

March 28, 2023

Ms. Annmarie Weisman
Deputy Assistant Secretary for Policy Planning and Innovation
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202

RE: Docket ID ED-2022-OPE-0103

Dear Ms. Weisman,

On behalf of Rebuilding America's Middle Class (RAMC), thank you for the opportunity to provide public comment on the <u>Dear Colleague Letter</u> regarding the updated requirements and responsibilities for third-party servicers (TPS) and institutions. We are writing to express our serious concerns with the impact that this guidance will have on our ability to best serve our students. We urge that this guidance be rescinded. Instead, a better alternative would be to hold stakeholder discussions on how best to acquire the information that ED is seeking without negatively impacting entities providing services that provide college opportunity, ensure persistence and supply innovative educational offerings to community college students.

Rebuilding America's Middle Class (RAMC) is a coalition of State and individual community college systems from across the country, representing over 120 colleges and 1.5 million students. RAMC's mission is to build a stronger, more competitive workforce, and therefore, a strong middle class by increasing access to and success in higher education.

We understand one of the goals of the U.S. Department of Education (ED) with this updated guidance is seeking to better understand which OPMs are providing what services to which institutions of higher education (IHEs). However, many entities that are not OPMs, including our state system offices or individual community colleges, perform the functions of student recruiting and retention, the provision of software products and services involving Title IV administration activities and the provision of educational content and instruction. The impact of this guidance goes significantly beyond data collection and requiring audits and liability for OPMs and other entities, and will ensnare our institutions in this bureaucratic reporting maze for reasons we are unable to comprehend.

Based on even our preliminary assessments from our reading of this proposal, our state and local community college systems clearly would have hundreds of new compliance requirements that will be extremely burdensome and costly, if not impossible to navigate. For example, other state and federal agencies who provide data (i.e., graduation rates, job placement rates, dropout rates, etc.) may have to enter into a signed agreement with each of our members depending on how this data is utilized. Furthermore, expanding the definition of what a third-party servicer is brings about many concerns for

financial aid administrators at RAMC institutions. Asking them to collect information and understand fully which entities are third-party servicers would inherently mean pulling away many of our experts from their core mission of helping students and families navigate the financial aid process and delivering resources to those that need them most.

While we are aware of this "multiverse" of vendors on our campuses, the fact remains that many nonprofits and individuals work to help students enroll in and make financial aid decisions about how to attend our institutions and complete their credentials and degrees. ED cannot reasonably expect our colleges to know if an individual high school guidance counselor is providing individualized financial aid advice to students seeking to attend our colleges or if a new nonprofit college access program focuses in on enrollment at one of our campuses. Many community organizations dedicate time, money, and other resources to help many of our students, and oftentimes do so without notifying a college or needing to enter into a formal agreement with our institutions. If our institutions must suddenly become responsible for supplying vendor documentation for auditing purposes and be jointly liable for any violations, this could cause many of these community partnerships to dissolve. It is hard to imagine that is what the Department intends.

Finally, this updated guidance has the potential to jeopardize many of our institutions' innovative approaches to providing high-quality, educational experiences for our students that ensure students stay in school and are able to complete their credential or degree. Many of our members currently contract with businesses that are owned by foreign entities that use groundbreaking technologies and techniques to provide a range of services to our institutions and students. Under the new third-party servicer guidance, these institutions would no longer be allowed to contract with these entities, reducing in one fell swoop the quality assistance our students have come to expect with no ready replacements.

Rather than adopting this new guidance for third-party servicers, we urge ED to rescind this updated guidance and engage in discussions with stakeholders on how to acquire the information sought by ED. Such an approach would allow the high-quality services provided for our students to continue without jeopardizing effective community relationships. While our colleges are working diligently and creatively to find new outlets to support students and their future careers, additional aid from their surrounding communities and innovative partners is vital to our continued ability to help students and ensure community colleges across America can continue to respond to our nation's changing education and workforce demands effectively and nimbly.

Thank you for the opportunity to provide input on this matter and for considering our views.

Sincerely,

Monty Sullivan

Board President, Rebuilding America's Middle Class (RAMC) President, Louisiana Community and Technical College System