

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

"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."

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