



WHAT HUMAN RESOURCES NEEDS TO KNOW ABOUT FINANCIAL AID PROFESSIONALS

FINANCIAL AID IS NOT JUST STUDENT SERVICE — IT'S COMPLIANCE, RISK MANAGEMENT, AND STRATEGY

Financial aid administrators manage millions in federal, state, and institutional funds. This office operates more like institutional finance or IT compliance than front-line student services. They ensure students receive timely, accurate aid and that institutions remain in good standing with U.S. Department of Education regulations. While they support students, their primary functions are compliance and stewardship, in addition to counseling.

KEY DISTINCTIONS FROM OTHER STUDENT SERVICES ROLES

Characteristic	Financial Aid Administrators	General Student Services
Federal Regulation Volume	Extensive: 1,500+ pages of federal statutes, regulations, and guidance	Minimal federal oversight
External Audits	Required annually	Rare
Data System Integration	Complex integration with federal and third-party data systems (e.g., COD, NSLDS, FPS, EdConnect, EDEExpress, NSC, ELM)	Often limited to campus systems
Impact of Errors	Severe: fines, repayment of funds, loss of Title IV eligibility	Primarily affects student experience and satisfaction
Decision-Making	Legally bound determinations on aid eligibility, dependency status, and fund disbursement	Guidance and support
Institutional Oversight	Enrollment reporting, Title IV reconciliation, compliance with federal statutes (e.g., FERPA, Clery, data security, fraud prevention)	Limited reporting; often internal
Strategic Enrollment Management	Access and affordability, leveraging aid strategies to influence yield, retention, and completion	Limited influence on enrollment trends or institutional financial strategy

KEY ATTRIBUTES OF SUCCESSFUL FINANCIAL AID PROFESSIONALS

- Regulatory fluency
- High attention to detail
- Data analysis skills
- Strong ethical judgment and discretion
- Project and process management
- Effective communication across institutional silos

INSTITUTIONAL RISK & STRATEGIC VALUE

- Aid administrators mitigate federal compliance risks through complex processes like Satisfactory Academic Progress, Return of Title IV Funds, and verification.
- They maximize institutional revenue through proper packaging strategies, enrollment management partnerships, and student retention.
- Misclassifying or under-resourcing these roles can lead to compliance violations and damage to reputation.
- Underclassification may result in the right people not being invited to the table and not having the authority they need to make crucial decisions.



WHAT CAN HR DO?

- Use appropriate job classifications that reflect technical and regulatory complexity.
- Align salary bands with other compliance-heavy roles (e.g., financial services, audit, IT).
- Support professional development, including certifications (e.g., NASFAA credentials and certification).
- Collaborate with financial aid leadership to design job postings, career ladders, and succession plans.



NATIONAL ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

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