











Federal Higher Education Regulation Updates for 2024 Overview

This document provides an overview of major changes and additions to federal higher education regulations beginning in 2024. Most reporting requirements begin in July 2024. We still have many outstanding questions that have yet to be addressed by the Department of Education (ED) but will update this document and provide information as we learn more. In the meantime, please share this information with your staff. Our assumptions of impacted staffing areas by regulation are included below.

	 Overview	 What does this mean on campus?	 Who on campus will be impacted?	 What we don't know	 Where to get more info
Financial Value Transparency (FVT) & Gainful Employment (GE)	<p>ED has released new reporting metrics for all institutions that are similar to the prior GE requirements, which previously impacted only certificate programs at nonprofit and public institutions and all programs offered at for-profit institutions. The new regulation requires program data and student-level data for federally aided students on completions, withdrawals, debt, costs, and institutional aid by program to be submitted to ED for matching with post-graduate incomes. Matching the student-level data provided with income data from other federal sources, ED will publish information on each program with two metrics (earnings premium and debt/earnings ratio).</p> <p>Each institution will receive its program-specific metrics from ED that will be made available to students on a new agency website. Graduate programs that fail to meet the debt/earnings ratio for 2 out of 3 years will require students to sign an acknowledgment before taking Title IV aid.</p>	<p>This regulation will impose a heavy reporting burden on institutions. The reporting burden will be greatest in 2024 with all reporting due by October 1, 2024.</p> <p>Institutional research, enrollment management, registrars, and financial aid offices will all need to work together to report this information. Depending on each institution's student information system(s), fulfilling these reporting requirements may be more or less complex. Reporting is required each year for both programs (descriptors, student totals) and Title IV students in these programs (including completers and withdrawals). While all programs must be reported, only graduate programs will have Title IV implications (as of now).</p> <p>* Note: Any reported completion that is not a degree falls into GE, including all stand-alone certificates such as teaching certificates, post-baccalaureate programs, etc. The repercussions for GE are more severe than for FVT, because failure on GE metrics results in loss of Title IV aid.</p>	<ul style="list-style-type: none"> Institutional research Enrollment management Registrars Financial aid IT/web services Legal/general counsel 	<ul style="list-style-type: none"> Reporting mechanism: how will ED collect the data? Data formatting ED's website for this information How to address dual-degree programs 	<p>February 14 and March 1, 2024 webinars from AIR for reporting staff. Link here to resources.</p> <p>ED Fact Sheet linked here.</p> <p>Law firm webinar and presentation links.</p> <p>ED guidance is expected in the spring. Updates will be published on the Federal Student Aid Knowledge Center Homepage</p>
Transcript Withholding	<p>Upon request by a student, institutions must provide an official transcript that includes all the credits for payment periods in which the student received Title IV funds and for which all institutional charges were paid (or included in an agreement to pay) at the time the request was made. Institutions cannot withhold transcripts for a balance owed that resulted from an error in the institution's administration of Title IV aid; fraud or misconduct.</p>	<p>Review your current practices for transcript withholding. Ensure that none of the transcripts withheld are due to errors in Title IV aid administration or fraud. Evaluate whether your transcript software will permit partial transcripts and update your policies.</p>	<ul style="list-style-type: none"> Registrars Student financial services Institutional policy 	<ul style="list-style-type: none"> How ED will follow-up on this practice outside of institutional policies What constitutes an "agreement to pay." 	<p>NAICU analysis here.</p>
Licensure: Program length	<p>Most in-person/hybrid GE programs that lead to licensure (some exemptions exist: medical education, etc.) must not be longer than the hours required* for licensure by the state in which the institution is located.</p> <p>* Note, this is a change from the previous 150% of time length requirement. **Degree and distance programs are exempt from this requirement.</p>	<p>Each institution will need to evaluate programs leading to licensure and ensure that the programs are not longer than minimum training length required by its state for licensure. If it is, the program must be adjusted immediately (starting July 1, 2024) for all incoming students. This change does not impact currently enrolled students. If a program is less than 600 hours it may qualify for Direct Loans but will no longer be eligible for other Title IV aid. This may impact enrollment and financial aid.</p>	<ul style="list-style-type: none"> Program directors Licensing professionals Financial aid Accreditors <p>Institutions may need to hire contractors or work with outside groups to evaluate state-by-state requirements.</p>	<ul style="list-style-type: none"> How ED will evaluate licensure on a state-by-state basis How will this apply to state licensure requirements that shift mid-year? How this aligns with accreditation requirements 	<p>NAICU analysis here.</p>

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All Programs: Licensure & State Law Compliance	All programs that lead to licensure, including distance education, must meet all applicable programmatic accreditation and educational requirements for professional licensure or certification and must comply with all state laws related to closure in the states where: they are located, or enroll distance education students, or where distance education students attest they will seek employment after graduation. Programs that do not align with state requirements must not enroll students from that state or must receive an attestation from the student that they intend to seek employment in a state where the program does meet the requirements. For all licensure programs, each institution must disclose to all prospective and enrolled students a list of all states where it has determined the program does or does not meet the state's educational requirements for licensure.	Each institution will need to evaluate programs leading to licensure and ensure that programs – particularly distance education programs – meet the requirements for the states where students are located at the time of initial enrollment. If the program does not meet the requirements, the institution must stop enrolling students from that state. This new requirement will be a heavy lift for each institution to evaluate state requirements and make the information available to all students.	<ul style="list-style-type: none"> Distance education faculty and staff Enrollment management Marketing Financial aid Admissions IT/Web services <p>Institutions may need to hire contractors or work with outside groups to evaluate state-by-state requirements.</p>	<ul style="list-style-type: none"> How ED will evaluate licensure on a state-by-state basis At what point does a program need a student to commit to a location? What if the student's plans change? 	NAICU analysis here.
Career Services	During the recertification process, ED will review information on the number and distributions of career services staff, services promised to students, and partnerships with recruiters and employers. ED also requires that programs for occupations that require an externship or clinical placement provide those to students.	Each institution will need to demonstrate compliance to ED and thus should have a mechanism for easily updating and sharing information on employee counts, lists of partnerships and employers, along with service utilization rates. Verification of externship and clinical placements will also be required.	<ul style="list-style-type: none"> Career Services Staff Human Resources Alumni Offices Business Partnerships 	<ul style="list-style-type: none"> Target ratios or "acceptable" number for benchmarking How ED wants to receive the information 	NAICU analysis here.
Financial Aid Counseling	An institution must demonstrate that its financial aid communications advise students to accept the most beneficial types of financial assistance available to them, and its advice to students/families includes robust information on costs and sources and types of aid, along with how aid is disbursed and, if a student adjusts their enrollment status, and how aid is returned.	Each institution will need to review financial aid award letters and communications with students to ensure that the information required is provided, including: <ul style="list-style-type: none"> cost of attendance, including each cost category; each type of aid offered and whether or not the aid is gift aid, must be earned, or must be repaid; the student's individual net price (subtracting grant/scholarship aid from the cost of attendance); and instructions on how these funds are disbursed, applied for, and adjusted, as well as instances in which funds may have to be returned. 	<ul style="list-style-type: none"> Financial aid Enrollment management Student recruitment Student financial services 	<ul style="list-style-type: none"> Examples of "adequate" information that satisfies the regulation including instructions for all types of aid 	NAICU analysis here.
Financial Responsibility	ED has increased the number of mandatory and discretionary triggers and metrics that give them broad authority to address high-risk events that impact an institution's ability to operate. The metrics include meeting payroll obligations, making debt payments, and borrowing from retirement funds without authorization.	The list of additional mandatory and discretionary triggers is extensive. These include declaring a state of financial exigency, being sued, a composite score of less than 1 after considering the cost of Borrower Defense claims, etc. Each institution will have to review the complete list and evaluate its situation prior to July 1, 2024.	<ul style="list-style-type: none"> Leadership Board CFO Legal/general counsel Financial consultants (if retained by institution) 	<ul style="list-style-type: none"> How and in what form schools should report new triggers to ED. No ED guidance on developing/ administering new controls 	ED Fact Sheet linked here. NAICU analysis here.
Other Metrics	If an institution is selected/flagged for further information during the recertification process, they may be required to provide data on licensure pass rates, withdrawal rates, and recruitment spending vs. educational expenses.	If ED views any of the information provided during the Title IV recertification process to be worthy of more detail, they'll likely ask for additional information and explanations. Anticipating this is somewhat problematic given that several of the measures (noted above), do not have benchmarks for evaluation.	<ul style="list-style-type: none"> Leadership Board CFO Legal/general counsel other staff 	<ul style="list-style-type: none"> Lack of benchmarks for several metrics makes it challenging for institutions to predict the need for more data 	NAICU analysis here.