



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE SECRETARY

FOIA Service Center

January 28, 2021

Mr. Austin R. Evers
Executive Director
American Oversight
1030 15th Street
Suite B255
Washington, DC 20002

RE: FOIA Request No. 19-02215-F

Dear Austin R. Evers:

This letter is a second interim response to your request for information pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, dated September 9, 2019 and received in this office on September 10, 2019. Your request was forwarded to the appropriate offices to search for documents that may be responsive to your request: Office of the Secretary (OS), Office of the General Counsel (OGC), Office of Communications and Outreach (OCO) and Federal Student Aid (FSA).

You requested:

- All email communications (including emails, email attachments, and calendar invitations) between (1) the Education Officials specified below and (2) registered lobbyists for PHEAA Scott Miller (smiller1@pheaa.org), Kathleen Smith (ksmith@pheaa.org), Robert Cameron (rcameron@pheaa.org), or David Urban (urban@acg-consultants.com).

Specified Education officials:

- i. Secretary Betsy DeVos, and any scheduler or assistant communicating on her behalf
- ii. Nate Bailey
- iii. Josh Venable
- iv. Robert Eitel
- v. Steven Menashi
- vi. Kathleen Smith
- vii. Mark LaVia
- viii. James Manning
- ix. Jana Toner
- x. Mark A. Brown

Please provide all responsive records from January 20, 2017, through the date the search is conducted.

An interim was sent to you on October 2, 2019 containing 4 pages of documents responsive to your request.

This interim concerns FSA. Attached via PAL Download are 469 pages of documents responsive to your request. The documents provided are:

➤ FSA Admin Search Results – 19-02215-F

However, certain information has been withheld according to FOIA exemptions (b)(4), (b)(5) and (b)(6), specified below:

- Proprietary information has been withheld under exemption (b)(4) of the FOIA, 5 U.S.C. § 552 of the FOIA. These provisions require us to withhold proprietary information, which, if disclosed, is likely to cause substantial competitive harm.
- Records or portions of records relating to certain intra-agency information is exempt from disclosure pursuant to 5 U.S.C. § 552(b)(5) of the FOIA. This exemption permits the withholding of inter- or intra-agency information that could be withheld under civil discovery, including information subject to the deliberative process, attorney-client, or attorney-work product privileges.
- Records or portions of records relating to personal information is exempt pursuant to 5 U.S.C. § 552 (b)(6) of the FOIA. Disclosure of this information would constitute a clearly unwarranted invasion of personal privacy.

At this time, the Department is continuing to process your request and your FOIA request case file remains open. It will not close until the Department provides you with a response regarding outstanding responsive documents. Our final release letter will contain information related to your appeal rights of agency decisions.

If you have any questions, please contact the FOIA Service Center at (202) 401-8365, or you may send an e-mail to EDFOIAManager@ed.gov.

Sincerely,

Sandra Lewandowski

Sandra Lewandowski
Government Information Specialist
Office of the Executive Secretariat

Enclosure

From: Scott E Miller
Sent: Saturday, March 11, 2017 9:49 AM
To: Smith, Kathleen
Subject: guidance

Here is the guidance we've received from FSA. Note that we are forbidden from posting information on websites or social media.

Let me know if you need additional information.

The information in this email is for use in responding to phone calls. It may also be used to respond to emails and chats with customers provided there are no changes made to the information and wording below. The information is not to be posted to websites or social media.

Students, parents, and borrowers are likely to contact your call center about the unavailability of the DRT. Please use the following language when answering questions about filing a FAFSA or applying for an income-driven repayment (IDR) plan:

SCRIPT

- ☐ The IRS DRT is down and will be unavailable for at least several weeks. You should complete your [FAFSA/IDR application] by manually providing your tax information.
- ☐ The online FAFSA and IDR plan applications remain operational.
- ☐ Applicants can continue filing the FAFSA and applying for an IDR plan as they normally would.
- ☐ The income information needed to complete the FAFSA and apply for an IDR plan can be found on the applicant's tax return.

*** Remind students and parents if they are filing a 2016-17 and 2017-18 FAFSA, 2015 tax information is required (not 2016).**

*** Remind borrowers if they are applying for an IDR plan that during the period when the IRS DRT is unavailable all borrowers will submit alternative documentation of income to their federal loans servicers after they complete and submit the online IDR application. The process for submitting the alternative documentation of income is explained to borrowers as part of the online IDR application. As a general rule, alternative documentation of income consists of copies of paystubs or tax returns.**

- a. If the applicant did not retain a copy of his or her tax return, he or she may be able to access the tax software used to prepare the return, or the applicant can contact his or her tax preparer for a copy.
- b. If the applicant is unable to get a copy of his or her tax return, the applicant can visit www.irs.gov/transcript for information about how to view and download or request a tax transcript.

□ If the customer asks why the IRS DRT is down, the CSR should say information about why the IRS disabled the tool is available on [StudentAid.gov](https://studentaid.gov) in the “Announcements” section. Emphasize that the applicant should not wait to file a FAFSA or apply for an IDR plan.

UPDATED STATEMENT (Issued March 9, 2017)

**Internal Revenue Service (IRS) and U.S. Department of Education Office of Federal Student Aid (FSA)
Statement about the IRS Data Retrieval Tool (DRT)**

The IRS Data Retrieval Tool on fafsa.gov and [StudentLoans.gov](https://studentloans.gov) is currently unavailable. We are working to resolve the issue as quickly as possible. However, at this time, the IRS anticipates the online data tool will be unavailable for several weeks.

This does not limit families’ ability to apply for aid. Applicants have other options while the data tool is unavailable. Applicants filling out the *Free Application for Federal Student Aid* (FAFSA) and applying for an income-driven repayment (IDR) plan can manually provide the requested financial information from copies of their tax returns. The online FAFSA and IDR application remain operational, and applicants can continue filing the FAFSA or applying for an IDR plan as they normally would.

As part of a wider, ongoing effort at the IRS to protect the security of data, the IRS decided to temporarily suspend the Data Retrieval Tool (DRT) as a precautionary step following concerns that information from the tool could potentially be misused by identity thieves. The scope of the issue is being explored, and the IRS and FSA are jointly investigating the issue. At this point, we believe the issue is relatively isolated, and no additional action is needed by taxpayers or people using these applications. The IRS and FSA are actively working on a way to further strengthen the security of information provided by the DRT. We will provide additional information when we have a specific timeframe for returning the DRT or other details to share.

Additional information for applicants:

The DRT provides tax data that automatically fills in information for part of the FAFSA as well as the IDR plan application.

The online FAFSA and IDR application remain operational. You can continue filing the FAFSA or applying for an IDR plan as you normally would.

The income information needed to complete the FAFSA and apply for an IDR plan can be found on your tax return. If you did not retain a copy of your tax return, you may be able to access the tax software you used to prepare your return or contact your tax preparer to obtain a copy.

If you are unable to get a copy of your tax return, you may visit www.irs.gov/transcript to view and download a summary of your tax return, called a tax transcript, at [Get Transcript Online](https://www.irs.gov/transcript). You must verify your identity to use this tool. You also may use [Get Transcript by Mail](https://www.irs.gov/transcript) or call 1-800-908-9946, and a transcript will be delivered to your address of record within five to 10 days.

For more information on or for help with:

- completing the FAFSA, visit [StudentAid.gov/fafsa](https://studentaid.gov/fafsa) or call 1-800-4FED-AID (1-800-433-3243).
- applying for an IDR, visit [StudentAid.gov/idr](https://studentaid.gov/idr).

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

Shawn Smeallie

From: Shawn Smeallie
Sent: Tuesday, April 18, 2017 9:57 AM
To: Manning, James
Cc: David Urban
Subject: RE: Student loans

Jim,

Just checking back in to see if you or someone there may have 20 minutes on Friday. Joe is also available Thursday afternoon as well, if that helps.

Thanks,

Shawn

From: Shawn Smeallie
Sent: Thursday, April 13, 2017 11:27 AM
To: 'james.manning@ed.gov'
Cc: David Urban
Subject: Student loans

Jim,

I am a partner at ACG, and we do some work with TSI, a private collection agency, that has been working with the Education Department for many years, and is well respected in the industry. The CEO of TSI, Joe Laughlin, will be in town on Friday, April 21st, and would love to speak to who may be handling the student loan portfolio issue over there. Joe is an alum of the Treasury Department, and has years in corporate finance. He has some interesting thoughts on how to improve on the system.

Let me know, when you can,

My best,

Shawn

Shawn Smeallie
Managing Partner
American Continental Group, Inc.
1800 M Street, NW
Suite 500 South
Washington, DC 20036
202-327-8100
202-327-8101 fax
(b)(6) cell

Scott E Miller

From: Scott E Miller
Sent: Friday, April 28, 2017 12:45 PM
To: Manning, James; Smith, Kathleen
Subject: FAFSA Masking -- thank you
Attachments: 042817 Preston to DeVos re FAFSA Masking.pdf

PHEAA appreciates that the Department has provided relief to state grant agencies from the masking of the order of students' choice of schools. Please see the attached letter, which is being sent today to Secretary DeVos.

Please do not hesitate to contact me if we can be of any assistance.

Thank you.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA



Office of the President and Chief Executive Officer
1200 North Seventh Street, Harrisburg, PA 17102

April 28, 2017

The Honorable Betsy DeVos
Secretary
United States Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Madam Secretary:

On behalf of the Pennsylvania Higher Education Assistance Agency (PHEAA), I would like to express our thanks for the Department of Education's recent decision to continue providing the student's FAFSA school list to state grant agencies in the order listed by each student. As one of the largest providers of need-based state grants in the nation, PHEAA joins its fellow members of the National Association of State Student Grant and Aid Programs (NASSGAP) in applauding your willingness to work with us on this issue. It is our hope that the decision announced on April 25, 2017 will be made permanent.

For PHEAA, having access to the order in which students select schools when they complete the FAFSA means that we can process and award Pennsylvania State Grants promptly and efficiently. For students, it means that they will have more certainty about their state grant awards and will have less paperwork to complete. The additional steps that would be required of students if the school listing were reordered by the Department could present barriers to students receiving their state grant funds. We were concerned that disadvantaged and vulnerable populations of grant recipients could be those who were most adversely affected by such requirements. We are pleased that these students will continue to have full access to their state grant funds.

PHEAA looks forward to working with you and the Department to fulfill our shared mission of ensuring access to postsecondary education.

Please do not hesitate to call upon me at (717) 720-2202 if I can be of any assistance.

Sincerely,

(b)(6)

(b)(6)

James L. Preston

JLP/lag

04/28/17 Preston to DeVos

Scott E Miller

From: Scott E Miller
Sent: Monday, June 19, 2017 9:46 AM
To: Manning, James
Cc: Smith, Kathleen
Subject: Urgent-- State Attorney General

Jim:

We have a matter to discuss with you that is very time sensitive and has nothing to do with the student loan servicing solicitation. We have received notice from a state Attorney General that they may take an action this week that will be harmful to both PHEAA and to ED/FSA. We would like to talk to you as soon as possible regarding appropriate reaction.

Please call Jim Preston (717-720-2202) or me (202-955-0055) as soon as possible to discuss.

Thank you very much.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

Walsh, Mark

From: Walsh, Mark
Sent: Friday, June 23, 2017 3:43 PM
To: Amy.Goheen; Andy Rogers (OSLA); Brenda Cox (CornerStone); Carl Casey (Nelnet); Dan Weigle; (b)(6)@mycornerstoneloan.org; FedLoanProgramManagement; Fred Crump; (b)(6)@Navient.com; Jen Burkey (Nelnet); Jennifer Farmer (MOHELA); jleta; JGolden@gsmr.org; Jleiti@glhec; Kevin.woods@Navient.com; kdavis; Blindquist@glhec.org; lswett@pheaa.org; Lutt, Kealyn; Mary Anne Evans; Matt.Stover; Paul Voight (MOHELA); svanorman; SButtrick@gsmr.org; Scott Miller; servicingriskmanagement; Tkielhofer; whall; Brown, Lenny; Bush, David; Kpangni, Patricia; Pilant, Nicholas; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Allen, Heather; Bean, Paul; Kang, Soo; Mahon, Karen; Reaves, Michelle; Brown, Annette; Dence, Ross; Dragoo, Janet; Johnson, Debbe; Lewey, Susan; Myers-Wright, Helena; Odom, Christian; Oldre, Lisa; Porter, Larry; Roberts, Sherika; Van Buren, Eric; Vann, Jason; Coates, Katherine; Fogle, Demetrias; Holloway, Destre; Honemann, Lauren; Moghaddam, George; Norris, Robert; Smith, Vernon; Wallace, Brenda; William, Karen; Wood, Michael; Young, Sally; LaVia, Mark; Curran, Frank D.; Jennings, Colby; Brooks, John; Kane, John; Battle, Cynthia; Bubel, Susan; Foss, Ian; Utz, Jon; Hough, Jana; Williamson, Kevin; Strambler, Christopher; Leifeste, Denise; Chialastri, Taneka
Cc: Debbie Phillips; Bill Alexander; Joshua Edwards; Kay Brezny; Kristina Krueger; LeAnne M. Russell; Shawn Bowen; Nannette Summers; Reggan D Nowlin; O'Daniel, Tonya; Kimberly L. Milliken; Tara Hurley; Jim Farha; Tonya Latham; Woolsey, Megan E; Donovan, Gerard; Brown, Jamie; Harkleroad, Josh; Matthew J Eshelman
Subject: All-Servicer Meeting 07-11-17

Good Afternoon –

As we prepare for the All-Servicer Meeting scheduled for Tuesday July 11th we invite you to submit questions to our presenters on their topics (listed below). You should email them directly but please cc: Mark.Walsh@ed.gov and Susan.Lewey@ed.gov.

Thanks!

Mark

-----Original Appointment-----

From: Walsh, Mark
Sent: Thursday, June 15, 2017 1:12 PM
To: Walsh, Mark; amy.goheen@nelnet.net; Andy Rogers (OSLA); Brenda Cox (CornerStone); Carl Casey (Nelnet); Dan Weigle; (b)(6)@mycornerstoneloan.org; FedLoanProgramManagement@pheaa.org; Fred Crump; (b)(6)@navient.com; Jen Burkey (Nelnet); Jennifer Farmer (MOHELA); Jessica Leta (ECSEI); JGolden@gsmr.org; Jill Leitl (Great Lakes); Kevin.Woods@Navient.com; Kristi Davis (EdFinancial); Lindquist, Brett; lswett@pheaa.org; Lutt, Kealyn; Mary Anne Evans; Matt Stover (Nelnet); Paul Voight (MOHELA); Sasha VanOrman; SButtrick@gsmr.org; Scott Miller; SRM Servicing Risk Management; Tammy Kielhofer; Wanda Hall (EdFinancial); Brown, Lenny; Bush, David; Kpangni, Patricia; Pilant, Nicholas; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Allen, Heather; Bean, Paul; Kang, Soo; Mahon, Karen; Reaves, Michelle; Brown, Annette; Dence, Ross; Dragoo, Janet; Johnson,

Debbe; Lewey, Susan; Myers-Wright, Helena; Odom, Christian; Oldre, Lisa; Porter, Larry; Roberts, Sherika; Van Buren, Eric; Vann, Jason; Coates, Katherine; Fogle, Demetrias; Holloway, Destre; Honemann, Lauren; Moghaddam, George; Norris, Robert; Smith, Vernon; Wallace, Brenda; William, Karen; Wood, Michael; Young, Sally; LaVia, Mark; Curran, Frank D.; Jennings, Colby; Brooks, John; Kane, John; Battle, Cynthia; Bubel, Susan; Foss, Ian; Utz, Jon; Hough, Jana; Williamson, Kevin; Strambler, Christopher; Leifeste, Denise; Chialastri, Taneka

Cc: Debbie Phillips; Bill Alexander; Joshua Edwards; Kay Brezny; Kristina Krueger; LeAnne M. Russell; Shawn Bowen; Nannette Summers; Reggan D Nowlin; O'Daniel, Tonya; Kimberly L. Milliken; Tara Hurley; Jim Farha; Tonya Latham; Woolsey, Megan E; Donovan, Gerard; Brown, Jamie; Harkleroad, Josh; Matthew J Eshelman

Subject: All-Servicer Meeting

When: Tuesday, July 11, 2017 1:00 PM-2:30 PM (UTC-06:00) Central Time (US & Canada).

Where:

(b)(6)

Agenda

1. Security Threats & Incidents [Kevin Williamson]
2. Alternative Documentation of Income (ADOI) for IDR [Cynthia Battle]
3. Third-Party Debt Relief Companies [Cynthia Battle]
4. Digital Signatures [Christian Odom]

We may add additional topics. Servicers - Please review the agenda and ensure that you have the correct folks on the call.

Thanks!

Mark C. Walsh | Supervisory Management and Program Analyst
Loan Servicing | Federal Student Aid | U.S. Dept. of Education
Kansas City, MO 64106 | Office: 816-268-0412 | Cell: 202-557-5850

Lewey, Susan

From: Lewey, Susan
Sent: Tuesday, June 27, 2017 7:58 AM
To: Walsh, Mark; Amy.Goheen; Andy Rogers (OSLA); Brenda Cox (CornerStone); Carl Casey (Nelnet); Dan Weigle; (b)(6)@mycornerstoneloan.org; FedLoanProgramManagement; Fred Crump; (b)(6)@Navient.com; Jen Burkey (Nelnet); Jennifer Farmer (MOHELA); jleta; JGolden@gsmr.org; Jleitl@glhec; Kevin.woods@Navient.com; kdavis; Blindquist@glhec.org; lswett@pheaa.org; Lutt, Kealyn; Mary Anne Evans; Matt.Stover; Paul Voight (MOHELA); svanorman; SButtrick@gsmr.org; Scott Miller; servicingriskmanagement; Tkielhofer; whall; Brown, Lenny; Bush, David; Kpangni, Patricia; Pilant, Nicholas; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Allen, Heather; Bean, Paul; Kang, Soo; Mahon, Karen; Reaves, Michelle; Brown, Annette; Dence, Ross; Dragoo, Janet; Johnson, Debbie; Myers-Wright, Helena; Odom, Christian; Oldre, Lisa; Porter, Larry; Roberts, Sherika; Van Buren, Eric; Vann, Jason; Coates, Katherine; Fogle, Demetrias; Holloway, Destre; Honemann, Lauren; Moghaddam, George; Norris, Robert; Smith, Vernon; Wallace, Brenda; William, Karen; Wood, Michael; Young, Sally; LaVia, Mark; Curran, Frank D.; Jennings, Colby; Brooks, John; Kane, John; Battle, Cynthia; Bubel, Susan; Foss, Ian; Utz, Jon; Hough, Jana; Williamson, Kevin; Strambler, Christopher; Leifeste, Denise; Chialastri, Taneka
Subject: RE: All-Servicer Meeting
Importance: High

All:

We have a room: UCP: 113D1 for the All-Servicer Meeting.

Thank you, Susan Lewey

-----Original Appointment-----

From: Walsh, Mark
Sent: Thursday, June 15, 2017 4:41 PM
To: Walsh, Mark; Amy.Goheen; Andy Rogers (OSLA); Brenda Cox (CornerStone); Carl Casey (Nelnet); Dan Weigle; (b)(6)@mycornerstoneloan.org; FedLoanProgramManagement; Fred Crump; (b)(6)@Navient.com; Jen Burkey (Nelnet); Jennifer Farmer (MOHELA); jleta; JGolden@gsmr.org; Jleitl@glhec; Kevin.woods@Navient.com; kdavis; Blindquist@glhec.org; lswett@pheaa.org; Lutt, Kealyn; Mary Anne Evans; Matt.Stover; Paul Voight (MOHELA); svanorman; SButtrick@gsmr.org; Scott Miller; servicingriskmanagement; Tkielhofer; whall; Brown, Lenny; Bush, David; Kpangni, Patricia; Pilant, Nicholas; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Allen, Heather; Bean, Paul; Kang, Soo; Mahon, Karen; Reaves, Michelle; Brown, Annette; Dence, Ross; Dragoo, Janet; Johnson, Debbie; Lewey, Susan; Myers-Wright, Helena; Odom, Christian; Oldre, Lisa; Porter, Larry; Roberts, Sherika; Van Buren, Eric; Vann, Jason; Coates, Katherine; Fogle, Demetrias; Holloway, Destre; Honemann, Lauren; Moghaddam, George; Norris, Robert; Smith, Vernon; Wallace, Brenda; William, Karen; Wood, Michael; Young, Sally; LaVia, Mark; Curran, Frank D.; Jennings, Colby; Brooks, John; Kane, John; Battle, Cynthia; Bubel, Susan; Foss, Ian; Utz, Jon; Hough, Jana; Williamson, Kevin; Strambler, Christopher; Leifeste, Denise; Chialastri, Taneka
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When: Tuesday, July 11, 2017 1:00 PM-2:30 PM (UTC-06:00) Central Time (US & Canada).
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(b)(6)

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We may add additional topics. Servicers - Please review the agenda and ensure that you have the correct folks on the call.

Thanks!

Mark C. Walsh | Supervisory Management and Program Analyst
Loan Servicing | Federal Student Aid | U.S. Dept. of Education
Kansas City, MO 64106 | Office: 816-268-0412 | Cell: 202-557-5850

<< OLE Object: Picture (Device Independent Bitmap) >>

Scott E Miller

From: Scott E Miller
Sent: Wednesday, June 28, 2017 4:29 PM
To: Manning, James; Smith, Kathleen
Subject: Massachusetts Attorney General -- Letter from Rep. Thompson
Attachments: Rep. Thompson Letter to Sec DeVos re MA AG.pdf

Attached is a letter that Rep. Glenn Thompson of Pennsylvania sent to Secretary DeVos today regarding the imminent action from the Massachusetts Attorney General. Rep. Thompson's letter reiterates PHEAA's view that FSA and its contractors are being put at risk by the intervention of state attorneys general into the TIVAS contract. It is possible that the Massachusetts Attorney General could issue a press release as early as tomorrow.

We respectfully request the the Department contact the Massachusetts Attorney General and become a party to all discussions in this matter. ED needs to protect the federal interest.

Please let me know if you have any questions.

Thank you

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

GLENN "GT" THOMPSON
5TH DISTRICT, PENNSYLVANIA

124 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3805
(202) 225-5121
(202) 225-5796 (FAX)

<http://thompson.house.gov>



Congress of the United States
House of Representatives

AGRICULTURE
*Chairman, Subcommittee on
Conservation and Forestry*
EDUCATION & THE WORKFORCE
NATURAL RESOURCES

June 28, 2017

The Honorable Betsy DeVos
Secretary
U.S. Department of Education
400 Maryland Avenue, SW
Washington, D.C., 20202

Dear Secretary DeVos:

I write to bring to your attention to a matter regarding the Pennsylvania Higher Education Assistance Agency (PHEAA). This issue also has broader implications for all federal student loan servicers.

PHEAA has been notified that the Attorney General of the Commonwealth of Massachusetts plans to announce an enforcement action against PHEAA, with associated penalties due to its role as a contracted servicer under the Federal Title IV Additional Servicers contract. PHEAA performs services under this contract as FedLoan Servicing.

As a federal contractor for the U.S. Department of Education (the Department), PHEAA deserves full cooperation and leadership from the Department in cases where an outside entity (in this case a State Attorney General) is examining practices directly related to its execution of a federal contract including its adherence to programmatic requirements and guidance received from the Department. PHEAA has already spent considerable time and resources responding to requests from the Massachusetts Attorney General and assisting them in understanding the complexities of student loan servicing. I believe it is incumbent upon the Department to provide guidance and work on behalf of its contractors to ensure consistent application of the regulations governing higher education lending. PHEAA has already received a subpoena from the New York State Attorney General on a similar matter and other federal loan servicers have also been scrutinized by other jurisdictions.

For these many reasons, I respectfully request that the Department immediately assert its authority in this matter and work with the aforementioned parties to bring about a timely resolution. Thank you for your attention to this matter, I look forward to your timely response.

Sincerely,

(b)(6)

Glenn "GT" Thompson
Member of Congress

Scott E Miller

From: Scott E Miller
Sent: Wednesday, July 19, 2017 12:28 PM
To: Smith, Kathleen
Subject: Fw: LHHS amendment
Attachments: IMG_0170.JPG; ATT00001.txt; IMG_0171.JPG; ATT00002.txt

Here ya' go. See page two, especially...

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

----- Forwarded by Scott E Miller/PHEAA on 07/19/2017 12:26 PM -----

FYI

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

Sent from my iPhone

NO

**AMENDMENT TO LABOR, HHS, EDUCATION
APPROPRIATIONS BILL
OFFERED BY MR. YOUNG OF IOWA**

Page 110, line 20, strike the period and inserting the following: “: *Provided*, That the Secretary shall allocate new student loan borrower accounts to eligible student loan servicers on the basis of their performance compared to all loan servicers utilizing established common metrics, and on the basis of the capacity of each servicer to process new and existing accounts: *Provided further*, That the Secretary shall allow student loan borrowers who are consolidating Federal student loans to select from any student loan servicer to service their new consolidated student loan.”

At the appropriate place in the Committee Report, insert the following:

The Committee supports the Department's efforts to improve and streamline the student loan servicing process in order to improve borrower experience and reduce student delinquencies and defaults. However, the Committee is concerned that the current solicitation could jeopardize the quality of service to borrowers by limiting competition

— PHIAA is competing for this

to just one servicer and thus creating a government-funded monopoly for one company for what should be a competitive contract by a performance-based organization. The Committee is also concerned that the Department has repeatedly ignored the expressed intent of Congress, incorporated in both statutory and committee and conference committee report language over several years, that the Department include nonprofit state-based entities as student loan servicers. The Committee directs the Secretary to halt work on the current solicitation until Congress has had the opportunity to review and revise the student loan servicing provisions in the Higher Education Act of 1965, as amended, via the reauthorization process. Until that time, however, the Secretary shall extend the current student loan servicing contracts. Until a new servicing contract is fully implemented, the Committee directs the Department to continue allocating accounts based on performance and to allow borrowers to select any one of the nine servicers for their loan consolidation. The Committee also directs the Department to develop a common operations manual, with input from all current servicers, to ensure uniform borrower experiences no matter their servicer.



From: James.Manning@ed.gov
Sent: Wednesday, August 23, 2017 7:19 PM
To: Scott E Miller
Subject: Re: Massachusetts Attorney General

Thanks.

Sent from my iPhone

> On Aug 23, 2017, at 3:47 PM, Scott E Miller <smiller1@pheaa.org> wrote:
>
> I wanted to make sure that you saw that the Massachusetts Attorney has officially filed an action against PHEAA in its role as a TIVAS. As you'll note, the majority of allegations relate to PSLF and TEACH. We continue to argue that what they really don't fully grasp is that we are bound to service all borrowers in accordance with our loan servicing contracts and the Department's rules.
>
> Below is a link to their press release and a copy of the action.
>
> We would be glad to discuss this in more detail so that we can work together on this and what are certain to be other future interventions from various states.
>
> Thank you.
>
> Scott
>
> <http://www.mass.gov/ago/news-and-updates/press-releases/2017/2017-08-23-pheaa-lawsuit.html>
>
>
>
> Scott E. Miller
> Senior Vice President and Director of Federal Relations > Pennsylvania Higher Education Assistance Agency (PHEAA) > 202-955-0055 > smiller1@pheaa.org > _____ > This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.
>
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>
> Code:PHEAA
> <Com_. of MA v. PHEAA - Complaint 8.23.17.pdf>

Manning, James

From: Manning, James
Sent: Wednesday, August 23, 2017 7:19 PM
To: Scott E Miller
Subject: Re: Massachusetts Attorney General

Thanks.

Sent from my iPhone

> On Aug 23, 2017, at 3:47 PM, Scott E Miller <smiller1@pheaa.org> wrote:

>

> I wanted to make sure that you saw that the Massachusetts Attorney has officially filed an action against PHEAA in its role as a TIVAS. As you'll note, the majority of allegations relate to PSLF and TEACH. We continue to argue that what they really don't fully grasp is that we are bound to service all borrowers in accordance with our loan servicing contracts and the Department's rules.

>

> Below is a link to their press release and a copy of the action.

>

> We would be glad to discuss this in more detail so that we can work together on this and what are certain to be other future interventions from various states.

>

> Thank you.

>

> Scott

>

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> Code:PHEAA

> <Com_. of MA v. PHEAA - Complaint 8.23.17.pdf>

Scott E Miller

From: Scott E Miller
Sent: Wednesday, September 6, 2017 4:28 PM
To: Manning, James; Smith, Kathleen
Subject: Follow Up

First, I want to thank you very much for meeting with me today. I am very glad that the cone of silence has been lifted for now and that we can communicate directly.

I briefed Jim Preston on our discussion and we both appreciate your willingness to get involved in our issues with the Massachusetts Attorney General. I've asked our General Counsel to put together a briefing document that I hope to send to you this week. The document will summarize our dealings with the MA AG and provide an update on the current legal status.

I have confirmed that Brian Siegal was a part of conference calls with the MA AG and PHEAA, but my understanding is that he did not state a specific position on behalf of the Department.

We will keep you posted of any further developments with MA or any other state. I did not mention that we already have a subpoenas from the New York State AG, related to PSLF.

Please let me know what else you need from PHEAA.

Thank you again!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Tuesday, September 12, 2017 3:30 PM
To: Manning, James; Kathleen.smilt@ed.gov
Subject: Follow up regarding MA Attorney General
Attachments: Summary -- MA AG and PHEAA -- September 12, 2017.docx; Com_. of MA v. PHEAA - Complaint 8.23.17.pdf; MA AG - Term Sheet -- 6-27-17.pdf

As a follow up to our discussion, attached is a summary of PHEAA's interactions with the Massachusetts Attorney General's office and the current status of the action filed by the Attorney General. I hope this is helpful as you further explore the Department's involvement in this matter.

I have also provided copies of the August complaint and the June "term sheet".

Please let me know if you have any questions or if you would like to speak with individuals at PHEAA who have been more directly involved in this matter.

Thank you very much.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Tuesday, September 19, 2017 7:26 AM
To: Smith, Kathleen
Subject: Re: lunch

Understood. Tell me what works best for you next week. Tuesday is the only problem day for me, but I could meet you after 1:00 pm.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

From: "Smith, Kathleen" <Kathleen.Smith@ed.gov>
To: "smiller1@pheaa.org" <smiller1@pheaa.org>
Date: 09/18/2017 06:46 PM
Subject: [external]lunch

HI – need to reschedule – have been assigned to a meeting I Have to go to.....sorry
Does a day next week work

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Monday, September 25, 2017 11:43 AM
To: Smith, Kathleen
Subject: rescheduling

Just checking to see if we can reschedule our meeting. Any chance that Thursday afternoon might work for you? Or, just let me know what does work.

Thanks!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
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smiller1@pheaa.org

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Wednesday, October 4, 2017 12:35 PM
To: Smith, Kathleen
Subject: Senate Letter
Attachments: Senate Dem -- FedLoan Letter to DeVos Final (October 2017).pdf

I was provided a copy of the attached letter regarding PHEAA and the Massachusetts AG. It is expected to be signed by several D Senators and be released Thursday or Friday. I thought you might want to see it in advance.

Also, hoping we can reschedule for sometime soon -- maybe next week?

Thanks

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
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smiller1@pheaa.org

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Code:PHEAA

September XX, 2017

The Honorable Betsy DeVos
Secretary of Education
U.S. Department of Education
400 Maryland Ave. S.W.
Washington, D.C. 20202

Dear Secretary DeVos:

We write to raise serious concerns with the Pennsylvania Higher Education Assistance Agency's (FedLoan's) loan servicing practices impacting borrowers enrolled in the Public Service Loan Forgiveness (PSLF) and TEACH Grant programs, as well as allegations that FedLoan overcharged borrowers enrolled in income-driven repayment plans. FedLoan's alleged misconduct¹ may have cost military servicemembers, first responders, teachers, and other public servants thousands of dollars in unnecessary payments and months of delays in loan forgiveness. The Department of Education is responsible for oversight and supervision of designated federal loan servicers, and the exercise of this authority is critical to ensuring that federal student loan servicers meet their legal obligations to borrowers, taxpayers, and the federal government.

As you know, PSLF provides federal student loan forgiveness to borrowers that work in public service fields after ten years of qualifying on-time monthly payments. From military servicemembers and first responders to teachers and public health workers, these public servants have dedicated their lives to bettering their communities and their country, often for lower pay than they could receive for work in the private sector. PSLF provides an important incentive that allows highly qualified individuals to pursue public service careers which may otherwise be economically infeasible due to the rising cost of higher education and mounting student debt.

FedLoan has obtained an exclusive contract with the federal government to administer the PSLF program and associated income-driven repayment plans. However, a recent lawsuit filed by the State of Massachusetts alleges that FedLoan has failed to process PSLF applications and recertifications in a timely manner. For those borrower accounts subject to lengthy servicing delays, FedLoan has often placed accounts into forbearance and prevented borrowers from

¹ See e.g., Suffolk County Superior Court. *Commonwealth of Massachusetts v. Pennsylvania Higher Education Assistance Agency*. 23 Aug. 2017. <http://www.mass.gov/ago/docs/consumer/com-of-ma-v-pheaa-complaint-8-23-17.pdf>, and Consumer Financial Protection Bureau. "Staying on Track While Giving Back," 21. June 2017. http://files.consumerfinance.gov/f/documents/201706_cfpb_PSLF-midyear-report.pdf.

making qualifying payments that count towards loan forgiveness.² This unfair practice prolongs borrowers' indebtedness and imposes significant costs on a group of student loan borrowers who typically earn less than \$50,000 per year.³

These concerns are also highlighted in the Consumer Financial Protection Bureau's (CFPB) June 2017 report on student loans and the PSLF program, which states that current loan servicing practices "may inhibit borrowers seeking to exercise their rights under federal law to a range of different benefits and consumer protections, including programs designed to protect active duty servicemembers, veterans, teachers, nurses, first responders, and other student loan borrowers working in public service."⁴

Allegations of FedLoan's misconduct are not limited to the PSLF program. TEACH grants provide funding to students looking to pursue a career in teaching, provided that they teach in a high-need field, at a school or district that serves low-income students, and for at least four of the eight years after degree completion. If grant recipients fail to meet these conditions, the grants are converted to loans that must be repaid. Because of FedLoan's alleged failures and delays in processing applications and recertifications, teachers who satisfied all of the requirements of the TEACH grant program are now being forced to repay their grants as loans.⁵ If true, this abhorrent practice results in teachers who were promised grants if they met their obligations under the contract being forced to repay loans that they never borrowed causing substantial undue financial hardship. This would constitute an unconscionable bait and switch on ambitious graduates entering one of the most important professions to the future of our nation.

In addition to the aforementioned issues with the PSLF and TEACH programs, the State of Massachusetts alleges that logic errors in FedLoan's billing system has led to the servicer overcharging thousands of borrowers and sending bills and collection notices to borrowers when no balance was due.⁶ Despite FedLoan's knowledge of their error, they have not offered refunds to impacted borrowers. Instead FedLoan chose to retain the money and apply it towards borrowers' accounts without receiving consent. If these borrowers were overcharged due to systemic errors on the part of FedLoan, then they should be promptly notified and provided the option of receiving refunds or having the money applied towards their accounts.

We find reports of these problems particularly concerning in light of the Administration's request to eliminate the PSLF program, the Department's recent decision to terminate its relationship with the CFPB in connection with the oversight of federal student loans⁷, and your

² Suffolk County Superior Court. *Commonwealth of Massachusetts v. Pennsylvania Higher Education Assistance Agency*. 23 Aug. 2017. <http://www.mass.gov/ago/docs/consumer/com-of-ma-v-pheaa-complaint-8-23-17.pdf>.

³ Consumer Financial Protection Bureau. "Staying on Track While Giving Back," 21. June 2017. http://files.consumerfinance.gov/f/documents/201706_cfpb_PSLF-midyear-report.pdf.

⁴ *ibid.*

⁵ Suffolk County Superior Court. *Commonwealth of Massachusetts v. Pennsylvania Higher Education Assistance Agency*. 23 Aug. 2017. <http://www.mass.gov/ago/docs/consumer/com-of-ma-v-pheaa-complaint-8-23-17.pdf>.

⁶ *ibid.*

⁷ U.S. Department of Education. "Letter to CFPB Signed by Kathleen Smith and A. Wayne Johnson." Aug. 2017. Washington, D.C. https://edworkforce.house.gov/uploadedfiles/2017-09-01_signed_letter_to_cfpb.pdf.

rescission of memoranda establishing more stringent consumer protection and accountability standards through the procurement process for federal loan servicers.

Borrowers enrolled in the PSLF program will begin submitting applications for loan forgiveness for the first time in October. The Department's recent actions and the alleged failures of federal loan servicers raise serious concerns that the Department is neither committed nor equipped to provide adequate resources and ensure appropriate oversight of the PSLF program. The proper administration of PSLF is especially critical as borrowers begin the loan forgiveness process and thousands more look to continue their participation in federal loan repayment programs serviced by FedLoan.

As such, we urge the Department of Education to promptly take the following steps to mitigate any harm caused to borrowers participating in federal loan repayment programs serviced by FedLoan and ensure that borrowers are adequately protected from this point forward:

- Conduct a thorough investigation of alleged failures at FedLoan and other federal student loan servicers;
- Should the Department identify improper or illegal conduct, take necessary enforcement actions in conjunction with the Department of Justice, the CFPB, and any other appropriate federal or state agencies;
- Reestablish a relationship with the CFPB to ensure that student loan borrowers are adequately protected by reversing the rescission of the Memoranda of Understanding with the CFPB dated October 11, 2011 and January 9, 2014;
- Provide a written explanation of how the Department plans to process complaints by borrowers enrolled in FedLoan programs;
- Ensure that borrowers who receive inaccurate information regarding prior eligibility for the PSLF program or are subject to recertification delays are credited for any on-time payments;
- Reissue previously rescinded memoranda that strengthened transparency, borrower protections, and accountability through the procurement process and clearly evaluated federal loan servicing applicants based on their history and ability to serve borrowers;
- Provide a written explanation of the Department's current efforts to protect borrowers through the procurement process following the withdrawal of its most recent proposal to award a contract to a single company to service all federal student loans.

Thank you for your attention to this important matter, and we look forward to receiving a written response to our requests by XXXX. We look forward to working with you to strengthen protections for federal student loan borrowers and grant recipients.

Sincerely,

CC: A. Wayne Johnson, Chief Operating Officer, Office of Federal Student Aid

Scott E Miller

From: Scott E Miller
Sent: Tuesday, December 19, 2017 9:36 AM
To: Manning, James; Smith, Kathleen
Subject: Fw: Conn. Department of Banking - Request for Access to Records of PHEAA

Below is an email chain that began with a note from the Connecticut Department of Banking. The short story is that FSA has not responded to their request for data regarding PSLF borrowers. In response, Connecticut is threatening to take away our ability to service loans in that state. This is a great example of states overstepping their bounds – they are going to punish a Department of Ed contractor over a dispute with FSA.

I thought it would be helpful for you to see this, as you contemplate acting in this space. As we all know, CT is just the tip of the iceberg.

Please let me know if you have any questions.

Happy Holidays!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

----- Forwarded by Scott E Miller/PHEAA on 12/19/2017 09:30 AM -----

From: James J Jarecki/AES
To: James Preston/PHEAA@pheaa
Cc: Scott E Miller/PHEAA@pheaa
Date: 12/19/2017 09:01 AM
Subject: Conn. Department of Banking - Request for Access to Records of PHEAA

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Mr. Preston:

Consistent with your request for continuing legal guidance, below please find my legal opinion.

(b)(4)

(b)(4)

Happy to meet further to discuss if necessary.

James J. Jarecki, Esq.
Associate Chief Counsel
AES/PHEAA Legal & Compliance Services
1200 N. 7th Street
Harrisburg, PA 17102
telephone # (717) 720-1568
fax # (717) 720-3911

----- Forwarded by James J Jarecki/AES on 12/19/2017 08:52 AM -----

From: "Serrano, Stacey" <Stacey.Serrano@ct.gov>
To: "jjarecki@pheaa.org" <jjarecki@pheaa.org>
Cc: "Lalor, Richard" <Richard.Lalor@ct.gov>
Date: 12/18/2017 02:31 PM
Subject: [external]Request for Access to Records of PHEAA

Mr. Jarecki,

On November 3, 2017, in connection with an examination being conducted of the Pennsylvania Higher Education Assistance Agency ("PHEAA") by the Connecticut Department of Banking ("Department"), this Department requested access to certain records pertaining to student education loans serviced by PHEAA. In response to such request, by letter dated November 9, 2017, you indicated that PHEAA had been expressly instructed by the Department of Education ("DOE") to not release any data or documentation related to the Public School Loan Forgiveness Program and recommended that we speak with Ms. Soo Kang or Ms. Karen Mahon of DOE.

As you are aware, to facilitate the production of such records, the Department heeded your suggestion and has repeatedly contacted Ms. Soo Kang and Ms. Karen Mahon by e-mail and voicemail, to no avail. As a licensee with the Department, PHEAA must adhere to Connecticut's statutory requirements governing student loan servicers. Such requirements include, but are not limited to, providing unrestricted access to records in connection with an examination or investigation pursuant to Sections 36a-17 and 36a-851 of the Connecticut General Statutes. Unrestricted access to servicing records of Connecticut student loan borrowers is of utmost importance to the ability of this Department to effectively supervise its student loan servicer licensees and perform its statutory mandates.

We would be happy to participate in any discussions necessary to gain access to such records but will no longer initiate communications to DOE on your behalf. Since PHEAA is a licensee of the Department and the entity ultimately responsible for compliance with Connecticut student loan servicing laws, it is incumbent on PHEAA to take the necessary steps to ensure the production of the requested records, including obtaining any approvals from its clients in order to disclose the requested records to the Department in connection with the examination. Further, please be aware that the Department has previously been informed by DOE that access to student loan records in connection with an examination of a licensee is a permitted routine use of such information. Disclosure of such information to the Department in this instance would also appear to be a routine use of records, as the Department is requesting such records in connection with its regulatory authority over PHEAA, a licensed student loan servicer in Connecticut.

Accordingly, pursuant to Sections 36a-17 and 36a-851 of the Connecticut General Statutes, we are reiterating the request for records in connection with the Department's examination of PHEAA made by e-mail from Mr. Richard Lalor dated November 3, 2017. Such production shall be made no later than January 5, 2018. You are further advised that failure to provide such information may result

in administrative action against PHEAA, including but not limited to suspension of your student loan servicer license in Connecticut.

Stacey L. Serrano

Staff Attorney
State of Connecticut
Department of Banking
260 Constitution Plaza
Hartford, CT 06103
(tel) 860-240-8202
(fax) 860-240-8159

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Thursday, December 21, 2017 9:04 AM
To: Manning, James; Smith, Kathleen
Subject: Fw: Conn. Department of Banking - Request for Access to Records of PHEAA

A bit of additional information for you. Here is the count of borrowers, loans, and dollars we service for FSA for Connecticut residents. As Bob Moran pointed out to me, these borrowers would all face risk of defaulting if we are not permitted to service their loans.

FLS CT BORROWERS
as of 11/30/2017

# Borrowers	# Loans	Principal Balance
81,953	397,059	\$ 3,278,022,977.20

Please let me know if you have any questions.

Happy Holidays!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

----- Forwarded by Scott E Miller/PHEAA on 12/21/2017 09:02 AM -----

From: Scott E Miller/PHEAA
To: james.manning@ed.gov, Kathleen.smith@ed.gov
Date: 12/19/2017 09:36 AM
Subject: Fw: Conn. Department of Banking - Request for Access to Records of PHEAA

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Happy Holidays!

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Date: 12/19/2017 09:01 AM
Subject: Conn. Department of Banking - Request for Access to Records of PHEAA

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Mr. Preston:

Consistent with your request for continuing legal guidance, below please find my legal opinion.

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Thursday, December 21, 2017 4:12 PM
To: Smith, Kathleen
Subject: Re: RE: Conn. Department of Banking - Request for Access to Records of PHEAA

Thanks!!

Have a very very Merry Christmas!!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

From: "Smith, Kathleen" <Kathleen.Smith@ed.gov>
To: Scott E Miller <smiller1@pheaa.org>
Date: 12/21/2017 03:29 PM
Subject: [external]RE: Conn. Department of Banking - Request for Access to Records of PHEAA

thanks, sorry for the delay – will be in touch ☺

thanks

From: Scott E Miller [<mailto:smiller1@pheaa.org>]
Sent: Thursday, December 21, 2017 9:04 AM
To: Manning, James; Smith, Kathleen
Subject: Fw: Conn. Department of Banking - Request for Access to Records of PHEAA

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Mr. Preston:

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Happy to meet further to discuss if necessary.

James J. Jarecki, Esq.
Associate Chief Counsel
AES/PHEAA Legal & Compliance Services
1200 N. 7th Street
Harrisburg, PA 17102
telephone # (717) 720-1568
fax # (717) 720-3911

----- Forwarded by James J Jarecki/AES on 12/19/2017 08:52 AM -----

From: "Serrano, Stacey" <Stacey.Serrano@ct.gov>
To: "'jjarecki@pheaa.org'" <jjarecki@pheaa.org>
Cc: "Lalor, Richard" <Richard.Lalor@ct.gov>
Date: 12/18/2017 02:31 PM
Subject: [external]Request for Access to Records of PHEAA

Mr. Jarecki,

On November 3, 2017, in connection with an examination being conducted of the Pennsylvania Higher Education Assistance Agency ("PHEAA") by the Connecticut Department of Banking ("Department"), this Department requested access to certain records pertaining to student education loans serviced by PHEAA. In response to such request, by letter dated November 9, 2017, you indicated that PHEAA had been expressly instructed by the Department of Education ("DOE") to not release any data or documentation related to the Public School Loan Forgiveness Program and recommended that we speak with Ms. Soo Kang or Ms. Karen Mahon of DOE.

As you are aware, to facilitate the production of such records, the Department heeded your suggestion and has repeatedly contacted Ms. Soo Kang and Ms. Karen Mahon by e-mail and voicemail, to no avail. As a licensee with the Department, PHEAA must adhere to Connecticut's statutory requirements governing student loan servicers. Such requirements include, but are not limited to, providing unrestricted access to records in connection with an examination or investigation pursuant to Sections 36a-17 and 36a-851 of the

ED-19-1137-B-000038

Connecticut General Statutes. Unrestricted access to servicing records of Connecticut student loan borrowers is of utmost importance to the ability of this Department to effectively supervise its student loan servicer licensees and perform its statutory mandates.

We would be happy to participate in any discussions necessary to gain access to such records but will no longer initiate communications to DOE on your behalf. Since PHEAA is a licensee of the Department and the entity ultimately responsible for compliance with Connecticut student loan servicing laws, it is incumbent on PHEAA to take the necessary steps to ensure the production of the requested records, including obtaining any approvals from its clients in order to disclose the requested records to the Department in connection with the examination. Further, please be aware that the Department has previously been informed by DOE that access to student loan records in connection with an examination of a licensee is a permitted routine use of such information. Disclosure of such information to the Department in this instance would also appear to be a routine use of records, as the Department is requesting such records in connection with its regulatory authority over PHEAA, a licensed student loan servicer in Connecticut.

Accordingly, pursuant to Sections 36a-17 and 36a-851 of the Connecticut General Statutes, we are reiterating the request for records in connection with the Department's examination of PHEAA made by e-mail from Mr. Richard Lalor dated November 3, 2017. Such production shall be made no later than January 5, 2018. You are further advised that failure to provide such information may result in administrative action against PHEAA, including but not limited to suspension of your student loan servicer license in Connecticut.

Stacey L. Serrano

Staff Attorney
State of Connecticut
Department of Banking
260 Constitution Plaza
Hartford, CT 06103
(tel) 860-240-8202
(fax) 860-240-8159

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Friday, January 26, 2018 7:37 AM
To: Manning, James
Subject: Fw: Meeting with Jim Preston?

I now see that you had a pretty busy day yesterday. Congratulations (I think!) on your return to FSA. We look forward to the chance to work closely with you again on the many items on FSA's and our plates. We do have a perspective on how FSA is working and some of the changes for the better that we've seen over the past few months.

Again, if there's any way you can find time to meet with Jim Preston and me -- either next Friday or in the coming weeks -- please let me know.

All best wishes in your new role!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

----- Forwarded by Scott E Miller/PHEAA on 01/26/2018 07:33 AM -----

From: Scott E Miller/PHEAA
To: james.manning@ed.gov
Date: 01/25/2018 10:17 AM
Subject: Meeting with Jim Preston?

Jim Preston will be in DC on Friday and was wondering if you might have time free for him to come by to meet. I know he has some issues he'd like to raise with you including the federal preemption issue, the current state of affairs in the world of guaranty agencies, and some items that seem to be inhibiting us on the state grant side of the house.

Is there any chance that you would have time on Friday, February 2nd at 1:30 or 2:00?

If that does not work, maybe we could figure something out over next few weeks.

Hope all is well!

Thank you

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations

Pennsylvania Higher Education Assistance Agency (PHEAA)
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smiller1@pheaa.org

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From: Scott E Miller
Sent: Wednesday, February 14, 2018 4:41 PM
To: Smith, Kathleen
Cc: Manning, James
Subject: PSLF Answers

As always, Jim Preston and I were very pleased to be able to meet with you on Monday. We really appreciate you giving us so much time.

During our discussion, you asked a number of questions regarding the processing of PSLF forgiveness applications. Below are the answers to a number of those questions. We, of course, have folks who can provide much greater detail.

Please let me know if you more on these items or on any other matter.

Scott

- **Information related to the number of forgiveness applications received and processed by FedLoan and those approved by FSA.**

All data reflects information from our receipt of the first application for forgiveness (in September) through January 31, 2018.

This table reflects the status of all PSLF applications received through January 31, 2018, as reported to FSA through CR 4522.

Application Status	Unique Borrowers
Total Applications Received	10,181
Processing is Complete on the Application	9,009
Processing is Outstanding on the Application	1,312

Completed Applications	Unique Borrowers
FedLoan Approvals	89
FedLoan Denials	8,257*
Pending Transfers	630

Denial Types	Unique Borrowers
Application Denial	4
Employer Not Eligible	178
Employment Dates	166
Incorrect Form Type	5
Loan Status	61
Missing Information	2,622
No Eligible Loans	2,016
Qualifying Payments	3,603

*Borrowers may have submitted multiple applications which are in various statuses. Additionally, borrowers can receive multiple denial reasons. They are reflected distinctly below ONLY when the denial type is unique.

- **How many total borrowers have had loans forgiven to date?**

This table reflects the write-offs completed through January 31, 2018, as reported to FSA.

Borrowers	Principal Forgiven	Interest Forgiven
8	\$ 541,943.26	\$ 187,237.62

NOTE: 60 additional borrowers (in addition to the 8 discharged and as a subset of the 89 approved above) had been submitted to FSA through the bi-weekly write-off reporting by January 31, 2018.

- **Who at FSA approves loan forgiveness applications submitted by FedLoan?**

We believe Taneka Chialastri on Cindy Battle's team is reviewing the pre-approval and write-off requests, in collaboration with Margaret Ayanian and her team, who is now managing all PHEAA interactions between FSA and FedLoan related to PSLF. (As an aside, we do not believe that Ian is part of the approval loop.)

- **How and how often are forgiveness application data transmitted to FSA?**

FedLoan submits bi-weekly emails to FSA with spreadsheets that include the following information for each forgiveness application that FedLoan has determined meets the criteria for discharge. We also submit a similar spreadsheet for borrowers who have reached 108 qualifying payments, to allow FSA to provide "pre-approval" (although the actual approval process is separate at 120 months). No discharge is processed until FSA provides specific authorization. This process and the data elements were specified in a Change Request (CR) that was given final approval by FSA sometime in mid-October.

As required under FSA CR 3757, when submitting discharge requests to FSA, PHEAA includes the following in our system-generated reporting:

- SERVICER NAME
- DATE GENERATED
- DATE SUBMITTED
- BORROWER FIRST NAME
- BORROWER LAST NAME
- SSN
- LOAN SEQUENCE
- AWARD ID
- NUMBER OF PSLF QUALIFYING PAYMENTS
- EXPECTED PSLF ELIGIBILITY DATE
- LOAN TYPE
- LOAN PROGRAM
- CURRENT REPAYMENT PLAN
- CURRENT INSTALLMENT AMOUNT
- EFFECTIVE LOAN ADD DATE
- ESTIMATED FORGIVENESS DATE
- DATE LOAN FIRST ENTERED REPAYMENT
- FIRST PSLF QUALIFYING PAYMENT DATE
- CURRENT PBO
- CURRENT IRB

- ESTIMATED PBO AT FORGIVENESS
- ESTIMATED INTEREST AT FORGIVENESS
- ORIGINAL LOAN AMOUNT
- PRE-APPROVAL DATE
- QUALITY CHECK DATE

Scott E. Miller
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Scott E Miller

From: Scott E Miller
Sent: Thursday, February 15, 2018 11:17 AM
To: Smith, Kathleen
Cc: Diane Freundel
Subject: Federal Servicing Manual -- Diane's draft
Attachments: Federal Servicing Manual_revised 2017.12.14_Draft to FSA.pdf

As promised, attached is Diane Freundel's draft of a common manual for federally serviced DL and FFELP loans. The only portion provided to FSA has been the chapter on PSLF. We have not had received any comments from them on that draft.

Below are Diane's "caveats" regarding her draft. As she indicates, some updating is needed as some of the information goes out of date as CRs and other changes are made. However, the hard part has been completed. She wanted me to point out the section on IDR is one that definitely needs updating.

"The manual took from January 2016 to July 2017, so I can't say that the manual was up to date as of MM/DD/YYYY. Each chapter was an ongoing work in progress until completion. I was not continually updating each chapter as new FSA CRs were issued. The PSLF Chapter was updated in December 2017 to include implemented CRs as of December and the cover page for that chapter includes the revision date.

The pdf contains book marks, so if you click on the small arrow halfway down on the left, you can open the bookmarks to see the chapters. It does not have a master Table of Contents yet, but each Chapter has a Table of Contents."

Let me know if you have questions or if you want to chat with Diane about the draft. She's retiring this summer, so time is running out!

Thanks!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Smith, Kathleen

From: Smith, Kathleen
Sent: Thursday, February 15, 2018 12:10 PM
To: Scott E Miller
Subject: RE: Rhode Island guarantor

Thanks Scott, I sent your message on to Katrina Turner and I believe she will be following up with you.

Have a good day
Kathleen

From: Scott E Miller [mailto:smiller1@pheaa.org]
Sent: Wednesday, February 14, 2018 4:44 PM
To: Smith, Kathleen
Subject: Rhode Island guarantor

I saw a notice today the the Rhode Island guaranty agency is giving up its role as a FFELP guarantor and planning to turn over its portfolio to the Department. I don't know if this has all been decided already, but if you are seeking an agency to take over the portfolio, PHEAA would be interested. This follows on to our discussion on Monday.

Let me know if you want to discuss or if you want to send me to someone else to pursue this possibility.

Thank you!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Thursday, February 15, 2018 12:20 PM
To: Smith, Kathleen
Subject: Re: RE: Rhode Island guarantor

Thank you! I've sent you lots of other stuff.....

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

From: "Smith, Kathleen" <Kathleen.Smith@ed.gov>
To: Scott E Miller <smiller1@pheaa.org>
Date: 02/15/2018 12:10 PM
Subject: [external]RE: Rhode Island guarantor

Thanks Scott, I sent your message on to Katrina Turner and I believe she will be following up with you.

Have a good day
Kathleen

From: Scott E Miller [<mailto:smiller1@pheaa.org>]
Sent: Wednesday, February 14, 2018 4:44 PM
To: Smith, Kathleen
Subject: Rhode Island guarantor

I saw a notice today the the Rhode Island guaranty agency is giving up its role as a FFELP guarantor and planning to turn over its portfolio to the Department. I don't know if this has all been decided already, but if you are seeking an agency to take over the portfolio, PHEAA would be interested. This follows on to our discussion on Monday.

Let me know if you want to discuss or if you want to send me to someone else to pursue this possibility.

Thank you!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations

Pennsylvania Higher Education Assistance Agency (PHEAA)

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smiller1@pheaa.org

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Thursday, February 15, 2018 1:15 PM
To: Manning, James; Smith, Kathleen
Subject: Announcement from Jim Preston

Jim is sorry that he couldn't share this with you when we met on Monday, but he did not inform the full Board until this morning.

PHEAA's President and CEO, Jim Preston announced today that he will be retiring in July, 2018. Jim has served PHEAA with distinction as President and CEO for more than 10 years.

PHEAA's Board of Directors will embark immediately on a national search for a successor. To assist in the transition, the Board has appointed PHEAA's current Chief Financial Officer, James Steeley as Chief Operating Officer. James Steeley has served as PHEAA's CFO for the past two and one-half years.

PHEAA anticipates a smooth transition to new leadership and a continuing focus on providing access to postsecondary education for the citizens of the Commonwealth of Pennsylvania.

Please let me know if you have any questions or if I can be of any assistance.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
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smiller1@pheaa.org

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Turner, Katrina

From: Turner, Katrina
Sent: Tuesday, February 20, 2018 12:26 PM
To: Scott E Miller (smiller1@pheaa.org)
Subject: RE: Rhode Island guarantor

Scott,

Thank you for your email below. As such, Kathleen has referred your inquiry to me for response. Please note that PHEAA's willingness to assist in guarantor transitions has been duly noted. FSA thanks you for your continued contributions and cooperation.

Thanks,

Katrina Turner

From: Scott E Miller [<mailto:smiller1@pheaa.org>]
Sent: Wednesday, February 14, 2018 4:44 PM
To: Smith, Kathleen
Subject: Rhode Island guarantor

I saw a notice today the the Rhode Island guaranty agency is giving up its role as a FFELP guarantor and planning to turn over its portfolio to the Department. I don't know if this has all been decided already, but if you are seeking an agency to take over the portfolio, PHEAA would be interested. This follows on to our discussion on Monday.

Let me know if you want to discuss or if you want to send me to someone else to pursue this possibility.

Thank you!

Scott

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Scott E Miller

From: Scott E Miller
Sent: Wednesday, March 7, 2018 10:37 AM
To: Smith, Kathleen
Cc: Manning, James
Subject: Approps Amendment -- NextGen
Attachments: Limitation of Funds Amendment -- NextGen.docx

Someone just sent this to me. It advocates for holding funding for the NextGen solicitation until after reauthorization. I'm not sure who is circulating it, but I think we can guess. I just wanted to make sure you are aware and, hopefully, pushing back.

Please let me know if we can be of assistance.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

Problem

The federal government should be helping borrowers and taxpayers, not ease the role of bureaucrats

The Federal Student Aid (FSA) office on February 20, 2018 announced the fourth attempt to upgrade the servicing of Federal Direct Loans. This proposal would decentralize and depersonalize the servicing environment, while reducing servicing levels and increasing borrower defaults. They have withdrawn prior solicitations following criticism from both Congress and interest groups.

State-based non-profit student loan servicers are mission driven to help borrowers repay their loans. For many of the nine servicers currently contracted with the Department of Education, this is their sole purpose.

Non-profit servicers believe the best way to help borrowers is to maintain full competition where each servicer is responsible and manages all aspects of servicing a loan, from disbursement to full payoff. Rather than a one size fits all approach, this allows the servicers to tailor their own processes to ensure that the borrower receives the best outcome. Further, competition drives better service for all participating servicers. The February 20 disaggregation model proposed by FSA would silo a borrowers experience and minimize competition.

The FSA is a performance-based organization created by Congress which repeatedly has instructed FSA to better leverage existing contracts instead of throwing out the existing system in the name of modernity. Congress has for the past several years emphasized that competition in the student loan servicing marketplace is good for borrowers and taxpayers.

Despite Congress' progress towards reauthorization of the Higher Education Act, FSA is working to limit Congressional reform with this new solicitation. They are intentionally getting out ahead of Congress and not waiting for authorizers to have their say in what the next generation of servicing should look like.

This solicitation is not just bad business, but it is bad for borrowers, and it is bad for our organization.

Request

We ask you as our representative to step in to prevent FSA in moving forward with this solicitation until the HEA reauthorization has been completed.

To that end, we urge that you and the Senator/Representative reach out the LHHS Subcommittee and say that you support the following language to be included in the FY18 Omnibus.

"Provided further, That the Secretary shall not use any funds appropriated under this or any other act to proceed with Solicitation Number: FSANextGenerationProcessingandServicingEnvironment (February 20, 2018), or any other solicitation, to replace the current Direct Student Loan Program servicing contracts until the Higher Education Act of 1965, as amended, has been reauthorized. The Secretary shall extend all current contracts until that reauthorization is complete."

Scott E Miller

From: Scott E Miller
Sent: Friday, March 16, 2018 3:12 PM
To: Manning, James; Smith, Kathleen
Subject: Letter from Jim Preston
Attachments: 031618 Preston to Manning Ltr.pdf

Attached is a letter from Jim Preston (which will also arrive via U.S. Mail) thanking you for the March 12 Federal Register Notice on preemption and asking for your continued assistance with the Massachusetts litigation. Our attorneys are

(b)(5)

I would like to add my thanks to both of you as well for your efforts on preemption.

Please let me know if you have any questions.

Regards,

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Office of the President and Chief Executive Officer
1200 North Seventh Street, Harrisburg, PA 17102

March 16, 2018

Mr. James Manning
Acting Under Secretary
U.S. Department of Education
400 Maryland Avenue
Washington, D.C. 20202

Dear Mr. Manning:

(b)(6)

On behalf of PHEAA, I would like to thank you for the Department of Education's March 12, 2018 Federal Register Notice regarding federal preemption. As we have discussed, states are currently asserting authority over student loan servicers and federal statute and regulation. We have no doubt that states will continue these efforts and potentially expand them to federal rules that apply to postsecondary institutions and others charged with administering federal student aid programs. The result will be a chaotic regulatory environment that imposes significant risk and cost on those charged with administering federal programs for the benefits of students.

PHEAA is pleased the Department took the important step to express its views unambiguously in a public document. There can be no question about where the Department stands on this critical issue.

As highlighted in the Federal Register notice, PHEAA is currently involved in a Civil Action brought by the Massachusetts Attorney General. We are appreciative that the Department filed a Statement of Interest in the matter.

(b)(5)

(b)(5)

As always, PHEAA is appreciative of the work that you are doing, and for the opportunities we have to communicate on important issues. Please do not hesitate to contact me if PHEAA or I can be of any assistance.

Sincerely,

(b)(6)

James L. Preston

JLP/lag
031618 Preston to Manning

cc: Ms. Kathleen Smith, Deputy Chief Operating Officer - FSA

Scott E Miller

From: Scott E Miller
Sent: Thursday, April 5, 2018 7:44 AM
To: Smith, Kathleen; Manning, James
Subject: PHEAA and the Connecticut Department Banking
Attachments: Connecticut Issues Summary -- April 5, 2018.docx

Last night, PHEAA took the unusual action of filing in federal court for a declaratory action against the State of Connecticut Department of Banking. This action was taken in response to the Connecticut Department of Banking's intention to revoke PHEAA's license to service student loans in the state. Attached is a summary of the events that led up to the filing.

In short, as part of its oversight of licensed student loan servicers, Connecticut's Department of Banking asked PHEAA to respond to a 40-plus question request. Of those questions, only three requested Non-public Personally Identifiable Information (NPPI) for federal Direct Loan borrowers. As required, PHEAA asked the U.S. Department's Federal Student Assistance (FSA) for permission to respond to Connecticut's request in full. FSA has expressly and repeatedly instructed PHEAA not to provide NPPI to Connecticut. FSA has communicated its position directly to Connecticut. The Connecticut Department Banking has refused to accept this explanation for why PHEAA cannot provide this data. PHEAA has previously provided all other information requested by Connecticut.

While the Connecticut Department of Banking does provide for PHEAA to appeal the revoking of its student loan servicing license, PHEAA needed to file this action immediately to protect the borrowers it services for the federal government and for other clients and to protect its ability to honor its loan servicing contracts.

PHEAA hopes that the federal court decides this matter in a timely manner so that PHEAA and all other federal servicers have needed clarity in this and similar matters. At its core, this matter is a dispute between FSA and the Connecticut Department of Banking. PHEAA should not be caught in the middle between these two government entities.

Please feel free to contact me if I can provide any additional information. I would be glad to schedule time next week to meet in person.

Thank you

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
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Summary: PHEAA and the Connecticut Department of Banking April 2018

On April 4, 2018 PHEAA filed for a Declaratory Judgement in federal court to prevent the Connecticut Department for Banking from revoking its license to act as a student loan servicer in the state. PHEAA took this action because, as a federal contractor, Federal Student Assistance has expressly prohibited PHEAA from providing borrower data requested by the Connecticut Department of Banking. PHEAA has provided all other information requested by Connecticut.

The following summarizes the events that led to this decision:

- The Connecticut Department of Banking formally requested data and information from “FedLoan” in November 2017
 - The request was framed as concerning Public Service Loan Forgiveness (PSLF) transfers made in August, September, and October 2017
 - The actual questionnaire was much broader, including requests for information on policies and procedures, including the handling of borrower complaints
- After consultation with the Department of Education (ED), PHEAA provided responses to Connecticut for all but three items,
 - Those three items required individually identified borrower data
 - These included individual borrower/debtor complaints and the collection of borrower payments
- In December 2017, ED provided guidance to all of its contracted student loan servicers that they cannot share federal data with any outside entity and that all requests for federal data must be directed to ED for approval
- ED did not respond timely to Connecticut’s request for data, made to ED in January 2018
- ED has now responded to Connecticut directly regarding its position
 - Most recently with a letter to Director of the Consumer Division of the Connecticut Department of Banking, Carmine Costa, dated March 26, 2018
- On April 2, 2018, PHEAA spoke to Connecticut about the situation in that PHEAA wants to retain its Connecticut license but is unable to comply with the rest of the request due to ED’s position. Connecticut indicated that PHEAA must comply with Connecticut law despite ED’s position.
- On April 2, 2018, ED sent a letter to PHEAA and copied Connecticut stating its position with regard to this matter again.
- On April 3, PHEAA had a conversation with the Director of the Consumer Division of the Connecticut Department of Banking during which PHEAA was told there was no room for compromise and to expect the revocation letter this week.

Scott E Miller

From: Scott E Miller
Sent: Tuesday, May 15, 2018 9:17 AM
To: Smith, Kathleen
Subject: Thank you and follow up
Attachments: AFT -- DeVosReport-TaxDollars.pdf

It was great seeing you yesterday. Thanks for spending so much time. And, I'm glad you're finally (almost) feeling better.

As promised, here's the report you requested.

I'm sure I'll be back in touch soon!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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How **State Tax Dollars** Funded a Secretive Lobbying Group to Gut Protections for Student Loan Borrowers



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Stephen Rooney
Denise Specht
Wayne Spence
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Adam Urbanski

Our Mission

The **American Federation of Teachers** is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

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National Council of Higher Education Resources

The National Council of Higher Education Resources (NCHER) is the nation's oldest and largest higher education finance trade association, founded in 1967 as the National Council of Higher Education Loan Program (NCHELP). From the organization's founding until 2010, NCHER's members predominantly included lenders, loan servicers, debt collectors, and state-backed student loan companies that participated in an old government program that let banks and other private lenders make federal student loans.

In 2010, Congress eliminated this program and NCHER's focus changed. It is now directed by some of the largest student loan companies under contract with the U.S. Department of Education, along with some private lenders and other state-backed student loan companies.

The organization's mission, revised in 2014, is to help families and students. But its definition of this mission is not what you might expect. In its 2017 Annual Report, NCHER describes how, on behalf of student and parent borrowers, the organization "pushed back on state efforts to regulate student loan servicers" and "advocated for a greater role for the private sector in student lending."

Multiple NCHER members have been targets of enforcement actions taken by state and federal regulators in recent years. Subprime private student loans made during the housing boom performed worse than subprime mortgages. What's going on here?

An estimated 44 million Americans struggle under the weight of nearly \$1.5 trillion in student debt. More than 11 million student loan borrowers (one-fourth of all borrowers) are past due or in default on a student loan. In 2017, three times more Americans defaulted on a student loan than lost their homes to foreclosure—another sign of a growing crisis affecting households and communities across the country.

In the middle of this widespread financial distress, the private-sector student loan companies responsible for collecting these debts (known as "student loan servicers") have been accused of ripping off service members and teachers, driving older borrowers into poverty, and denying millions their rights under federal and state law. That's why state attorneys general and state legislators across the country have stepped up to create new protections for student loan borrowers and rein in a runaway student loan industry.

But this progress is under threat by a behind-the-scenes campaign to persuade U.S. Education Secretary Betsy DeVos to shield student loan companies and deny states the right to hold these companies accountable for their actions.

How Betsy DeVos and a Secretive Lobbying Organization Are Working to Undermine States' Rights

It is widely expected that in the near future, DeVos will deliver to the National Council of Higher Education Resources, a secretive Washington lobbying group, exactly what it has been seeking for months: **a devastating blow to states' ability to protect student loan borrowers.**

You've likely read about the widespread abuses by the student loan industry. You may have cheered on dozens of state attorneys general as they investigated or sued student loan companies across the country for preying on teachers and millions of other borrowers.

But you probably didn't know that almost half of the 50 states—through a state-backed student loan company—have footed a bill of more than \$2 million for this victory by predatory companies, using taxpayer dollars.

State-Backed “Zombie” Student Loan Companies

Though you've likely never heard of a state “student loan authority,” your state probably has one—for example, New York state's Higher Education Services Corp. and the Massachusetts Educational Financing Authority—and your state government backs it. For more than 40 years, state legislatures have created these private sector companies to make student loans to state residents, to sell these loans to investors, and to collect these loans when they come due.

But all that changed a decade ago, and borrowers are now paying the price.

In 2010, Congress ended the states' role in making new federal student loans. The transition to the new “direct loans” forced these state-backed student loan companies to scramble to keep their lights on. Some states took action to shut down these companies, recognizing that **taxpayers and borrowers both lose when a state backs a “zombie” student loan company.**

But other states caved to industry pressure, keeping these companies on life support. These companies also lobbied states and Congress to let them morph into student loan servicers—a special kind of debt collector that sends borrowers monthly bills, explains payment options, and collects monthly payments. This allows them to “service” new loans made by the federal government. **For the first time, many of these state-backed student loan companies handled loans for borrowers in other states—becoming some of the largest financial services companies in America.**

As these companies grew, so did their influence in Washington. State-backed student loan companies begged DeVos to help them stay in business, making play after play to grow bigger and bigger, while seeking protection from the consequences of their illegal actions.

Why haven't you heard about this? Because it's also likely that, through a state-backed student loan company, your state is a member of the National Council of Higher Education Resources, the Washington lobby group working behind the scenes to keep the federal dollars flowing and to make sure companies are never held accountable for their illegal actions.

For example, the Pennsylvania Higher Education Assistance Agency spent more than \$350,000 in recent years supporting NCHER as it lobbies against the rights of the state of Pennsylvania to protect citizens with student debt. And that's just the beginning.

States Fill the Void as Betsy DeVos Rolls Back Protections

To address the rampant problems occurring in student loan servicing, in the last few years states across the nation have begun to create new oversight of student loan servicers to discover and address problems posed by these companies in their states. Connecticut became the first state to adopt such policies in 2015, requiring

student loan servicers to become licensed and meet certain requirements to do business in the state. These requirements included commonsense prohibitions against defrauding student loan borrowers, engaging in unfair or deceptive practices, or misrepresenting or omitting any material information in connect with the student loan.

Shortly after Connecticut passed its “Student Loan Bill of Rights,” Maryland lawmakers requested guidance from the U.S. Department of Education on whether these laws could be pre-empted by federal law. In January 2016, the department wrote the officials: If “the state determines that loan servicers or private collection agencies are ‘collection agencies’ under [Maryland law], the department does not believe that the state’s regulation of those entities would be pre-empted by federal law. Further, such regulation would not conflict with the department’s contracts with these entities, which provide generally that loan servicers and PCAs must comply with state and federal law.” (Appendix A)

With guidance provided by the department, the American Federation of Teachers and our state affiliates worked with lawmakers in California, Illinois and the District of Columbia to pass and enact similar laws, with more than a dozen other states considering similar legislation.

These bills received bipartisan support in every state in which they passed. Most commonly, the only opponents were NCHER, the Education Finance Council (another industry trade group funded by many of the same state-backed student loan companies), and perhaps the student loan servicers themselves. NCHER considered this opposition to be of great importance to its members, and this was highlighted in NCHER’s 2016-2017 Annual Report.

Failing to prevent these bills from passing, NCHER began urging the Trump Department of Education, now led by DeVos, to end the fight between states and loan servicers. In July 2017, NCHER urged the department to “issue regulatory guidance that clearly states that federal student loan servicers and guaranty agencies are governed by the department’s rules and requirements and those of other federal agencies, and pre-empt state and local laws and actions that purport to regulate the activities of participants in the federal student loan programs, including federal contractors.”

NCHER’s public letters and lobbying urging DeVos to challenge states on the grounds of pre-emption didn’t go unnoticed or unchallenged.

A bipartisan group of 26 state attorneys general—including those in Illinois, Iowa, Kentucky, Maine, Massachusetts, New York, North Carolina, Tennessee, Texas and Vermont, which all have state-backed student loan companies that are NCHER members—wrote to DeVos in October 2017. They called on her “to reject an ongoing campaign by student loan servicers and debt collectors to secure immunity for themselves from state-level oversight and enforcement.”

Despite this, it appears that in March 2018, DeVos will deliver exactly what NCHER and its members have publicly pleaded for. The department plans to issue federal guidance into the Federal Register, though such a memo would not have the force of law. **Secretary DeVos’ memo is an indication to NCHER and industry actors that the department is firmly on the side of student loan servicers—echoing their concern that these state laws place too much regulatory burden on them—and will support their claims in court.**

When Massachusetts Attorney General Maura Healey sued the Pennsylvania Higher Education Assistance Agency in August 2017, the Justice Department, representing the Education Department, argued in a court filing in January 2018 that federal law, including the Higher Education Act, pre-empted Healey’s state-law claims. Following this filing, FedLoan Servicing requested the case be dismissed, which was denied by Suffolk County Superior Court Judge Kenneth Salinger on Feb. 28, 2018.

It's not particularly surprising to find a Washington lobby group urging federal regulators to pre-empt state regulation—it was incredibly common in the lead-up to the mortgage crisis. But what is different about NCHER is where many of its members find their funding: state taxpayer dollars.

State Tax Dollars Used to Lobby Against States' Rights

As of March 2018, NCHER's membership included 24 state-backed student loan companies. **Every year, hundreds of thousands of state tax dollars flow to the state-backed companies that pay NCHER to lobby against the states' own interest.**

Through Freedom of Information Act (FOIA) requests, the American Federation of Teachers found that from 2010 to 2017, 17 of these state-backed loan companies paid at least \$2.09 million in annual membership fees and conference registration to NCHER, on average nearly \$116,000 per state over this time period. Six of NCHER's state-backed members (Alaska, the University of Illinois system, New Mexico, New York, Utah and Vermont) have failed to provide responsive information for more than 30 days.

Agency Name	Dues Paid Between 2010 and 2017
Alaska Commission on Postsecondary Education	Failed to respond
Florida Department of Education— OSFA	\$ 121,460
Georgia Student Finance Commission	\$ 117,225
Illinois Student Assistance Commission	\$ 136,482
University of Illinois System	Failed to respond
Iowa College Student Aid Commission	\$ 83,000
Kentucky Higher Education Assistance Authority	\$ 47,400
Louisiana Office of Student Financial Assistance	\$ 82,617
Massachusetts Educational Financing Authority	\$ 88,646
Finance Authority of Maine	\$ 106,175
Michigan Guaranty Agency*	\$ 126,700
Missouri Department of Higher Education	\$ 118,332
Missouri Higher Education Loan Authority	\$ 180,996
North Carolina State Education Assistance Authority*	\$ 88,650
Bank of North Dakota	\$ 54,763
New Jersey Higher Education Student Assistance Authority	\$ 147,043
New Mexico Student Loans	Failed to respond
New York State Higher Education Services Corp.	Failed to respond
Oklahoma College Assistance Program	\$ 120,150
Pennsylvania Higher Education Assistance Agency	\$ 360,120
Tennessee Student Assistance Corporation	\$ 95,375
Texas Higher Education Coordinating Board	\$ 42,125
Utah Higher Education Assistance Authority	Failed to respond
Vermont Student Assistance Corporation	Failed to respond

* Only provided annual membership fees, no other related expenses.

Even as these state-backed loan companies pour hundreds of thousands of dollars every year into NCHER, it's unclear whether they themselves strongly believe in NCHER and the positions it takes. The responsive documents illuminate the sometimes difficult relationship between state-backed student loan companies and NCHER.

In one email exchange between staff at the Illinois Student Assistance Commission in September 2011 (Appendix B), in which they were discussing approving the organization's membership dues, the secretary described why they were paying twice as much as they had expected. "Well, unfortunately, it is in the NCHELP [NCHER] bylaws (yes they have them) that state's [sic] secondary markets have to pay dues," wrote Debbie Calcara.

John Sinsheimer, interim executive director of the Illinois Student Assistance Commission, responded: "Regretfully, I approve."

Conclusion

Under the guidance of Education Secretary Betsy DeVos, the Department of Education has abdicated its responsibility to protect student loan borrowers and provide meaningful oversight of its contracted student loan services. Now that the primary regulator has abandoned its most basic commitment to more than 40 million student loan borrowers, it is incumbent on states and state attorneys general to take immediate action to clean up the mess left behind and prevent a financial catastrophe on the scale of the mortgage crisis. **The draft memo that is expected to be submitted to the Federal Register does not have the force of law, and states must continue to create new oversight to protect student loan borrowers.**

As state legislators and attorneys general continue to push for these new protections, we urge them to investigate whether tax dollars are funding the opposition against them and demand that these state-backed student loan companies end their membership in NCHER.

Appendix A

ED letter to MD saying it's not preemption



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF THE GENERAL COUNSEL

January 21, 2016

Jedd Bellman
Assistant Commissioner
State of Maryland
Department of Labor, Licensing, and Regulation
Office of the Commissioner on Financial Regulation
500 North Calvert, Street, Suite 402
Baltimore, MD 21202

Re: Student Loan Servicers

Dear Mr. Bellman:



In your December 30, 2015 letter to the Secretary of Education, you requested the Department of Education's thoughts or comments as to whether third-party student loan servicers collecting on behalf of the Department under the Direct Loan program are subject to the Maryland Collection Agency Licensing Act ("MCALA"), Annotated Code of Maryland, Business Regulations Article Section 7-101, et seq.

The Department contracts with a number of entities that perform servicing activities related to non-defaulted student loans held by the Department ("loan servicers"). Those loan servicers perform various activities on behalf of the Department related to loans made under three loan programs: the Federal Family Education Loan Program, title IV, part B of the Higher Education Act of 1965 ("HEA"), as amended; the Federal Direct Loan program, title IV, part D of the HEA; and the Perkins Loan program, HEA title IV, part E. The loan servicing contracts are publically available at the following website: <https://studentaid.ed.gov/sa/about/data-center/business-info/contracts/loan-servicing>.

Loan servicers perform a variety of functions. For example, they assist borrowers to select repayment plans, send monthly bills to borrowers, process requests for deferment or forbearance of repayment, respond to correspondence from borrowers, and process applications for loan discharge or consolidation. Servicers also report information about loans to credit reporting agencies and send letters and make other contacts with borrowers who have missed payments to remind them of their obligations.

If a borrower defaults on his or her loan, the loan servicer transfers the loan to the Department's Debt Management and Collection System ("DMCS"). After the loan is transferred, the Department may refer it to one of a number of private collection agencies ("PCAs") under contract with the Department. Those contracts are available at: <https://studentaid.ed.gov/sa/about/data-center/business-info/contracts/collection-agency#>.

400 MARYLAND AVE., S.W. WASHINGTON, D.C. 20202-2110

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation

PCAs perform functions specific to borrowers in default status, including negotiating repayment schedules with borrowers, assisting borrowers with rehabilitation and consolidation of their loans, and recommending that the Department pursue administrative wage garnishment or litigation against borrowers who meet criteria specified by the Department.

Neither loan servicers nor PCAs are authorized to file suit against borrowers. Instead, the U.S. Department of Justice files collection actions on behalf of the Department.

The MCALA generally regulates persons doing business as collection agencies in the State of Maryland. See BR § 7-301(a). As relevant to loan servicers and PCAs, MCALA provides that the term "Collection agency" means "a person who engages directly or indirectly in the business of: (1)(i) collecting for, or soliciting from another, a consumer claim." BR § 7-101(c)(1)(i). Collection agencies are subject to supervision and licensing by the State Collection Agency Licensing Board.

If the State determines that loan servicers or PCAs are "collection agencies" under MCALA, the Department does not believe that the State's regulation of those entities would be preempted by Federal law. Further, such regulation would not conflict with the Department's contracts with those entities, which provide generally that loan servicers and PCAs must comply with State and Federal law.

We hope that this information is helpful. If you have questions or would like additional information, please contact me at vanessa.burton@ed.gov or (202) 401-6289.

Sincerely,

(b)(6)

Vanessa A. Burton
Attorney
Division of Postsecondary Education

Appendix B

email exchange with IL

Calcara, Debbie

From: Sinsheimer, John
Sent: Wednesday, September 28, 2011 2:43 PM
To: Calcara, Debbie
Subject: RE: NCHELP Dues Invoice

Regretfully, I approve.

From: Calcara, Debbie
Sent: Wednesday, September 28, 2011 2:33 PM
To: Sinsheimer, John
Subject: FW: NCHELP Dues Invoice

John,

(b)(5)

Debora Calcara
Secretary To The Commission
500 W. Monroe Street
Springfield, IL 62704
(217) 782-2020
(217) 524-1858 Fax

PLEASE NOTE NEW E-MAIL ADDRESS: Debbie.Calcara@isac.illinois.gov

From: National Council of Higher Education Loan Programs, Inc. (b)(6) [REDACTED]@nchelp.org
Sent: Wednesday, September 28, 2011 2:16 PM
To: Calcara, Debbie
Subject: NCHELP Dues Invoice

Dear Debbie-

It looks like I did send the two invoices separately this year. I believe that it was due to your request to send them individually in previous years. If you need any additional information please let me know.
Thanks!

Chris

To view your invoice

Open the attached PDF file. You must have [Acrobat® Reader®](#) installed to view the attachment.

ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM
OPERATING FUND CHECK REQUISITION

NCHELP	DATE	03-Oct-11
1100 CONNECTICUT AVE NW STE 1200	AMOUNT	\$ 11,550.00
WASHINGTON, DC 20036	INV DATE	7/1/2011
	INVOICE #	
	A/P #	

				COST \$\$
(b)(4); (b)(6)	MEMBERSHIP	IDAPP	1.10%	\$ 127.05
	MEMBERSHIP	UBS	2.20%	\$ 254.10
	MEMBERSHIP	FRN	72.40%	\$ 8,382.20
	MEMBERSHIP	CITI	17.80%	\$ 2,055.90
	MEMBERSHIP	TAX EXM	6.50%	\$ 750.75

TOTAL COST \$ 11,550.00

SPECIAL INSTRUCTIONS:

Chk 19555

10-4-11

(b)(6)

APPROVED

(b)(6)

REQUESTED BY

National Council of Higher Education
Loan Programs, Inc.
1100 Connecticut Ave NW Ste 1200
Washington DC 20036
(202) 822-2106

Invoice

Date	Invoice #
7/5/2011	9965

Bill To
Illinois Student Assistance Commission
500 W Monroe 3rd Fl
Springfield IL 62704-1876

☐ Please check box if address is incorrect or has changed, and indicate change(s) on reverse side.

New e-mail address? Enter here. _____

Balance Due	\$11,550.00
--------------------	--------------------

National Council of Higher Education
Loan Programs, Inc.
1100 Connecticut Ave NW Ste 1200
Washington DC 20036

PLEASE DETACH AND RETURN TOP PORTION WITH YOUR PAYMENT.

Description	Amount
NCHelp Membership Fee, July 1, 2011 to June 30, 2012 (IDAP)	11,550.00
If you need any additional information regarding this invoice, please contact Chris Martin at (202) 822-2106.	
Total	\$11,550.00
Payments/Credits	\$0.00
Balance Due	\$11,550.00

IC-IDAPP OPERATING ACCOUNT
CHELP

19555

10/04/2011

765-3004-3

Obligation	Description	Invoice	VENDOR	Amount
7078	Membership 7/1/11-6/30/12 *** Total ***		1451	11,550 00 11,550 00



A Union of Professionals

American Federation of Teachers, AFL-CIO
555 New Jersey Ave. N.W.
Washington, DC 20001
202-879-4400
www.aft.org

Scott E Miller

From: Scott E Miller
Sent: Monday, June 11, 2018 9:19 AM
To: Manning, James; Smith, Kathleen
Cc: James Preston
Subject: Letter from OGC re: MA AG
Attachments: Response to PHEAA Mass v PHEAA Set One Production Docs FINAL PDF.pdf

PHEAA would like to thank you for providing the attached letter from OGC regarding the recent request by the Massachusetts Attorney General for the production of documents in the civil action between the Massachusetts Attorney General and PHEAA. We appreciate having this clear guidance as we attempt to provide responses back to the Massachusetts Superior Court.

(b)(5)

Please let me know if you have any questions.

Thank you again for your assistance in this matter.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Monday, August 6, 2018 2:01 PM
To: Smith, Kathleen
Cc: Daniel Weigle
Subject: Thank you

On behalf of Dan Weigle, Mark Bitsko, and Cindy McGeary, I want to thank you for meeting with us last Thursday. We all agreed that this was a very productive discussion and we look forward to further conversations. It was very beneficial to have the opportunity to engage in a full and open discussion with you and your key staff. We are in complete agreement with your opening statement that the TIVAS contract is a partnership between FSA and its loan servicers for the benefit of students.

It is our hope that continuing dialogue will further enhance our partnership.

Please do not hesitate to contact me if PHEAA can be of any assistance to FSA.

Thank you again.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Scott E Miller

From: Scott E Miller
Sent: Tuesday, August 21, 2018 9:49 AM
To: Smith, Kathleen
Subject: Fw: Meeting request for Ms. Smith

I received Linda's out of office bounce back, so I wanted to bring the request below to you personal attention. If we're able to swing it, I would like to talk to you briefly beforehand.

Thanks!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

----- Forwarded by Scott E Miller/PHEAA on 08/21/2018 09:47 AM -----

From: Scott E Miller/PHEAA
To: linda.holland@ed.gov
Date: 08/10/2018 09:50 AM
Subject: Meeting request for Ms. Smith

Linda:

It was good getting to see you the other day! PHEAA's new Interim CEO, Jim Steeley, was wondering if he could find a time to meet Kathleen. He will be in town for the Education Finance Council meeting on September 5 and 6. Do you think you could squeeze him in on the afternoon of the 5th (15 minutes is all we need)? Or, he could pop over from the conference sometime during the day on the 6th.

Please let me know if anything might work. I know she has a very busy schedule!

Thanks!

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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Scott E Miller

From: Scott E Miller
Sent: Thursday, September 6, 2018 10:30 AM
To: Smith, Kathleen
Subject: Fwd: FW: U.S. Department of Education's Back to School Tour

Scott

Begin forwarded message:

From: "Nathaniel Hench" <nhench@aessuccess.org>
Date: September 6, 2018 at 8:31:51 AM EDT
To: "Scott E Miller" <smiller1@pheaa.org>, "William M Lindsey III" <wlindsey@pheaa.org>
Subject: Re: Fw: [external]FW: U.S. Department of Education's Back to School Tour

Will - can you reach to Noe to see if this is possible - Scott's request

Scott E Miller---09/05/2018 02:58:34 PM---Do you think you could ask Secy Rivera to see if Ron could be part of the roundtable discussion? Sco

From: Scott E Miller/PHEAA
To: Nathaniel Hench/AES@PHEAA
Date: 09/05/2018 02:58 PM
Subject: Re: Fw: [external]FW: U.S. Department of Education's Back to School Tour

Do you think you could ask Secy Rivera to see if Ron could be part of the roundtable discussion?

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

William M Lindsey III---09/05/2018 11:33:38 AM---Morning, Confirming that Ron Felder (PHEAA Access Partner) will be available to attend - any questi

From: William M Lindsey III/AES
To: Nathaniel Hench/AES@PHEAA
Cc: James H Steeley/PHEAA@PHEAA, Scott E Miller/PHEAA@PHEAA
Date: 09/05/2018 11:33 AM
Subject: Re: Fw: [external]FW: U.S. Department of Education's Back to School Tour

Morning,

Confirming that Ron Felder (PHEAA Access Partner) will be available to attend - any questions, let me know.

Thank you

William M. Lindsey
PHEAA - Pennsylvania School Services Manager
Direct: 717. 720.1529
Email: wlindsey@pheaa.org

Nathaniel Hench---09/05/2018 09:44:52 AM---Jim / Scott - (b)(5)

(b)(5)

From: Nathaniel Hench/AES
To: James H Steeley/PHEAA@PHEAA, Scott E Miller/PHEAA@pheaa
Cc: William M Lindsey III/AES@PHEAA
Date: 09/05/2018 09:44 AM
Subject: Fw: [external]FW: U.S. Department of Education's Back to School Tour

Jim / Scott -

(b)(5)

Will - would you or your staff have capacity on this?

Nathan

--- Forwarded by Nathaniel Hench/AES on 09/05/2018 09:43 AM ---

From: "Svoboda, Paul" <psvoboda@pa.gov>
To: "Nathan Hench" (nhench@aessuccess.org) <nhench@aessuccess.org>
Cc: "Zerfuss, Kathryn" <kazerfuss@pa.gov>, "Fitterer, Angela" <afitterer@pa.gov>
Date: 09/05/2018 09:39 AM
Subject: [external]FW: U.S. Department of Education's Back to School Tour

Please see notification below regarding USDE financial student aid event in Philadelphia.

Best regards,
Paul

Paul Svoboda
Assistant Director | Government Relations
PA Department of Education
Office: 717-787-7575

Direct: 717-525-5538
Cell: (b)(6)

From: Honeysett, Adam <Adam.Honeysett@ed.gov>
Sent: Tuesday, September 4, 2018 11:08 PM
To: rghormoz@pa.gov; Rivera, Pedro <parivera@pa.gov>; ED, Secretary of Ed Res Acct <ra-educationsecretary@pa.gov>; ED, State Board of Ed <RA-stateboardofed@pa.gov>; Ortega, Noe <nortega@pa.gov>; kwhitney@passhe.edu
Cc: Brunelle, Michael <mbrunelle@pa.gov>; Galbally, Sarah <sgalbally@pa.gov>; kpemrick@commonwealthstrategic.com; Nicastre, Mark <mnicastre@pa.gov>; Abbott, J.J. <jjabbott@pa.gov>; Phillips, Betsy <bpPhillips@pa.gov>; Sherts, Pamela <psherts@pa.gov>; Smith, Pamela <pammsmi@pa.gov>; Volkman, David <dvolkman@pa.gov>; Fitterer, Angela <afitterer@pa.gov>; Stephen, Jason <jastephen@pa.gov>; Svoboda, Paul <psvoboda@pa.gov>; Koch, Samantha <sakoch@pa.gov>; Kane, Julie <jukane@pa.gov>; Reeves, Daniel <dreeves@pa.gov>; Smith, Casey (AGR) <casesmith@pa.gov>; Reigelman, Nicole <nreigelman@pa.gov>; Molchanow, Karen <kamolchano@pa.gov>; Reynolds, Cody <Cody.Reynolds@ed.gov>
Subject: U.S. Department of Education's Back to School Tour

Dear Governor Wolf, Secretary Rivera, State Board Chair White, Deputy Secretary Ortega, and Chancellor Whitney,

We are pleased to notify you that, as part of the U.S. Department of Education's Back to School Tour, Deputy Chief Operating Officer of Federal Student Aid [Kathleen Smith](#) will visit Pennsylvania.

She will be in your state on Tuesday, September 11 for the following events:

- Thomas Jefferson University tour, roundtable with financial aid administrators, and demonstration of FAFSA mobile app (Philadelphia) – timing TBD
- Philadelphia High School for Girls tour, meeting with students and guidance counselor, and demonstration of FAFSA mobile app (Philadelphia) – timing TBD

(NOTE: This information is not yet public, so please keep it close hold. We expect to announce the nationwide Back to School Tour on Friday, September 7 and will send you the press release under embargo.)

Please let us know if you have any questions.

Best,

Cody Reynolds,
Liaison for Intergovernmental Affairs
U.S. Department of Education

Adam Honeysett
Managing Director,
State and Local Engagement
U.S. Department of Education

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Code:PHEAA

Scott E Miller

From: Scott E Miller
Sent: Thursday, September 6, 2018 3:57 PM
To: Smith, Kathleen
Subject: Thank you

Thank you for spending time with Jim Steeley and me today. I'll be in touch soon to schedule a follow up with Jim and Steph Martella, who is the person now responsible for the FSA contract relationship.

Also, if possible, could you add Ron Felder, PHEAA's Higher Education Access Partner in Philly as a participant in your round table next week? I can provide his contact information.

Thanks again!

Scott

=====
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Code:PHEAA

Smith, Kathleen

From: Smith, Kathleen
Sent: Monday, September 24, 2018 11:06 AM
To: Scott E Miller; vshipley@ncher.us
Subject: RE: it's official

CONGRATULATIONS!



From: Scott E Miller [mailto:smiller1@pheaa.org]
Sent: Monday, September 24, 2018 11:04 AM
To: vshipley@ncher.us; Smith, Kathleen
Subject: it's official

I told Jim Steeley today. My last day of work is April 5, 2019 (coincidentally, Jess' birthday!). Now to begin my ride off into the sunset! The cloak of secrecy is lifted!!

Talk to you soon.

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

Odom, Christian

From: Odom, Christian
Sent: Monday, December 17, 2018 7:51 PM
To: Amy.Goheen; Analysts-Compliance; Andy Rogers; Blindquist@glhec.org; Carl.Casey@nelnet.net; Cheryl.Hammes@Navient.com; CS Brenda Cox; dcoughlan@gsmr.org; 'Douglas C Seeley/MAXIMUS'; (b)(6)@mycornerstoneloan.org; 'dweigle@pheaa.org'; ECSI; 'FarmerJ@mohela.com'; FedLoanProgramManagement; Fred Crump; (b)(6)@Navient.com; Jennifer.Burkey@nelnet.net; Jleidl@glhec; jleta; Kevin.woods@Navient.com; kkrueger@edfinancial.com; 'lswett@pheaa.org'; Matt.Stover; 'Matthew J Eshelman'; 'MEvans@osla.org'; 'Paulv@mohela.com'; svanorman; servicingriskmanagement; smiller1@pheaa.org; stremaine@gsmr.org; Tkielhofer; whall
Cc: LaVia, Mark; Tessitore, Lisa; Bryant, Michael; Tyrrell, Pete; Tu, Steve; Bedford, Earlene; Hannie,Zakia; Bryson, Jane; Chrisman, Tamara; Dence, Ross; Dragoo, Janet; Holloway, Destre; Johnson, Debbe; Lewey, Susan; Myers-Wright, Helena; Porter, Larry; Roberts, Sherika; Settles, Marjorie; Tessitore, Lisa; Van Buren, Eric; Vann, Jason; FSA ITEM Submission; Jackson, William; Lowe, Eddie; Taylor, Elvis; West, April; Jackson, Lateata; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Wise, Mark
Subject: Approved Automatic Closed School Discharge
Importance: High

Federal Loan Servicers:

Following this email, each servicer will receive a roster containing a listing/ roster of loans that have been approved for Closed School Discharge.

As per existing regulations found in [34 CFR §685.214\(c\)\(2\)\(i\)](#) (2018), FSA is utilizing existing authority to discharge the identified loans without application or additional review by servicers. The email below shall constitute approval.

The date of receipt for these discharges is the date of this message. Once you have received your listing additional instructions will be provided.

Questions concerning the handling of these discharges should be directed to Christian.Odom@ed.gov (DMCS related question should include Michael.Bryant@ed.gov, Pete.Tyrrell@ed.gov, and Steve.Tu@ed.gov).

Thank you,

Christian Lee Odom
Senior Advisor
Office: 415-486-5683
Christian.Odom@ed.gov

Odom, Christian

From: Odom, Christian
Sent: Tuesday, December 18, 2018 4:58 PM
To: Amy.Goheen; Analysts-Compliance; 'Andy Rogers'; Blindquist@glhec.org; 'Carl.Casey@nelnet.net'; 'Cheryl.Hammes@Navient.com'; 'CS Brenda Cox'; 'dcoughlan@gsmr.org'; 'Douglas C Seeley/MAXIMUS'; (b)(6)@mycornerstoneloan.org; 'dweigle@pheaa.org'; 'ECSI'; 'FarmerJ@mohela.com'; FedLoanProgramManagement; 'Fred Crump'; (b)(6)@Navient.com; 'Jennifer.Burkey@nelnet.net'; Jleidl@glhec; jleta; Kevin.woods@Navient.com; 'kkrueger@edfinancial.com'; 'lswett@pheaa.org'; Matt.Stover; 'Matthew J Eshelman'; 'MEvans@osla.org'; 'Paulv@mohela.com'; svanorman; servicingriskmanagement; 'smiller1@pheaa.org'; 'stremaine@gsmr.org'; Tkielhofer; whall
Cc: LaVia, Mark; Tessitore, Lisa; Bryant, Michael; Tyrrell, Pete; Tu, Steve; Bedford, Earlene; Hannie,Zakia; Bryson, Jane; Chrisman, Tamara; Dence, Ross; Dragoo, Janet; Holloway, Destre; Johnson, Debbe; Lewey, Susan; Myers-Wright, Helena; Porter, Larry; Roberts, Sherika; Settles, Marjorie; Tessitore, Lisa; Van Buren, Eric; Vann, Jason; FSA ITEM Submission; Jackson, William; Lowe, Eddie; Taylor, Elvis; West, April; Jackson, Lateata; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Wise, Mark
Subject: RE: Approved Automatic Closed School Discharge

Another question has been asked and I thought it best to ensure everyone had the same answer. For the purpose of processing these rosters the "effective" date of the discharge is the date of disbursement. This should be a consistent approach with what all servicers are doing with similar school-based claims (i.e. borrower defense).

If you have any questions or concerns, please feel free to reach out to me directly. Please include Lisa T (DMCS related question should include Michael.Bryant@ed.gov, Pete.Tyrrell@ed.gov, and Steve.Tu@ed.gov).

From: Odom, Christian
Sent: Monday, December 17, 2018 7:46 PM
To: Amy.Goheen; Analysts-Compliance; 'Andy Rogers'; Blindquist@glhec.org; 'Carl.Casey@nelnet.net'; 'Cheryl.Hammes@Navient.com'; 'CS Brenda Cox'; 'dcoughlan@gsmr.org'; 'Douglas C Seeley/MAXIMUS'; (b)(6)@mycornerstoneloan.org; 'dweigle@pheaa.org'; 'ECSI'; 'FarmerJ@mohela.com'; FedLoanProgramManagement; 'Fred Crump'; (b)(6)@Navient.com; 'Jennifer.Burkey@nelnet.net'; Jleidl@glhec; jleta; Kevin.woods@Navient.com; 'kkrueger@edfinancial.com'; 'lswett@pheaa.org'; Matt.Stover; 'Matthew J Eshelman'; 'MEvans@osla.org'; 'Paulv@mohela.com'; svanorman; servicingriskmanagement; 'smiller1@pheaa.org'; 'stremaine@gsmr.org'; Tkielhofer; whall
Cc: LaVia, Mark; Tessitore, Lisa; Bryant, Michael; Tyrrell, Pete; Tu, Steve; Bedford, Earlene; Hannie,Zakia; Bryson, Jane; Chrisman, Tamara; Dence, Ross; Dragoo, Janet; Holloway, Destre; Johnson, Debbe; Lewey, Susan; Myers-Wright, Helena; Porter, Larry; Roberts, Sherika; Settles, Marjorie; Tessitore, Lisa; Van Buren, Eric; Vann, Jason; FSA ITEM Submission; Jackson, William; Lowe, Eddie; Taylor, Elvis; West, April; Jackson, Lateata; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Wise, Mark
Subject: RE: Approved Automatic Closed School Discharge
Importance: High

The question was asked and so responding to all. To clarify—the below is not asking that you

ED-19-1137-B-000458

process the below mentioned discharges under the process called for under 4910 (e.g. complete auto CSD within 30 days and custom ACSD reporting back to FSA confirming completion). Not all Federal Loan Servicers have implemented this change in full or received approval to commence work.

The below relates to existing regulatory provisions allowing for discharge without an application at FSA/ED's discretion. See below:

(2) The Secretary may discharge a loan under this section without an application from the borrower if the Secretary determines, based on information in the Secretary's possession, that the borrower qualifies for the discharge.

You would handle these discharges as you would outside 4910 (i.e. in a similar fashion as the ATB Discharges for Certain Marinello Students). Again, please let me know if you have questions or concerns. Otherwise, look out for additional processing instructions with your rosters.

Christian Lee Odom
Senior Advisor
Office: 415-486-5683
Christian.Odom@ed.gov

Federal Student Aid
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StudentAid.gov

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From: Odom, Christian

Sent: Monday, December 17, 2018 4:51 PM

To: Amy.Goheen; Analysts-Compliance; Andy Rogers; Blindquist@glhec.org; Carl.Casey@nelnet.net; Cheryl.Hammes@Navient.com; CS Brenda Cox; dcoughlan@gsmr.org; 'Douglas C Seeley/MAXIMUS'; (b)(6)@mycornerstoneloan.org; 'dweigle@pheaa.org'; ECSI; 'FarmerJ@mohela.com'; FedLoanProgramManagement; Fred Crump; (b)(6)@Navient.com; Jennifer.Burkey@nelnet.net; Jleidl@glhec; jleta; Kevin.woods@Navient.com; kkrueger@edfinancial.com; 'lswett@pheaa.org'; Matt.Stover; 'Matthew J Eshelman'; 'MEvans@osla.org'; 'Paulv@mohela.com'; Sasha Van Orman; servicingriskmanagement; smiller1@pheaa.org; stremaine@gsmr.org; Tkielhofer; whall

Cc: LaVia, Mark; Tessitore, Lisa; Bryant, Michael; Tyrrell, Pete; Tu, Steve; Bedford, Earlene; Hannie,Zakia; Bryson, Jane; Chrisman, Tamara; Dence, Ross; Dragoo, Janet; Holloway, Destre; Johnson, Debbie; Lewey, Susan; Myers-Wright, Helena; Porter, Larry; Roberts, Sherika; Settles, Marjorie; Tessitore, Lisa; Van Buren, Eric; Vann, Jason; FSA ITEM Submission; Jackson, William; Lowe, Eddie; Taylor, Elvis; West, April; Jackson, Lateata; Ratchford, Sabrina; Singleton, Rhonda; Smith, Lynn; Washington, Patrice; Wise, Mark

Subject: Approved Automatic Closed School Discharge

Importance: High

Federal Loan Servicers:

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Questions concerning the handling of these discharges should be directed to Christian.Odom@ed.gov (DMCS related question should include Michael.Bryant@ed.gov, Pete.Tyrrell@ed.gov, and Steve.Tu@ed.gov).

Thank you,

Christian Lee Odom
Senior Advisor
Office: 415-486-5683
Christian.Odom@ed.gov

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[StudentAid.gov](https://studentaid.gov)

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Smith, Kathleen

From: Smith, Kathleen
Sent: Thursday, January 10, 2019 1:07 PM
To: Scott E Miller
Subject: RE: Case

Thank goodness –

I will be in touch, thanks for sending

From: Scott E Miller [mailto:smiller1@pheaa.org]
Sent: Thursday, January 10, 2019 9:58 AM
To: Smith, Kathleen
Subject: Case

I thought you be interested in the attached. The Appeals court upheld the jury verdict in the District Court in our favorite legal case. There are, of course, potential avenues for more appeals, but they are getting slimmer.

I hear you're back at ED. Watcha' doin'?? Do you get to play in Neg Reg?

We loved the New Years card!!

Best,

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

This message contains privileged and confidential information intended for the above addressees only. If you receive this message in error please delete or destroy this message and/or attachments.

The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

Vicky J Roganish

From: Vicky J Roganish
Sent: Monday, February 11, 2019 10:48 PM
To: BorettiN@gao.gov; KartyA@gao.gov; Stpierre@gao.gov
Cc: Pedersen, AnnMarie; ERMO Audit Advisory Group; LaVia, Mark; Magro, Tony; Jackson, William; Scott E Miller; Elizabeth Shepler; tputt@aessuccess.org
Subject: GAO Deliverables
Attachments: GAO TEPSLF.Entrance Question #3.zipx; GAO TEPSLF.Entrance Question #4.zipx; GAO.TEPSLF.Entrance Question #5.zipx; GAO TEPSLF.Entrance Question #6.h.zipx; GAO.TEPSLF Deliverables.as of 021119.docx

Good Evening All -

Attached, please find a matrix outlining the deliverables that were requested during the Entrance Call last Thursday, February 7, 2019 and several corresponding zip files. The password, which I will send under separate cover, will remain the same for all encrypted documents provided to the GAO in response to this TEPSLF study. You will note that we are still gathering several requested items and I anticipate being able to provide them no later than next Tuesday, February 19th, or sooner if possible. Please feel free to contact me with any questions or any additional requests that you may have. Thank you.

Vicky J. Roganish
Vice President
Client Contractual Testing & FSA Relationship Oversight
AES/PHEAA
1200 N. 7th Street
Harrisburg, PA 17102
Telephone (717) 720-3515
Fax (717) 720-1509

Scott E Miller

From: Scott E Miller
Sent: Friday, February 15, 2019 3:05 PM
To: Manning, James
Subject: Meeting Request

Jim:

I hope all is well with you.

James "Jim" Steeley, PHEAA's newly appointed CEO, would like to try to meet with you during the week of March 4th. Jim would like to introduce himself and talk a bit about current issues in loan servicing. None of the discussion will relate to the NextGen procurement.

Please let me know when you might have time available that week.

Thank you very much

Scott

Scott E. Miller
Senior Vice President and Director of Federal Relations
Pennsylvania Higher Education Assistance Agency (PHEAA)
202-955-0055
smiller1@pheaa.org

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The sender of this message will fully cooperate in the civil and criminal prosecution of any individual engaging in the unauthorized use of this message.

Code:PHEAA

Vicky J Roganish

From: Vicky J Roganish
Sent: Tuesday, February 19, 2019 10:00 PM
To: BorettiN@gao.gov
Cc: eshepler@aessuccess.org; KartyA@gao.gov; smiller1@pheaa.org; Stpierre@gao.gov; tputt@aessuccess.org; Pedersen, AnnMarie; ERMO Audit Advisory Group; LaVia, Mark; Magro, Tony; Jackson, William
Subject: Re: RE: GAO deliverables

Good Evening Nora -

I was able to confirm that PHEAA has not received inquiries from other servicers regarding the TEP SLF program. And as we had briefly discussed during the call last week, other servicers would likely seek this information directly from FSA. Thank you.

Vicky J. Roganish
Vice President
Client Contractual Testing & FSA Relationship Oversight
AES/PHEAA
1200 N. 7th Street
Harrisburg, PA 17102
Telephone (717) 720-3515
Fax (717) 720-1509

From: "Boretti, Nora L" <BorettiN@gao.gov>
To: 'Vicky J Roganish' <vroganis@aessuccess.org>
Cc: Scott E Miller <smiller1@pheaa.org>, Elizabeth Shepler <eshepler@aessuccess.org>, "tputt@aessuccess.org" <tputt@aessuccess.org>, "Karty, Aaron D" <KartyA@gao.gov>, "StPierre, Michelle L" <Stpierre@gao.gov>
Date: 02/12/2019 02:12 PM
Subject: [external]RE: GAO deliverables

Hi Vicky,

Thanks so much for the follow up. I want to confirm that we received these documents. We will wait for those requests that are still in process on your end. Can you confirm which of the PHEAA staff listed below were on our February 7 phone call – was it everyone except Stephanie? Just for our documentation purposes.

The only deliverable we discussed on 2/7 that I did not see on your list was related to following up on if/whether other loan servicers have contacted PHEAA with any questions about the TEP SLF program, but if you think the answer is no and/or that is better addressed to FSA, please let me know and I will cross that off our list of outstanding topics.

On our end, we are working on our data request to PHEAA and hope to have that to you later this week. We are also still working on whether or not we will need to visit PHEAA and meet in person early next month. We'll continue to be in touch about that.

Thanks again. Talk soon, Nora

From: Vicky J Roganish [<mailto:vroganis@aessuccess.org>]
Sent: Monday, February 11, 2019 10:52 PM
To: Boretti, Nora L; Karty, Aaron D; StPierre, Michelle L
Cc: AnnMarie.Pedersen@ed.gov; ERMOAuditAdvisoryGroup@ed.gov; Mark.LaVia@ed.gov; Tony.Magro@ed.gov; William.Jackson@ed.gov; Scott E Miller; Elizabeth Shepler; tputt@aessuccess.org
Subject: GAO deliverables

The password is GAO.PHEAA@022019

Also, here is the revised listing of PHEAA's staff that will be participating in the GAO's study.

Name	Title	Email Address
Stephanie Martella	Senior Vice President, Client Relations, Loan Operations & Client Contractual Testing	smartell@pheaa.org
Scott Miller	Senior Vice President & Director of Federal Relations	Smiller1@pheaa.org
Andrew Mehalko	Senior Vice President & Interim Chief Financial Officer	amehalko@pheaa.org
Vicky Roganish	Vice President, FSA Relations & Client Contractual Testing	vroganis@pheaa.org
Ed Pottgeiser	Senior Manager, Treasury Management, Operations & Support	epottgei@pheaa.org
Marc Bitsko	Vice President, FedLoan Operations	mbitsko@pheaa.org
Ted Putt	Director, Client Contractual Testing	tputt@pheaa.org
Elizabeth Shepler	Federal Contract Analyst	eshepler@pheaa.org
Cindy Christine	Manager, FedLoan Operations, Support & Training	cchristi@aessuccess.org
Brittany Wagner	Senior Production Support Analyst	bwagner@aessuccess.org

Vicky J. Roganish
Vice President
Client Contractual Testing & FSA Relationship Oversight
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1200 N. 7th Street
Harrisburg, PA 17102
Telephone (717) 720-3515
Fax (717) 720-1509

From: Karty, Aaron D
Sent: Friday, February 22, 2019 10:25 AM
To: 'Vicky J Roganish'; Boretti, Nora L
Cc: Pedersen, AnnMarie; ERMO Audit Advisory Group; eshepler@aessuccess.org; Curran, Frank D.; Harrison, Kimberly; smartell@pheaa.org; smiller1@pheaa.org; StPierre, Michelle L; Magro, Tony; Ted Putt; LaVia, Mark; Jackson, William; StPierre, Michelle L
Subject: RE: GAO on site visit to PHEAA (TEPSLF, 103282)
Attachments: FY19_ALL_STAFF-#346999-v1-GAO_-_PHEAA_Data_Request_-_2-22-2019_Version_.docx

Good Morning Vicky,

As always thank you for your flexibility and rapid responsiveness. Per the previous email please find attached the new, and hopefully more clear, version of GAO's PHEAA data request as revised per our recent discussion. We hope that this request clarifies any of the remaining issues, but please let us know if there are any items that present any challenges or could benefit from additional explanation or clarification.

Thank you and have a great weekend,

Aaron Karty
Senior Analyst
Education, Workforce, and Income Security
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548
(202) 512-9509
kartya@gao.gov

From: Vicky J Roganish [mailto:vroganis@aessuccess.org]
Sent: Thursday, February 21, 2019 5:12 PM
To: Boretti, Nora L; Karty, Aaron D
Cc: AnnMarie.Pedersen@ed.gov; ERMOAuditAdvisoryGroup@ed.gov; eshepler@aessuccess.org; Frank.Curran@ed.gov; Kimberly.Harrison@ed.gov; smartell@pheaa.org; smiller1@pheaa.org; StPierre, Michelle L; Tony.Magro@ed.gov; Ted Putt; Mark.LaVia@ed.gov; William.Jackson@ed.gov
Subject: GAO on site visit to PHEAA (TEPSLF, 103282)

Hi Nora and Aaron,
Thank you so much for following up. Please note that we can certainly accommodate a visit if you find that your plans change as you work through the TEPSLF study.

We appreciate you making the time to walk through the data request with us and have one more question, as outlined below:

Q: Are the accounts in 5b a subset of 5 where we would take the accounts identified in #5 and see how many of those were reconsideration

requests?

OR

Are the accounts in 5b a stand alone number where we look at all previously denied applications and see if any of those were resubmitted
in the month we are reporting on?

Below is Section 5 for your ready reference:

5.) Within the number of TEPSLF applications completed, please provide the total number of applications denied (From unique borrowers)

a) For the denied applications, please provide a break down by reason of denial (e.g. no PSLF denial or pending application, wrong loan type, wrong repayment plan, not having 10 years of qualifying payments, etc.) (We understand that borrowers can be in more than one denial category resulting in duplication) (From unique borrowers)

b) For the denied applications, please provide the number of borrowers that have requested reconsideration (From unique borrowers)

i. For the applications that requested reconsideration, please provide the total number of reconsiderations that were approved, denied, and are currently under consideration. (From unique borrowers)

Lastly as promised, please find the names of those that attended the conference call yesterday afternoon. As always, please feel free to reach out to either me or Ted Putt with any questions. Thank you and have a good evening.

PHEAA

Stephanie Martella

Tom Renard, VP of Enterprise Business Intelligence and Reporting

Vicky Roganish

Ed Pottgeiser

Marc Bitsko

Ted Putt

Cindy Christine

Kierstin Shyk, AVP of SAS and Data Analysis Services

Elizabeth Shepler

Brittany Wagner

Debra Handley, Requirements Analyst

FSA

Tony Magro

Frank Curran

Margaret Anayian

Jana Hemandes

William Jackson -
*He accepted the invite, but I'm not
sure he was on the call.*

Vicky J. Roganish
Vice President
Client Contractual Testing & FSA Relationship Oversight
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1200 N. 7th Street
Harrisburg, PA 17102
Telephone (717) 720-3515
Fax (717) 720-1509

From: "Boretti, Nora L" <BorettiN@gao.gov>
To: 'Vicky J Roganish' <vroganis@aessuccess.org>
Cc: "eshepler@aessuccess.org" <eshepler@aessuccess.org>, "Karty, Aaron D" <KartyA@gao.gov>, "smiller1@pheaa.org" <smiller1@pheaa.org>, "StPierre, Michelle L" <StPierem@gao.gov>, "tputt@aessuccess.org" <tputt@aessuccess.org>, "AnnMarie.Pedersen@ed.gov" <AnnMarie.Pedersen@ed.gov>, "ERMOAuditAdvisoryGroup@ed.gov" <ERMOAuditAdvisoryGroup@ed.gov>, "Tony.Magro@ed.gov" <Tony.Magro@ed.gov>, "Stephanie M Martella" <smartell@pheaa.org>, "Curran, Frank D." <Frank.Curran@ed.gov>, "Harrison, Kimberly" <Kimberly.Harrison@ed.gov>
Date: 02/21/2019 01:33 PM
Subject: [external]Update on GAO on site visit to PHEAA (TEPSLF, 103282)

Hi Vicky,

(b)(5)

(b)(5) We are planning to hold more teleconference interviews with various PHEAA staff and management over the next few weeks once we have a bit more time to review and digest all the documents you have already helpfully provided to us. We'll be in touch to schedule specific meetings soon – stay tuned.

Additionally, we've made revisions the initial data request document in several spots to reflect our discussion yesterday afternoon. We are putting the finishing touches on that today and Aaron Karty should be sending it over tomorrow. I hope the revised data request will help clarify and target some of our needs.

As always, please let us know if you have any questions.

Thanks again! Nora

From: Vicky J Roganish [<mailto:vroganis@aessuccess.org>]

Sent: Tuesday, February 19, 2019 10:00 PM

To: Boretti, Nora L

Cc: eshepler@aessuccess.org; Karty, Aaron D; smiller1@pheaa.org; StPierre, Michelle L; tputt@aessuccess.org; AnnMarie.Pedersen@ed.gov; ERMOAuditAdvisoryGroup@ed.gov; Mark.LaVia@ed.gov; Tony.Magro@ed.gov; William.Jackson@ed.gov

Subject: Re: RE: GAO deliverables

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To: 'Vicky J Roganish' <vroganis@aessuccess.org>

Cc: Scott E Miller <smiller1@pheaa.org>, Elizabeth Shepler <eshepler@aessuccess.org>, "tputt@aessuccess.org" <tputt@aessuccess.org>, "Karty, Aaron D" <KartyA@gao.gov>, "StPierre, Michelle L" <StpierreM@gao.gov>

Date: 02/12/2019 02:12 PM

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Sent: Monday, February 11, 2019 10:52 PM

To: Boretti, Nora L; Karty, Aaron D; StPierre, Michelle L

Cc: AnnMarie.Pedersen@ed.gov; ERMOAuditAdvisoryGroup@ed.gov; Mark.LaVia@ed.gov; Tony.Magro@ed.gov; William.Jackson@ed.gov; Scott E Miller; Elizabeth Shepler; tputt@aessuccess.org

Subject: GAO deliverables

The password is **GAO.PHEAA@022019**

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Vicky Roganish	Vice President, FSA Relations & Client Contractual Testing	vroganis@pheaa.org
Ed Pottgeiser	Senior Manager, Treasury Management, Operations & Support	epottgei@pheaa.org
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Cindy Christine	Manager, FedLoan Operations, Support & Training	cchristi@aessuccess.org
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