



# Financial Value Transparency and Gainful Employment: Tell Your Institution's Story with Verified Data

August 13th | 11am ET

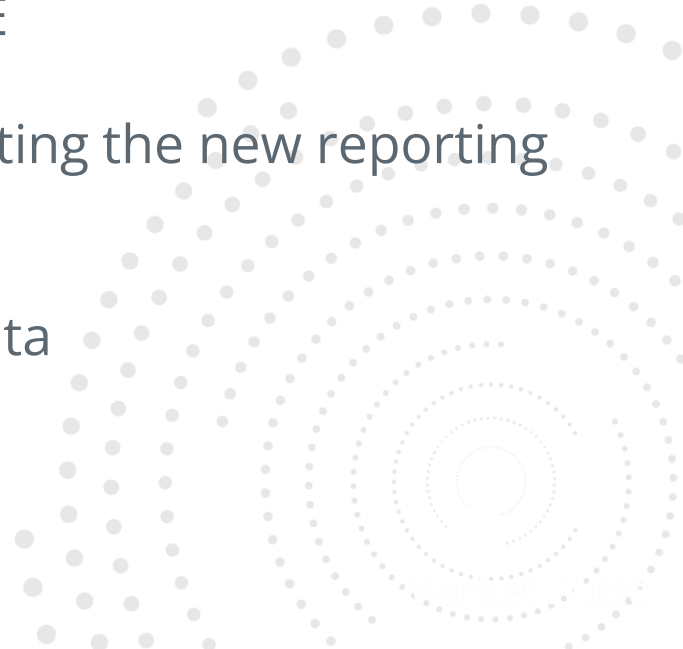




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# Agenda:

- Introductions
- Industry trends and a deep dive into FVT/GE
- How the University of North Texas is navigating the new reporting landscape
- Equifax Graduate Outcomes and verified data



# Industry Trends And A Deep Dive Into FVT/GE

## Colby Spencer Cesaro

Vice President, Michigan Independent Colleges & Universities

*Private colleges, public purpose*

# Financial Value Transparency And Gainful Employment Overview

- 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)
- 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 information.
- 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).
- 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.

**\*\*\*GE programs could lose access to Title IV funds.**

# Implications For Educational Institutions

- **GE programs** – potential loss of Title IV aid access
  - Slippery slope for some programs – will they continue to operate and can students even enroll without Pell?
  - Workforce implications
- **Grad programs** – student acknowledgement of failing program before taking debt
  - Workforce implications depending on program
- **Undergrad degree programs** – no loss of Title IV YET but...
  - Bad PR
  - Another ranking system

# Standard Reporting

## Standard Reporting



- Incorporates when costs were lower
- More info for campuses to see trends



- Higher reporting burden
- Harder to make big changes to metric since data has already been provided to the Department
- You must have all 7 years of data
- Closed programs are included

# Transitional Reporting

## Transitional Reporting



- Lower reporting burden
- Greater ability to impact metric quickly since Department does not have historical



- Programs may be more expensive in recent years (higher debt)
- Trending in limited
- Low enrollment programs may not have enough completers to show the ROI
- Not tracking reported student incomes (using previous cohorts of completers)





# Key Metrics That Will Be Reported

- **How much data to provide (see Appendix for more detail)?**
  - All students with Title IV aid
  - All Title IV programs
  - Many metrics already collected by NSLDS...
  - Institution is filling in the blanks on net price, institutional aid, and private debt
- **How am I getting measured?**
  - Do students who **complete** the program, at the median, earn more than HS grads in my state (or nation if there are 50% or more out of state students)?
  - Do students who complete the program, at the median, earn enough to pay their debt? (using the specific Dept of Ed ratios for Debt to Earnings)
    - *\*\*\*Currently only for COMPLETERS but could eventually be those who withdraw too*

# Licensure: State Law Compliance

All programs that lead to licensure, including distance education, must meet all applicable programmatic accreditation & educational requirements for professional licensure or certification and must comply with all state laws related to closure in the states where:

- They are located, enroll distance education students, or where distance education students attest they will seek employment after graduation.

**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.**

*FAQs from ED here :<https://www2.ed.gov/policy/highered/reg/hearulemaking/2024/certification-q-and-a.html>*

*\*\*\*FVT/GE reporting includes licensure reporting buy ONLY for the institution's state OR the states within the institution's MSA.*

# What To Do **NOW** To Prepare:

- **Set-up your reporting/response teams**
- **Who should be part of your team?**
  - Executive Office, IR, Financial Aid, Registrar, Provost/CAO, IT, CFO, Business Office
  - Provide teams with all training materials available to-date
    - <https://fsapartners.ed.gov/knowledge-center/topics/financial-value-transparency-and-gainful-employment-information>
    - <https://fsapartners.ed.gov/knowledge-center/library/nslds-user-resources/2024-04-30/nslds-financial-value-transparency-and-gainful-employment-fvt/ge-user-guide-july-2024-update>
  - **COLLABORATE** across your institution!
  - Give your team the time and space needed to get up-to-speed and start collecting information
- **Start simulating data for your institution's programs for as many metrics as you can**
  - ID the income thresholds that students would need to have for the program to "pass". Do these seem reasonable?
  - What programs might be on the rocks at your institution? How can you address this?
  - FRS check-in, are you at risk for additional verification?

# How The University Of North Texas Is Navigating The New Reporting Landscape

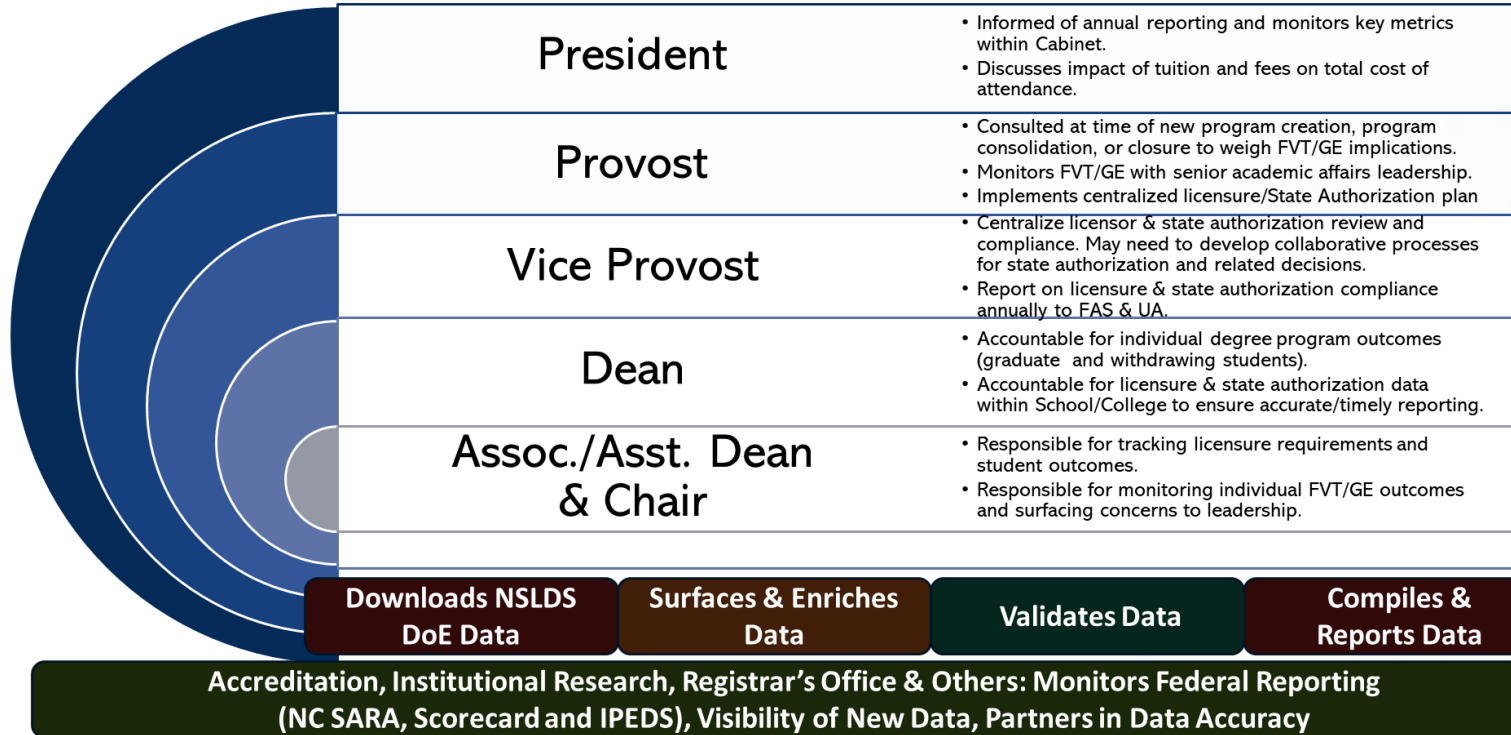
## **Dr. Jason Simon**

Associate Vice President, Data, Analytics, and Institutional Research

University of North Texas

# University Engagement Around FVT/GE

## POTENTIAL COMMUNITY STRUCTURE



# Current Efforts In Early Stages

- No personally identifiable data is returned – all in aggregate
- Median Salaries Completers vs. Non-Completers tracked 60 months out (UG) and then followed quarterly
- Pilot program with a single College/Dean across 6 Undergraduate Departments/Degrees to produce salary insights for program review, recruitment, alumni engagement, etc.
- Ongoing data warehousing and governance conversations around strategies to store and/or surface aggregated data

Data Privacy

Campus KPI

Division KPI

Vision/Focus

# Beyond the Requirement: Why We Care About Outcomes Data?

## Inputs

- Gender
- Age
- Ethnicity
- HS GPA
- In-State/Out-of-State
- SAT/ACT

## Environment

- Institutional Characteristics
- Curricular Measures
- Faculty Interaction
- Peer Interactions
- Involvement & Engagement

## Outcomes

- Psychological
- Behavioral
- Cognitive
- Vocational
- Social Mobility

**HISTORIC  
BLIND SPOTS  
WITHIN  
HIGHER  
EDUCATION  
DATA  
ECOSYSTEMS**

Astin's Theory of Involvement:  
Inputs-Environments-Outcomes  
Model (Astin, 1994)

# Using Equifax To Benchmark Student Outcomes

University of North Texas leveraged Equifax data to simulate an earnings plan metric for all bachelor's graduates by benchmarking non-completers vs completers:

**+\$21,135**

**average earnings premium for undergraduate completers**

**\$61,850**

Median income of working bachelor's graduates at 5 years post-graduation

**\$33,712**

Median income of non-completers whose highest education level achieved is high school at 5 years post last semester completed

**88%**

of working bachelor's graduates are making an income higher than a non-completer high school graduate benchmark at 5 years post-graduation



# Equifax Graduate Outcomes and Verified Data

## Brandi Recker

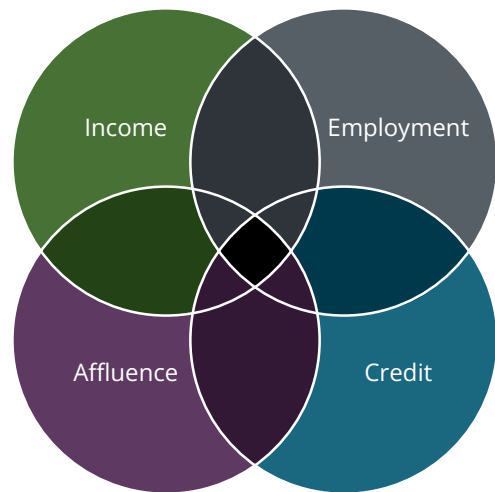
Senior Analytic Consultant, Higher Education

Equifax

# Address Key IR Challenges Through A Comprehensive Graduate Outcomes Solution Suite

## Graduate Outcomes Solution Suite

Provides institutions with a unique lens to evaluate graduate success by observing their **financial well-being** as they move through life.



Derived from our credit and financial assets database, the Graduate Outcomes Solution Suite is able to provide a more **comprehensive picture of student financial health and resilience** than other in-market data providers.

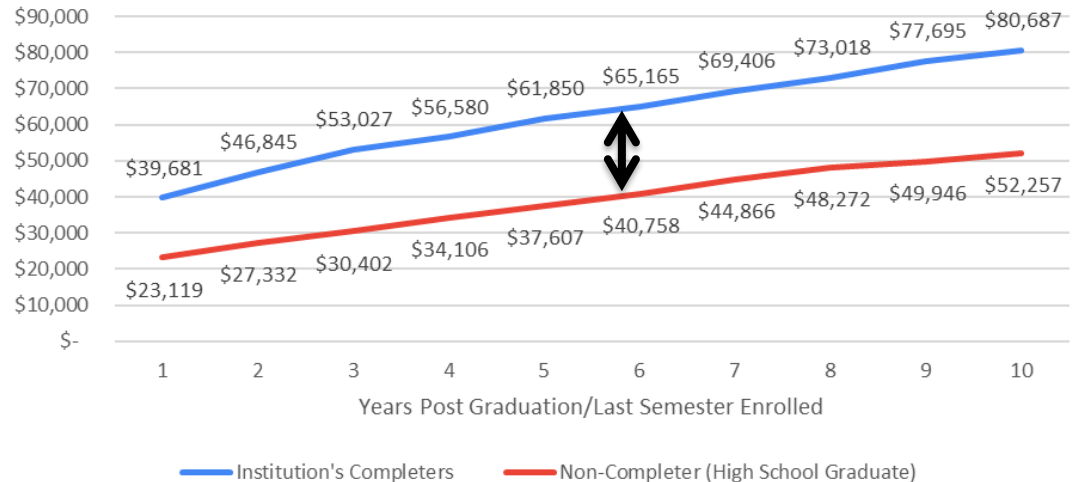
# How Equifax Can Help Institutions Better Understand Student Outcomes: Verified Income

Bachelor's graduates  
income was on average

62%

higher over time than  
students who did not  
complete

Median Income by Years Post Graduation for Completers vs High School Graduate Benchmark



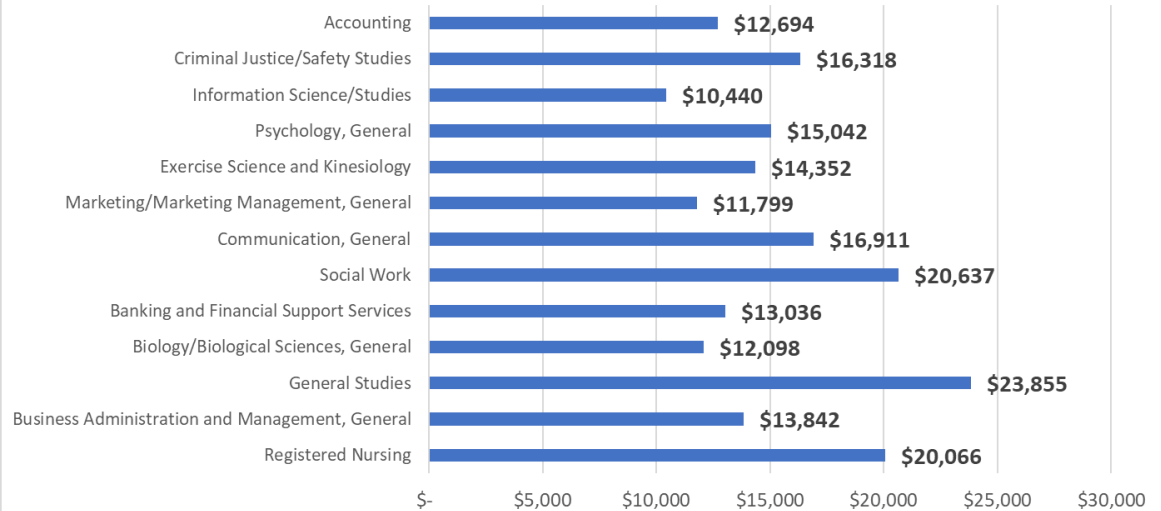
# How Equifax Can Help Institutions Better Understand Student Outcomes: Student Debt

\$18,346

Bachelor's graduate average open student loan balance at the time of graduation



Average Student Loan Balance at Time of Graduation by CIP Program



# Use Case:

## Getting ahead of regulatory compliance

The **Financial Value Transparency and Gainful Employment** regulations raise the bar for proving the ROI of college tuition by requiring schools to furnish student data to calculate standardized outcome metrics for: (1) **Discretionary Income Rate**, (2) **Annual Earnings Rate**, and (3) **Earnings Premium**.



### How data from Equifax can help

- Stimulate Standard (7) vs Transitional (2) Reporting on key compliance metrics to determine the best fit for your institution
- Understand and address areas of deficiency and risk ahead of Department of Education publication
- Be prepared and empowered to control the narrative surrounding program results

# Assessing Student Outcomes

## Simulating FVT/GE Metrics

An institution leveraged data from Equifax to simulate FVT/GE Metrics for their Sociology Program (45.1101) under the Standard Reporting method.

**\$63,112**

**Median Earnings**

**6.9%**

**Discretionary Income  
Rate**

**\$2,815**

**Average Annual  
Student Loan  
Payment**

**4.5%**

**Annual Earnings  
Rate**

# Benchmarking Student Outcomes

## Simulating Standard vs Transitional Reporting

An institution leveraged data from Equifax to simulate their discretionary income rate and annual earnings rate for all CIP Codes:

**74%**

of programs had better metrics utilizing the **Transitional Reporting** method vs Standard Reporting method

**3.4%**

Reduction in  
Students Graduating  
with Student Loan  
Debt

**43%**

Reduction in Average  
Annual Student Loan  
Payment at  
Graduation



# Key Takeaways

01. Mobilize your internal community and communicate implications to key stakeholders
02. Determine your data strategy
03. Get ahead of the narrative – identify which programs are most at-risk for failing and highlight program success through meaningful graduate insights





# Questions?

[gradoutcomes@equifax.com](mailto:gradoutcomes@equifax.com)



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# Appendix

## Additional Resources

# What's Required for Reporting?

## FVT requirements – Programs

- Program Name
- CIP Code (Six Digit)
- Credential Level
- Published Program Length
- Published Program Length Measurement - weeks, months, etc.
- Weeks in Title IV Academic Year
- Programmatically accredited - Y/N
- Name of Accrediting Agency
- Program meets licensure requirements
- States in MSA in which program does not prepare students for Licensure
- Total Number of Graduates Taking Licensure Exam\*
- Total Number Graduates Passing Licensure Exam
- Total Number of Enrolled Students
- Qualifying Graduate Program\*\*

## FVT requirements - Title IV Students

- **Transitional/Standard Reporting Flag**
- Award Year - July 1- June 30
- Comprehensive Transition and Postsecondary (CTP) Program?
- Program Enrollment Begin Date
- Student's Enrollment Status as of the 1st Day of Enrollment in the Program
- Program Attendance Status During Award Year (G/W/E)
- Program Attendance Status Date During Award Year (date of Grad or Withdrawl)
- Total Cost of Attendance (COA) for Award Year being Reported
  - Tuition and Fees Amount for Award Year being Reported
  - Residency Tuition Status by State or District for Award Year being Reported
  - Allowance for Books, Supplies, and Equipment for Award Year being Reported
  - Allowance for Housing and Food for Award Year being Reported
  - Institutional Grants and Scholarships for Award Year being Reported
  - Other State, Tribal, or Private Grants for Award Year being Reported
- Private Loan Amount for Award Year being Reported

# What's Required for Reporting?

## Date for G or W Status\*

*Data totals requested (just for your institution)*

- Private Loans Amount - Total for Enrollment in the Program
- Institutional Debt - Total for Enrollment in the Program
- Tuition and Fees Amount - Total for Enrollment in the Program
- Allowance for Books, Supplies, and Equipment - Total for Enrollment in the Program
- Institutional Grants and Scholarships - Total for Enrollment in the Program

# Ignite for Graduate Outcomes - Verified Income

**Class of:**  
 2012  
 2013  
 2014  
 2015  
 2016

**College:**  
 (All) 11 values  
 Col Arch, Plan & Pub Affairs  
 College of Business  
 College of Education  
 College of Engineering

**Years Post Graduate:**  
 (All) 5 values  
 0  
 1  
 3  
 5

**Ethnicity:**  
 (All) 11 values  
 American Indian/Alaska Nat...  
 Asian  
 Black/African American  
 Hispanic/Latino

**Career Comparison:**  
 Yes

**Reset All**

**Top Industries of Employment**

2022 NAICS US Title      Top 5

HospitalsT	1
Educational ServicesT	2
Administrative and Support ServicesT	3
Insurance Carriers and Related ActivitiesT	4
Transportation Equipment ManufacturingT	5

**Median Income by Years Post Graduation and Gender**

Legend: ● Female (Red), ● Male (Blue), ● Unkn... (Grey)



# Ignite for Graduate Outcomes - Geography

Median Income by Graduation Year

**Class of**

- 2012
- 2013
- 2014
- 2015
- 2016

**Select Academic Level**

(All 2 values)

- Grad Students
- Undergraduate

**Select Degree**

(All 3 values)

- Bachelor's
- Doctoral

**Select Area of Study**

(All 11 values)

- Col Arch, Plan & Pub Affairs
- College of Business
- College of Education
- College of Engineering

**Select Gender**

(All 3 values)

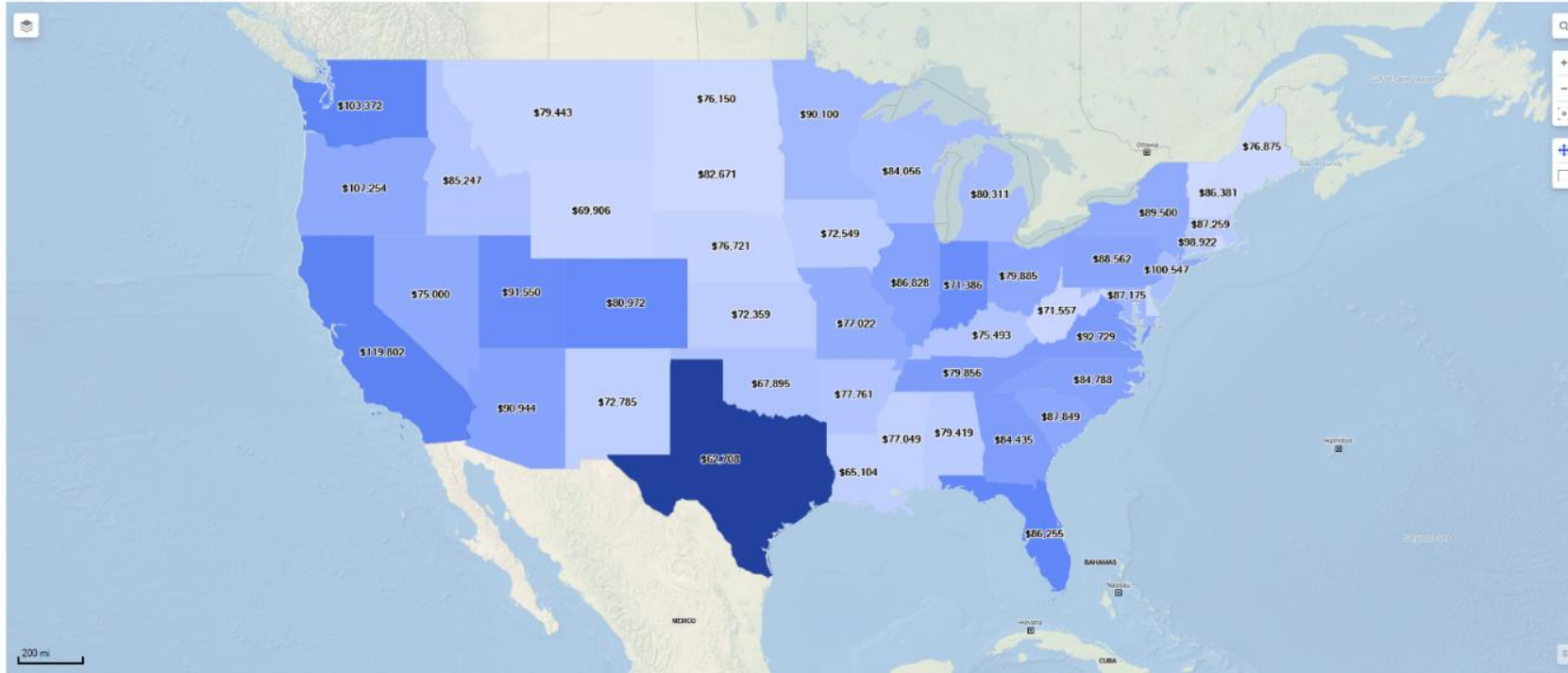
- Female
- Male

**Select Ethnicity**

(All 11 values)

- American Indian/Alaska Nat...
- Asian
- Black/African American
- Hispanic/Latine

**Reset All**



# Use case:

## Showcasing ROI



Despite affordability being a top concern, schools often can't provide or measure the ROI of their degree programs due to lack of insight into post-graduation wage outcomes.

### How data from Equifax can help

- Quantify the value and ROI of academic programs
- Monitor changes in institutional effectiveness over time
- Drive more equitable graduate outcomes

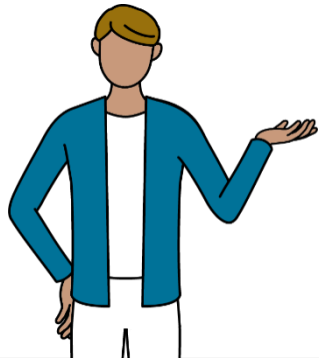


# Quantifying ROI

## Department-level wage outcomes

### Return on investment

$$\frac{((5\text{-year median salary} - \text{average high school salary}) \times \text{estimated working years}) - \text{Tuition cost}}{\text{Tuition cost}}$$



### Colleges with highest return on investment

Department	ROI
College of Nursing and Health Innovation	55x
Dept. of Computer Science and Engineering	51x
Dept. of Electrical Engineering	45x
Dept. of Mechanical and Aerospace Engineering	43x
Dept. of Information Systems and Operation Management	41x

# Quantifying the effect of a degree on economic mobility

## Comparing student vs parent earnings

Departments with highest ratio of individual wages to parent household wages for bachelor's earners

Department	5-year median individual wage	Ratio of individual wages to parent household wages*
Dept. of Electrical Engineering	\$92,956	1.22
Dept. of Computer Science and Engineering	\$99,572	1.18
Dept. of Industrial, Manufacturing, and Systems Engineering	\$88,072	1.09
Dept. of Information Systems and Operation Mgmt	\$82,163	0.98
College of Nursing and Health Innovation	\$91,013	0.97

Department of Electrical Engineering bachelor's graduate's wages were

**1.2x**

**higher than their parent's estimated total households' wages 5 years post-graduation**