



OFFICE OF THE ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION

APR 25 2012

Justin Draeger, President and CEO  
National Association of Student Financial Aid Administrators (NASFAA)  
1101 Connecticut Avenue, NW, Suite 1100  
Washington, DC 20036-4303

Dear Justin:

Thank you for your letter to Secretary Duncan regarding the impact on institutions of the recent change to the statutory provision that limits a student's duration of eligibility to receive a Federal Pell Grant. The Secretary thanks you for bringing the concerns of the NASFAA membership to his attention and has asked me to respond on his behalf.

I want to assure you that we have been aware of the issues raised in your letter and are developing plans and communications to address them. As you know, we released Dear Colleague Letter GEN-12-01 in January that included information about the Pell Grant duration of eligibility change. More recently, in a series of Electronic Announcements, beginning on February 14, 2012, we provided institutions with information on how we will provide them with information about any of their students who, as a result of the statutory change, will either have no Pell Grant eligibility beginning with the 2012-2013 award year or will have limited eligibility.

We will be providing additional guidance to institutions in forthcoming communications that will include specific information regarding institutional responsibility to ensure compliance with the statutory change. In those communications we will reiterate our long-standing policy that an institution is only liable for an award made to an ineligible student if the institution knew, or should have known, that the student was not eligible.

If you have further questions on this matter please contact Jeff Baker of my staff at [jeff.baker@ed.gov](mailto:jeff.baker@ed.gov).

Sincerely,

A handwritten signature in cursive script that reads "James W. Runcie".

James W. Runcie

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