

Gainful Employment

The Gainful Employment (GE) rule, mandated by the Higher Education Act, aims to ensure that career education programs receiving federal student aid prepare students for gainful employment in a recognized occupation. The rule seeks to protect students from low-value programs that leave graduates with unaffordable debt and poor job prospects. This fact sheet gives an overview of the history of GE, how the rule is implemented, and its importance in protecting students and taxpayers. [Fact Sheet](#)

What is an eligible program?

An eligible program is one that qualifies for federal aid (Title IV, HEA, including considerations for federal grants) and leads to an associate, bachelor's, professional, or graduate degree. [34 CFR 668.8](#) provides specific details about program eligibility qualifiers, including the minimum length of instruction to qualify.

What is an ineligible program?

A program that does not qualify for federal aid.

What is a GE program?

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

"All nondegree programs (e.g., certificate programs, diploma programs) that lead to recognized credentials at public and private nonprofit institutions are GE Programs except for CTP programs and prison education programs.

All educational programs offered by for-profit (proprietary) institutions are GE Programs except for CTP programs and a limited number of bachelor's degree programs in liberal arts if the institution has been regionally accredited since October 2007 and the program has been offered by the institution since January 2009 under 34 CFR 600.5(a)(5)(i)(B). These bachelor's degree programs in the liberal arts offered by proprietary institutions are Eligible Non-GE Programs, but are not GE Programs.

Some institutions offer degree programs where students may also be awarded a non-degree credential (e.g., certificate, diploma) after completing a portion of the degree program. Such programs are generally not considered GE Programs at non-profit and public institutions. However, a program where a significant number of the students enrolled in the program do

not actually earn the degree and withdraw after obtaining the certificate may be, upon review, determined to be a non-degree program. In that case, the certificate program would then be considered a separate GE Program."

What is a non-GE program?

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

"Eligible Non-GE Programs include all Title IV eligible programs, including degree programs, at public, private non-profit, and proprietary institutions, with the exceptions described above."

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 Clearinghouse institution will be impacted by the FVT/GE legislation reporting requirements and should anticipate having to meet the reporting requirements by the deadline.** See [Federal Student Aid's Announcement](#) for information on the current deadline.

The FVT/GE act requires institutions to report extensive financial aid and institutional cost data elements during a time when they have no resources to spare to build and support complex new compliance processes. As your partner, the Clearinghouse is committed to alleviating your administrative burden for complying with the FVT/GE reporting requirements through a **new and free solution** that will enable low-effort data submission/extraction, data access, benchmarking, evaluation, and outcomes reporting.