JULY & AUGUST 2026 NEWSLETTER

IMPORTANT DATES:

September 1 – Campus-Based Reallocation Form due

September 7 – Labor Day, DJA Offices Closed

September 10 – FSA FVT/GE & STATS Virtual Office Hours

September 26-28 – NACCAS Quarterly Workshop

October 1 – 25/26 FVT/GE reporting cycle deadline

October 1 – Annual Security Report due

October 1 – 27/28 FISAP due

October 21 – Financial Aid Day

IN THIS ISSUE:

They call them the lazy days of summer, but apparently no one passed that memo along to the Department of Education—or financial aid administrators. As schools juggled closing one award year, beginning another, and preparing for a new group of students, July and August brought another steady stream of regulatory guidance and implementation decisions.

The biggest topic has undoubtedly been the new Student Tuition and Transparency System (STATS) and Earnings Accountability framework. Schools are preparing for the October 1st reporting cycle while determining what early implementation means, how the new earnings measure will work, and whether there is a benefit to moving into the reduced STATS reporting requirements early.

And—because nothing in financial aid can ever be quite that simple—FSA continued to add clarification throughout August, including confirmation that early implementation of STATS is a reporting decision and does not determine whether a program will ultimately be subject to Earnings Accountability.

Beyond STATS, schools are implementing the new Schedule of Reductions, watching accreditation recognition developments, preparing for Campus-Based reporting, and working through new COD and NSLDS requirements. And just when you thought October 1st could not possibly fit one more compliance deadline, this year's Annual Security Report adds hazing statistics for the first time.

So, grab whatever is getting you through the back-to-school rush (coffee seems like the safest recommendation), and let's catch up on what you may have missed during the not-so-lazy days of summer.

Until next time, stay compliant, stay caffeinated—and remember, October 1st will be here whether we're ready for it or not!

Renee Ford, Vice President

IN THE NEWS: STATS AND EARNINGS ACCOUNTABILITY- WHAT WE KNOW NOW

On July 1st, the Department of Education published its final rule implementing the new Student Tuition and Transparency System (STATS) and Earnings Accountability requirements. While those of us in career education have spent the last several years focused on Gainful Employment, this new framework is much broader. For the first time, an earnings-based accountability measure will apply across Title IV institutions and their Title IV-eligible programs—not just GE programs. The final rule is generally effective July 1, 2027, although institutions have the option to early implement certain reduced STATS reporting requirements beginning with the current reporting cycle. (FSA Partner Connect)

What Exactly Is Being Measured?

The new accountability standard is referred to as the Earnings Premium measure. At its simplest, the Department is asking: *Are students financially better off after completing the program than someone with the credential level immediately below them?*

For an undergraduate program, the median annual earnings of the program's completers must be equal to or greater than the median earnings of working adults ages 25–34 with only a high school diploma (or recognized equivalent). Generally, the comparison will use the earnings benchmark for the state in which the institution is located. However, if fewer than 50% of the institution's students are from that state, a national benchmark will be used.

For a graduate program, the concept is similar, but the benchmark moves up a credential level. Graduate completers' median earnings are compared with working adults ages 25–34 whose highest credential is a bachelor's degree.

The students included in the program calculation are generally completers from the applicable cohort, with earnings measured in the fourth tax year following completion. For example, the first calculation is expected to use 2025 earnings for students who completed during the 2020–21 award year. The Department will obtain earnings information through a federal agency with access to earnings data and compare the program's median earnings against the applicable Census-derived benchmark.

Important distinction from GE: the Earnings Premium becomes the accountability measure under the new framework. The current GE debt-to-earnings test does not carry forward as an accountability measure under STATS.

A Big Win for Tipped Occupations: Delayed Earnings Accountability

One of the most significant provisions in the final rule—particularly for institutions offering programs in the beauty industry—is a delayed implementation of the Earnings Premium measure for certain programs preparing students for occupations where tipped income is prevalent.

One of the concerns raised throughout negotiated rulemaking was that federal earnings data may not accurately reflect the true earnings of individuals working in occupations where tips make up a significant portion of their income. This concern became even more relevant following the passage of the federal “No Tax on Tips” provision. Because that change first affects tax year 2026, earnings data from earlier years would not yet reflect its potential impact.

The Department addressed this concern in the final rule by providing special treatment for qualifying tipped occupations. A qualifying program will be treated as neither passing nor failing the Earnings Premium measure when the calculation relies on graduate earnings from calendar year 2025 or earlier. This is particularly important when looking at the implementation timeline. The first Earnings Premium calculation is expected in 2027 and will use calendar year 2025 earnings. Therefore, qualifying tipped programs will not receive a passing or failing result from that first calculation. Instead, their first potential Earnings Premium result would be delayed until the Department uses earnings data from a later calendar year.

For affected institutions, that additional year is significant. Because a program must fail the Earnings Premium measure in two out of three consecutive award years before becoming a low-earning outcome program, delaying the first possible failure also delays the timeline for student warnings and potential loss of Direct Loan eligibility.

Based on the implementation timeline currently outlined, the earliest progression for a qualifying tipped program would generally look like:

- 2027: No pass/fail determination when the calculation relies on 2025 earnings.
- 2028: Earliest potential first failing Earnings Premium result and associated student warning requirements.
- 2029: Earliest potential second failure and loss of Direct Loan eligibility if the program fails two of three consecutive years.
  - Potential broader Title IV consequences could arise if the institution also fails the new 50% administrative capability standard for the required period.

What About Small Programs? Cohort Aggregation Matters

For many of our readers—particularly institutions offering smaller career programs—the **cohort aggregation rules are especially important**. The Department will first look at the applicable single-year cohort. If there are 30 or more students after applicable exclusions, that cohort will be used to calculate the program's Earnings Premium measure.

If there are fewer than 30 students, the Department does not simply exempt the program. Instead, it begins aggregating cohorts. It will first add prior-year completers from the same six-digit CIP code. If that still does not produce a cohort of at least 30, the Department can broaden the aggregation to programs sharing the same four-digit CIP code and credential level until the minimum cohort is reached.

That is an important change to keep on your radar. A small program may not receive an accountability result based solely upon its most recent graduating class, but that does not necessarily mean the program escapes measurement.

What Happens When a Program Fails?

This is where the rule begins to have some teeth. One failed Earnings Premium measure does **not** immediately result in loss of Direct Loan eligibility. Instead, a first failure can trigger required warnings to students because the program could become ineligible if it fails again.

A program that fails the Earnings Premium measure in two out of any three consecutive award years becomes what the regulations call a "low-earning outcome program." At that point, the program generally becomes ineligible to participate in the Direct Loan Program, subject to applicable appeal and orderly-closure provisions.

In other words: One failure = warning territory. Two failures within three years = potential loss of Direct Loan eligibility.

And Then There Is the Institution-Level Consequence…

The rule does not stop at individual program Direct Loan eligibility. Institutions must also satisfy a new administrative capability standard related to their concentration of students and Title IV dollars in low-earning outcome programs. An institution must demonstrate that at least 50% of its Title IV recipients AND at least 50% of its Title IV funds are not associated with low-earning outcome programs.

If the institution fails that standard in two out of three consecutive award years, the consequences become significantly more serious. The institution may be placed on provisional certification, and its low-earning outcome programs can become ineligible for all Title IV aid—not simply Direct Loans. There is an important exception to keep in mind. Institutions that do not participate in the Direct Loan Program—and have not participated during the five most recently completed award years—are exempt from this institutional-level consequence. An exception also exists for programs where the institution agrees not to allow Direct Loan borrowing for at least five years.

For an institution with only a handful of programs—or one where a significant portion of students are concentrated in one or two programs—this is a provision that deserves particular attention.

Student Warnings Are More Than Just a Disclosure

A program's first failure does not immediately result in loss of Title IV eligibility, but it does trigger an important set of student warning requirements. And these warnings are much more involved than simply notifying students that the program failed the Earnings Premium measure.

The required warning must tell students that:

- The program has not passed the standards established by the U.S. Department of Education based on the reported earnings of program graduates;
- The program could lose access to Direct Loans based on the next calculated program metrics;

- If the institution has failed the new administrative capability standard under 34 CFR 668.16(t) in at least one of the three most recent consecutive award years, the warning must also explain that the program could lose access to other Title IV, HEA program funds.
    - As a reminder, this is the new institutional-level standard addressing institutions where more than 50% of Title IV students OR more than 50% of Title IV funds are associated with low-earning outcome programs;
- The student must be provided the relevant information necessary to access the Department's program information website (site still to be determined); and
- The warning must tell the student that they are required to acknowledge having viewed the warning before the institution may disburse any Title IV funds to the student.

There is an additional requirement for Pell Grant-eligible students. The warning must describe the student's remaining Pell Lifetime Eligibility Used (LEU) and explain that all Pell Grant funds received while enrolled in the program count against the student's future lifetime Pell eligibility. For currently enrolled students, this portion of the warning must be provided at the time the institution makes a Pell Grant disbursement.

Currently Enrolled Students

Once the Department notifies an institution that a program has failed the Earnings Premium measure and is subject to the warning requirements, the school must provide the warning in writing to each student enrolled in the program no later than 30 days after the Secretary's notice of determination.

The warning may be hand delivered, mailed or provided electronically, but there are a couple of important catches. The school must document its efforts to provide the warning, and the warning must be the only content contained in the written communication. In other words, this should not be buried in an email containing other financial aid reminders or school announcements.

For Pell-eligible students, schools must also remember the additional timing requirement discussed above: the applicable Pell information must be provided before making a Pell Grant disbursement.

Prospective Students: Admissions Needs to Be Involved

This is where the warning requirements move well beyond the financial aid office. A school must provide the warning to each prospective student—or a third party acting on the prospective student's behalf—at the first contact about the program. That means institutions with a failing program will need a process to ensure admissions and other employees interacting with prospective students know which programs are subject to warnings and when those warnings must be delivered.

The method of delivery depends upon how that first contact occurs. If the contact is in person, the warning may be hand delivered as a separate document, either individually or as part of a group presentation. If communication occurs by email, the warning must be sent to the primary email address the school has been using to communicate with the prospective student or third party, and the warning must be the only substantive content in the email.

Schools must also have another delivery method available if they receive notice that the email could not be delivered. If the initial contact occurs by telephone, the warning must be provided orally during the call.

Perhaps most importantly, the warning creates a waiting period. An institution may not enroll, register or enter into a financial agreement with the prospective student for the affected program until at least three business days after the warning has been delivered.

Acknowledgment Is Required Before Enrollment AND Title IV Disbursement

Providing the warning is only step one. For a prospective student seeking Title IV assistance, the institution may not allow the student to sign an enrollment agreement, complete registration, make a financial commitment to the institution, or receive a Title IV disbursement until the student completes the required acknowledgment of the warning.

For schools accustomed to moving quickly from lead → admissions → enrollment → financial aid, this requirement could have a very real impact on the enrollment process. Institutions with programs subject to warnings will need controls between departments to make sure the three-business-day waiting period and acknowledgment requirements are satisfied before the student moves forward.

Important: A student's acknowledgment does not relieve the institution of its other consumer information or disclosure responsibilities. Nor does a student's acknowledgment or viewing of the warning serve as evidence against the student if the student later pursues a claim for loan discharge.

Don't Forget the 12-Month Rule

There is one more timing provision schools will need to build into their procedures. If a prospective student receives a warning but does not seek enrollment until more than 12 months after the original warning, the institution generally must provide the warning again. The exception is when, since providing the original warning, the program has passed the Earnings Premium measure for the two most recent consecutive award years.

What Does This Mean Operationally?

This is why we don't view the Earnings Accountability warning requirements as solely a financial aid responsibility. A failing measure could require coordination across financial aid, admissions, student services, compliance and anyone communicating with prospective students.

Schools subject to the warning requirements will need a process that answers some very practical questions: *Who identifies the students who need the warning? Who sends it? How does Admissions know a program is under a warning? How is the three-business-day waiting period tracked? Where is the student's acknowledgment documented? And, most importantly, what prevents enrollment or a Title IV disbursement from moving forward before those requirements have been satisfied?*

What Does This Mean for Your Institution?

While the first accountability consequences are still ahead of us, schools should not view STATS as simply another annual reporting requirement. The data being reported ultimately feeds a framework that can affect student disclosures, Direct Loan eligibility and, under certain circumstances, broader Title IV eligibility.

Institutions should begin looking at their programs through the same lens the Department will use: Which programs are likely to meet the earnings benchmark? How large are the cohorts? Could smaller cohorts be aggregated? And how much of the institution's Title IV population and revenue is concentrated in programs that may struggle with the measure?

The first results will give institutions considerably more information about where their programs stand. But understanding the mechanics of the measure now gives schools something even more valuable- time to prepare**.**

2026 FVT/GE REPORTING: OCTOBER 1ST IS COMING QUICKLY

While we started this newsletter focused on the new Earnings Accountability requirements, there is another STATS decision institutions must make much sooner. October 1, 2026, remains the deadline for the current FVT/GE reporting cycle, and this year institutions have the option to early implement the reduced reporting requirements under STATS. If that sentence already has you asking, *"Wait—are we reporting FVT/GE or STATS?"* you are certainly not alone. This has been one of the more confusing implementation questions of the summer, and guidance surrounding the decision has continued to evolve.

Early Implementation: What Does It Actually Mean?

For the October 1st reporting cycle, institutions may choose to continue reporting under the existing FVT/GE requirements or early implement the reduced reporting requirements available under STATS. FSA has clarified that an institution is considered to have early implemented the STATS reporting requirements if it omits one or more of the data elements that became optional under the new rule. Institutions that do not implement early must continue reporting all applicable FVT/GE data elements through June 30, 2027.

This makes the October reporting decision important: schools need to understand which data set they intend to submit before transmitting their files. In an August 11th EA, FSA provided an important clarification as you approach this decision: early implementation of the STATS reporting provisions has no effect on other regulatory requirements, including whether a program is subject to the Earnings Premium measure beginning July 1, 2027 or the consequences associated with failing it. Said another way: early implementation is a reporting election—not an accountability election.

Why Would a School Early Implement?

There is a very practical benefit to early implementation: less reporting**.** STATS does not eliminate annual program- and student-level reporting, but it does reduce the number of data elements institutions must provide. Several fields currently required under FVT/GE are no longer required under STATS, including:

- Qualifying Graduate Program Indicator;
- Transitional/Standard Reporting Flag;
- Student enrollment status as of the first day of enrollment in the program;
- Program attendance status and applicable attendance status date;
- Residency tuition status;
- Date the student completed or withdrew from the program; and
- Total institutional debt during the student's enrollment in the program.

That reduced reporting burden may make early implementation attractive for many schools. But reduced reporting should not be confused with no reporting. Institutions must still submit significant program- and student-level information under STATS.

What About NOT Early Implementing?

Schools may also choose to remain under the existing FVT/GE reporting requirements for this cycle and submit the full applicable data set. At this point, one of the more significant considerations surrounding that decision is potential litigation strategy. Institutions participating in, supporting, or considering a legal challenge to the new Accountability framework may want to discuss with legal counsel whether voluntarily early implementing any portion of the new rule could affect their legal position.

There is no blanket answer that applies to every institution. However, after FSA's August clarification separating the reporting election from application of the Earnings Accountability provisions, the decision has become somewhat easier to frame:

Early implement → reduced 2026 reporting requirements.
Do not early implement → continue full FVT/GE reporting through June 30, 2027.

Either way, the new Earnings Accountability requirements become mandatory beginning July 1, 2027.

October 1st Means COMPLETE—Not Just Submitted

Regardless of which reporting path your institution selects, **October 1, 2026 is the deadline** for reporting the 2025–26 award year. And there is an important distinction here: transmitting a spreadsheet on October 1st does not necessarily mean you have met the deadline. FSA has warned institutions that spreadsheet and batch processing may take as long as a week as reporting volume increases. A submission is not complete until all errors have been resolved, and FSA has specifically stated that time needed to correct errors will not justify a late submission. For that reason, the Department recommends submitting reporting at least one week early. September 24th may therefore be the better date to circle on your calendar.

Schools should use the remaining weeks to identify reportable programs and students, review NSLDS data for accuracy, gather institutional data not available through federal systems, determine which reporting pathway they intend to use, and leave themselves enough time to work through any errors.

Don't Forget About Prior-Year Reporting

As if one reporting cycle wasn't enough, FSA's August 11th announcement also addressed delinquent reporting from the prior FVT/GE cycles. The Department identified more than 1,900 institutions that appear to have either not reported or under-reported required data from the 2024 and 2025 reporting cycles. Those institutions have been given a final opportunity through January 15, 2027, to correct delinquent or incomplete reporting. FSA also provided a spreadsheet identifying which files institutions previously submitted and which appear to be missing. Do not assume that appearing as having submitted a file means the submission was complete or accurate. Schools should compare the Department's information against their own records and resolve any outstanding reporting while there is still time.

What Should Your Institution Be Doing Now?

Whether you early implement STATS or remain under FVT/GE, the most important thing is not to let the decision delay your preparation. Institutions should already be collecting and reviewing the data needed for October reporting. If you are still weighing early implementation, preparing the full FVT/GE data set provides flexibility, you can remove fields that are no longer required under STATS later, but you cannot recover lost preparation time as October 1st approaches. And if there is one lesson financial aid has taught us over the years, it is this: a federal reporting deadline is rarely the best time to discover a data problem.

FSA RELEASES LONG AWAITED GUIDANCE ON SCHEDULE OF REDUCTIONS

Term-based institutions have spent much of the summer implementing the new Schedule of Reductions (SOR) requirement for Direct Loan borrowers enrolled less than full time. In August, FSA finally released a Frequently Asked Questions resource addressing several of the operational questions schools have been working through for the 2026–27 award year.

At its core, SOR requires an institution to reduce a student's annual Direct Loan limit when the student is enrolled less than full time in a term-based program. The amount a student may ultimately receive can therefore change as the student's enrolled credits change. This makes the enrollment review immediately prior to disbursement an especially important compliance checkpoint.

Schools should make sure their financial aid and registrar/SIS processes are aligned so that schedule changes are communicated before funds are released. A student who was packaged based on one enrollment level may have a different loan eligibility amount by the time of disbursement. The new rules make it increasingly important that the enrollment data used by the financial aid office is current- not simply the schedule that existed when the student was originally packaged.

FSA's FAQ also helps institutions work through practical implementation questions, including how reductions are distributed. Depending on the circumstances, institutions may use an equal distribution or proportional distribution approach. Schools should ensure their written procedures explain the methodology being used and that staff understand how later enrollment changes affect remaining eligibility.

ACCREDITATION RECOGNITION UPDATE BY NACIQUI AND DRAFT AIM REGULATIONS

Accreditation news created understandable concern in July after the National Advisory Committee on Institutional Quality and Integrity (NACIQI) completed its review of several federally recognized accrediting agencies. On July 22nd, NACIQI voted 9–3 to recommend denial of continued federal recognition for the National Accrediting Commission of Career Arts and Sciences (NACCAS). The committee separately recommended continued recognition of the Council on Occupational Education (COE), subject to additional compliance reporting and monitoring.

The most important words in that paragraph are 'recommend' and 'recommendation.' NACIQI is an advisory committee. Its vote did not immediately terminate NACCAS recognition, change a school's accreditation, or end an institution's Title IV eligibility. The recommendation moves through the Department's recognition process before a final decision is made by the Senior Department Official, and additional appeal rights exist if recognition is ultimately denied.

For schools accredited by NACCAS, this is certainly a development to follow closely, but it is not a reason to make a rushed accreditor change. Institutions should continue normal operations, remain in communication with their accrediting agency, and monitor Department updates as the recognition process continues. For COE-accredited institutions, the NACIQI recommendation supports continued recognition, although additional oversight and compliance reporting were recommended.

On August 21st, the Department published a new Federal Register notice announcing NACIQI's next meeting, scheduled for September 23–24, 2026, from 9:00 a.m. to 5:00 p.m. Eastern Time. Committee members will meet in person, while members of the public will participate virtually. The notice also provides a process for members of the public to request an opportunity to provide written or oral comments.

This latest notice is also timely because accreditation itself is undergoing broader regulatory change. On August 20th, the Department published a proposed rule titled "Accreditation, Innovation, and Modernization: The Secretary's Recognition of Accrediting Agencies." The proposal would revise the federal regulations governing recognition of accrediting agencies at 34 CFR Part 602, with comments due September 21, 2026.

OTHER FSA NEWS YOU MAY HAVE MISSED

Enrollment Status Effective Date in COD

FSA updated its COD implementation guidance at the end of July regarding the new Enrollment Status Effective Date required for Direct Loan disbursements beginning with 2026–27. The Department had originally planned to begin rejecting disbursements missing the date after August 8th; that rejection timeline has been extended until later in fall 2026. The extension provides additional implementation time, but it does not remove the reporting requirement.

NSLDS Enrollment Reporting and the R2T4 Withdrawal Exemption

The July 2026 NSLDS Enrollment Reporting Guide includes new guidance addressing students who qualify for the recently implemented R2T4 withdrawal exemption. An R2T4 exemption does not automatically mean the student should be reported as graduated in NSLDS. Schools must still report what actually occurred academically and distinguish between a student who withdrew and a student who completed or graduated. Financial aid and enrollment reporting staff should make sure their procedures communicate those determinations accurately.

Campus-Based Aid and FISAP

FSA released official 2026–27 Campus-Based funding notifications during July, including Federal Work-Study and FSEOG allocations. The 2025–26 Campus-Based Reallocation Form is due September 1, 2026. Schools should review current allocations, projected expenditures and anticipated student demand before deciding whether funds should be released or whether supplemental Federal Work-Study funding may be appropriate. For step by step instructions on completing the form, visit the EA.

FSA also released new self-paced training for completion of the 2027–28 FISAP. The FISAP is due October 1, 2026 for applicable institutions requesting 2027–28 FSEOG or FWS funds and/or reporting 2025–26 Campus-Based or Perkins activity.

2026–27 FSA Handbook & Perkins Servicing

Volume 7 of the 2026–27 Federal Student Aid Handbook, addressing the Federal Pell Grant Program, was released July 30th. FSA followed in August with the Handbook appendices, including reference information on institutional reporting and disclosure requirements. Schools should make sure staff are relying on the current 2026–27 Handbook as procedures are updated. Lastly and perhaps the most exciting, FSA announced the FSA Handbook is now available once again in PDF formatting for the 2025-26 award year, with the 2026-27 coming soon.

FSA also announced that servicing of federally held Perkins Loans will transition from ECSI to GCR Servicing, with completion anticipated by December 1, 2026. Institutions with affected Perkins portfolios should review transition communications and upcoming milestones.

FAFSA Fraud Detection and Identity Confirmation FAQ

FSA also published Real-Time FAFSA Fraud Detection and Identity Confirmation FAQs as the Department continues expanding fraud-prevention efforts. Financial aid offices should make sure staff responsible for FAFSA review understand the identity confirmation process and know how to respond when an application is flagged for additional verification or unusual activity. As fraud controls continue to evolve, schools should expect this to remain an active area of FSA guidance.

FSA also released an August 21st update to the initial April EA on the Real-Time Fraud Detection for the FAFSA, indicating there was a technical issue from June 29th to July 6th which prevented fraud evaluation results from being included in certain FAFSA forms processed by FSA. The Department corrected the issue on July 6, after which fraud evaluations resumed as normal. In the update, FSA indicated they conducted a one-time fraud evaluation on the transactions received during this period and reprocessed those transactions under reprocessing reason code 18. Reprocessed ISIRs were completed this past Monday, August 24th.

FSA Releases Self-Paced Training on Cohort Default Rates & Default Management

On August 21, FSA announced a new self-paced online learning track focused on Cohort Default Rates (CDRs) and default prevention and management. The training includes two courses designed to be taken together.

- *Understanding Cohort Default Rates and Institutional Impact*: reviews how CDRs are calculated, their impact on institutions and borrowers, and the processes for data review, challenges, adjustments, and appeals.
- *Operational Strategies for Default Prevention and Management*: shifts the focus to practical strategies institutions can implement, including data-driven borrower outreach, timely enrollment reporting, targeted borrower support, and a campus-wide approach to reducing default risk.

The timing of this training is particularly noteworthy. FSA indicated that the courses are part of its continued effort to assist institutions with high non-repayment rates as the Department prepares to release official cohort default rates later this year and draft rates early next year. With repayment outcomes receiving increased federal attention, institutions may want to use this opportunity to review their current default-management practices and ensure responsibility for borrower success extends beyond the financial aid office. The courses are available through the FSA Training Center under Learning Tracks → School Eligibility → Cohort Default Rates and Default Management.

COMPLIANCE CORNER

CAMPUS CRIME REPORTING: IS YOUR 2026 ANNUAL SECURITY REPORT READY?

As indicated earlier in the newsletter, October 1st is the deadline to distribute your institution's Annual Security Report (ASR) and submit required crime statistics to the Department of Education. In this edition of our

Compliance Corner, we will revisit the requirements of the Clery Act and highlight an important change for 2026: for the first time, institutions must include hazing statistics in their Annual Security Report.

A Little History Behind the Requirement

More than thirty years ago, the Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act—commonly referred to as the Clery Act—was enacted as part of the Student Right-to-Know and Campus Security Act of 1990. The law followed the 1986 murder of college student Jeanne Clery and was intended to increase transparency and accountability surrounding campus safety at institutions participating in the Title IV programs.

The Clery Act has expanded considerably since its original passage. The Violence Against Women Act (VAWA) added requirements related to dating violence, domestic violence, sexual assault and stalking, along with additional institutional policies, procedures and prevention programs.

Most recently, the Stop Campus Hazing Act (SCHA) amended the Clery Act to address hazing and renamed it the Jeanne Clery Campus Safety Act. For purposes of this article, we will continue to use the familiar term "Clery" when discussing the requirements.

What Does Clery Require?

At a high level, institutions participating in the Title IV programs must:
- Maintain information regarding crimes occurring within the school's Clery geography;
- Collect and submit required crime statistics to the Department annually;
- Issue timely warnings and emergency notifications when applicable; and
- Prepare an Annual Security Report containing required crime statistics, institutional policies and other disclosures and distribute the report to students and employees.

Schools with on-campus student housing have additional requirements, including maintaining a fire log, submitting annual fire statistics and preparing and distributing an Annual Fire Safety Report.

Designate a Campus Security Authority
In order to meet the expectations within this regulation, your school must designate an individual or office to coordinate and oversee your campus security. This individual will serve as a point of contact to which students and employees are directed to report criminal offenses. Your annual security report should list the designation of this Campus Security Authority.

Collecting and Reporting Crime Statistics
A school must report to the Department and disclose in its annual security report statistics for the three most recent calendar years the number of each of the following crimes that occurred on or within its Clery geography AND that are reported to local police agencies or to a campus security authority:
1. Primary Crimes
2. Arrests and Referrals for Disciplinary Action;

3. Hate Crimes;
4. Dating Violence, Domestic Violence and Stalking; and
5. **NEW: Hazing**

Crime statistics must be categorized according to where the incident occurred—such as on campus, in or on applicable non-campus buildings or property, or on public property—and institutions must not disclose personally identifiable information about victims.

NEW FOR 2026: Hazing Statistics

This is perhaps the most important change to remember as you prepare this year's report. The Stop Campus Hazing Act, signed into law in December 2024, created several new institutional requirements that have been implemented in phases:

- **June 23, 2025:** Institutions were required to have hazing policies in place.
- **July 1, 2025:** Institutions were required to begin documenting violations of institutional standards of conduct relating to hazing.
- **December 23, 2025:** The first Campus Hazing Transparency Report was required to be publicly available. This report must be updated at least twice annually.
- **October 1, 2026:** Hazing statistics must be included in the Annual Security Report for the first time**.**

That means your 2026 ASR must include applicable hazing statistics from calendar year 2025. It is also important not to confuse the Campus Hazing Transparency Report with the Annual Security Report. They are separate disclosure requirements. The Transparency Report addresses certain findings of responsibility involving established or recognized student organizations, while hazing is now also a reportable Clery crime category for purposes of the ASR.

Timely Warnings vs. Emergency Notifications

In addition to annually reporting crime statistics, institutions must have procedures for communicating safety threats to their campus community.

A **timely warning** is issued when a Clery crime has been reported and the institution determines that it may represent a serious or continuing threat to students and employees. The purpose is to provide information that may help members of the campus community protect themselves and prevent similar crimes.

An **emergency notification**, on the other hand, addresses an immediate threat to the health or safety of students or employees on campus. If an institution follows its emergency notification procedures for a particular situation, it is not required to issue a separate timely warning based on the same circumstances, although appropriate follow-up information may still be necessary.

Your ASR must include policy statements explaining your institution's procedures for these communications.

What Needs to Be in the Annual Security Report?

The ASR is much more than a table of crime statistics. Your policy statements should reflect what your institution actually does—not simply regulatory language or a policy carried forward year after year.
Among other requirements, the ASR must address:

- Procedures for reporting crimes and emergencies, including identification of individuals or organizations to whom crimes should be reported;
- Timely warning and emergency notification procedures;
- Security and access to campus facilities;
- Campus law enforcement/security authority and relationships with state and local law enforcement;
- Programs informing students and employees about campus security and crime prevention;
- Policies addressing alcohol, illegal drugs and applicable laws;
- Information regarding registered sex offenders;
- Emergency response and evacuation procedures;
- Policies and educational programs addressing dating violence, domestic violence, sexual assault and stalking;
- Procedures and resources available to victims, including confidentiality, protective measures and available institutional/community services; and
- Institutional disciplinary procedures and required information regarding victims' rights and options.

VAWA requires particularly detailed disclosures surrounding dating violence, domestic violence, sexual assault and stalking. Institutions should make sure their ASR explains prevention and awareness programs, how incidents may be reported, preservation of evidence, law enforcement options, available protective measures, confidentiality protections, support services and institutional disciplinary procedures.

Don't Forget Distribution
Preparing the report is only part of the requirement. By October 1st, institutions must distribute the Annual Security Report to all currently enrolled students and current employees. Distribution may occur through direct mail, campus mail, email, an appropriate publication, or electronic/web distribution when the applicable requirements are satisfied.

Institutions must also notify prospective students and prospective employees that the report is available. That notice must describe the report's contents and explain how an individual may obtain a copy. Upon request, the institution must provide the ASR to a prospective student or employee.

Sources: FSA Handbook, Volume 2, Chapter 6; 34 CFR § 668.41; Jeanne Clery Campus Safety Act/Stop Campus Hazing Act.

CALENDAR and RESOURCES

Training Resources

DJA MONTHLY WEBINARS

Cash Management, Wednesday, September 9, 11 a.m. CST

Enrollment Reporting, Wednesday, October 7, 11 a.m. CST

NOTE: There may be a difference between DJA local time and your time zone. To determine your time zone equivalent, click on this link to view a time zone map: http://www.worldtimezone.com/time-usa12.php

Webinars are free to clients, as well as our newsletter recipients on a trial basis. If you would like to attend a webinar and are not a DJA client, please email Lynessa and she will ensure you receive an invitation to register. Questions can be directed to Lynessa by email or by calling toll free at 1-800-242-0977.

2026 DJA WEBINAR SCHEDULE

SEPT 9	Cash Management
OCT 7	Enrollment Reporting Using NSLDS
NOV 4	Program Integrity (Audits, Program Review)
DEC 2	1098-T Reporting

2026 TITLE IV DATES TO REMEMBER

We know how complex the compliance requirements can be for schools participating in the Title IV programs, as can keeping up with all the reporting deadlines year to year. To assist our clients and other institutional partners, we have developed a quick reference calendar reviewing the important deadlines for the 2026 year. For a printed color copy, visit us at any of our upcoming exhibitor events or to print your own copy, click here.

Upcoming Conference Schedule

NACCAS Workshop: September 26-28

NACCAS is hosting their third quarter Workshop in Las Vegas, NV at the Planet Hollywood with pre-candidate training on Saturday September 26th and workshop sessions the following Sunday and Monday. DJA will be available as an exhibiting partner. We invite you to stop by our booth for a yearly calendar of Title IV deadlines, a copy of our most recent newsletter and a notebook and pen to utilize throughout your training. We would love to visit with you on how partnering with DJA can be a great addition to ensuring compliance with Title IV fund administration.

AACS Annual Conference: October 22-24

The 2026 AACS Annual Conference is hosted in Las Vegas, NV at the Mandalay Bay Convention Center. The event kicks off Thursday, October 22nd and continues through Saturday evening. It is a challenging year for this regulated industry with the regulatory changes under the One Big Beautiful Bill Act and the Earnings Accountability measure, so this year's Annual Conference is a must attend event. From business networking to industry best practices, to the most recent updates regarding compliance regulations and the release of the 27/28 FAFSA, there will be sessions of interest for everyone on your school's leadership team. DJA will be an exhibitor at this conference and would love to connect your team to discuss the advantages of partnering with our team on financial aid processing. For more information, visit myaacs.org.