




DATE: September 16, 2015

TO: Sharon Mar
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Office of Management and Budget

THROUGH: Kate Mullan
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FROM: Cynthia Hammond 
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SUBJECT: Emergency Clearance Request for Information Collection to Allow for Use of the First Phase of the Data Challenges and Appeals Solution (DCAS) by Institutions for Challenges to the Gainful Employment Completers Lists.

The Department of Education (Department) is requesting an emergency clearance approval by October 15, 2015 for this new information collection. The Data Challenges and Appeals Solution (DCAS) is a new system that will allow institutions to challenge their self-reported data as well as Department calculated metrics. The system will ultimately provide for the receipt, processing, data storage and archiving of data challenges received from institutions for challenges of GE metrics, Cohort Default Rates (institutional and programmatic), and Disclosure Rates and Metrics.

The Department finalized new regulations for Gainful Employment (GE) programs on October 31, 2014. These regulations require schools to report GE data, program certifications, disclosure requirements, as well as guidance for submitting data challenges and appeals.

The regulations in Section 668.405 state that the Debt-to-Earnings (D/E) rates for a GE program are determined by the Secretary. This begins by the Secretary creating a list of the students who received title IV assistance and completed the GE program during the cohort period then providing the student listing to the institutions. The regulation allows the institution to correct the information about the students on the list. DCAS will handle the challenge in-take process and allow schools to submit their challenge information to the Department electronically. Per Section 668.405(c), "The Secretary presumes that the list of students and identity information for those students are correct unless, as set forth in procedures established by the Secretary, the institution provides evidence to the contrary satisfactory to the Secretary. The

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institution bears the burden of proof that the list is incorrect.” It is the use of the completer listing challenge process portion of DCAS for which the Department is requesting is emergency approval.

This request is for the emergency approval of the first phase of DCAS, the institutional challenge to the GE completers list provided to institutions by the Department. The other aspects of DCAS will be made functional and available to institutions in stages, to allow for full development and testing, through subsequent updates.

The Department of Education (the Department) is requesting an emergency clearance approval for the use of the system described due to the following circumstances:

- The Department’s contracting process experienced a seven month setback when a contractor solicitation had to be cancelled and re-issued. In order to allow the challenge and appeal process to be implemented on time, the system must be able to accept challenges to the completer lists by November 9, 2015.
- The Department believes that students will be harmed if there is a delay in implementing the challenge process which will ultimately delay the issuance of final rates. The schedule is to have the final rates published and available to disclose to students by January 2017.
- Trends in graduates’ earnings, student loan debt, defaults, and repayment underscore the need for the Department to act swiftly. The Gainful Employment accountability framework takes into consideration the relationship between total student loan debt and earnings after completion of a post-secondary program.
- The Gainful Employment regulation was issued after both negotiated rulemaking and notice-and-comment procedures. The full challenge and appeals process is already detailed at 34 CFR 668.405 and 668.406. Burden calculations were likewise already promulgated. Stakeholders and other interested parties have already had significant opportunities to give input on the process.

The final regulations published on October 31, 2014 included burden calculations for Section 668.405. The information collection package that includes the calculation of institutional burden for the completer listing challenge is 1845-0123. Not all of the burden from 1845-0123 will transfer to this system. The burden identified for 668.405(c) contains the calculations for institutions that wish to propose corrections to the list is 175,081 hours. The Department is requesting that these hours be transferred to this new collection as DCAS will be the mechanism for the Department to accept and approve any changes to the completer listings.

We believe that if the standard clearance processes were applied to this collection at this time, there would be harm done to students who would not have access to valuable information that would allow them to make informed decisions for the educational futures as well as delaying the opportunity for institutions to provide the Department with the best information regarding their students who completed the Gainful Employment programs. We will follow this emergency clearance with a regular request for information collection to allow for the continued collection of this information under the DCAS system.

Thank you for your consideration of this request. If you have additional questions, please contact Cynthia Hammond at Cynthia.Hammond@ed.gov or (202) 377-4236.