The Great Recession exposes flaws in ED’s financial responsibility calculations for not-for-profit institutions.

NAICU releases final report from the Task Force on Financial Responsibility, identifying problems and proposing reforms.

Corinthian Colleges cease operations. Thousands of students seek discharge of their loan debt under borrower defense claims.

The Obama administration convenes a negotiated rulemaking (neg reg) process to establish borrower defense rules along with new financial responsibility regulations. ED publishes final rules on November 1.

FASB issues a new not-for-profit financial reporting standard that does not comport with ED’s financial responsibility terminology and calculations.

The Trump administration indefinitely postpones the Obama-era borrower defense rules. The Trump administration announces a new borrower defense neg reg. NACUBO’s Sue Menditto is appointed to the financial responsibility subcommittee.

ED negotiated rulemaking committees convene. Subcommittee recommends solutions that correct known problems and align calculations with 2016 FASB not-for-profit and lease standards.

Summer. ED proposes new borrower defense and financial responsibility regulations based upon neg reg recommendations. NACUBO weighs in on the proposed regulations.

October. A federal judge invalidates the Trump administration’s postponement of the Obama-era rules and those 2016 rules take effect immediately.

August. ED announces its intent to finalize new borrower defense rules based on the 2017-18 neg reg and publishes the preliminary language on its website.