, through December 31, 2011.

Average annual earnings is the average of the earnings of the GE Program's completers, as reported to the SSA by employers and self-employed individuals. Earnings include wages, salaries, tips, and self-employment income. Average annual discretionary income is the average annual earnings of the program's

completers (as reported to the SSA) minus 150% of the HHS' most current Poverty Guideline for a single person in the continental U.S. For example, if the average annual earnings of a cohort of completers is \$35,000, and the HHS Poverty Guideline for a single person in the continental U.S. is \$11,170, the average discretionary income for the completers will be \$18,245. That calculation is $\$35,000 - (150\% \times \$11,170) = \$18,245$. In both ratios, the average used is the higher of the median or the mean income as provided by the SSA.

**The 2012 HHS Poverty Guidelines were used to
calculate the Discretionary Income Debt-to-Earnings Ratios
for the Informational Year**

The 2012 HHS Poverty Guideline for one person is \$11,170
150% of \$11,170 is \$16,755 ($\$11,170 \times 1.5 = \$16,755$)

A student who completed the GE Program will be excluded from the Debt-to-Earnings Ratio if the student:

- had a loan in an in-school or military-related deferment at any time during the calendar year of SSA earnings;
- had a loan with an in-school status at any time during the calendar year of SSA earnings;
- was enrolled in any Title IV eligible program at any institution during the calendar year of SSA earnings;
- is deceased;
- had one or more loans assigned to ED that are being considered for a total and permanent disability discharge; or
- had one or more loans assigned to ED and discharged for total and permanent disability.

For both Debt-to-Earnings Ratios, an annual loan payment amount for each GE Program is calculated. The annual loan payment is calculated by assessing the current annual interest rate of Direct Unsubsidized Loans (6.8%) against the median loan debt for varying repayment periods. The repayment periods are determined based upon the Credential Level of the GE Program. These include a 10-year, 15-year, and 20-year repayment schedule. The 10-year repayment schedule is used for undergraduate certificate programs (01), associate degree programs (02), and post baccalaureate certificate programs (04). The 15-year repayment schedule is used for bachelor's degree programs (03) and master's degree programs (05). The 20-year repayment schedule is used for doctoral degree programs (06) and first professional degree programs (07).

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Median loan debt is calculated, for each of the GE Program's completers, by taking the lesser of:

- the total tuition and fees assessed the student for enrollment in the GE Program, or
- the former student's total educational debt for the GE Program.
 - Educational debt includes amounts:
 - borrowed under the FFEL Program and Direct Loan Program, as included in NSLDS;
 - borrowed as a private education loan, as reported by the institution; and
 - owed by the student from institutional financing plans, as reported by the institution.

ED will attribute all of a student's loan debt for attendance in programs at an institution to the highest credentialed program completed by the student at the institution, subsequent to the completion of the GE Program. Generally, loan debt incurred by the student for attendance at other institutions is not included in the Debt-to-Earnings Ratios for the GE Program. ED may include loan debt incurred at other institutions if the institutions are under common ownership or control.

The Annual Income Debt-to-Earnings Ratio is calculated by dividing the annual loan payment amount by the greater of the mean or median annual earnings as provided by SSA.

**Calculated annual loan
payment based on median
loan debt**

**Higher of the mean or
median
annual earnings**

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**Annual Income
Debt-to-Earnings
Ratio**

The Discretionary Income Debt-to-Earnings Ratio is calculated by dividing the annual loan payment by the discretionary income.

$$\frac{\text{Calculated annual loan payment based on median loan debt}}{\text{Higher of the mean or median annual earnings less 150\% of HHS Poverty Guidelines for one person}} = \text{Discretionary Income Debt-to-Earnings Ratio}$$

FAILING PROGRAMS

Official Debt Measures — The first three federal fiscal years for which official Debt Measures will be calculated will be FY2012, FY2013, and FY2014.

Failing Program — If the Debt Measures calculations for a GE Program for a year do not result in the program meeting at least one of the Debt Measures standards, the GE Program is considered to be a “failing program” for that year. The Debt Measures standards are a Repayment Rate of at least 35%, a Debt-to-Earnings Ratio based on annual income of 12% or less, or a Debt-to-Earnings Ratio based on discretionary income of 30% or less.

First Year as a Failing Program — At the conclusion of the first year that a GE Program is a failing program, certain disclosure requirements apply. The institution must provide to each currently enrolled and prospective student a warning, prepared in plain language and presented in an easy-to-understand format that:

- explains the Debt Measures and shows the amount by which the program of study did not meet the minimum standards, and
- describes any actions planned by the institution to improve the program’s performance under the Debt Measures.

The institution must deliver the warning orally or in writing, directly to the student in accordance with procedures established by the institution. The regulations define “delivering directly to the student” to include communicating face-to-face, by telephone, through a group presentation, or by email.

As with any oral communication, the institution must maintain documentation of how the warning was provided, including any materials used to deliver the warning and any documentation of the student’s presence at the time of the warning. Institutions must continually provide this warning to enrolled and prospective students until the institution receives notification from ED that the program of study has met a minimum Debt Measures standard.

Second Year as a Failing Program — A GE Program that, as a result of the calculation of the program's Debt Measures, fails to meet the minimum standards for two consecutive years, or for two out of three of the most recent years for which Debt Measures were calculated, must, in addition to providing the information in the first-year warnings, provide the following information (in writing) to its students and prospective students:

- The institution must develop and disclose a plain language explanation of the risks associated with enrollment in such a failing program. This includes the potential consequences and options available to students should the program lose its Title IV student assistance eligibility.
- The institution must inform students about the College Navigator website at www.collegenavigator.gov. This site is a resource of students to explore postsecondary education options and compare program costs.
- The institution must inform students in a clear and conspicuous manner that due to the program's failure to meet gainful employment standards, the students should expect to have difficulty in repaying student loans.
- Explain, in plain language, any actions the institution plans to take in response to the second failure.
- If the institution decides to discontinue the program of study, it must provide the timeline for doing so and any options available to the students.
- If the institution decides to discontinue the program's Title IV eligibility, it must inform the students no later than when the institution notifies ED.

This warning must remain on the institution's website and be continually provided to enrolled and prospective students until the program of study has met one of the minimum Debt Measures standards for two of the last three years. To the extent practicable, the institution must provide alternatives to English language warnings for those students whose first language is not English.

The institution must also display all debt warnings on the program's website and in all promotional materials available for prospective students.

The warnings must be provided to all currently enrolled students as soon as administratively feasible, but no later than 30 days after the date that ED notifies the institution of the program's failure. The institution must notify prospective students when the student first contacts the institution.

Delayed Enrollment — If the prospective student intends to use Title IV aid to attend the institution, the institution may not enroll the student until three days after first providing the debt warnings to the student. If the student waits more than 30 days from the date that the warnings were provided to enroll, the institution must again provide the debt warnings and allow the student another three-day waiting period prior to enrollment.

Discontinuing Title IV Eligibility — If an institution voluntarily discontinues a failing program from Title IV eligibility, the discontinued program remains ineligible until the institution obtains approval from ED to reestablish the discontinued program's eligibility. ED will consider the program to be discontinued on the date that the

institution identifies in a written notice to the Secretary when no further Title IV disbursements will be made to students in that program.

An institution that voluntarily discontinues offering a failing program may not reapply to reinstate the program for Title IV eligibility until:

- The end of the second federal fiscal year following the federal fiscal year that the program was voluntarily discontinued, if the program was discontinued after it was determined to be a failing program, but no later than 90 days after the date ED notified the institution of the requirement to provide second-year debt warnings.
- An institution that voluntarily discontinues a program more than 90 days after ED notified the institution of the requirement to provide second-year debt warnings must wait until the end of the third federal fiscal year following the federal fiscal year when the program was voluntarily discontinued.

INELIGIBLE PROGRAMS

As noted earlier, a GE Program that does not meet any of the Debt Measures for three out of four years (a failing program for three out of four years) loses its Title IV eligibility. An institution may not seek to reestablish Title IV eligibility of such a program, or for a program that is substantially similar to the ineligible program, until the end of the third federal fiscal year following the year that the program became ineligible. A program is substantially similar to an ineligible program if it has the same Credential Level and the same first four digits of the CIP code as the ineligible program.

As a means of transition, ED will limit the number of programs deemed ineligible upon calculation of the Debt Measures for federal fiscal year 2014, which is the first time a program could have failed for three years. All programs that would be ineligible following the calculation of the 2014 Debt Measures will be sorted by category of institution—public, private non-profit, and proprietary. Within each category, the programs will be sorted by loan Repayment Rate, from the lowest to the highest. For each institutional category, starting with the programs with the lowest Repayment Rate, the programs that account for a combined number of FY 2014 completers that does not exceed 5% of the total completers in that category, will be identified as an ineligible program.

EXPLANATION OF THE CHALLENGE PROCESSES

For each federal fiscal year, ED will issue draft results of the Debt Measures for each GE Program offered by an institution. Following the issuance of the draft results, institutions will be given an opportunity to both correct and challenge data before final Debt Measures are issued. Please note that there will be no correction or challenge process regarding the informational Debt Measures released for the

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REMINDER:
The Informational
Year Rates cannot
be challenged.

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federal fiscal year of 2011. This is because there will be no sanctions or penalties imposed on institutions for failures in the federal fiscal year 2011 Debt Measures. These informational rates were released concurrently with this manual, in April 2012. The information presented here is for your review, in anticipation of a correction and challenge process later in 2012 and in 2013.

The first step in the process is the Pre-Draft Correction Process. Before issuing draft results of the Debt-to-Earnings Ratios, ED will provide each institution with a list of completers who will be included in the applicable two-year or four-year period used for calculating the ratios. Institutions may review the list, and no later than 30 days after the date that ED provided the list, the institution may:

- provide documentation that a student should be included on or removed from the list, OR
- correct or update the identity information provided for a student on the list, such as name, SSN, or date of birth.

ED will then provide the institution's correction request to the NSLDS data provider for review and response. Once a response is received from the data provider, ED will review and issue a decision on the challenge. This decision package will be provided to the institution and the data provider. It will include corrected results, along with instructions to update any incorrect data in all FSA related systems. After this Pre-Draft Corrections period, an institution may no longer challenge whether students should be included on the list or update the identity information of these students. NSLDS will generate a final list of completers to submit to SSA. SSA will provide the mean and median earnings, with a summary of earnings by institution and program. The earnings data, as provided by SSA, is believed to be the most accurate earnings information available. There will be no challenge process related to mean and median earnings numbers.

Once ED issues draft results of the Debt Measures for a GE Program, ED will offer institutions the opportunity to review and challenge the Debt Measures. This is the Post-Draft Correction Process. An institution may challenge both the draft Repayment Rates and draft Debt-to-Earnings Ratios. There will be a 45-day period during which institutions may challenge, in accordance with procedures established by ED.

An institution may challenge:

- the accuracy of the loan data for a borrower that was used to calculate the draft Repayment Rates and/or
- the accuracy of the median loan debt that was used for the numerator of the draft Debt-to-Earnings Ratios.

An institution may also challenge the accuracy of the list of borrowers included in the applicable two-year or four-year draft loan Repayment Rate by:

- submitting documentation that a borrower should be included or removed from the list or

- correcting or updating the identity information provided for a borrower on the list, such as name, SSN, or date of birth.

The backup data provided to the institution will contain the gainful employment reported data and loan data used to calculate the institution's draft Debt Measures. The institution's staff will select the specific records in the backup data being challenged and correct the data in the backup file in a system similar to that used for Cohort Default Rate challenges. After the completion of all data adjustments, the institution will submit the challenge.

Once ED has reviewed the challenge adjustments, they will be provided to the appropriate NSLDS data provider. The data provider will review the information and provide a response to ED. At the completion of that process, ED will use the corrected data to calculate the final Debt Measures. Each institution will be notified of any draft results not challenged, those challenged and recalculated, and those unsuccessfully challenged. ED will provide the resulting final Debt Measures to all institutions. Each institution must disclose, for each of its programs, the final Repayment Rate and final annual Debt-to-Earnings Ratios. ED will also make all three Debt Measures available to the public.

Beginning with the Debt Measures calculated at the completion of federal fiscal year 2012, a program will be deemed to be successful and leading to gainful employment if it has:

- a Repayment Rate of at least 35%, or
- an annual loan payment under the debt-to-earnings ratios of 12% or less of annual earnings, or
- an annual loan payment of 30% or less of discretionary income.

A GE Program also meets the Debt Measures requirements if:

- the 4YP or 4YP-R represents 30 or fewer borrowers whose loans entered repayment or 30 or fewer students who completed the program of study, or
- SSA did not provide the mean and median earnings for the program, or
- the median loan debt calculated is zero.

A failing program becomes ineligible for Title IV aid if it does not meet any of the minimum standards for the Debt Measures for three out of the four most recent fiscal years. ED will notify the institution of the program's loss of eligibility. The institution must then end disbursement of any Title IV funds to students enrolled in the ineligible program, except as permitted in [34 CFR 668.26](#).

Upon receipt of notification of a program's failure, an institution must provide timely warnings to currently enrolled and prospective students of the consequences of the program's failure. Specific requirements are discussed in the Disclosures section of this manual.

ALTERNATIVE EARNINGS

After the release of the final Repayment Rate and Debt-to-Earnings Ratios, ED will provide institutions with a failing program an opportunity to demonstrate that the program would meet a Debt-to-Earnings Ratio using the calculated median loan debt and alternative earnings. Alternative earnings may be taken from state-sponsored data systems, institutional survey data, or the Bureau of Labor Statistics (BLS).

An institution may use state data to recalculate the ratios for a failing program only if the institution obtains the earnings data from state-sponsored data systems for more than 50% of the students in the applicable two-year or four-year period or a comparable two-year or four-year period. The number of students included in the state earnings data must be more than 30. The institution must use the actual, state-derived mean or median earnings of the students and must demonstrate that it accurately used the actual state-derived data to recalculate the ratios.

Institutions may also choose to use survey data to recalculate the ratios. The institution must use reported earnings obtained through an institutional survey conducted of the students in the applicable two-year or four-year period or a comparable two-year or four-year period. The number of students included in the survey must be more than 30. The institution may use the mean or median annual earnings derived from the survey data. As part of the survey challenge process, the institution must submit a copy of the survey and certification that it was conducted in accordance with the statistical standards and procedures established by the National Center for Education Statistics (NCES) and available at <http://nces.ed.gov/statprog/2002/stdtoc.asp>. The institution must also submit an examination-level attestation that the survey was conducted in accordance with the specified NCES standards and procedures. The attestation must be from an independent public accountant or independent governmental auditor, as appropriate. The attestation must be conducted in accordance with the general, fieldwork, and reporting standards for attestation engagements contained in the Government Accountability Office's (GAO's) Governmental Auditing Standards, and with procedures for attestations contained in guides developed by and available from ED's Office of Inspector General (OIG).

BLS data may be used as alternative earnings for Debt-to-Earnings Ratios calculated for federal fiscal years 2012, 2013, and 2014. The BLS data may be used to recalculate the ratios if the institution identifies and provides documentation of the occupation by SOC code, or combination of SOC codes, in which more than 50% of the students in the two-year or four-year period were placed or found employment, and the number of students placed or employed in those positions must be more than 30. An institution may use placement records it maintains to satisfy accrediting agency or state requirements if those records indicate the occupation in which the student was placed. Otherwise, the institution must submit employment records or other documentation showing the SOC code or codes in which the students typically found employment.

The institution must use the most current BLS earnings data for the identified SOC code to calculate the Debt-to-Earnings Ratios. If more than one SOC code is identified, the institution must calculate the weighted average earnings of those SOC codes based upon BLS employment data or institutional placement data. In either case, the institution must use BLS earnings at no higher than the 25th percentile. As part of this alternative earnings calculation, the institution must be able to submit to ED, upon request, all of the placement, employment, and other records maintained for the GE Program that were used to determine the SOC codes for the students who were placed or found employment.