

4000-01-U

DEPARTMENT OF EDUCATION

The Federal Student Aid Programs under Title IV of the Higher Education Act of 1965, as Amended

AGENCY: Department of Education

ACTION: Notice inviting letters of application for participation in the Quality Assurance Program.

SUMMARY: The Secretary of Education invites institutions of higher education that may wish to participate in the Quality Assurance Program, under section 487A(a) of the Higher Education Act of 1965, as amended (HEA), to submit a letter of application to participate in the program.

DATES: Letters of application may be submitted any time after [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Institutions may apply to participate in the Quality Assurance Program by addressing a letter of application electronically to Barbara Mroz, Federal Student Aid, U.S. Department of Education, and submitting this letter of application electronically to the Quality Assurance mailbox at: [Quality.Assurance@ed.gov](mailto:Quality.Assurance@ed.gov).

FOR FURTHER INFORMATION CONTACT: Warren Farr, Federal Student Aid, U.S. Department of Education, 830 First Street, NE., UCP-3, room 43H2, Washington, DC 20202-5232. Telephone: (202) 377-4380, or via the Internet: [Warren.Farr@ed.gov](mailto:Warren.Farr@ed.gov)

If you use a telecommunications device for the deaf (TDD), you may call the Federal Relay Service (FRS) at 1-800-877-8339.

Individuals with disabilities may obtain this document in an alternative format (e.g., Braille, large print, audio tape or computer diskette) on request by contacting the person listed under FOR FURTHER INFORMATION CONTACT.

SUPPLEMENTARY INFORMATION:

Background

Institutions of higher education are invited to join the Department in an effort to simplify regulations and administrative processes for the Federal Student Aid Programs authorized by Title IV of the Higher Education Act of 1965, as amended (HEA). The vision of the Quality Assurance Program is to provide tools that help all institutions of higher education participating in the Federal Student Aid programs to promote better service to students, compliance with Title IV requirements, and continuous improvement in program delivery. The Quality Assurance Program encourages and provides tools to assist participating institutions to develop and implement their own comprehensive systems to verify student financial aid application data, and continually assess compliance with Federal requirements.

The Secretary is authorized to waive for any institution participating in the Quality Assurance Program any regulations dealing with reporting or verification requirements, thus providing participating institutions with regulatory flexibility for the verification of student data, and encouraging alternative approaches that improve award accuracy.

The Secretary believes that the data provided to the Department by the institutions participating in the Quality Assurance Program has influenced Federal verification policies. Their work has addressed not only the accuracy of student aid awards and payments, but also the management of student aid offices and the delivery of services to students.

#### Features of the Program

The Quality Assurance Program gives institutions the tools and techniques to assess, measure, analyze, correct and prevent problems, and has provided them with data on which to base their decisions for solving problems and addressing verification outcomes.

The Secretary encourages institutions participating in the Quality Assurance Program to evaluate their verification policies and procedures and adopt improvements in those procedures. Institutions measure performance and test the effectiveness of their verification program by using the Department's Institutional Student Information Record (ISIR) Analysis Tool.

The ISIR Analysis Tool is a web-based software product that provides financial aid administrators with an in-depth analysis of their applicant population. It allows them to see not only which elements on the student's Free Application for Federal Student Aid (FAFSA) changed when verified, but also what impact these changes have upon the student's Expected Family Contribution (EFC) and aid eligibility. This analysis helps financial aid administrators develop a targeted institutional verification program, which ultimately makes the financial aid process easier for students, while ensuring accountability and integrity.

The Quality Assurance Program also helps institutions make improvements beyond verification. By using the FSA Assessments, schools can set goals for excellence through teamwork in all areas of financial aid delivery. Another benefit of participating in the program is the partnership between the Department and the participating institutions. Both parties become engaged in promoting integrity, stewardship and customer service in the administration and delivery of the student financial assistance programs, thereby producing a more positive customer experience.

#### Invitation for Applications

The Secretary invites institutions of higher education that administer one or more Title IV programs to submit a letter of

application to participate in the Quality Assurance Program. Institutions that currently participate in the program may continue to do so without submitting a new letter of application. The Secretary will review the letter of application, which should reflect the institution's commitment to:

- Improve the accuracy of institutional verification programs;
- Increase institutional flexibility in managing student aid funds, while maintaining accountability for the proper use of those funds; and
- Encourage the development of innovative management approaches to strengthen stewardship by using the FSA Assessments.

#### Review Process

The Department will screen prospective participants to determine if the institution meets general Title IV eligibility requirements and has a demonstrated record of program compliance. The Secretary may also consider the institution's performance with regard to financial responsibility, administrative capability, program review findings, audit findings, etc. as outlined in the regulations and in the Federal Student Aid Handbook.

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PROGRAM AUTHORITY: 20 U.S.C. 1094a

Dated:

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Bill Taggart,  
Chief Operating Officer  
Federal Student Aid.