



★ FROM THE OFFICE OF THE PRESIDENT ★

August 5, 2010

Dr. Martha J. Kanter
Under Secretary
U.S. Department of Education
400 Maryland Avenue SW
Washington, DC 20202

Dear Dr. Kanter

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I am writing to request your assistance in ensuring students are adequately served by campus financial aid offices. You can help students by reminding college presidents of their legal obligation to provide adequate staffing, training, and resources to financial aid offices.

NASFAA represents more than 18,000 financial aid professionals who serve 16 million students each year at 2,800 colleges and universities throughout the country. These individuals are on the front line when it comes to packaging aid, ensuring compliance with federal Title IV program regulations and counseling students on responsible borrowing. However, a national NASFAA survey found that three out of five financial aid office operating budgets were cut during the 2009-10 year, with the remaining respondents reporting level budget funding.

These budget cuts and freezes could not come at a worse time. Financial aid offices are struggling to administer historic levels of financial aid to record numbers of students while implementing a host of dramatic changes to the student aid programs. In the last month alone, schools were required to implement three new packages of regulations and ensure their schools were Direct-Loan ready. Historically high numbers of FAFSA verifications and professional judgments, which require case-by-case and student-by-student consideration, have contributed to the crushing burdens NASFAA's schools face.

All of this means that financial aid administrators have less time to do one of the most important aspects of their job: provide face-to-face counseling to students and parents. This counseling is the most effective way to ensure students receive all of the aid to which they are entitled, borrow responsibly, and understand their student loan obligations. However, more and more offices lack the resources to dedicate to this purpose.

Aid administrators need the Department of Education's assistance to ensure they have the resources they need to properly serve students.

Current regulations promulgated by the Secretary of Education require schools to provide "an adequate number of qualified persons to administer the Title IV, HEA programs" (Section 668.16(b)) and provide "adequate financial aid counseling to eligible students who apply for Title IV, HEA program assistance" (Section 668.16(h)).

Feedback from our members indicates that the majority of financial aid offices need additional resources to effectively serve their students. While there is no formula the Secretary can use to determine adequate staffing, regulations outline criteria the Secretary (and college presidents) should use in determining whether there is enough qualified staff to meet students' needs and whether staff is receiving enough student aid training to operate effectively. In addition, NASFAA and others offer models that aid offices can use in determining the appropriate staffing level comparable to their peers.

We sincerely hope that the Department will support aid administrators in this effort by taking an active role in reminding college presidents of their fiduciary and ethical responsibility – as specifically outlined in federal regulations – to adequately staff and provide resources and training opportunities to financial aid administrators. The Department of Education is an invaluable partner in our efforts to serve students, and we hope we'll have your assistance in this endeavor.

Thank you for all you do for students and please do not hesitate to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin Draeger". The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin Draeger
President

cc: Mr. William Taggart, Dr. Eduardo Ochoa, Mr. James Kvaal