

Financial Value Transparency and Gainful Employment (FVT/GE)

What is the Financial Value Transparency and Gainful Employment (FVT/GE) Act?

It is new legislation enacted to create a transparency and accountability framework by which the Department of Education (ED) can assess “whether career programs meet the statutory requirement of preparing students for gainful employment in a recognized occupation.” Per ED’s fact sheet:

“Under the GE program accountability framework, the Department of Education assesses whether career programs meet the statutory requirement of preparing students for gainful employment in a recognized occupation using two separate and independent metrics...a debt-to-earnings rate and a new earnings premium test.”

The Financial Value Transparency (FVT) scope expands reporting requirements well beyond those programs identified as Gainful Employment (GE) programs. Under the July 1, 2024, regulation, institutions will be required to report all programs that share the same four-digit CIP code and have had 30 or more completers in total over the four most recent award years for both GE and non-GE programs. This includes the total number of recipients and non-recipients of Title IV and HEA funds enrolled in the program as well as student-level data for all recipients of Title IV and HEA funds. These reporting requirements are a significant expansion over the 2014 GE regulations that were rescinded July 1, 2019.

What is the difference between the FVT and GE regulations?

Per Federal Student Aid (FSA) in its [FSA Dear Colleague Letter \(GEN-24-04\)](#):

“The FVT regulations are designed to improve the quality and availability of information provided directly to students about the costs, sources of financial aid, and outcomes of students enrolled in all title IV, HEA (Title IV) eligible programs. These regulations establish two measures: the debt-to-earnings measure and the earnings premium measure. The regulations also establish performance benchmarks for each measure to determine whether the program may have adverse financial consequences to students. These requirements apply to both Gainful Employment Programs (GE Programs) and Eligible Non-GE Programs, but do not affect program eligibility for Non-GE programs.

The GE regulations establish an accountability framework for GE Programs that uses the same earnings premium and debt-to-earnings measures to determine whether a GE program remains eligible for Title IV funds. These requirements can affect program eligibility and apply only to GE Programs. The GE regulations do not apply to Eligible Non-GE Programs.”

How does FVT/GE impact my institution?

Even if your institution does not offer ANY programs classified as GE-eligible under the new regulations, you must report any non-GE programs and the students attending those programs, including all recipients of Title IV and HEA funds. Essentially, this means that nearly EVERY participating institution will be impacted by the FVT/GE legislation reporting requirements and should anticipate having to meet the reporting requirements by the October 1, 2024, deadline