



CHIEF OPERATING OFFICER

August 20, 2010

Dear President:

As you may be aware, several institutions that participate in the federal student financial aid programs were the subject of a recent undercover investigation by the U.S. Government Accountability Office (GAO). The GAO's report revealed that misleading and erroneous information was being provided to potential students at all of the schools investigated. Worse, in several instances, recruiters and financial aid officers encouraged potential students to misrepresent or not report required information on their Free Application for Federal Student Aid (FAFSA).

Needless to say, the actions reported by the GAO are unacceptable. The Department takes seriously its commitment to the integrity of the student financial aid programs and will vigorously enforce all statutory and regulatory requirements. Institutions will be held accountable for the actions of their officers, employees, agents, and contractors who engage in practices that are in violation of the provisions of the law or regulations. Misrepresentation of information related to an institution's academic programs, the costs and outcomes of those programs, and the administration of the student aid programs could lead to institutional sanctions.

The overwhelming majority of postsecondary institutions adhere to the provisions of the law. To ensure that your institution is compliant I would ask that you share and discuss the contents of this letter with appropriate staff at your institution, including admissions representatives and financial aid staff. Your leadership is required to avoid inappropriate conduct by your staff that could lead to personal and institutional penalties.

Sincerely,

A handwritten signature in blue ink, reading "William J. Taggart".

William J. Taggart

cc: Financial Aid Director

830 First St. N.E., Washington, DC 20202
www.FederalStudentAid.ed.gov
1-800-4-FED-AID