

WORKFORCE PELL

2026 TCU Conference



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AGENDA

1. Workforce Pell Overview and Basic Requirements
2. Program Eligibility: State Approval
3. Program Eligibility: Department Approval
4. Value-Added Earnings
5. Operational Updates
6. Resources



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WORKFORCE PELL

Overview

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OPENING DOORS TO LOW-COST, HIGH-VALUE PROGRAMS



The *Working Families Tax Cuts Act* authorizes a new type of Pell-eligible program called an “eligible workforce program”.

Eligible workforce programs must be between 150-599 clock hours (or the credit equivalent) and 8-14 weeks of instruction.

Workforce Pell is a key component of *America’s Talent Strategy*.

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OVERVIEW OF RULEMAKING PROCESS



President Trump signs the *Working Families Tax Cuts Act* into law on July 4, 2025 (P.L. 119-21)

The Act made historic changes to federal student aid programs.



Negotiated rulemaking committee

Accountability in Higher Education and Access through Demand-driven Workforce Pell (AHEAD)

Consensus reached on draft regulation (December 12, 2025)



[NPRM: AHEAD – Workforce Pell \(March 9, 2026\)](#)

[Final Rule: AHEAD – Workforce Pell \(May 19, 2026\)](#)

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ELIGIBLE WORKFORCE PROGRAM

Basic Requirements

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ELIGIBLE WORKFORCE PROGRAM SAFEGUARDS

There are several unique safeguards that apply to *eligible workforce programs*:

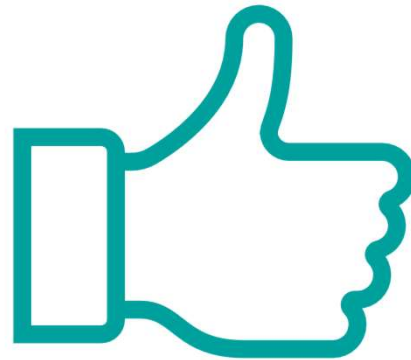
	Traditional <i>Title IV</i> -Eligible Academic Programs	New Eligible Workforce Programs
Amount of a program that an ineligible entity can offer	Can offer up to 25% or less, or up to 50% of program with accreditor approval	Can offer only up to 25% of program, up to 50% if part of a Registered Apprenticeship
Types of education	Can offer courses via correspondence under strict limits, limited amount of remedial coursework allowed, and study abroad allowed under specific conditions	No correspondence courses, remedial coursework (including English as a second language), direct assessment coursework, or study abroad permitted
Types of <i>Title IV</i> aid that can be awarded	Generally, all <i>Title IV</i> programs in which the school participates	Pell Grants only
Institution affected by an adverse action by ED within past 5 years	Program can remain <i>Title IV</i> -eligible (in some cases with restrictions by the Department)	Workforce programs at the institution are not eligible for Pell Grants

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ELIGIBLE WORKFORCE PROGRAM APPROVALS

Eligible workforce programs must be approved:

- By the institution's accrediting agency or be included in the institution's grant of accreditation by its accreditor;
- By the State Governor; and
- By the U.S. Department of Education.



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ACCOUNTABILITY FOR ELIGIBLE WORKFORCE PROGRAMS

Eligible workforce programs must meet the following criteria:

Annual completion rate
of **at least 70%**
(calculated by the State
Governor)

Annual placement rate
of **at least 70%**
(calculated by the State
Governor)

Tuition and fees must
be **equal to or less**
than the “value-added
earnings” calculated
for the program

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STUDENT ELIGIBILITY

- In general, students in eligible workforce programs must meet the same eligibility requirements for Pell Grants as traditional Pell Grant recipients.
- Students with bachelor's degrees **are eligible for Workforce Pell** if they enroll in eligible workforce programs.
- But students cannot qualify for Workforce Pell if they:
 - have a graduate or professional credential, or
 - are currently enrolled or accepted for enrollment in a graduate program.

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QUESTION: EXISTING *TITLE IV*-ELIGIBLE PROGRAMS

QUESTION

Our institution has been offering a 16-week, 600 clock-hour program for five years. The program qualifies for Pell Grants and Direct Loans. Are we now required to reduce the program to less than 15 weeks and less than 600 clock hours and stop providing Direct Loans?

ANSWER

No. You are not required to make any changes to existing eligible programs that are already approved under the *Title IV*, HEA program eligibility requirements.

If a program is at least 600 clock hours, 16 semester or trimester hours, or 24 quarter hours and at least 15 weeks of instruction, it continues to qualify for Pell Grant and Direct Loan funds and none of the *eligible workforce program* requirements apply.

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QUESTION: NONCREDIT PROGRAMS

QUESTION

Can an eligible workforce program be offered as a noncredit program?

ANSWER

Yes. Clock hour programs can be noncredit and must meet the normal clock-hour program requirements. The *eligible workforce program* must lead to a recognized credential provided by the school.

While the program is not required to confer credits, Governors are required to certify that completion results in credits toward certificates or degrees at either your institution or at another institution. Thus, you may need to have an articulation agreement.

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QUESTION: IS RETURN OF *TITLE IV* REQUIRED?

QUESTION

If a student withdraws from an eligible workforce program, do we have to complete a Return of *Title IV* calculation?

ANSWER

Yes, students enrolled in *eligible workforce programs* are subject to the same regulations and procedures that apply to *Title IV* programs, including Return of *Title IV* regulations.

There were no changes to the Return of *Title IV* regulations in the Workforce Pell regulations.

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ELIGIBLE WORKFORCE PROGRAM ELIGIBILITY

State Approval

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STATE APPROVAL: REQUIREMENTS (1 of 3)

Prior to the Secretary's evaluation of whether a program is an eligible workforce program, the Governor, after consultation with the State board, must determine that the program—

- Provides an education aligned with the requirements of high-skill, high-wage, or in-demand industry sectors or occupations;
- Meets the hiring requirements of potential employers in those sectors or occupations.



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STATE APPROVAL: REQUIREMENTS (2 of 3)

The Governor must determine that the program either—

- Leads to a recognized postsecondary credential that is stackable and portable across more than one employer; or
- Prepares such students for employment in an occupation for which there is only one recognized postsecondary credential and confers that credential upon completion.



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STATE APPROVAL: REQUIREMENTS (3 of 3)

The Governor must also determine that the program prepares students to pursue one or more certificate or degree programs at one or more eligible institutions*, by ensuring–

- That a student, upon completion of the program and enrollment in such a related certificate or degree program, will receive academic credit for the program; and
- That academic credit described in paragraph will be acceptable toward meeting such certificate or degree program requirements.



* Including the eligible institution providing the eligible workforce program

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STATE APPROVAL: PUBLISHED STATE PROCESS (1 of 2)

The Governor must, after consultation with the State board, publish its process for an institution to request a determination that the program meets these requirements. The process must describe the criteria the Governor uses, including:

The State's methodology for periodically reviewing which sectors are high-skill, high-wage, or in-demand

A written policy for determining whether a program meets the hiring requirements of employers in the high-skill, high-wage, or in-demand sectors and occupations

A written policy for determining if a credential is stackable and portable

A written policy for institutions to establish that an eligible workforce program will award academic credit towards a certificate or degree program

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STATE APPROVAL: PUBLISHED STATE PROCESS (2 of 2)

The State's published process must also describe—

- The information an institution must submit to the Governor to assess an eligible workforce program;
- The process and timeline for:
 - The Governor's consultation with the State board and a determination that a program meets the requirements in paragraph (a) of 34 CFR 690.93, and
 - The process for an institution to appeal that determination; and
- An attestation that the State board has been consulted.

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STATE APPROVAL

States must build capacity for:

- Requirements for data on program completion, employment, earnings, and continued education
- Strong coordination between workforce, higher education, and labor market information partners
- Updates to support implementation of existing data systems and processes
- Aligning Workforce Pell approval processes with WIOA, Perkins, ETPL, and other workforce systems

Implementation Considerations:

- Establishing clear processes for program approval and ongoing review
- Coordinating data and accountability responsibilities across workforce, higher ed, and state agencies

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QUESTION: REGISTERED APPRENTICESHIP

QUESTION

Are there any benefits to an eligible workforce program being part of a Registered Apprenticeship program?

ANSWER

Yes, eligible workforce programs that serve as the related instruction component of a Registered Apprenticeship:

1. Can have written arrangements with outside entities for those entities to offer up to 49.9% of the program; and
2. Are treated as automatically meeting State requirements to provide an education aligned with high-need, high-wage, or in-demand sectors or occupations, and meeting the hiring requirements for such sectors

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U.S. DEPARTMENT OF EDUCATION

Approval Process

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WORKFORCE PELL: DEPARTMENT APPROVAL

Requirements determined by the U.S. Department of Education:



Length (Calendar Time)

At least eight weeks but less than 15 weeks



Length (Hours)

Between 150–599 clock hours (or an equivalent number of credit hours)



Modality

Cannot be offered using correspondence courses or study abroad; remedial and noncredit coursework do not count toward Pell eligibility



Time Offered

Must be offered for at least one year at same length (in hours and weeks) before Department approval



Completion Rates

Must have verified completion rate of at least 70% within 150% of normal time



Placement Rates

Must have verified job placement rate of 70% two quarters after students exit / complete the program

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LENGTH OF PROGRAM AND TIME OFFERED

At the time of application to the Department, the program must:

1. Have been offered for at least one year with the same number of hours
2. Have been offered for at least one year with the same number of weeks of instruction
3. Meet the length requirements for eligible workforce programs: 150-599 clock hours, 4-15 semester or trimester hours, or 6-23 quarter hours and 8-14 weeks of instruction

NOTE: There is no requirement for the program to have been offered in the same modality over that time period (e.g., distance education vs. on-campus).

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QUESTION: LENGTH REQUIREMENTS

QUESTION

My institution has an existing program that is 400 clock hours and 18 weeks of instruction. Can this program qualify as an eligible workforce program?

ANSWER

No. Your program must meet length requirements in hours and weeks for at least one year from the date that you submit the program for approval to the Department.

In the situation described, you would need to shorten the program to 14 weeks of instruction or less and offer it for at least one year before submitting it for approval.

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COMPLETION RATES

Completion rates are determined annually through a certification from the State Governor, based on the Governor's analysis of data, that the program meets the following criteria:

2026-27, 2027-28, 2028-29 award years

A completion rate of at least 70 percent, within 150 percent of the normal time to completion

2029-30 award year and thereafter

A completion rate of at least 70 percent, within 150 percent of the normal time of completion, as determined under [34 CFR 668.8 \(f\)](#)

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PLACEMENT RATES

Job placement rates are determined annually through a certification from the State Governor, based on the Governor's analysis of data, that the program meets the following criteria:

2026-27, 2027-28, 2028-29 award years

A job placement rate of at least 70 percent, calculated as the percentage of students that are employed during the second quarter after exiting the program, using administrative data, including wage records

2029-30 award year and thereafter

A job placement rate of at least 70 percent, calculated as the percentage of students who are employed in the occupation(s) for which the program prepares students **or** a comparable high-skill, high-wage, or in-demand occupation during the second quarter after successfully completing the program

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STUDENT EXCLUSIONS

A student is not included in the numerator or denominator in the State's completion or placement rates if the student:

Dies

Experiences the onset of a medical condition that prevents employment

Is ordered to service in the uniformed services

Becomes incarcerated

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SECRETARY WAIVER

The Secretary may waive some or all the requirements for completion and placement rates if—

- The Secretary determines that completion or placement rates will be calculated under a separate process established by the Secretary; or
- The Secretary determines that the Governor is making progress towards making a certification of the placement rate for the 2029-30 award year but needs an additional award year.

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QUESTION: FAILING THE COMPLETION/PLACEMENT RATES

QUESTION

What happens if my State determines that my program fails to meet the completion rate or placement rate requirements for one year?

ANSWER

A program that fails the completion or placement rate will become ineligible at the end of the payment period that begins after the date that the Department receives a final determination of the failure from the State Governor.

Note that the Department will not end a program's eligibility if the rate is still being appealed under the State's procedures. Only a final decision will result in the program losing eligibility in the next payment period.

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INSTITUTIONAL REQUIREMENTS

For each award year after the date that the eligible workforce program is approved, the institution must—

- Submit to the Governor a list of students that completed the program during the award year and the information necessary for the Governor to verify the job placement rate for such award year; and
- Report the published tuition and fees for the eligible workforce program through a process determined by the Secretary.

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VALUE-ADDED EARNINGS

Accountability

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VALUE-ADDED EARNINGS

The *WFTCA* creates a “value-added earnings” metric that pertains specifically to eligible workforce programs.

Earnings Test

- This metric compares median earnings of program graduates with 150% of the Federal Poverty Level (with consideration to regional price parities).
- The difference between the two values is the “value-added earnings” for the program.

Cohort Selection

- ED will evaluate the earnings of individuals who graduated from eligible workforce programs in the first full calendar year after program completion.
- Small programs will be aggregated using completers from up to four prior award years.

Limits on Tuition and Fees

- An eligible workforce program’s published tuition and fees can be no higher than value-added earnings for the program.
- A program with a value-added earnings of zero or less is not *Title IV*-eligible

Note: The value-added earnings test will first apply to eligible workforce programs in the **2030-31** award year.

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CALCULATION OF VALUE-ADDED EARNINGS

An eligible workforce program's value-added earnings are determined by calculating the difference between—

The median earnings of such students during the earnings measurement period, as adjusted by the State and metropolitan area regional price parities of the Bureau of Economic Analysis based on the location of such programs

150 percent of the poverty line applicable to a single individual as determined under section 673(2) of the *Community Service Block Grant Act* (42 U.S.C. 9902(2)) for such tax year

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COMPLETERS LISTS – COHORTS

- For each eligible workforce program, the Department will create a list of students who received Pell Grant funds and completed the program during the applicable cohort periods.
- This list is created from administrative data submitted to NSLDS.
- Schools are expected to evaluate their Completers Lists and correct NSLDS enrollment information, if necessary, by the deadline.



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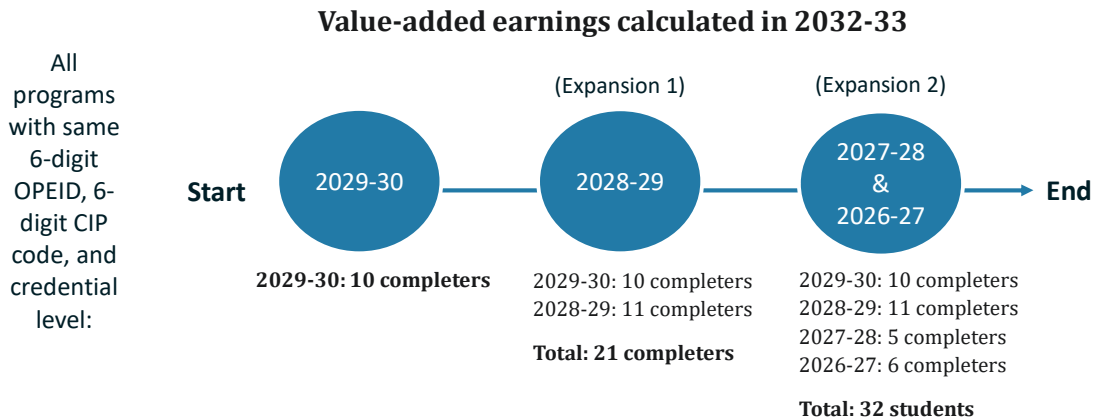
COHORT EXPANSION

- The Department calculates value-added earnings using all *Title IV* recipients who completed eligible workforce programs ("*Title IV* completers") with the same 6-digit CIP code.
- The calculation is performed on a *going forward* basis; the Department will not evaluate earnings for students who did not receive *Title IV* aid.
- To obtain earnings, the Department will evaluate whether eligible workforce programs with the same 6-digit CIP code have at least 30 *Title IV* completers.
 - If so, the Department will send the completers to the IRS to obtain median earnings for the program.
 - If not, the Department will add *Title IV* recipients who completed the program in earlier award years.

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COHORT EXPANSION EXAMPLE



This cohort would be sent to the IRS to obtain earnings because at least 30 completers were obtained for with the two expansions.

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LIMITS ON TUITION AND FEES

- Once a program's value-added earnings has been computed for an award year, the institution must ensure that the tuition and fees for the program do not exceed the value-added earnings.
- "Tuition and fees" include all institutional charges for the program.
- The Department will require institutions to report on the amount of tuition and fees charged to students in eligible workforce programs each year.
- The Department will publish value-added earnings no later than three months prior to the beginning of the award year to which it will apply (i.e., by April 1st).

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QUESTION: REDUCING TUITION AND FEES

QUESTION

What happens if my program's published tuition and fees are higher than the value-added earnings and we are unable to reduce the program's tuition?

ANSWER

You are not required to reduce your tuition and fees to equal or less than the value-added earnings for a program.

However, if you fail to do so, your program will lose eligibility at the beginning of the award year following the release of the value-added earnings. In that situation, you could continue to offer the program without *Title IV* eligibility.

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OPERATIONAL UPDATES

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INSTITUTIONS: STEPS TO PREPARE

- Coordinate staff from various parts of the institution (e.g., financial aid, admissions, academics, and institutional research) to discuss how to offer these programs.
- Evaluate transfer-of-credit policies for workforce programs; consider articulation agreements and internal policies for assigning credit.
- Coordinate with your State Governor, regional workforce boards, and local employers to determine which fields of study may qualify.
- Discuss with your State Governor how they plan to approve workforce programs for *Title IV* eligibility.
- Discuss with your accrediting agency whether your institution's accreditation currently includes short-term workforce program; and, if not, what steps need to be taken to add them to your accreditation.

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INSTITUTIONS: APPLICATION PROCESS

1. Establish your program(s) and operate it at the same number of hours and weeks for at least one year **OR** evaluate an existing program that has been operating at the required number of hours for at least one year.
2. Provide any required data to your State Governor for calculation of completion and placement rates for your program.
3. Obtain a State Workforce Pell Program Certification form from your Governor (or their designated Statewide public official) that includes your program.
4. Obtain documentation of your accrediting agency's approval or inclusion of the program in your institution's accreditation.
5. Submit the program for approval on the Department's Partner Connect website and upload your State and accrediting agency materials.

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QUESTION: WAITING FOR PROGRAM APPROVAL

QUESTION

Are we required wait to disburse Pell Grant funds to students enrolled in an eligible workforce programs until we receive Department of Education approval?

ANSWER

Yes, you must wait for Department of Education approval before disbursing Pell Grant funds to students enrolled in eligible workforce programs.

Students become eligible for a Pell Grant for a payment period during which the workforce program is approved by the Secretary, or subsequent payment periods.

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GOVERNOR CERTIFICATION FORM

- The State Workforce Pell Program Certification Form includes information about the programs your State Governor has approved.
- You must provide a completed and signed State Workforce Pell Program Certification Form when you submit your program for approval.
- The Governor Certification Form launched on July 1, 2026.

A.1.: Institution Information

- Name of institution:
- OPE ID:
- Address:

A.2.: Workforce Program(s) Information

Program Name (a.)	CIP Code (b.)	SOC Code (c.)	Date Program Met Eligibility Req. (d.)	Completion Rate Percent (%) (e.)	Job Placement Rate (%) (f.)	Governor Certification of Eligibility (g.)
						☐ Yes ☐ No
						☐ Yes ☐ No
						☐ Yes ☐ No
						☐ Yes ☐ No
						☐ Yes ☐ No

SECTION B: Governor Determination and Certification of Workforce Program(s)

B.1.: Governor Determination

I have determined that each eligible workforce program, denoted with a check mark indicating "yes," meets the following eligibility requirements under 34 CFR 690.93(a) and 690.94(a)(2)(i):

- ☐ All requirements in the approval process were published and are publicly available at the following link: _____
- ☐ The program(s) was approved **after** consultation with the State Board.
- ☐ The program(s) provides an education aligned with the requirements of high-skill, high-wage (as identified by the State pursuant to section 112 of the Carl D. Perkins Career and Technical Education Act (20 U.S.C. 2342)), or in-demand industry sectors or occupations (29 U.S.C. 3112); this condition is automatically met if the program serves as the related instruction component of a Registered Apprenticeship Program.

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PARTNER CONNECT APPLICATION PROCESS (1 of 3)

Eligibility Application Section G: Educational Programs

- 1 Reason for Submitting
- 2 General Information
- 3 Accreditation & State Authorization
- 4 Owners, Officials & Administrators
- 5 Locations & Educational Programs

Locations
Educational Programs
- 6 Additional Factors & Details
- 7 Third-Party Servicer

☐ 1j. Undergraduate Non-Degree Programs (Requires enrolling students to have an Associate's Degree or Higher)
 An educational program that: leads to a certificate or other recognized educational credential, is at least 10 weeks, provides at least 8 semester or trimester credit hours, 12 quarter credit hours, or 300 clock hours of instruction, prepares student...[See More](#)

☐ 1k. Undergraduate Non-Degree (Short-Term) Programs
 An educational program that: leads to a certificate or other recognized educational credential, is at least 10 weeks, provides at least 300 but not more than 599 clock hours of instruction, does not exceed by more than 50% the minimum number of clock...[See More](#)

☐ 1l. Postbaccalaureate Teacher Certification Program
 An educational program consisting of courses required by a state that are necessary to become a teacher in an elementary or secondary school in that state AND for which a degree, certificate, diploma, or other educational credential is not awarded by...[See More](#)

☐ 1m. Comprehensive Transition and Postsecondary Program
 A degree, certificate, nondegree, or noncertificate educational program designed to support students with intellectual disabilities seeking to prepare for gainful employment.

☒ 1n. Workforce Program
 A workforce program eligible for Pell Grant funding designed to equip participants for employment by ensuring strong market relevance and job placement outcomes.

Previous
Save Draft
Next

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PARTNER CONNECT APPLICATION PROCESS (2 of 3)

Section G: Educational Programs - Add New Program

2n. Provide information for each Workforce Program(s) for which you are requesting approval for federal student financial aid eligibility. To add multiple SOC Codes, use the **+ Add SOC** button. After you have completed adding SOC field(s), add the program by clicking the Next Button.

Program Information

Program Name *

CIP Code (Searchable) *

Standard Occupational Code (SOC) *

+ Add SOC

Date the Program Met Eligibility Requirements *

Date Governor Certified the Program Meets Eligibility Requirements *

Is this program covered by your current accreditor? *

Number of Weeks *

Weeks in Title IV Academic Year optional

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PARTNER CONNECT APPLICATION PROCESS (3 of 3)

Eligibility Application

Section G: Educational Programs - Written Agreement or Contract

Do you have a written agreement or contract with an eligible institution of higher education or entity to provide any portion of this program? [\[?\]](#)

You must upload a copy of any contract or written agreement with any entity or institution of higher education that provides any portion of this program and, for domestic institutions, provide a copy of the approval for the arrangement from your accrediting agency and State authorizing agency.

☐ Yes
☐ No

[Previous](#) [Cancel](#) [Save Draft](#) [Next](#)

Program End Date-optional [\[?\]](#)

6/5/2026

End Date Reason *

Other

Enter the explanation of the Other reason for this end date. *

Enter explanation here

Section G: Educational Programs - Upload File

You must upload the documents listed below to successfully submit your application or provide an explanation for why the document is missing. To provide an explanation click the "+" new" button and select the Document Type you cannot provide, then indicate you cannot provide the document and use the description text box to explain why.

Once the document is uploaded, the document will display in the table below. Please contact Federal Student Aid if you have any issues uploading documents.

- State Workforce Program Certification (S)

Select + Add New to add a new document, Download icon to download a document, and Delete icon to delete a document.

+ Add New

Document Type	Description	File Name	Upload Date	Uploaded By	File Size	File Type	Download	Delete
No Files Added								

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WORKFORCE PELL: SYSTEMS AND STUDENT ELIGIBILITY

For the 2026-27 award year and forward, the FAA indicates in the FPP that a student is enrolled in an eligible workforce program, which allows FPS to calculate a Pell Grant Scheduled Award for the student.

Step One: FAA certifies that the student is in an eligible workforce program

Step Two: FPS calculates the student's Pell Grant award even if the student has a bachelor's degree

COD will receive Workforce Pell Eligibility on the Demographic Data Exchange (DDE) file from FPS showing an FAA's certification that a student(s) is enrolled in an eligible workforce program.

COD will create a new Warning Edit 230 when a Pell award is flagged as "Workforce Pell Eligible=true" and the school's disbursement does not contain the new "Workforce Pell Tuition and Fees" tag.

Step Three: Monitoring accuracy of "Workforce Pell Eligible" flag

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COD REPORTS UPDATE

The following COD reports have been updated for the 2026-27 award year and forward:

- Pell Year-to-Date (YTD) Report updated to add the new “Workforce Pell Tuition and Fees” field
- Pell Grant Reconciliation Report updated to add the new “Workforce Pell Eligible” field

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RESOURCES

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NEW IMPLEMENTATION INITIATIVES

- Frequently Asked Questions
- Office Hours
- Webinars



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OTHER RESOURCES

1

Knowledge Center

[Knowledge Center Homepage](#)

Subscribe for daily or weekly email updates.

2

FSA Training Center

FSAtesting.ed.gov

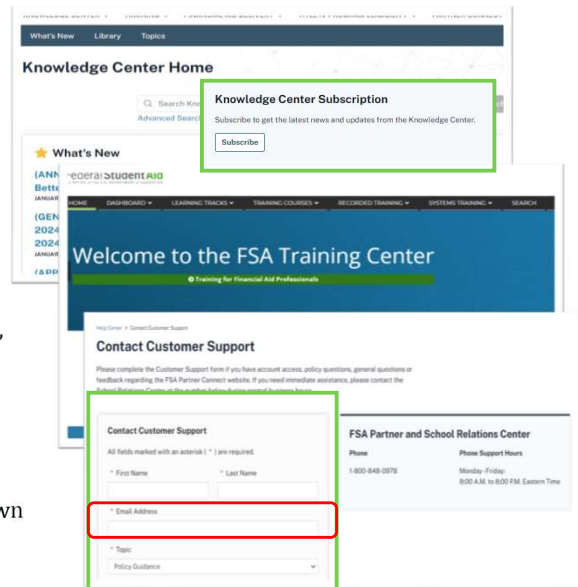
View learning tracks, training courses, videos, and software training.

3

FSA Partner Connect Help Center

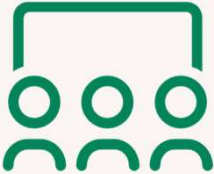
[Contact Customer Support](#)

Choose "Policy Guidance" from Topic dropdown list to ask policy questions.



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<u>ELECTRONIC APPLICATION (E-APP)</u> CaseTeams@ed.gov	<u>E-App and Third-Party Servicer Inquiry Form Updates</u>	
	<u>Title IV Recertification Webinar July 25, 2024 (Domestic Institutions)</u>	
		<u>Title IV Application (E-App home page)</u>

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Thank You!

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