



April 22, 2024

The Honorable Miguel Cardona
Secretary
U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20202

Re: Docket ID ED–2024–SCC–0030

Dear Secretary Cardona,

On behalf of the undersigned higher education associations, I write to share comments in response to the information collection request regarding the financial value transparency (FVT) and gainful employment (GE) reporting requirements. It is our hope that the Department of Education (Department) will incorporate these comments as you implement the final rule.

In January 2022, the Department began a negotiated rulemaking process that focused on several issues, including GE.¹ During the negotiated rulemaking sessions, the Department discussed GE but did not discuss FVT with the negotiators. In August 2022, the Biden administration released a fact sheet indicating that the administration wanted to “hold accountable colleges that have contributed to the student debt crisis” and what followed was a request for information (RFI) released in January 2023 on “how best to identify low-value postsecondary programs.”^{2,3} In response to the RFI, we sent a comment letter sharing that in order for such information to be useful, it would need to be “valid and reliable; account for the relevant factors that influence outcomes; be comparable across similar programs; and be inclusive of all outcomes.”⁴ We also articulated the unlikelihood of achieving a metric, or metrics, that would fully capture all of the relevant information needed to determine the true value of an academic program.⁵

In May 2023, the Department released a Notice of Proposed Rulemaking (NPRM) that

¹ Federal Register. (2021, December). *Negotiated rulemaking committee; negotiator nominations and schedule of committee meetings*. National Archives. <https://www.federalregister.gov/documents/2021/12/08/2021-26571/negotiated-rulemaking-committee-negotiator-nominations-and-schedule-of-committee-meetings>

² The White House. (2022, August). *FACT SHEET: President Biden announces student loan relief for borrowers who need it most*. <https://www.whitehouse.gov/briefing-room/statements-releases/2022/08/24/fact-sheet-president-biden-announces-student-loan-relief-for-borrowers-who-need-it-most/>

³ Federal Register. (2023, January). *Request for information regarding public transparency for low-financial-value postsecondary programs*. National Archives. <https://www.federalregister.gov/documents/2023/01/11/2022-28606/request-for-information-regarding-public-transparency-for-low-financial-value-postsecondary-programs>

⁴ American Council on Education. (2023, February 10). *Comments on proposal to identify low-value programs*. <https://www.acenet.edu/Documents/Comments-ED-RFI-LFVP-021023.pdf>

⁵ *Ibid*

introduced FVT into the regulatory text.⁶ We offered comments and highlighted our concerns with the increased reporting burdens on institutions of higher education in §668.408.⁷ The letter noted that:

Based on the Department's analysis using 2022 Program Performance Data, there are 32,058 GE programs and 123,524 non-GE programs on college campuses. The 2014 GE rule estimated, at the time, that there was a total of 37,589 GE programs at all institutions of higher education, with the expectation that reporting would only be done on those programs. With this reporting requirement alone, the Department had estimated a total of 1,223,706 hours to ensure compliance with only reporting programs retroactively and the reporting for the disclosure website, total reporting included 1,947,273 hours. Now that colleges and universities will have to report on all programs offered to students, the estimated number of hours has increased to a total of 5,143,277 hours for the initial year and 1,496,426 hours for the subsequent reporting cycles, this does not include any additional reporting requirements that could be added by the Department in the *Federal Register*.

Unfortunately, the final FVT and GE regulation was released with no changes to the amount of required reporting.⁸ We acknowledge that the Department does allow for institutions to choose between the standard reporting of data retroactively, going back as far as eight years, or transitional reporting, covering the two most recently completed award years, for the first six years that debt-to-earnings rates and the earnings premium measure are calculated, although we believe the irreversible nature of this choice needs to be more transparent. To better inform the Department of the views of college and university presidents, business officers, chief admissions officers, chief enrollment officers, chief executive officers, and registrars, we circulated a survey among the higher education community and sent another letter sharing the concerns these leaders had identified with their ability to implement the reporting requirements.⁹ In their responses, these campus leaders overwhelmingly were concerned with the limited amount of time given to gather and collect the needed information by the July 31 deadline.

In the final rule, institutions of higher education have to report on at least 26 metrics, including on programs that could no longer exist. Additional reporting from what was proposed initially in the negotiated rulemaking sessions includes (1) the student's total annual cost of attendance; (2) total tuition and fees assessed to the student for the award year; (3) the student's residency tuition status by state or district; (4) the student's total annual allowance for books, supplies, and equipment from their cost of attendance (COA); (5) the student's total annual allowance for housing and food from their COA; (6) the amount of institutional grants and scholarships disbursed to the student; (7) the amount of other state, Tribal, or private

⁶ Federal Register. (2023, May). *Financial value transparency and gainful employment (GE), financial responsibility, administrative capability, certification procedures, ability to benefit (ATB)*. National Archives. <https://www.federalregister.gov/documents/2023/05/19/2023-09647/financial-value-transparency-and-gainful-employment-ge-financial-responsibility-administrative>

⁷ American Council on Education. (2023, June 20). *Comments on the education department's May 2023 NPRM*. <https://www.acenet.edu/Documents/Comments-ED-May-2023-NPRM-062023.pdf>

⁸ Federal Register. (2023, October). *Financial value transparency and gainful employment*. National Archives. <https://www.federalregister.gov/documents/2023/10/10/2023-20385/financial-value-transparency-and-gainful-employment>

⁹ American Council on Education. (2024, March 14). *Letter on institutional and programmatic accountability rule implementation*. <https://www.acenet.edu/Documents/Letter-ED-Institutional-Programmatic-Accountability-Regulations-031424.pdf>

grants disbursed to the student; (8) the amount of any private education loans disbursed, including private education loans made by the institution; and (9) the total amount of institutional grants and scholarships provided for the student's entire enrollment in the program.

Also in the final rule, the Department shared that these reporting requirements would come at a cost to institutions. To be exact, the Department shared that there would be "costs associated with the reporting, disclosure, and acknowledgment requirements. These costs could include (1) Training of staff for additional duties, (2) potential hiring of new employees, (3) purchase of new, or modifications to existing, software or equipment, and (4) procurement of external services." The Department estimates that approximately 4,518 institutions would be required to provide reporting data specified in §668.408 with a total reporting burden of 5,078,260 hours for all institutions in the first year.¹⁰ The Department also estimates that once institutions have become accustomed to the reporting routines, and the proper reporting mechanisms are established, subsequent year estimated reporting would decrease to 1,459,604 hours total for all institutions. Per our calculations, the first year of reporting would cost institutions \$250,510,566 collectively and would cost institutions \$72,002,265.30 collectively in subsequent years of reporting.¹¹

While institutions have had a general sense of some of the required reporting elements for nine months, the delay in the Free Application for Federal Student Aid (FAFSA), and the delay in the release of FVT and GE guidance on reporting, have significantly impacted the ability of institutions to focus on the preparation of data for FVT and GE. Due to the FAFSA delays, we sent a letter to the Department requesting that the reporting deadline be extended beyond July 31.¹² While we are pleased that the deadline has been extended from July 31 to Oct. 1, given the continued issues associated with the FAFSA, we fear that an additional two months may not be enough time for institutions to prepare for an Oct. 1 reporting deadline.¹³ As we continue to monitor the academic year 2024-2025 FAFSA process, we will continue to better understand the capacity our member institutions have regarding FVT and GE reporting.

We request that you further extend the Oct. 1 reporting deadline commensurate with the delays associated with the FAFSA. Also, we request that you allow for ample time to implement any additional required reporting that would be published in a future *Federal Register* notice. Lastly, we ask that you take into consideration the added financial and administrative burden on institutions to implement these new reporting requirements. While institutions are aware of the 26 metrics regarding the reporting requirements in current regulations, they are not yet aware of the specifics around these items, including many definitions and reporting mechanisms, or any additional reporting that may be required as indicated in the regulations.

We thank you for your attention to this letter. It is our hope that you will take these comments

¹⁰ This estimate incorporates establishing required data routines, testing of reports and returned data, and ultimately submission of the data to the Department.

¹¹ Calculated by ACE using Bureau of Labor Statistics' [Education Administration median hourly wage data](#) of \$49.33 for postsecondary education.

¹² *Ibid*

¹³ Federal Student Aid. (2024, March). *Timeline of financial value transparency and gainful employment reporting requirements*. U.S. Department of Education. <https://fsapartners.ed.gov/knowledge-center/library/electronic-announcements/2024-03-29/timeline-financial-value-transparency-and-gainful-employment-reporting-requirements>

into consideration as you implement the final FVT and GE regulation.

Sincerely,



Ted Mitchell
President

On behalf of:

Achieving the Dream

American Association of Colleges and Universities

American Association of Colleges of Nursing

American Association of Colleges of Osteopathic Medicine

American Association of Collegiate Registrars and Admissions Officers

American Association of Community Colleges

American Association of State Colleges and Universities

American Council on Education

American Dental Education Association

Association of American Universities

Association of Catholic Colleges and Universities

Association of Community College Trustees

Association of Governing Boards of Universities and Colleges

Association of Jesuit Colleges and Universities

Association of Public and Land-grant Universities

Career Education Colleges and Universities

Consortium of Universities of the Washington Metropolitan Area

Council for Advancement and Support of Education

Council for Christian Colleges & Universities

Council for Higher Education Accreditation

Council of Graduate Schools

Council on Social Work Education

EDUCAUSE

Hispanic Association of Colleges and Universities

National Association of College and University Business Officers

National Association of Colleges and Employers

National Association of Higher Education Systems

National Association of Independent Colleges and Universities

National Association of Student Financial Aid Administrators

UPCEA