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HISTORICALLY BLACK COLLEGES AND UNIVERSITIES
TO BENEFIT FROM NEW PARTNERSHIP

*Subsidized reviews will evaluate
school's financial aid delivery*

Washington, D.C. (July 7, 2003) – The National Association of Student Financial Aid Administrators (NASFAA) and the Kentucky Higher Education Assistance Authority (KHEAA) today announced a pilot partnership to provide peer reviews for Historically Black Colleges and Universities (HBCUs) under NASFAA's Standards of Excellence Review Program.

The Standards of Excellence (SOE) Review Program, now in its fifth year, is an objective, confidential peer review program that assesses an institution's delivery of financial aid. Customized and confidential, the on-site reviews are designed to highlight strengths and recommend improvements.

"KHEAA sees great benefit to both institutions and students in the Standards of Excellence Review Program," said KHEAA Executive Director Joe L. McCormick. "Identification of best practices as well as opportunities to fine-tune operations is particularly important in averting student loan defaults, which is one of KHEAA's top concerns."

Under the terms of the partnership, KHEAA will subsidize the full cost associated with each SOE review at selected HBCUs.

NASFAA President Dallas Martin remarked on the timeliness of the NASFAA-KHEAA agreement. "We recognize that these are difficult financial times for postsecondary institutions, and are delighted that KHEAA has stepped forward to help provide this valuable service for schools that might otherwise not be able to afford it." Martin noted that NASFAA would continue to seek partners to help finance SOE reviews at additional institutions in all sectors. "We plan to reach out to a variety of organizations that recognize the value of the SOE program and seek their assistance in providing reviews at all kinds of institutions," Martin said.

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How the Standards of Excellence Review Program Works

- The scope of the review is established in a letter of engagement between the institution and NASFAA.
- The institution submits demographic data and other information to NASFAA and a preliminary institutional assessment is conducted.
- NASFAA then selects a customized peer review team comprised of experienced financial aid administrators who visit the institution and perform an in-depth, on-site review of the financial aid operations. The review team spends two days to one week on the campus.
- Following the on-site review, the team compiles an objective evaluation of the institution's financial aid program and presents its findings in an exit interview to administrators designated by the institution.
- Finally, the peer review team prepares and submits a confidential written report that identifies the institution's good financial aid practices, cites any compliance issues, and suggests improvements.

History of the Standards of Excellence Review Program

The Standards of Excellence Review Program grew out of recommendations from the NASFAA Task Force on Institutional Leadership co-chaired by John T. Casteen III, president of the University of Virginia, and Rhonda D. Norsetter, special assistant to the chancellor at the University of Wisconsin-Madison. In its report, the task force noted that “student financial aid is a matter of urgent concern to institutions, policy makers, and to the nation,” and that “colleges and universities face serious challenges in this area.”

In a letter to college presidents about the review program, Dr. Casteen warned that “poorly managed financial aid programs can hamper enrollment efforts, cause rifts among campus offices, expose the institution to significant financial liability, and sabotage efforts to serve student and their families.” But, he continues, “Financial aid programs that are integrated into institutional planning and soundly managed can help advance institutional goals.”

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For more information on the Standards of Excellence Review Program, visit www.NASFAA.org/SOE.asp or contact the program coordinator at (202) 785-0453, ext. 147 or excellence@nasfaa.org.

HBCUs seeking subsidized reviews under the NASFAA-KHEAA partnership program should contact Schneider directly.

Organizations interested in providing financial support to enable SOE reviews at postsecondary institutions, in any sector, should contact NASFAA Vice President Tim Christensen at (202) 785-0453, ext. 146 or christensent@nasfaa.org.

The National Association of Student Financial Aid Administrators (NASFAA) is a nonprofit membership organization that represents more than 10,000 financial aid professionals at nearly 3,000 colleges, universities, and career schools across the country. Based in Washington, D.C., NASFAA is the only national association with a primary focus on student aid legislation, regulatory analysis, and training for financial aid administrators. Each year, members help more than 8 million students receive funding for postsecondary education. For more information, visit www.NASFAA.org.

KHEAA is a public agency created by the Kentucky General Assembly and serves as the federally designated guarantor of Federal Family Education Loans in two states; administers a variety of other federal and state student aid programs; provides a multiplicity of customer-friendly services for students, schools, and lenders; and collaborates with like-minded organizations to promote innovative techniques, products, and services.