A Guide to Higher Education Federal Earnings Data

Sources, Implications, and Opportunities

Dr. Alexandria Walton Radford

Sova

A companion brief prepared for the Association for Institutional Research (AIR)

Acknowledgments

The author would like to thank Dr. Christopher Mullin, Strategy Director of data and measurement for Lumina Foundation, and Dr. Christine Keller, Executive Director and CEO of the Association for Institutional Research. They conceived the idea to include an Impact Panel at the 2026 AIR Forum focused on federal earnings data and to create this companion brief as a resource for institutions. The author also would like to thank her fellow panelists, Dr. Jennifer Engle, Dr. Andrew Foote, Ms. Clare McCann, and Dr. Amy O'Hara for their presentations about these different federal earnings data sources at the Forum.

This research was made possible with the support of Lumina Foundation.

Suggested Citation

Radford, Alexandria Walton. 2026. *A Guide to Higher Education Federal Earnings Data: Sources, Implications, and Opportunities*. Tallahassee, FL: Association for Institutional Research.

Table of Contents

I. The Recent Rise of Federal Earnings Data 4

II. A Cross-Cutting Reference Guide to Federal Earnings Data Sources 5

Exhibit 1: Lead, Purpose, and Start Date 5

Exhibit 2: Earnings Measure Details 6

Exhibit 3: Analytic Opportunities 7

III. Federal Earnings Data Implications, Evolution, and Opportunities 8

Exhibit 4: Federal Financial Aid Implications 8-9

Exhibit 5: Reputational Implications 10

Evolution 11

Opportunities 11

I. The Recent Rise of Federal Earnings Data

Over the last decade the conversation has shifted from whether attending college in general pays off; to which institutions pay off; and, increasingly, which degrees and programs within institutions pay off. The rise in access to federal earnings data has facilitated this shift, providing a more complete and credible picture of students' economic outcomes that are harder to dismiss as anecdotal or unrepresentative.

Yet the variety of earnings sources can also create confusion. The multiple sources of federal earnings data, (not to mention state and private sources outside the scope of this brief), make it possible for a single institution or program to have multiple earnings outcomes associated with it. Especially since federal sources do not provide individual-level earnings data, knowing who is included and how outcomes are measured is critical.

This brief first addresses this need by serving as a cross-cutting reference guide. Through three exhibits, it lays out how different sources of federal earnings data vary from one another across specific dimensions. These four federal sources discussed include:

1) **The Student Tuition and Transparency System (STATS)** rule finalized July 1, 2026 by the U.S. Department of Education;
2) **The College Scorecard** led by the Office of Postsecondary Education at the U.S. Department of Education (not the National Center for Education Statistics);
3) **The Post-Secondary Employment Outcomes (PSEO) Explorer** led by the U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) Program; and
4) **The Secure Query System** led by the Internal Revenue Service's Statistics of Income division with Georgetown and Yale Universities serving as a data intermediary.

This brief also recognizes that the growing availability and use of federal earnings data have important strategic implications for institutions. It therefore concludes with a discussion of the federal financial aid and reputational implications of these data sources for programs and institutions; the evolution in how federal earnings data are being used to help inform thinking about what the future may hold; and the opportunities for leaders to leverage these data to strengthen their institutions and improve outcomes for students.

II. A Cross-Cutting Reference Guide to Federal Earnings Data Sources

This part of the brief is designed to be a reference guide to facilitate users' understanding of these four sources of federal earnings data and the key distinctions between them.

- Exhibit 1 is focused on these sources' federal lead, purpose, and start date.
- Exhibit 2 dives deeper into the specifics of the earnings measure these sources provide.
- Exhibit 3 highlights each source's analytic opportunities to facilitate thinking about how these sources could be leveraged to inform and advance continuous improvement efforts.

Exhibit 1: Federal Earnings Data Sources' Lead, Purpose, and Start Date

	Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
Federal lead	U.S. Department of Education	U.S. Department of Education	U.S. Census Bureau's Longitudinal Employer-Household Dynamics (LEHD) Program	The Internal Revenue Service's (IRS) Statistics of Income Division (with Georgetown and Yale Universities)
Purpose	**Accountability and Title IV Eligibility:** Evolution/replacement of Gainful Employment (GE) and Financial Value Transparency (FVT) regulations that publicly report an earnings premium measure for GE and non-GE programs and applies it to determine program eligibility for Direct Loans and potentially Title IV aid	**Consumer Information:** Online tool designed to help students and parents compare colleges and programs' cost, outcomes, and characteristics	**Benchmarking and Research:** Experimental data product containing earnings outcomes and employment flows for participating postsecondary institutions' graduates	**Internal Improvement:** System enabling IRS to securely, equitably, and efficiently provide aggregate federal earnings data to entities wanting these data by leveraging a data intermediary
Start date	Effective 7/1/2027* (Can provide STATS' instead of GE/FVT's reporting requirements by 10/1/2026 if desired)	Website with earnings data launched 2015	Pilot started 2017	Testing started 2025

Notes:

** Regarding STATS' effective date, if a program is designed to prepare a student for employment in a recognized occupation that qualifies for a deduction of tip income, and 50 percent or more of individuals in the occupation receive income from tips, the program's earnings premium will be posted but not subject to financial aid sanctions until earnings used in calculations are from 2026 or later (when individuals could start excluding up to $25,000 of their tip income in their federal taxes).*

Exhibit 2: Federal Earnings Data Sources' Earnings Measure Details

	Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
Main earnings measure	Earnings premium: Median earnings of working graduates four calendar years after graduation minus median earnings of working high school graduates (for undergraduate programs) or working bachelor's degree graduates (overall or in the same field for graduate programs) in the institution's state (or country if the majority of the institution's enrollees are from out of state)*	Median earnings four calendar years after completion on website; more years in public dataset	Quartile earnings one, five, and 10 years after completion	Mean and quartile earnings; user defines when this is measured
Earnings source	Graduates: IRS; Comparison group: ACS	IRS W-2 and self-employment data	UI wage records from 50 states + OPM data on federal employees; IRS data planned but indefinitely on hold	IRS W-2, 1040, 1099-NEC, AGI
Institutions included	Title IV institutions	Title IV institutions	952 participating institutions**	Any
Students included	Title IV graduates	Title IV graduates	All graduates	User defined
Unit of reporting	Program (6-digit CIP as n size allows)	Institution and program (4-digit CIP)	Institution and program 4- and 2-digit CIP for earnings based on credential, 2-digit CIP for employment flows	User defined

Notes:

** Regarding the STATS earning premium measure used in determining Direct Loan and Title IV eligibility, graduates are excluded from earnings calculations if they are on total and permanent disability, enrolled full time, completed a higher credential at their institution, or were enrolled in a prison education program or a comprehensive transition and postsecondary program for students with intellectual disabilities. Cohorts of graduates are intended to come from a single graduation year. If a program does not yield 30 graduates in a single year, other years' graduates at the same 6-digit CIP level are added; but 4-digit CIPs may be used if necessary. Comparison groups are age 25 to 34. If the earnings of graduate students are being compared to the earnings of bachelor's degree students in the same-state in the same 2-digit CIP field* *and the ACS data for the comparison group does not contain enough cases to be reliable, the earnings threshold defaults to $1.*

*** Regarding PSEO institutions included, a regularly updated landing page provides a map that can give readers a sense of coverage; the PSEO Explorer tool itself also can be used to zero in on states and institutions participating.*

Exhibit 3: Cross-Cutting Snapshot of Federal Earnings Data Sources' Analytic Opportunities

	Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
Additional value-related outcomes available	ED website required to include: percentage of enrollees with a loan; median earnings and loan debt; total cost of tuition, fees, books and supplies to complete the program's published length; and median calendar time to program completion for full- and less-than-full-time students	Median H.S. graduates' earnings in state and nation; Title IV undergraduate graduates' earnings at all 2-year, all 4-year, and all colleges; and debt, cost, and completion information	Employment flows by industry and geography	In-state/out-of-state W-2s, # of W-2s and 1099-NECs; Earned Income Tax Credit and Child Tax Credit Amount; Filing status
Disaggregations by enrollment characteristics	Program by credential level	Program by credential level	Program by credential level, cohort	Flexible (n≥20)
Disaggregations by student characteristics	None	None	Gender and race planned but indefinitely on hold	Flexible (n≥20)
Trend analysis possibilities	TBD	Weak on website: reported measures vary and are not shown over time; Data files offer more opportunities	Strong: Metrics consistent and shown on website over time	Strong: flexible
Latest earnings data available	N/A	Pooled 2022–2023 earnings	One and 10 years out: 2022; five years out: 2023	2024 and non-late 2025 filers
Earnings release cadence	Yearly	Unpredictable	Yearly	One to two weeks after MOU and data submitted

III. Federal Earnings Data Implications, Evolution, and Opportunities

This brief concludes by highlighting the implications of the new STATS regulations and these other federal sources; the evolution in federal earnings data to inform thinking about what may occur in the future; and the opportunities for institutions to use these data to strengthen their institutions and improve earnings outcomes for students.

Implications

Federal earnings data sources can have federal financial aid implications and reputational implications that could create financial and enrollment risks for institutions. The next two exhibits suggest the level of the potential impact of each federal source.

Exhibit 4: Federal Earnings Data Sources' Federal Financial Aid Implications

Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
● **High** 1. Direct Federal Loan Risk: If a GE or non-GE program fails the earnings premium measure in two out of any three consecutive award years it can no longer participate in the Direct Loan program. Department calculations in Table 5.13 suggest that 3% of all programs at both public and private nonprofit institutions fail compared to 33% of programs at proprietary institutions. *Note: If a program fails the earnings premium measure once, it can request to pursue orderly program closure, allowing already enrolled students to complete the program with access to federal loans.* *(Continued on next page)*	● None	● None	● None

Exhibit 4: Federal Earnings Data Sources' Federal Financial Aid Implications, *Continued*

Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
• High 2. Title IV Eligibility Risk: If more than half of an institution's Title IV, HEA recipients or more than half of its Title IV, HEA funds are from low-earning outcome programs in two out of any three consecutive years, an institution is deemed to have failed to demonstrate administrative capability. The Department would then place the institution on a provisional status and each of the institution's low-earning outcome programs would be ineligible for all Title IV, HEA funds, which includes federal grants as well as loans. Department estimates in Table 5.11 suggest the percentage of institutions affected ranges from .2% and 3% for public and nonprofit institutions, respectively, to 43% for proprietary institutions. *Note: If a program fails to meet administrative capability requirements, it can continue to secure Title IV grant funds for low-earning programs if the program is not participating in the Direct Loan program and has not participated for the five most recent years, or agrees to prevent students from borrowing Direct Loans for the program for at least five years.*	• None	• None	• None

Exhibit 5: Federal Earnings Data Sources' Reputational Implications

Student Tuition and Transparency System (STATS)	College Scorecard	Post-Secondary Employment Outcomes (PSEO) Explorer	Secure Query System
● **High** 1. ED's website (likely the Scorecard) will include program's earnings premium; median earnings; percentage of enrollees with a loan; loan debt; total cost of tuition, fees, books, and supplies to complete the program's length; and the median calendar time to program completion for full- and less-than-full-time students. 2. All program websites must provide a prominent link to a website containing cost, financial aid, or admissions information about the program or institution. 3. Programs at risk of losing eligibility for Direct Loans or Title IV aid must: a. Notify prospective and current students of this eligibility risk and obtain the student's acknowledgment prior to the student's enrollment, registration, financial commitment, or aid receipt. b. Notify Pell-Grant-eligible students of their remaining Pell Grant lifetime eligibility and that this program will count against their lifetime eligibility.	● **Moderate** 1. Early research suggested Scorecard's earnings data only changed the application behavior of students from well-resourced families or schools. Later research found little evidence that the Scorecard shifted overall enrollment away from lower-earning to higher-earnings institutions. 2. Yet the number of users is growing. In July of 2024 Scorecard added resources to encourage advisor and student use. RTI, a federal contractor for the Scorecard, reports that in 2025 the site had 1.497M users. 3. Scorecard earnings data also are used in more publicized sources like U.S. News & World Report's rankings and Carnegie's Opportunity Colleges' designation. 4. Since December 2025, first-year undergraduate FAFSA applicants receive an alert if they select an institution with earnings below that of high school graduates per Scorecard data. In March 2026, ED reported that 25% of applicants who received the alert swapped the lower-earnings institution for a different institution.	● **Low** 1. PSEO was not designed to be a consumer tool for students, but states like Alabama, Georgia, Iowa, Ohio, Montana, and Utah share PSEO outcomes as part of dashboards on state websites. 2. PSEO data are also not just in passive websites but also being shared more proactively. For example, in response to state legislation, the Iowa Board of Regents created a dashboard combining Scorecard and PSEO data about its institutions and distributes links to this dashboard to new students annually. 3. The extent to which dashboards and proactive sharing of links to them shapes students' enrollment in specific institutions or programs, overall and for specific student populations, requires more investigation.	● None

Evolution

The evolution in federal earnings data can be characterized by two major shifts. These shifts can shed light on where federal earnings data may head in the future.

Shift 1: The move from passive to more proactive communication. As Exhibit 5 lays out, College Scorecard earnings data evolved from being present on a singular passive website, to serving as a data source for more publicized institutional rankings and designations; state dashboards and outreach; and proactive warnings to FAFSA filers about low-earning institutions. Exhibit 4 also indicates how under STATS, programs at risk of loss of Direct Loans or Title IV aid must now notify prospective and current students of this and secure student acknowledgments of this warning, as well as notify Pell Grant-eligible students about their remaining Pell Grant lifetime eligibility.

The shift from passive disclosure to more proactive communication about earnings may amplify consumers' awareness of earnings outcomes, thereby exerting a greater influence on students' enrollment decisions, and ultimately on institutions' financial bottom lines. More research is needed to understand how these more active communication efforts are affecting enrollment behavior and for whom.

Shift 2: The expansion of programs subject to financial aid sanctions. Under the previous 2023 Financial Value Transparency regulations, only Gainful Employment (GE) programs were subject to financial aid sanctions. Non-Gainful Employment (non-GE) programs were not subject to financial aid sanctions (though their outcomes were to be reported on a U.S. Department of Education website). Under the new STATS regulations, both GE and non-GE programs are subject to the same financial aid sanctions.

In thinking about institutional impacts of such sanctions, it is worth noting that institutions with programs that lose Direct Loan or Title IV eligibility, (or that opt to close programs to avoid this fate), do not just experience federal financial aid loss. They will likely undergo additional financial, reputational, enrollment, and logistical challenges as well.

Opportunities

Yet despite the potential challenges, federal earnings data also provide opportunities for institutions to strengthen their programs and their students' outcomes.

Opportunity 1: First, institutions can better position their institution for the future and against financial aid loss by examining how their programs are apt to fare on STATS' earnings premium measure. The Department's final rule provides estimates about the types of programs most likely to fail the earnings premium test and the types of institutions most likely to fail to demonstrate administrative capability. These estimates can help institutions in thinking about the potential impact to their institution and the programs they may want to prioritize examining. To help inform such prioritizations, major Department findings (and the table in the rule from which they come) follow below:

a) **Earnings premium failure rates vary by program level, with certain sectors experiencing higher failure rates for particular program levels (Table 5.13).**

- Undergraduate certificate programs have the highest failure rate, with 11% of such programs at public, 19% of such programs at nonprofit, and 54% of such programs at proprietary institutions failing.
- At least 6% of all associate degree programs failed in each sector too: specifically, 6% at public, 7% at nonprofit, and 10% at proprietary institutions.
- At public institutions no other program types had a failure rate of at least 5%. At nonprofit institutions, however, post-baccalaureate certificates and master's degree programs had failure rates of 13% and 5%, respectively. And at proprietary institutions, master's as well as professional degree programs had program failure rates of 13% each.

b) **Earnings premium failure rates differ by field of study (Table 5.17).**

- At the undergraduate level, more than three-quarters (77%) of culinary and personal services undergraduate programs are estimated to fail.
- Other undergraduate fields with at least 5% of programs projected to fail include education (6%), health (7%), and humanities and liberal arts (8%).
- Graduate programs with at least 5% of programs projected to fail include health (7%), and humanities and liberal arts (21%).

c) **Institutions' likelihood of having programs that fail the earnings premium test and likelihood of failing the administrative capability test differ by institution type.**

- By level, 24% of all programs at less-than-two-year institutions fail the earnings premium test compared to 7% of all programs at two-year institutions, 2% of all programs at four-year institutions, and 13% of all programs at exclusively graduate degree institutions (Table 5.7).
- Differences by control are even more stark. As noted in Exhibit 4, about 3% of all programs at both public and nonprofit institutions fail the earnings premium measure compared to 33% of programs at proprietary institutions (Table 5.13).
- Focusing in on even more specific institutional characteristics, about 3% of all programs at Historically Black Colleges and Universities (HBCUs) as well as at other Minority Serving Institutions (MSIs) fail the earnings premium test, as do 4% of all programs at rural institutions (defined as institutions located in counties where 50% or more of the population in the county lives in a designated rural census tract) (Table 5.10).
- As for the percentage of institutions likely to be affected by the administrative capability standard, as cited in Exhibit 4, the Department estimates that rates range from .2% and 3% for public and nonprofit institutions, respectively, to 43% for proprietary institutions (Table 5.11).

Opportunity 2: Second, institutions can and should look beyond programs at risk of sanctions under STATS and seek out opportunities to leverage federal earnings data to improve earnings outcomes for students more broadly as well. Better access to federal earnings data means institutions can spend less time and funds trying to secure and clean other sources of earnings data and spend more time analyzing federal sources for strategic improvement. For example, PSEO disaggregations by gender and race and ethnicity planned but indefinitely on hold should provide opportunities to better identify student populations who may benefit from more support. The currently available Secure Query System provides the flexibility to disaggregate student outcomes not only by student characteristics but also by participation in specific initiatives and interventions, further supporting the identification of needs and strategies to improve students' earnings. Exhibit 3 in particular can be a resource in considering optimal federal earnings sources to use in investigations depending on desired disaggregations, trend analyses, and/or recency of earnings data.

Federal earnings data are here to stay, and their impact on institutions is only likely to grow. Proactively leveraging these data is the best way to strengthen institutions and students' outcomes. This brief can help facilitate this important work ahead.

Dr. Alexandria Walton Radford is a Principal at Sova, whose mission is to improve problem-solving in higher education and workforce development, driving socioeconomic mobility for all. For more than 20 years, she has directed federal, state, and institutional research on college access, student success, and postsecondary value. Her work includes leading the content and analysis for ED's national longitudinal studies following students' postsecondary and labor market paths, as well as an interagency project linking data from the VA, the National Student Clearinghouse, and the IRS to examine veterans' postsecondary and labor market outcomes. Alexandria focuses on translating research, data, and field insights into actionable evidence higher education leaders can use to strengthen institutions and improve student outcomes.