



February 8, 2016

Docket ID: ED-2015-ICCD-0138

NASFAA Comments on Enterprise Complaint System  
U.S. Department of Education

On behalf of the National Association of Student Financial Aid Administrators (NASFAA), I am responding to your request for comment on the proposed enterprise complaint system in the *Federal Register* Notice published on December 10, 2015. NASFAA represents more than 20,000 financial aid administrators at approximately 3,000 colleges and universities; nine out of every 10 undergraduates attend NASFAA member institutions.

The Department of Education (ED) states that it will create a new responsive website to give students and borrowers a simple and straightforward way to file complaints and provide feedback about federal student loan lenders, servicers, collection agencies, and institutions of higher education.

The supporting documents provided on regulations.gov for comment include email templates and screenshots of the proposed complaint system submission process. Conspicuously absent is any information regarding ED's planned complaint resolution process, which is a key component in the complaint system initiative. Adequate due process for institutions must be incorporated into the resolution procedures and ED should solicit public comment as this process is developed.

More detailed comments are offered on the following pages. We appreciate the opportunity to offer these comments and we look forward to working with you on these important issues.

If you have any questions on any of our comments, please contact me at [mccarthyk@nasfaa.org](mailto:mccarthyk@nasfaa.org), or 202.785.6974.

Sincerely,

Karen McCarthy  
Senior Policy Analyst

## **NASFAA Comments, Concerns, and Questions**

### **General**

1. What will be included in the annual publication?
  - How and to whom will the publication be made available?
  - What data, specifically, will be included in the publication?
  - Will schools be identified and the nature of complaints against them described?
  - Will there be a threshold of complaints before a school is included in the publication?
  - Will the complete resolution process have occurred before it is included in the publication, and what due process will be used to ensure that a complaint is fair and valid?
  - Does ED plan to make complaints public separately from the annual publication in any way, such as a searchable online database?
2. Will complaints submitted through this system be fed into the new Student Aid Enforcement Unit for resolution and/or for follow-up investigation? If so, what conditions must be met for a complaint to rise to the level of Enforcement Unit involvement?
3. According to Supporting Statement Part A posted in the Regulations.gov docket for solicitation of comments, the first annual publication is scheduled on or before October 1, 2016. However, the presidential Memorandum on the Student Aid Bill of Rights requires ED to “publish a report summarizing and analyzing the content in and resolution of borrower complaints and feedback received through the process” beginning October 1, 2017, and continuing annually. Since two months from start of functionality to first publication seems too short a time to allow for collection of information and fair resolution of a complaint, are we correct to assume that October 1, 2016, is a misprint, which should be corrected to October 1, 2017?
4. In the *Federal Register*, ED states that the complaint system “will replace other currently existent but separately operated processes.” Which specific current processes will be replaced? Will there still be an ombudsman (it appears so from examples of FAQs)? Will it be an integral part of the complaint system, or how will it be distinguished from the complaint system?
5. Who will arbitrate between FSA and someone complaining that their complaint wasn’t handled or that they want a neutral third party, if FSA is taking complaints about FSA?

6. What consumer testing will be done on the complaint system website, and who will conduct it? Will consumer testing be complete before the website goes live?

### **Landing page**

1. The complaint and suspicious activity categories invite reports from other parties on behalf of the student. The compliment category does not.
  - Why can negative comments be second-hand but positive comments must be first-hand?
  - Does someone filing on behalf of someone else need that person's permission? If so, where is someone filing on behalf of another person told that and how is it verified?
2. Under "File a Complaint":
  - Will there be links to redirect individuals who need a different service, such as general inquiries or private education loans?
  - The screen includes a statement that the complaint system will not handle issues challenging the validity of federal law: Most people don't know what federal law requires or prohibits. As a result, this might yield "I need aid but they told me I couldn't have any" complaints from individuals who do not understand the statutory or regulatory requirements for the receipt of aid or calculation of EFC. Could there be links to someplace that explains, in plain language, the requirements?
  - How will the system prevent or weed out complaints that may be better addressed through other avenues, such as complaints about parking, cafeteria food, or heat in the dorms? A NASFAA member institution told us that one of the most frequent complaints on their school's annual student satisfaction survey is the speed at which the elevators operate. While these complaints may be indicative of issues at a school, they should rarely rise to the level of federal intervention.
3. Under "Report a Suspicious Activity":
  - What is a "suspicious activity?" Fraud and abuse are clearer terms.

### **Login Page: Complaint**

1. Text under "Log In with FSA ID" -- two sentences run together, or maybe just a missing word.

2. In column on right (Common Questions), “trouble making loan payment” appears twice. Are these just placeholders or the actual questions selected to appear here?
3. Under “Continue Without FSA ID” -- The distinctions between using an FSA ID and continuing without one (but with identifying information) are not completely clear:
  - In the fourth paragraph, it appears that with a Case ID number, the complainant can contact ED; how, if not online... by phone or letter?
  - Why could the complainant not conduct activity online with a Case ID? Will ED let him or her know what the resolution is?
4. Under “Continue Anonymously” – in the fourth paragraph the only alternate option explained is login with FSA ID. This should also point out the option of continuing without an FSA ID.

### **Login Page: Suspicious Activity**

1. Use of “your case” sounds a little intimidating, like there are personal consequences to reporting. Something like “your report” or “your information” might be less so.
2. The “Common Questions” section shows the same questions as for filing complaints. We assume that these are just placeholders and the sample questions presented here will be more related to suspicious activity.

### **Login Page: Compliment**

1. How will ED use compliments? Will they be included in the annual publication?

#### **2.1.1 Screenshot**

1. Under “Total amount of tuition paid – Paid by any government benefit” – will there be hover text to elaborate? Someone (especially if filing on behalf of someone else) could think this includes VA benefits or Title IV aid, even though they are listed separately further down.

#### **2.1.4 Table of Relationship to Complainant Values**

1. “Relative” should specify “other” (i.e., other than parent/guardian, child, sibling, significant other, or spouse, which are all separately listed).

2. “School representative” should specify other than financial aid office, which is separately listed.

### **3.1.3 Table of Complaint Categories**

1. Mentions receipt of grants and loans but not work-study.

### **3.1.4 Table of Complaint Subcategories**

1. The meaning of many of these terms will not be known to students or their families; the text needs to be more explanatory. Hover text might help but can be burdensome when there are so many potentially unknown words? Examples:
  - What distinguishes “completing the FAFSA” from “application error”? To what does application error refer, applicant error or processor error?
  - Dependency status (which is listed twice) is a well-known term to aid professionals, but will students or families know exactly what it entails? Use language that explains the subcategory more. For example, is this intended to refer to issues with the assumed relationship of the applicant to his or her parents?
  - How will applicants know what “professional judgement” means? And how does that differ from “documenting extenuating circumstances?”
  - Student eligibility – this encompasses a long list of requirements, which most applicants will not know.
  - Administrative capabilities – This term also has defined parameters in regulation which would be obscure to students and their families.