

# FINANCIAL VALUE TRANSPARENCY AND GAINFUL EMPLOYMENT

Preparing for Reporting Requirements

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# AGENDA

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1. Financial Value Transparency and Gainful Employment (FVT/GE) Framework and Metrics
2. Reporting requirements
3. Types of reporting
4. What to report
5. Reporting process
6. Questions and answers

# FVT/GE DEFINITIONS

## GAINFUL EMPLOYMENT (GE) PROGRAM

- Virtually all programs at proprietary (for-profit) institutions
- All non-degree programs at non-profit and public institutions leading to a recognized credential
- Exceptions include comprehensive transition and postsecondary (CTP) programs

## ELIGIBLE NON-GE PROGRAM

- All programs other than GE programs that lead to a recognized credential provided by the institution, including associate degree, bachelor's degree, master's degree, etc.
- Exceptions include prison education program (PEP) and CTP programs

# FVT/GE FRAMEWORK

## FINANCIAL VALUE TRANSPARENCY

- Applies to GE programs and non-GE programs
- Assesses financial value using debt-to-earnings (D/E) rates and an earnings premium (EP) measure
- Consumer information and student acknowledgments on Department website (effective July 1, 2026)

## GAINFUL EMPLOYMENT (ACCOUNTABILITY)

- Applies only to GE programs
- D/E rates and EP measure impact program eligibility
- Student warnings and acknowledgments required for failing GE programs
- GE program certification requirements

# FVT/GE METRICS

## DEBT-TO EARNINGS

- Measures debt burden faced by typical graduate of a program by comparing the share of income needed to make loan payments against median annual earnings
- Includes annual and discretionary debt measures
- Debt used in calculation capped at institutional charges minus institutional scholarships provided

## EARNINGS PREMIUM

- Measures a program's earnings outcomes by comparing completers' median annual earnings to an earnings threshold
- Earnings threshold is the median earnings for working adults aged 25-34 with only a high school diploma in:
  - The state where the institution is located; or
  - Nationally, if less than 50% of the students in the program are from the state where the institution is located

# ACKNOWLEDGEMENTS/WARNINGS

## ACKNOWLEDGEMENTS

- Acknowledgement requirement applies if:
  - A GE or Non-GE program fails the D/E metric (NOT the EP metric), *and*
  - The program is not an undergraduate degree program (e.g., associate or bachelor's)
- If requirement applies, Department will administer acknowledgement process

## WARNINGS

- Warnings apply to all GE programs that fail either the D/E or EP metrics
- Student warnings must be provided to all prospective and enrolled students in failing GE program
- Warnings are provided by institution, not the Department

# ACKNOWLEDGEMENTS/WARNINGS

## ACKNOWLEDGEMENTS

- If requirement applies, prospective students to the program must acknowledge that they have viewed the information on the Department's program information website
- Acknowledgement must be completed before the institution enters an agreement to enroll the student

## WARNINGS

- If requirement applies, institution must provide warning to:
  - Enrolled students within 30 days of the Department's notice of determination that the program is failing
  - Prospective students before they enroll in the program or before the school disburses Title IV funds to the student
- An institution may not enroll a student for three business days after they have seen the warning

# COHORT PERIODS

- The Department calculates D/E rates and EP measure using debt/earnings of students who complete a program during a specific cohort period
- Cohort period is either two or four years:
  - Two-year cohort used if 30 or more students completed during the period
  - Four-year cohort used if fewer than 30 students completed during the two-year cohort period
  - If fewer than 30 students completed during the four-year cohort period, D/E rates and EP measure will **not** be calculated



# COHORT PERIODS

- Two-year cohort is students who completed the program during the 3rd and 4th award years prior to the year of the most recent earnings data
- Four-year cohort is students who completed the program during the 3rd, 4th, 5th, and 6th award years prior to the year of the most recent earnings data

# COHORT PERIODS

- D/E and EP cohorts for 2024-25:
  - Two-year cohort period is 2017-18 and 2018-19
  - Four-year cohort period is 2015-16, 2016-17, 2017-18, and 2018-19
- **EXCEPTION:** Measurement of earnings occurs later for “qualifying graduate programs” in occupational clusters involving substantial post-graduation work requirements for licensure. For these programs:
  - Two-year cohort period is 2014-15 and 2015-16
  - Four-year cohort period is 2012-13, 2013-14, 2015-16, and 2017-18
  - These occupations initially include medicine, osteopathy, dentistry, clinical psychology, marriage and family counseling, clinical social work, and clinical counseling

# REPORTING REQUIREMENTS

- A “program” for FVT/GE purposes is defined as the combination of:
  - Six-digit Classification of Instructional Program (CIP) code
  - Credential level (e.g., associate’s degree, bachelor’s degree)
- To calculate both the D/E and EP metrics, the Department needs to know several things about a program:
  - Which students completed the program during the cohort period (drawn from NSLDS enrollment reporting; corrections by institutions)
  - Title IV loans borrowed by completers (drawn from NSLDS loan data)
  - Private loans borrowed and institutional scholarships received by completers (reported by institutions)
  - The earnings of completers (provided by another federal agency)

# REPORTING REQUIREMENTS

## Initial reporting (prior award years)

- Institutions must report all data for award years prior to 2023-24 no later than July 31, 2024

## Annual reporting (most recently completed award year)

- Institutions must report data for the 2023-24 award year by October 1, 2024
- For subsequent award years, institutions must report the required data elements for the most recently completed award year by October 1 following the end of that award year

# TYPES OF REPORTING

## **Data for academic programs (program-level)**

- Reported *only* for the most recently completed award year (annual reporting) by October 1 each year

## **Data for currently enrolled students (student-level)**

- Reported *only* for the most recently completed award year (annual reporting) by October 1 each year

## **Data for students who completed or withdrew (student-level)**

- Must initially report data from prior award years (initial reporting) by July 31, 2024
- Must report data from the most recently completed award year (annual reporting) by October 1 each year

# TYPES OF REPORTING

## Transitional option

- Institutions must choose to report the required data elements either –
  - For the second through seventh, or eighth for qualifying graduate programs, prior award years (**standard reporting**); or
  - For only the two most recently completed award years (**transitional reporting**)
- Transitional metric will use debt for students enrolled during the reported period and earnings for completers from the normal past cohorts
- This choice is made only once in July 2024 and applies to all programs at the institution and for the entire 6-year period

# REPORTING EXEMPTIONS

## INSTITUTIONS

- Institutions located in a U.S. Territory or Freely Associated State
- Institution that offered no group of programs in the same 4-digit CIP range that had 30 or more completers

## PROGRAMS/STUDENTS

- Students enrolled in comprehensive training and postsecondary (CTP) programs
- Students enrolled in prison education (PEP) programs
- Students qualifying for total and permanent disability discharge
- Students enrolled at another institution
- Students who have died

## LOAN DEBT

- Parent PLUS Loans
- Perkins Loans
- TEACH Grants converted to Direct Loans

# WHAT TO REPORT: PROGRAM-LEVEL

- *NOTE: Exact items to report are still subject to public comment and could change*

Data Element	Description
<b>Program Name</b>	The institutional name given to each program.
<b>CIP Code (Six Digit)</b>	Six-digit Classification of Instructional Programs code (without period) identifying a program's academic content.
<b>Credential Level</b>	The credential level of the program.
<b>Published Program Length</b>	The length of the instructional program in years, months, or weeks as published by the school. Note this is used together with the next two fields to determine program length.
<b>Published Program Length Measurement</b>	The unit of measure for the length of the instructional program as published by the school. Values are 'W' (Weeks), 'M' (Months) and 'Y' (Years).
<b>Weeks in Title IV Academic Year</b>	The total number of weeks of instruction in the program's academic year. Only report when Published Program Length Measurement is W or M.
<b>Programmatically accredited</b>	Yes Or No
<b>Name of Accrediting Agency</b>	Agency programmatically accrediting the program (if applicable).
<b>Program meets licensure requirements</b>	Yes or No
<b>States in MSA in which program does not prepare students for Licensure</b>	The institution must indicate the states in the institution's metropolitan statistical area (MSA) in which the program does not meet licensure requirements or prepares students to sit for a licensure examination in a particular occupation. (If applicable, up to five states can be reported)
<b>Total Number of Graduates Taking Licensure Exam</b>	The institution is required to report the total number of program graduates that took licensure exams in the most recently completed award year.
<b>Total Number Graduates Passing Licensure Exam</b>	The institution is required to report the total number of program graduates that passed the licensure exam in the most recently completed award year.
<b>Total Number of Enrolled Students</b>	The institution is required to provide the total number of students enrolled in a program during the most recently completed award year. This includes both recipients and non-recipients of Federal student aid funds.
<b>Qualifying Graduate Program</b>	The institution must indicate whether the program is a "qualifying graduate program," as defined in 34 CFR 668.2, whose students are required to complete additional post-graduate training such as a medical residency. This item determines whether an extended residency cohort is used. Values are Y=Yes and N=No.



# WHAT TO REPORT: ENROLLED STUDENTS

- *NOTE: Exact items to report are still subject to public comment and could change*

Reporting Type	Data Collected	Description
Overall	Transitional/Standard Reporting Flag	School to select if their GE/FVT reporting is for Standard or Transitional rates.
Annual Amounts	Award Year	Award Year that the student was enrolled in the program.
Annual Amounts	Comprehensive Transition and Postsecondary (CTP) Program	Identifies if the student is enrolled in a CTP program.
Annual Amounts	Program Enrollment Begin Date	Date student initially enrolled in the program.
Annual Amounts	Student's Enrollment Status as of the 1st Day of Enrollment in the Program	Code for the student's enrollment status as of the 1st day in the program. Values are: 'F' (Full-Time), 'Q' (Three-Quarter Time), 'H' (Half-Time), 'L' (Less Than Half-Time)
Annual Amounts	Program Attendance Status During Award Year	The enrollment status of the student in the program for the Award Year being reported. Values are: G= Graduated, 'W'= Withdrew and 'E'= Enrolled
Annual Amounts	Program Attendance Status Date During Award Year	The date of student's graduation or withdrawal from the Program in the Award Year being reported.
Annual Amounts	Total Cost of Attendance (COA) for Award Year being Reported	The student's total annual cost of attendance for the Award Year being reported.
Annual Amounts	Tuition and Fees Amount for Award Year being Reported	The total tuition and fees assessed to the student for the Award Year being reported.
Annual Amounts	Residency Tuition Status by State or District for Award Year being Reported	The student's residency tuition status by State or district for the Award Year being reported. Values are IS (In-State Tuition), ID (In-District Tuition) and OS (Out-of-State Tuition).
Annual Amounts	Allowance for Books, Supplies, and Equipment for Award Year being Reported	The student's total annual allowance for books, supplies, and equipment from their COA for the Award Year being reported.
Annual Amounts	Allowance for Housing and Food for Award Year being Reported	The student's total annual allowance for housing and food from their COA for the Award Year being reported.
Annual Amounts	Institutional Grants and Scholarships for Award Year being Reported	The amount of institutional grants and scholarships disbursed to the student.
Annual Amounts	Other State, Tribal, or Private Grants for Award Year being Reported	The amount of other State, Tribal, or private grants or scholarships disbursed to the student
Annual Amounts	Private Loan Amount for Award Year being Reported	The amount of any private education loans disbursed to the student for enrollment in the program that the institution is, or should reasonably be, aware of, including private education loans made by the institution

# WHAT TO REPORT: COMPLETED/WITHDRAWN

- *NOTE: Exact items to report are still subject to public comment and could change*

Reporting Type	Data Collected	Description
Total Amounts	Award Year	Award Year the student graduated or withdrew from the program.
Total Amounts	Date for G or W Status	The date the student completed or withdrew from the program
Total Amounts	Private Loans Amount - Total for Enrollment in the Program	The total amount the student received from private education loans for enrollment in the program
Total Amounts	Institutional Debt - Total for Enrollment in the Program	The total amount of institutional debt the student owes to the institution or to a party that extended an amount on behalf of the institution after completing or withdrawing from the program.
Total Amounts	Tuition and Fees Amount - Total for Enrollment in the Program	The total amount of tuition and fees assessed the student for the student's entire enrollment in the program.
Total Amounts	Allowance for Books, Supplies, and Equipment - Total for Enrollment in the Program	The total amount of the allowances for books, supplies, and equipment included in the student's COA for each award year in which the student was enrolled in the program, or a higher amount if assessed the student by the institution for such expenses.
Total Amounts	Institutional Grants and Scholarships - Total for Enrollment in the Program	The total amount of institutional grants and scholarships provided for the student's entire enrollment in the program.

# REPORTING PROCESS

This spring, the National Student Loan Data System (NSLDS) will release reports that identify students who were currently enrolled or withdrawn/completed

- These are designed to help institutions identify the programs and students they will be expected to report on beginning in July
- Schools can identify the appropriate timeframe to accommodate both standard and transitional reporting
- More information on this process is expected to be available in March

# REPORTING PROCESS

Beginning in July, NSLDS will allow schools to report FVT/GE data

- The Department will release a completer's list – schools have 60 days to make corrections to the students that are identified in the cohort
- The Department will also provide the submittal file schools will use to transmit program and student data to the Department through the NSLDS system
- This process could be performed by the institution or one of its third-party servicers
- More information and technical details on this process will be available in April

# QUESTIONS AND ANSWERS

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## QUESTION

Where will the Department obtain the earnings information for program graduates?

## ANSWER

Initially the Department will obtain this information from the Internal Revenue Service (IRS). There may be other agencies that the Department uses to obtain this information in the future.

# QUESTIONS AND ANSWERS

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## QUESTION

The word "cohort" was used in one of the definitions. Does this mean we can identify students for reporting using our IPEDS Fall Enrollment survey records?

## ANSWER

No. The students for whom reporting will be required are only those who received Title IV, HEA funds (e.g., Pell Grants, Direct Loans, etc.) at your institution.

The NSLDS system will provide reports that will assist you in determining the students for whom you'll report information.

# QUESTIONS AND ANSWERS

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## QUESTION

Our institution does not participate in the Direct Loan program. Do we still have to provide the required reporting? Our debt to earnings ratio will always be zero for all students.

## ANSWER

Yes, if your institution participates in any Title IV, HEA program, including the Pell Grant, you are still subject to reporting requirements.

# QUESTIONS AND ANSWERS

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## QUESTION

Would “non-federal loans” that institutions are required to report for each student include institutional payment plan arrangements?

## ANSWER

Yes. Institutions must report all private loans made by the institution or outside lenders and any debt outstanding to the school as of the date the student completed the program, which could include:

- Unpaid charges
- Payment plans
- Other extensions of credit not meeting the definition of “private loan”



# QUESTIONS AND ANSWERS

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## QUESTION

Do reporting requirements apply to programs that are no longer active or no longer qualify for Title IV, HEA funds?

## ANSWER

Yes. Institutions will be expected to report on any program that has a sufficient number of completers (30) in the cohort period, including programs that have been discontinued or voluntarily withdrawn.

# QUESTIONS AND ANSWERS

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## QUESTION

We have concurrent enrollments where the student is enrolled at more than one institution. How will the Department handle these students with COA, total debt, and other financial measures?

## ANSWER

For FVT/GE purposes, students participating in consortium or contractual agreements are associated with their “home” institution where they will obtain their degree or other recognized credential.

If students are enrolled full-time as regular students in two separate programs at the same time, the regulations provide that the student is excluded from reporting.

# QUESTIONS AND ANSWERS

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## QUESTION

All of our undergraduates enter as "Undecided" majors, and they don't officially declare a major until the spring semester of their sophomore year. If enrollment status is based on when the student first enrolls, how might this work?

## ANSWER

Whether a student is included in annual student-level reporting is determined by the student's enrollment at the end of the award year (i.e., currently enrolled, completed, or withdrawn).

Withdrawn and currently-enrolled students will be reported with the CIP code for their current program, which could be the one the school uses for the "undecided" status. Completers will be reported with the CIP code for the program they ultimately graduate from.

# QUESTIONS AND ANSWERS

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## QUESTION

How is enrollment in a summer term treated, i.e. a term that straddles two award years (July 1)? Does the school report information for that term as a header or a trailer?

## ANSWER

For reporting for withdrawals and completers, you will be reporting total amounts as of the withdrawal or completion date, obviating concerns about summer periods.

For reporting for currently-enrolled students, you will report debt and financial aid information (such as values from the student's cost of attendance) in accordance with the way your institution packages aid (e.g., treating summer as a header or trailer).

# RESOURCES

- Send questions to: [GE24@ed.gov](mailto:GE24@ed.gov)
- Proposed data items to collect and related definitions for FVT/GE are available at: [Regulations.gov](https://www.regulations.gov).
  - Accepting public comments through April 22, 2024
- All information pertaining to the implementation of FVT/GE will be published on Federal Student Aid's [Knowledge Center](https://fsapartners.ed.gov/kscenter)
  - Subscribe for daily or weekly updates at: <https://fsapartners.ed.gov/subscriptions>
- The Knowledge Center will soon include a FVT/GE “Topics” page where all information on the topic will be collected, including:
  - Policy guidance such as Dear Colleague Letters and Questions and Answers
  - Operational guidance, including reporting templates

# QUESTIONS?

For offline questions, email: [GE24@ed.gov](mailto:GE24@ed.gov)