

ADDENDUM E			
Comment ID(s)	Section	Substance of Comment	Response to Comment
42, 43, 45, 46, 50	74112(d)(3)(A)(ii)	<p>Commenters object to the expanded period of time required to be employed. Commenters argue that among other things the number is arbitrary, that any period of time is burdensome and that a longer period of time requires more effort (extra phone calls) to verify. Commenters argue against any time period being required.</p>	<p>While it is relatively new for a certain length of employment to be necessary in order for a graduate to be counted as employed, such a requirement exists. At least one accreditor has adopted a minimum time period of employment (15 days) and one of the commenters actually points to federal and state training programs which require 30 days. Different parties have argued that "being employed" is sufficient, while others have argued for 13 weeks of employment to be required. The Bureau has considered many points of view presented by all commenters during the entire regulation process as well as looking at sources such as accreditors and the different versions of the legislation which in the end required the Bureau to define "gainful employment." The Bureau weighed the burdens of longer requirements and considered the other variables which may be involved in someone leaving a job. The longer period required, the more other variables (i.e. personality conflicts, change of heart about job position or employer, family issues, etc.) come into play. Yet, questions of fraudulent practices like using temporary positions to inflate job placement continue to crop up. The Bureau expanded the requirement based on the Advisory Committee's voted recommendation and that a period which exceeded 1 month (i.e., 35 days) was reasonable without becoming too mired in the other variables which may drive individuals to leave a job.</p>

41, 42, 49	74112(d)(3)(C)	<p>Commenter 41 states that all his students are self-employed and asks that the self-employment requirements not be required for institutions that use other self-employment disclosures.</p> <p>Commenter 42 states that additional proof of self-employment is good, but questions why the self-attestation has to be dated after graduation. Commenter 49 desires that the attestations (both self-employed and part-time) should be entirely handwritten.</p>	<p>The modification added to the list of examples of things which reasonably evidence that a person is self-employed or a freelance worker. Additionally, the modification required that if a self-attestation is used to satisfy this provision, it must be dated after graduation. Commenter 41 speaks of his trade and that all who pursue it are self-employed. However, that is representative of only one institution. Regulations governing an industry must be more encompassing of the various types of institutions being regulated and must therefore be of a more general nature to encompass such a wide variety of programs, institutions, and fields.</p>
			<p>Commenter 42: The added examples are just that, examples. The regulations state specifically that an option to satisfy the provision is "reasonably evidenced, but not limited to" and provides some examples. Other documents or evidence besides those listed may serve to satisfy the provision. Regarding the requirement that any self-attestation be signed after graduation, an attestation after graduation is only viable when graduation is necessary to pursue self-employment. If the person could pursue self-employment without graduating, why take the program in the first place? Furthermore, commenters previously argued that requiring attestation for part-time employment before enrolling was problematic because intent may change over time. This valid point is also true for these attestations. Finally, Commenter 49 states handwritten documents should be required, however the Bureau believes this is unnecessary. Every day people sign rental agreements, home loans, credit card transactions, property sale documents, contracts, waivers, citations, health care directives, etc., almost none of which are handwritten.</p>

42, 46, 50	74112(h)	<p>Commenters object to provision which requires those institutions choosing to include 150% graduation rate and that have programs which are more than one year in length to report the previous four calendar years of data instead of just two calendar years. Also, the question is again raised as to what constitutes more than a year.</p>	<p>The modification changed the word "which" to "that" and deleted the word "the." The remainder of the subsection is unchanged. The additional requirement was added in a previous modification. Therefore, the comments are not relevant to the specific modifications. However, the Bureau responds that the expanded reporting allows for more complete information as long programs can be extended beyond the two calendar years of reporting. Furthermore, reporting the 150% completion rate is optional. Finally, more than one year is exactly what it states, more than one year (i.e. program starts June1, 2014 and ends June 2, 2015 is more than more year.)</p>
42, 45, 46, 50	74112(i)	<p>Commenters 42, 46, and 50 objected to all the additional charts and categories under the job placement section which were added in the current modification. They assert that they are burdensome, confusing and repetitive. Commenter 45 reflected that the information could be useful, but suggested that if an institution had all zeroes on a particular chart that they not be required to include that specific chart.</p>	<p>The Bureau disagrees. Providing a detailed breakdown of the types of employment achieved by the institution's graduates informs a prospective student of the actual, detailed employment outcomes, such as those obtaining full-time employment vs. those obtaining part-time employment, which can be vital information to a prospective student's decision making. The new charts are only required to be included as part of the performance fact sheet, not the brochure, catalog or enrollment agreement as asserted by some commenters. Regarding the idea of not included charts which have zero for all data, a fundamental principle behind performance fact sheets is that a prospective student can compare different schools. Having identical formatted fact sheet makes the comparison a direct "apple for apples" in each area. It is not difficult to keep a master template and simply enter "0" in the various columns.</p>

<p>42, 44, 45, 46, 50</p>	<p>74112(n)</p>	<p>Commenters object to the additional requirement of providing the cancelation policy included in the enrollment agreement with the performance fact sheet because they feel it is redundant.</p>	<p>In part, it is redundant and that is part of the point. A student's right to cancel and the period in which they have that right is critical. Giving prospective students the information up front and then reinforcing the same right later with the enrollment agreement provides the student with two reminders rather than just one. Additionally, previous comments asked for a "cooling off period." However, the Bureau believes the cancelation period is more powerful as it is longer than any suggested "cooling off period." Furthermore, a "cooling off period" creates a potential burden to prospective students. If a prospective student has been considering a program, but has yet to visit the institution, then decides they want to enroll because the first class starts that day or night, the student wouldn't be allowed to enroll because of a required "cooling off period" and then when have to wait weeks or even months before starting the program. The cancelation allows a longer time for the student to reconsider and more flexibility. Providing the prospective student with the information twice serves to reinforce these options and their importance.</p>
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