NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

September 21, 2026

Mr. Aaron Washington
Office of Postsecondary Education
400 Maryland Ave. SW
Washington, DC 20002

Dear Mr. Washington:

On behalf of the National Association of Student Financial Aid Administrators (NASFAA) and our 3,000 member institutions, we respectfully submit to the U.S. Department of Education (ED) our comments on its Accreditation, Innovation, and Modernization (AIM) Notice of Proposed Rulemaking (NPRM) [Docket ID ED-2025-OPE-1042].

NASFAA represents nearly 29,000 financial aid professionals who serve 16 million students each year at colleges and universities across all sectors nationwide. NASFAA member institutions serve nine out of every 10 undergraduates in the U.S.

Our comments focus exclusively on the provisions of the proposed rule most directly relevant to the administration of student aid programs, since much of the rule falls outside NASFAA's area of expertise.

Specifically, proposed §602.17(a)(3)(ii) adds a new requirement for accrediting agencies to review an institution's "practices and capabilities regarding the administration of student aid programs." We ask the department to remove this provision on the grounds that it exceeds the department's authority, extends the accreditor's responsibilities beyond its expertise, and duplicates the activities of ED and the states. Further, this provision contradicts the administration's broader goals of avoiding duplication of effort.

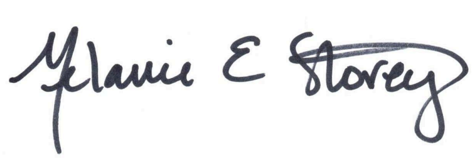
Section 1099b(g) states that, "Nothing in this Act shall be construed to permit the Secretary to establish criteria for accrediting agencies or associations that are not required by this section. Nothing in this Act shall be construed to prohibit or limit any accrediting agency or association from adopting additional standards not provided for in this section. Nothing in this section shall be construed to permit the Secretary to establish any criteria that specifies, defines, or prescribes the standards that accrediting agencies or associations shall use to assess any institution's success with respect to student achievement." As such, ED does not have the statutory authority to require, under § 602.17(a)(2)(ii), that accreditors review "an institution's practices and capabilities regarding the administration of student aid programs."

The Higher Education Act (HEA) established the "program integrity triad," comprising the Department of Education, state governments, and accreditors, each tasked with distinct oversight functions to monitor institutions that receive federal student aid. In the statute, the accreditor's role is to assess the quality of academic programs at institutions of higher education. Oversight of the federal student aid programs falls squarely within the Department of Education's purview in the HEA. If the department has concerns about institutions' practices and capabilities in administering student aid programs, it should examine whether it has sufficient oversight tools and capacity to address those concerns directly, rather than shifting that responsibility to accreditors.

This expansion of accreditor responsibility extends accreditor review beyond the bounds of accreditor expertise. Accreditors' core expertise lies in evaluating educational quality. Student aid administration is a distinct discipline governed by a dense and frequently shifting body of statute, regulation, and guidance. This concern is not meant to highlight a gap in accreditors' competence, but to reflect that student aid compliance sits outside the purpose accreditation agencies were created to serve. It is appropriate to require accreditors to examine institutions' records of compliance with student aid programs, as conditioned under 602.16(a)(1)(x). However, requiring accreditors to conduct any type of independent assessment of student aid administration veers too far outside of accreditors' purpose and scope, and would require accreditors to build technical competence in an entirely different field, and quickly, as this rule could go into effect as early as July 1, 2027.

NASFAA appreciates the opportunity to comment on this NPRM. The statutory triad assigns each entity a distinct role precisely because effective oversight depends on matching responsibility to expertise. Accreditors evaluate academic quality, states provide licensure and consumer protection, and the department oversees financial responsibility and administrative capability. Layering the department's responsibilities onto accreditors, an entity without specialized training to carry them out, undermines this structure rather than strengthening oversight. We ask that the department apply its own stated deregulatory principles by eliminating a review that duplicates the department's existing oversight of Title IV administrative capability. If you have any questions regarding these comments, please contact us or NASFAA's Senior Policy Analyst, Megan Walter, walterm@nasfaa.org.

Regards,



Melanie Storey
President and CEO, NASFAA