

# HigherEdReg Rundown

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Important Guidance Regarding ED's new  
Financial Value Transparency and Gainful  
Employment Rule

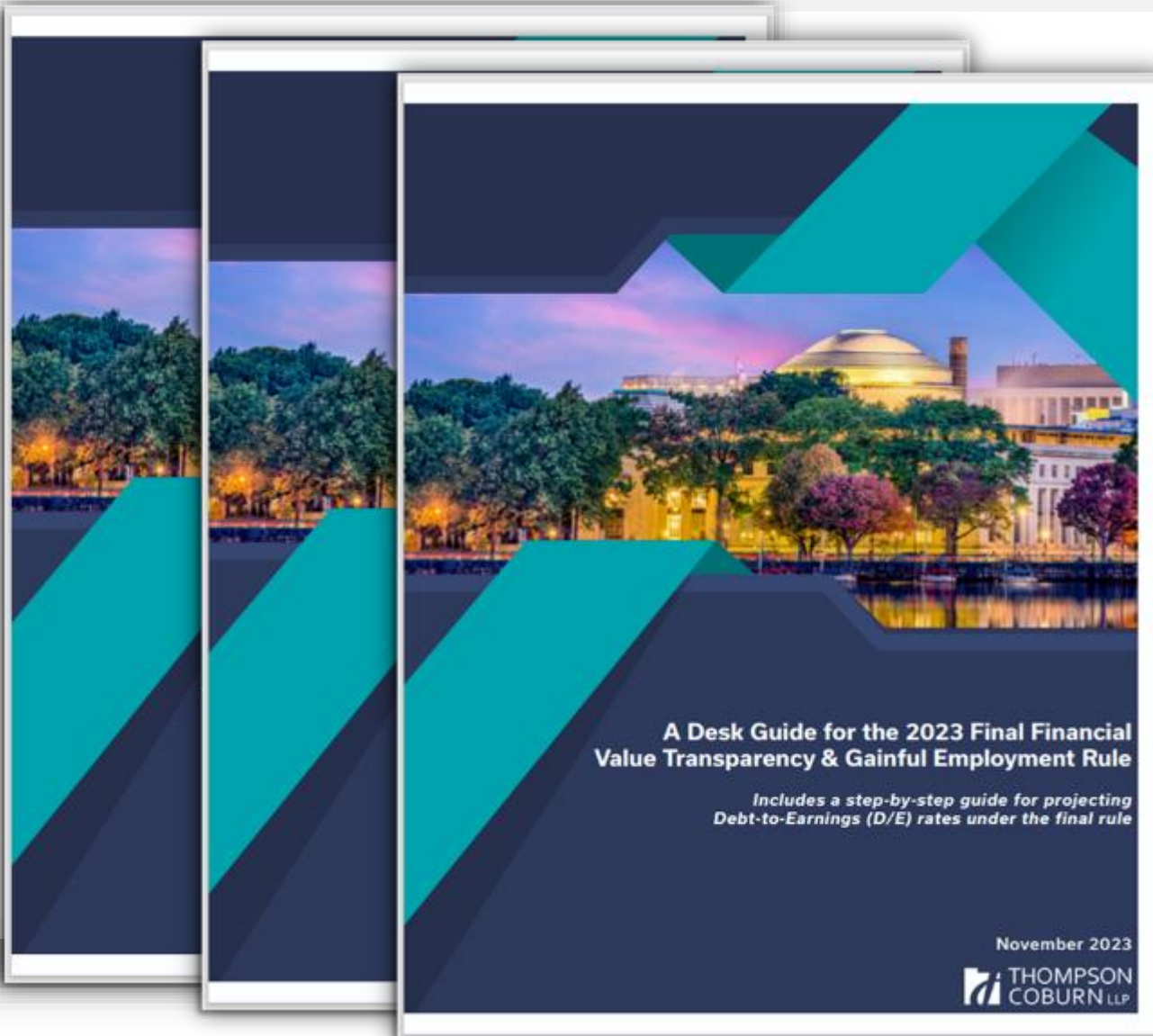


# The FVT/GE Rule

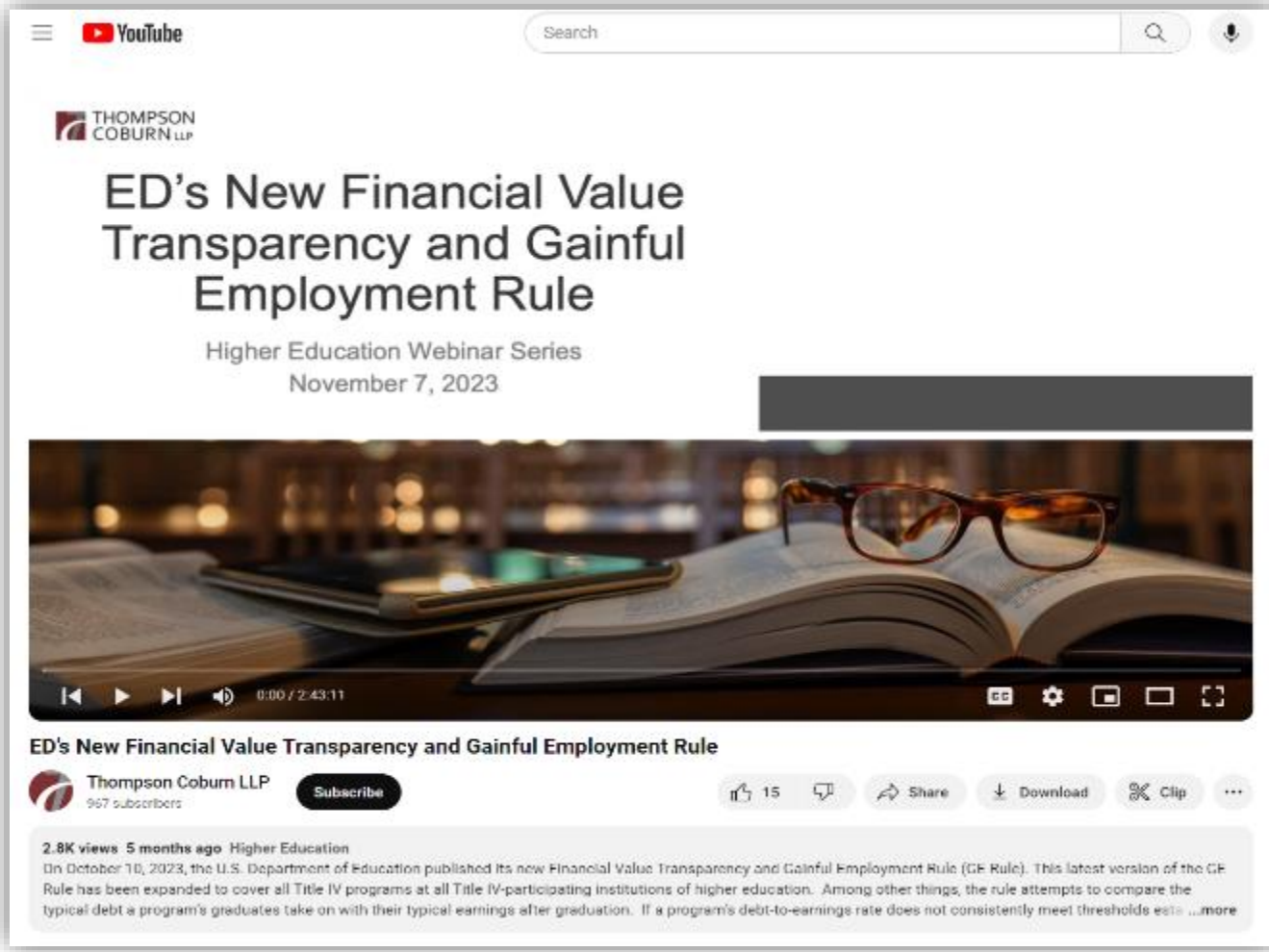
- On October 10, 2023, ED [published](#) its final Financial Value Transparency and Gainful Employment (GE) rule.
- The rule is set to take effect on **July 1, 2024**.
- Significant **guidance has begun to arrive**, and more is anticipated in the coming months (e.g., electronic announcements, dear colleague letters).



# Free FVT/GE Desk Guide



# FVT/GE Webinars



The image shows a YouTube video player interface. At the top left is the YouTube logo. A search bar is located at the top center. The video title is "ED's New Financial Value Transparency and Gainful Employment Rule" by Thompson Coburn LLP, part of a "Higher Education Webinar Series" dated "November 7, 2023". The video thumbnail shows a pair of glasses on an open book. The video player controls show a progress bar at 0:00 / 2:43:11. Below the video, the channel name "Thompson Coburn LLP" is displayed with 967 subscribers and a "Subscribe" button. Engagement icons for likes (15), comments, share, download, and clip are visible. A description below the video states: "On October 10, 2023, the U.S. Department of Education published its new Financial Value Transparency and Gainful Employment Rule (GE Rule). This latest version of the GE Rule has been expanded to cover all Title IV programs at all Title IV-participating institutions of higher education. Among other things, the rule attempts to compare the typical debt a program's graduates take on with their typical earnings after graduation. If a program's debt-to-earnings rate does not consistently meet thresholds est... more".



# Higher Education Resources Page

## HIGHER EDUCATION RESOURCES

As part of our ongoing commitment to the postsecondary community, Thompson Coburn's higher education practice routinely creates complimentary resources designed to assist institutions with navigating the complexities of the higher education regulatory and policy environment. We have collected a number of these resources on this page, including our most recent webinars, training series, desk guides, whitepapers, and blog posts. We hope you find these resources helpful, and if you have any questions, please do not hesitate to contact us!

## COMPLIANCE RESOURCES

### COMPLIANCE RESOURCE: SUGGESTED PROTOCOLS FOR RESPONDING TO INDIVIDUAL BORROWER DEFENSE TO REPAYMENT CLAIMS

With regard to BDR claims, data released by ED suggests that virtually every institution in the U.S. has at least a handful of claims pending against it. Given this trend, we have developed this document to aid institutions with establishing protocols to responding to BDR claims.

### COMPLIANCE RESOURCE: A DESK GUIDE FOR THE 2023 PROPOSED FINANCIAL VALUE TRANSPARENCY & GAINFUL EMPLOYMENT RULE

We have developed this Desk Guide to assist institutions as they contemplate compliance with this latest version of the GE rule.

### COMPLIANCE RESOURCE: 90/10 RULE COMPLIANCE: STRATEGIES & CONSIDERATIONS

To remain eligible to participate in the federal student aid programs, proprietary institutions must comply with the "90/10 rule." New regulations published by ED in October 2022 apply to institutional fiscal years beginning on or after January 1, 2023. This compliance resource, updated March 2023, compiles strategies for managing 90/10 rule compliance.



# ED's Recent FVT/GE Guidance

DATE	EVENT
March 29	ED releases <a href="#">DCL (GEN-24-04)</a> , which provides an overview of the new rule.
March 29	ED releases <a href="#">EA (GE-24-01)</a> , which extends the timeline for reporting certain data.
April 5	ED releases <a href="#">EA (GE-24-02)</a> , which announces its new FVT/GE Topics Page and includes a new FAQ feature.
April 12	ED releases <a href="#">EA (GE-24-04)</a> , which introduces the NSLDS platform that will be used for reporting data to ED and provides institutions with a first look regarding how this data should be collected and transmitted to ED.



# Extended Reporting Deadlines

- Institutions will have the ability to **start reporting** FVT/GE data through ED's system on July 1, 2024.
- Institutions will have until **October 1, 2024**, to provide all required reporting.
- This means the institutions may submit the information that was previously due by July 31, 2024, by no later than October 1, 2024.



# Timeline for Additional Guidance

DATE	EVENT
April	ED releases NSLDS reporting guide for FVT/GE reporting.
April	FVT/GE NSLDS reports will become available.
May	ED hosts live webinar regarding the new NSLDS reports.
July	ED hosts live webinar regarding the NSLDS reporting guide.

EA (GE-24-01) (March 29, 2024).





# New NSLDS Reports

- The new NSLDS reports that will be released in April will “support the FVT/GE reporting requirements” by providing schools with a list of students (detail level) and programs (summary level) where the student’s program enrollment status is enrolled, graduated (completed), or withdrawn.
- ED has already released the detailed **report layouts** for these forthcoming reports.



# NSLDS Report Layouts Available

- The **FVT/GE Program Enrollment Detail Report (SHDPE1)** provides school users with a list of all students and their certified program enrollment data as reported to NSLDS via the Enrollment Reporting process.
- The **FVT/GE Program Enrollment Summary Report (SHSPE1)** provides school users with a list of programs that have students with certified attendance as reported to NSLDS via the Enrollment Reporting process.
- The **FVT/GE Students with No Program Enrollment Report (SHNPE1)** provides school users with a list of students where the student was certified with campus-level enrollment data and no program-level enrollment data on NSLDS via the Enrollment Reporting process.



# Standard & Transitional Reporting

- An institution **must determine** whether it will use standard or transitional periods for reporting at the time that it first reports data to ED.
- The choice of standard or transitional reporting must be made for the **entire institution** and cannot be changed once it has been selected.



# Standard & Transitional Reporting

- Schools that choose transitional reporting will use that reporting method for the first six years that the regulations are in effect.
- Schools that choose standard reporting will be expected to provide data for all the years during the cohort period.



# Transitional D/E Calculations

- For institutions using transitional reporting for the first six years that the regulations are in effect, ED will calculate D/E rates using earnings for the students in the **traditional cohort** but will use debt information for students who completed during the **transitional cohort** (*i.e.*, the two most recently completed award years).



# Scope of Transitional Reporting

- Electing to use transitional reporting and rates allows an institution to limit its prior year reporting of **private loan debt, tuition, fees, books and supplies, and institutional grants and scholarships** to cover only the 2022-2023 and 2023-24 award years, as opposed to earlier award years.
- Is the implication that institutions electing transitional reporting may **not** limit prior year reporting for all other categories of data?



# Scope of Transitional Reporting

Reporting Year	FVT/GE Information Type	Reporting Type	Award Years to Report
2024: Deadline 10/01/2024	Student Specific: Completed or Withdrawn	Standard – (Programs other than Qualifying Graduate Programs)	2017-2018 2018-2019 2019-2020 2020-2021 2021-2022 2022-2023 2023-2024
		Standard – (Qualifying Graduate Programs)	2016-2017 2017-2018 2018-2019 2019-2020 2020-2021 2021-2022 2022-2023 2023-2024
		Transitional*	2022-2023 2023-2024
	Student Specific: Enrolled	n/a	2023-2024
	Program Specific	n/a	2023-2024

EA (GE-24-04) (April 12, 2024).



# Covered Programs for Reporting

- The FVT/GE reporting requirements apply to an institution's currently eligible programs and to any of its **previously eligible programs** for which the Department has data in the National Student Loan Data System (NSLDS).
- Is the implication that institutions may be required to report data for programs that have been discontinued for years?





# Past Performance Surprise

- ED takes the position that “the termination of a GE program is considered a **past performance** violation under 34 CFR 668.174(a)(1) and results in an institution being treated as **not financially responsible**. These consequences do not apply if the institution chooses to voluntarily discontinue the program or withdraw it from Title IV eligibility.”



# Timeline for Rollout of Metrics

DATE	EVENT
July	ED distributes draft “completers lists” that identify cohorts for FVT/GE metrics. Institutions have 60 days to make corrections.
October	All data is reported to ED.
Early 2025	ED publishes the first FVT/GE metrics and notifies institutions of failing GE programs.



# GE Court Challenges

- In December 2023, the American Association of Cosmetology Schools filed suit in the U.S. District Court for the Northern District of Texas. The parties agreed to a summary judgment briefing scheduling, but the deadlines are not until July. Notably this is after the July 1 implementation date.
- A second suit was filed by the Ogle School Management and others on March 20, 2024, also in the U.S. District Court for the Northern District of Texas. A memorandum in support of a **preliminary injunction** was filed on March 21, a response to the motion is due on April 12, and reply is due on April 24.



# Additional Roadblocks

- ED also may struggle to timely implement the rule given current resource constraints.
- The results of the 2024 presidential election will impact the rule's viability.



# TC Extra Credit | Resources Page

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