



November 9, 2009

Dear Guaranty Agency Director:

You will recall that in my letter to you of September 29, 2009, I noted that we would be closely monitoring guaranty agency Federal and Operating fund balances to provide for early identification of areas of concern and to inform our oversight and technical assistance activities. We also noted that we would be issuing guidance on new reporting requirements that will support these enhanced monitoring activities. The purpose of this letter is to provide that guidance.

Under the Secretary's general oversight authority, we are asking each guaranty agency to provide to us, on a monthly basis, a report of the status of the agency's Federal and Operating funds established pursuant to requirements of the Higher Education Act and the Department's regulations. In an effort to minimize any burden associated with this more frequent reporting requirement we have created an Excel format reporting spreadsheet (see attachment) that, in general, includes the same data items (and definitions) that agencies currently include in their annual report submission to the Department. We understand that, unlike the required annual report, the information provided in these monthly reports are not subject to an independent audit. However, we do expect that the information submitted by the agency will be accurate as of the date of the report's submission and that the agency would, if requested, be able to provide documentation to support each item on the report.

Each monthly submission must include the previous months' data columns as shown on the spreadsheet. This will enable the Department to determine trends, anomalies, and other indicators of the status of the funds. Except for the report for the month of October 2009, the completed spreadsheet must be submitted no later than the 20th day of the month following the end of the reported month. Because of the delay in providing these instructions and the spreadsheet template, October information can be provided in the October columns along with the November report that is due no later than December 20, 2009.

Each monthly spreadsheet must be submitted to the Department as an attachment to an email addressed to monthly.report@ed.gov. The "Subject Line" of the email should indicate "GA Monthly Fund Report – <name of month>". The body of the email message must include the name of the agency and the name, phone number, and email address of an agency staff member who we can contact in the event we have questions on the content of the report. If appropriate, the agency may include notes and comments that the agency would like the Department to consider as we review the data on the report.

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In closing, I again want to assure you of the Department's commitment to our shared goal of protecting the interests of the millions of FFEL borrowers, as well as the interests of federal taxpayers. If you have any questions on this reporting requirement please contact the Monthly Reporting Team by email at monthly.report@ed.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "William J. Taggart". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William J. Taggart
Chief Operating Officer

Attachment: Reporting Excel Spreadsheet