



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF THE UNDER SECRETARY

May 4, 2018

Honorable Elizabeth Warren  
United States Senate  
Washington, DC 20510

Dear Senator Warren:

Thank you for your December 13, 2017, letter to Secretary Betsy DeVos and Chief Operating Officer Dr. A. Wayne Johnson, regarding the U.S. Department of Education's (Department) plans for oversight and enforcement of federal student aid programs. Your letter was forwarded to my office, and I am pleased to respond and am sending identical responses to the cosigners of your letter.

The Department is committed to protecting borrowers and taxpayers, and its Office of Federal Student Aid (FSA) has established a comprehensive approach to the oversight of the federal student aid programs. FSA's oversight strategy ensures organizations affiliated with these programs understand their responsibilities and comply with federal student aid statutes, regulations, and other related consumer protection laws. Our oversight, compliance, and risk management efforts are continually evolving to ensure continuous improvements when needed, constant communications, and proactive responses. The following addresses the questions asked in your letter.

**1. Please describe in further detail the Department's plans for "proactive risk management."**

FSA's Enterprise Risk Management (ERM) Unit is responsible for providing best in class business strategy service for all internal review, audit resolution, risk assessment, and risk management; portfolio risk management; and performance monitoring in high-risk issue areas. The ERM Unit works to develop proactive risk assessments and provide a more strategic view of future risks, and to better equip senior management to anticipate, analyze, and manage risks inherent in the federal student aid program, including analysis of findings from Office of Inspector General (OIG) and Government Accountability Office (GAO) audits. Evolving into a modernized ERM approach in 2017, FSA's ERM program includes a re-engineered and documented ERM system and a new tiered governance structure which includes executive level, cross business-unit level, and enterprise cyber risk components. Risk management efforts are always ongoing and will be updated based on new strategies and actions as new risks are identified.

**2. Please describe the specific changes the Department envisions to its current policies and practices that will shift to "executive outreach" in compliance and enforcement.**

The Executive Outreach function is responsible for the development and execution of outreach and engagement efforts with federal and state agencies, professional organizations, higher education executives, and FSA stakeholders. It does not shift current policies and practices from compliance and enforcement but rather augments efforts within these compliance and enforcement units to proactively engage with partners and stakeholders to increase engagement, information-sharing, and collaboration with regard to student aid matters. Engagement efforts and communications will clarify FSA's compliance processes and enforcement actions and facilitate increased interaction among the Department and key student aid groups and entities.

**3. When does the Department estimate that all of the elements of its new risk management strategy, including identifying said risk factors, will be completed?**

In 2017, as part of a broader effort to increase the Department's level of awareness and preparedness for risk, FSA identified, recruited, and placed key senior leaders and subject matter experts within the Enterprise Risk Management (ERM) Unit. FSA's ERM program includes a re-engineered and documented ERM system and a new tiered governance structure, which includes executive level, cross business-unit level, and enterprise cyber risk components. Risk management efforts are always ongoing and will be updated based on new strategies and actions as new risks are identified.

**4. Is the Investigations Group required to obtain approval from any senior political appointee or group of appointees before pursuing basic tasks, such as coordinating with federal agencies, interviewing school officials, or requesting documents from institutions of higher education?**

See response to Question 6 below.

**5. What enforcement actions have been initiated from investigations conducted by the Student Aid Enforcement Unit since January 20, 2017?**

See response to Question 6 below.

**6. Is the Investigations Group still receiving cases referred from Program Compliance or Administrative Actions and Appeals Service Group?**

FSA has been working to transition the various components responsible for investigating and potentially instituting adverse actions to address more complex alleged violations of the laws and regulations governing federal student aid, including incidents of fraud. The Enforcement Unit includes the Investigations Group, as well as the Administrative Actions and Appeals Group (AAASG).<sup>1</sup> To ensure consistent enforcement as well as sufficient expertise in the Higher Education Act's Title IV requirements, the Enforcement Unit works with experienced Program Compliance staff and attorneys in the Office of the General Counsel (OGC) in investigating cases and processing any resulting adverse actions. The Investigations Group was originally designed in early 2016 as a standalone office for investigations of alleged serious Title IV

---

<sup>1</sup> The Borrower Defense group is also a part of the Enforcement Unit; it processes and analyzes borrower defense claims. The above discussion does not include the work of the Borrower Defense group.

violations and fraud. Since that time, however, the Department has determined that coordinating the work of the Investigations Group with investigations that have historically been conducted by Program Compliance, AAASG, and OGC would provide more expertise than relying solely on the Investigations Group to separately generate and process investigations. The transition to a more coordinated approach also aims to avoid duplication of work that has all along been performed by Program Compliance, OGC, AAASG (prior to becoming a part of the Enforcement Unit), and OIG.

Cases are generated from a variety of sources, including student complaints, referrals from other government agencies and law enforcement partners, and from program reviews conducted by Program Compliance. The Enforcement Unit, Program Compliance staff, and OGC work together to investigate potential actions thoroughly by coordinating with those other government agencies, interviewing school officials, students and third parties as appropriate and requesting documents from institutions or other entities, including by subpoena where necessary. FSA senior management (along with other senior Department officials, including political appointees) have a general oversight role in allocating resources to prioritize areas for investigation but do not manage the basic functions of the investigations.

The enforcement unit has initiated more than 50 adverse actions since January 20, 2017. These include actions to terminate, suspend, limit, revoke, and deny recertification of participation, as well as levying fines. Some of these adverse actions result from routine matters of non-compliance, while others follow months of in-depth investigation.

**7. Has the Department's new approach to risk management involved any temporary or permanent halt to investigations that were open as of January 20, 2017?**

No.

**8. Please provide an organizational chart, titles, and detailed descriptions of the job responsibilities for the senior executives leading FSA's oversight work, including Michael Dean, Charles Patterson, Julian Schmoke, and Chris Greene.**

See Attachment A.

**9. Please provide the number of full-time equivalent employee positions assigned to each of the functions headed by the senior executives listed above, disaggregated by employee hiring authority and listing any current or expected staff vacancies.**

See Attachment B.

**10. What is the number of filled and vacant spots disaggregated by the Enforcement unit's four staff groups: Investigations, Borrower Defense, Administrative Actions and Appeals, and Clery, and who are the senior managers for each of those staff groups?**

See Attachment C.

**11. Please provide a list of all contractors employed by FSA for any oversight, compliance, or risk management activity and the description and scope of work for each contract.**

See Attachment D.

**12. Who is FSA's Senior Fraud Advisor, and what is FSA's plan to implement the GAO Fraud Framework, as indicated in the OIG's FY 2018 Management Challenges report?**

FSA's Senior Fraud Advisor is Linda Hall, a veteran member of the Senior Executive Service (SES) and career employee of the Department. FSA is working to implement the components of GAO's suggested framework for fraud risk management: organizational culture and structure supportive of fraud risk management, fraud risk assessments and development of a fraud risk profile, strategies for specific control activities to mitigate risk, and continuous evaluation of outcomes and adaptation of activities for improvement. All aspects of fraud risk management will be coordinated and aligned with FSA's ERM Unit.

**13. How does FSA plan to respond to all the issues raised by the annual OIG Management Challenges report and GAO reports on oversight, and will this include incorporating such feedback into annual risk assessments?**

OIG and GAO findings contribute to FSA's risk assessment evaluations, including risk mitigation activities and strategies. FSA continually reviews and updates its enterprise risk assessments and identifies and evaluates additional mitigation activities and strategies.

FSA is actively resolving the issues raised by the IG and GAO regarding oversight and works closely with these entities to develop and implement appropriate action plans to address identified concerns.

**14. How does the Department plan to utilize complaints and allegations from students filed with the FSA Feedback System, Consumer Financial Protection Bureau, Federal Trade Commission, accrediting agencies, and state authorizers in enforcement activities?**

FSA's proactive work will continue to be informed by customer input—including complaints and allegations of suspicious activity through the FSA feedback system, available at [StudentAid.gov/feedback](http://StudentAid.gov/feedback)—and supported by coordination with other stakeholders, including accrediting bodies, the Federal Trade Commission, the Consumer Financial Protection Bureau, and the U.S. Department of Justice.

Thank you for your letter. If you have any further questions, please feel free to contact the Office of Legislation and Congressional Affairs at 202-401-0020.

Sincerely,

A handwritten signature in black ink that reads "James F. Manning". The signature is fluid and cursive, with a large initial "J" and "M".

James F. Manning  
Delegated the Authority to Perform  
the Functions and Duties of the Under Secretary

Enclosures

## Attachment A

**Please provide an organizational chart, titles, and detailed descriptions of the job responsibilities for the senior executives leading FSA's oversight work, including Michael Dean, Charles Patterson, Julian Schmoke, and Chris Greene.**

Position descriptions for the individuals listed below are enclosed. These individuals work directly for the Chief Operating Officer and the Deputy Chief Operating Officer. Attachment B includes details about their teams.

Michael Dean, Chief Risk Officer

Charles Patterson, Senior Advisor, Executive Outreach

Julian Schmoke, Jr., Chief Enforcement Officer

Chris Greene, Chief Customer Experience Officer and Chief Communications Officer (Acting)

### Risk Management Unit (Michael Dean):

Federal Student Aid's Enterprise Risk Management (ERM) Unit is responsible for providing best in business service for all internal review, audit resolution, risk assessment, and risk management strategy; portfolio risk management; and performance monitoring in high-risk issue areas. The ERM is divided into two main areas: the Internal Review Division and the Risk Analysis and Reporting Division. The Internal Review Division is responsible for helping to ensure that an effective internal control framework is in place across the enterprise; however, it does not have any responsibilities related to the implementation of enterprise risk management. The Risk Analysis and Reporting Division is responsible for developing an enterprise risk management strategy and implementing an enterprise risk management program at Federal Student Aid (FSA). Additionally, the ERM works to develop risk assessments and provide a more strategic view of future risks and was designed to better equip senior management to anticipate, analyze, and manage risks inherent in the federal student financial assistance programs.

### Executive Outreach Function (Charles Patterson):

The Executive Outreach function was established and is responsible for the development and execution of outreach and engagement efforts with federal and state agencies, professional organizations, higher education executives and FSA stakeholders. Engagement efforts and communications will clarify FSA's compliance processes and enforcement actions.

### Enforcement Unit (Julian Schmoke, Jr.):

FSA's Enforcement Unit is responsible for taking enforcement action against parties participating in Title IV, Higher Education Act of 1965, as amended (HEA) programs. The work is designed to protect students, borrowers, and taxpayers and to enforce compliance with laws and regulations governing student financial assistance programs administered by FSA.

Enforcement carries out its responsibilities through four subcomponents:

- Administrative Actions and Appeals Service Group
- Clery Group
- Investigations Group
- Borrower Defense Group

Customer Experience Unit (Chris Greene):

FSA's Customer Experience (CE) Unit is responsible for identifying, measuring, and reporting customer expectations and satisfaction with the federal financial aid services and products offered by FSA. The CE office is accountable for understanding the customers' perception of service over their entire customer lifecycle and identifying ways to improve customer satisfaction. The CE office serves as the "voice of the customer" and works as an advocate for issues facing customers.

Chief Risk Officer  
FEDERAL STUDENT AID  
Risk Management Office  
AD-301-00  
1151491

I. INTRODUCTION

Federal Student Aid (FSA), as a principal office of the United States Department of Education, ensures that all eligible Americans have access to federal financial assistance for education or training beyond high school. It awards billions of federal financial aid to millions of students and has a total loan portfolio of over \$1 trillion. Aid is provided in the form of low-interest loans, grants, and work-study funds to cover expenses, such as tuition and fees, room and board, books and supplies, and transportation. FSA executes its responsibilities through the collective efforts of more than 1200 employees located in Washington, DC and in 10 regional offices throughout the United States with the support of over 10,000 contractors.

This position serves as FSA's Chief Risk Officer, and directs FSA's Risk Management Office. This position reports to the Chief Operating Officer, and serves as a key executive within FSA. This is an excepted service AD senior manager position established under authority of P.L. 105-244.

II. MAJOR DUTIES AND RESPONSIBILITIES

The incumbent leads the Risk Management office, a major business unit within FSA, and is responsible for the oversight of a wide range of activities related to the assessment and management of enterprise risk. Risk Management is responsible for providing best in business service for all internal review, audit resolution, risk assessment, risk management strategy, and portfolio risk management activities and for monitoring FSA's performance in high risk area. The incumbent provides expert advice to the Chief Operating Officer and other key officials and business unit heads within FSA concerning the management of risk and is responsible for establishing an enterprise risk management structure and framework throughout FSA to identify and mitigate risks.

Specifically, this position:

- Oversees the operations of the organization to ensure the appropriate operation and administration of the Internal Review Group and the Risk Analysis and Reporting Group
- Oversees the coordination of an annual high level risk assessment at FSA and helps to facilitate an integrated and enterprise wide view of risk, risk tolerances, and risk mitigation efforts
- Establishes an enterprise risk management structure and framework throughout FSA to identify and mitigate risks



- Provides advice and counsel to key FSA leaders on risk activities, ensuring that they incorporate risk management into operational business practices and policies and that they are well versed in risk management to support operations and long and short term decision making
- Ensures close coordination with the Government Accountability Office (GAO) and the Department's Office of the Inspector General and other external entities on audits and reviews
- Ensures improved methodologies for identifying, quantifying and reporting on risks affecting the organization and ensures that the organization's overall risk profile is developed
- Identifies emerging and potential risks across the student aid landscape
- Collaborates with senior leadership to ensure a proactive approach in mitigating risk to the student aid portfolio and FSA
- Advises and makes recommendations on corrective actions to minimize FSA's exposure to risk
- Represents FSA with the Department and other agencies on risk management activities
- Attends discussions, planning groups, staff and special meetings regarding FSA operations and provides insight and information on risk management activities
- Keeps the Chief Operating Officer advised on controversial issues and matters which may affect FSA and the Department and which may actually or potentially affect FSA programs or the public's perception of FSA
- Oversees budget and resource planning and acquisition for the Office's activities

III. MANAGERIAL AND TECHNICAL SKILLS EXERCISED IN THE CONDUCT OF THE WORK:

- Expert knowledge of enterprise risk management principles and practices
- Ability to oversee the strategic management of human, financial, contractor, and information resources
- Oral and written communication skills to effectively convey and present in a convincing manner, complex information of a technical and/or policy nature to colleagues, peers, senior management officials, or representatives of other organizations
- Skill in strategic planning and goal setting
- Knowledge of and skill in risk and portfolio performance management to implement significant changes required by new or changing initiatives, programs and priorities
- Ability to educate constituents in proactive risk awareness programs
- Ability to make risk management decisions requiring consideration of the impact of political, social and economic conditions on FSA programs
- Knowledge of student financial aid programs

#### IV. SUPERVISION EXERCISED

Provides supervision, management, direction and guidance to the staff, including establishing work priorities, assigning work, reviewing and accepting work products, making selections for positions, rating performance, granting awards, taking disciplinary actions, etc. Takes action to mentor and develop staff and to engage them in the work to ensure high quality performance. Decisions are made and actions are taken in accordance with governing laws, rules, regulations and policies, and in consideration of Equal Employment Opportunity practices, diversity and inclusion principles, and the collective bargaining agreement.

#### V. SUPERVISION RECEIVED

This position reports to the Chief Operating Officer who provides broad guidance regarding objectives and priorities. This position exercises a high degree of independent judgment and has broad authority for decision-making. The work is reviewed only for achievement of goals and objectives. The work is expected to be technically accurate and comply with laws, rules, regulations and policies.

**Addendum to Chief Risk Officer**

The Risk Management Office has added a position of Senior Cybersecurity Risk Advisor, with duties and responsibilities related to developing strategic plans and processes for identifying and mitigating cybersecurity risks. The position requires a critical sensitive clearance with access to classified information.

The duties of the Chief Risk Officer will include managing and supervising the cybersecurity risk work, including attendance at meetings or reviewing documents where access to classified material is required, and thus the Chief Risk Officer position also requires a critical sensitive clearance.

Senior Advisor for Executive-level Outreach  
Office of the Chief Operating Officer  
Federal Student Aid  
AD-301-00  
N70005N

## **INTRODUCTION**

The Senior Advisor for Executive-level Outreach is located in the Immediate Office of the Chief Operating Officer (COO), Federal Student Aid (FSA). The Office of the COO leads oversight of the nation's largest source of student aid, providing billions in Title IV aid to millions of postsecondary students and their families. FSA directly manages or oversees a loan portfolio in excess of \$1.2 trillion. The COO's office executes its responsibilities through the collective efforts of over 1,400 employees located in Washington, DC and in 10 regional offices throughout the United States, plus oversight of over 10,000 contractors.

The Senior Advisor for Executive-level Outreach, is responsible for providing advice to the COO on outreach efforts to schools, students, partners in the loan programs, other federal agencies, state and local organizations, and customers on the programmatic work of FSA, including the delivery of aid to students, and compliance activities designed to ensure that the programs are properly administered by the academic institutions, financial organizations, and contractors carrying out the work.

This position is established as an excepted service AD Senior Manager under the authority of the 1998 Amendments to the Higher Education Act of 1965. The position is a recognized key expert, adviser, and leader in FSA with responsibility and accountability for the success of FSA's outreach activities.

## **MAJOR DUTIES**

Conducts studies of emerging issues affecting FSA in terms of the delivery of student aid and particularly the public perception of FSA's activities and its role in higher education. Evaluates the positions of the various stakeholders and prepares recommendations for outreach actions. Implements approved courses of action, which includes leading efforts FSA-wide. The success of outreach to students and other constituents directly affects the number of students who will benefit from FSA programs and gain access to higher education.

Serves as a source of expert advice on outreach activities related to controversial issues with FSA-wide impact, after studying the issues and weighing the options and their effects.

Represents and speaks for FSA in contacts with key external high level officials in other federal agencies and in the private sector to address and understand their concerns and positions on issues.

Designs activities to maximize outreach and improve the public's understanding of the loan programs and the complex functions FSA performs to ensure equal access to education, which includes compliance as well as customer experience related functions.

Senior Advisor for Executive-level Outreach  
Office of the Chief Operating Officer  
Federal Student Aid  
AD-301-00  
N70005N

Coordinates actions with the COO, senior management and stakeholders.

Management responsibilities are of a matrix nature and include advising on the establishment of program objectives and long range plans; identifying required resources to support the optimum outcome, and providing expert interpretations of relevant laws, regulations, policies and approaches. Coordinates the accomplishment of major projects and makes effective recommendations that shape and improve outreach and public understanding and perceptions.

Reviews assigned program issues involving high levels of complexity and controversy, with external interest, and recommends solutions. This involves seeking and understanding conflicting views and working for a satisfactory resolution. Identifies operating problems and directs necessary corrective actions. Recommends new or revised organizational structures which aid in accomplishing the outreach work of FSA economically and efficiently.

The incumbent exercises significant executive responsibilities in completion and approval of key and sensitive issues.

Establishes and maintains working relationships with external stakeholders in the private and public sector for the purposes of identifying best practices, benchmarking, and understanding viewpoints and interests.

The incumbent may be asked to perform a variety of special projects as assigned.

#### **MANAGERIAL AND TECHNICAL SKILLS**

Must exercise skills in making major management recommendations and decisions which have a direct and substantial effect on the outreach policies, resources, and/or management of FSA to include:

- Strategic planning to accomplish outreach objectives;
- Using a high level of knowledge of outreach methods and practices, to include social media and the most current public relations/outreach practices;
- Establishing and modifying long-range goals, objectives, and priorities;
- Managing organizational and program changes in response to changes in levels of appropriations or other legislative actions;
- Obtaining resources, including funds and staff, using the influence model of authority;
- Creating, using and implementing effective program and project plans;

Senior Advisor for Executive-level Outreach  
Office of the Chief Operating Officer  
Federal Student Aid  
AD-301-00  
N70005N

- Providing executive level advice and guidance to senior management on outreach for FSA programs and other strategic issues;
- Interacting and representing FSA at the highest levels within ED and the Government, as well as with nationally recognized leaders and high-level officials and representatives of other institutions and organizations;
- Using organizational, managerial and negotiating skills with respect to complex and sensitive issues; and
- Communicating effectively both verbally and in writing in order to periodically brief the COO, FSA and ED leadership on major items of concern.

**LEVEL OF RESPONSIBILITY**

The incumbent reports to the Chief Operating Officer, who provides broad guidance in terms of overall goals, objectives, and priorities to be achieved. The incumbent exercises independent judgment and authority and resolves problems where no precedents exist. Work is subject to review only for attainment of overall objectives.

In executing these responsibilities, the incumbent:

- Advises the COO on critical issues regarding FSA outreach activities.
- Ensures that work is coordinated with all affected organizations.
- Develops and monitors strategies for achievement of goals and priorities and initiates action to keep items on track.
- Identifies risks and problems well in advance and takes action to prevent problems before they occur, or to solve them quickly if they cannot be prevented.
- Promotes an atmosphere of innovation and creativity, while at the same time ensuring compliance with the spirit and intent of governing laws, regulations, and policies.
- Resolves funding and staffing issues as needed.
- Takes action to promote an atmosphere of employee involvement and engagement in the work, where employee contributions are valued and recognized, and where accountability for work results is a central part of the organizational culture.
- Attends discussion, planning groups, staff and special meetings regarding FSA strategic and operational issues and manages implementation of resulting action items.

Senior Advisor for Executive-level Outreach  
Office of the Chief Operating Officer  
Federal Student Aid  
AD-301-00  
N70005N

- Represents FSA in contacts with other agencies and organizations.
- Acts as a senior-level liaison with senior officials both within and outside the Department to exchange views and to discuss and resolve exceedingly complicated, evolving, and highly sensitive issues affecting the outreach initiatives.

**SUPERVISORY RESPONSIBILITY**

The incumbent may be assigned one or more staff members, and if so, he or she provides administrative supervision to include performance appraisal, leave approval, hiring and separation actions, approving and disapproving work products, etc. Complies with equal opportunity practices and principles and ensures diversity and inclusion.

Provides role model leadership and mentorship to others not under immediate supervision but working on assigned initiatives(s), including: recognition of individual and team efforts, identifying and collaborating with manager(s) of team members exhibiting performance deficiencies, and arranging for training, where appropriate.

**Federal Student Aid (FSA)  
Office of the COO  
Chief Enforcement Officer, AD-0301-00  
PD #: S5256N**

**INTRODUCTION**

This position is designated as a Senior Manager position pursuant to the 1998 amendments to the Higher Education Act of 1965, and is located in the U.S. Department of Education (ED), Federal Student Aid (FSA), Office of the Chief Operating Officer (COO), Enforcement Office. The position serves as the Chief Enforcement Officer in the Enforcement Office, reporting directly to the Chief Operating Officer. Through direction of the Chief Operating Officer, the Chief Enforcement Officer will direct FSA on enforcement matters, including those that require a high degree of coordination across Offices and offices.

The Chief Enforcement Officer will oversee the Enforcement Office's four units and their staffs. The Enforcement Office comprises: 1) the Administrative and Appeals Service Group; 2) the Clery Act Enforcement unit; 3) the Investigations unit; and 4) Borrower Defense Group.

**MAJOR DUTIES AND RESPONSIBILITIES**

The Chief Enforcement Officer serves as a key contributor to the FSA's enforcement mission. S/he is the principle expert advisor to the COO on enforcement operations, in the area of appeals service, Clery Act enforcement, investigations and borrower defense. The Director is responsible for providing expertise, guidance and recommendations on critical enforcement issues and new initiatives. The work focuses on several key legal and operational enforcement matters, involving both FSA internal and external coordination. In this capacity, the Director:

Directs FSA's enforcement work and oversees investigations and administrative actions brought by FSA against multi-regional and foreign schools participating in Title IV programs.

Provides guidance, to senior Department officials, on a number of pressing enforcement matters.

Implements training materials for Enforcement Office staff, including the program review staff, investigators and auditors.

Implements policies to identify high-risk schools, and tailors investigative and enforcement efforts to be more responsive at early stages in order to protect students.

Liaisons between FSA and the Department's Office of Inspector General (OIG), including the review of OIG draft reports, and coordination with OIG on investigations.

Oversees areas of special concern that need innovative and special attention as designated by the Chief Operating Officer.

Supervises the preparation of investigative files, and enforcement actions.



Upon request of the Chief Operating Officer, participates in matters, involving Congressional oversight, and legislative briefings.

Provides leadership and recommendations to the Enforcement staff in connection with the review and/or preparation of administrative enforcement actions, memoranda, etc.

Appears and supervises appearances on behalf of the Office of Federal Student Aid before administrative boards and courts. For such matters, reviews, pleadings, briefs, memoranda, and other legal documents necessary in proceedings involving the Department or requested by any Government agency for use in proceedings.

Represents the U.S. Department of Education at meetings, and in coordination with State and Federal officials, in matters concerning enforcement issues and initiatives.

#### **MANAGERIAL AND TECHNICAL SKILLS**

Possess expert knowledge of FSA's enforcement mission and requirements, including the ability to manage and direct the enforcement activities of the agency.

Knowledge of, and ability to interpret enforcement policies, purpose and goals of FSA and ED, to agency staff and Federal and State officials.

Knowledge of the range of laws, regulations, principles and methods applicable to enforcement programs and initiatives, and sufficient to provide authoritative advice and develop new enforcement approaches.

Demonstrated ability to represent FSA and ED, in matters involving Congressional oversight, and legislative briefings.

Possess practical knowledge of legal documentation necessary in enforcement proceedings before administrative boards and courts.

Excellent written and verbal communication skills sufficient, to summarize and communicate complex enforcement issues, relevant legal analyses, and programmatic options, to senior leadership.

Ability to interact and communicate with key managers, and personnel at all levels, throughout the organization and external partners.

#### **LEVEL OF RESPONSIBILITY**

The Chief Enforcement Officer serves under the general direction of the Chief Operating Officer, who is appointed by the Secretary; and is delegated complete responsibility and authority to plan, schedule and carry out assigned initiatives consistent with the constraints of law, Federal regulations, and ED and FSA policies. Chief Enforcement Officer independently plans and carries out the responsibilities and duties of the position; and works with considerable initiative, exercising a high degree of judgment, independence, and originality in carrying out assigned

functions. Chief Enforcement Officer also initiates and carries out new assignments that evolve from previous projects or may originate out of liaison activities.

Chief Enforcement Officer is expected to apply expert technical knowledge and creativity to the resolution of major problems; and applies continuing efforts to adapt new theories, concepts, principles, standards, and practices to improve the quality of enforcement operations. The results of the Chief Enforcement Officer's work are considered technically authoritative.

### **SUPERVISORY RESPONSIBILITY**

- Assigns work to subordinates based on priorities and selection consideration of the difficulty of assignments and capabilities of employees. Evaluates performance and provides advice, counsel or instruction to individual employees on both technical work and administrative matters.
- Interviews candidates and recommends appointment, promotion or reassignment to positions.
- Hears and resolves complaints and grievances from employees.
- Periodically reviews subordinate job descriptions for accuracy and recommends improvements in work methods and organizational structuring of positions.
- Identifies training needs for subordinate staff and schedules necessary training.
- Promotes acceptance and adherence to provisions, of such programs such as Equal Employment Opportunity and management objectives; provides counsel to subordinate employees, regarding career potential and opportunities; and provides recognition to deserving employees.
- Develops and recommends fiscal plans, programs, and budgets which involve projects for additional staff, overtime, awards, equipment, and/or general office supplies.

### **OTHER INFORMATION**

The incumbent is subject to the required security background investigation.

FLSA: Exempt

## Chief Customer Experience Officer

AD-0301-00

NOV 2012

### INTRODUCTION

This position is located in the U.S. Department of Education, Federal Student Aid (FSA), Customer Experience office. FSA administers several financial assistance programs providing grants, loans and other forms of financial assistance to students pursuing postsecondary education.

FSA is the Federal government's first performance-based organization (PBO). THE PBO organization concept emphasizes flexibility and accountability. As a PBO, FSA concentrates on improving customer's satisfaction; providing high quality, cost-effective services; responding rapidly to technological changes; and providing complete, accurate and timely data, to ensure program integrity.

This is an excepted service AD Senior Manager position, pursuant to the 1998 Amendments to the Higher Education Act of 1965, established under authority of P.L. 105-244.

### MAJOR DUTIES

Serves as the chief advisor to the Chief Operating Officer, on customer experience matters for FSA, to ensure FSA's activities are customer focused throughout the organization. There are three primary customer groups that the Chief Customer Experience Officer (CCEO) is accountable for:

- **Prospective College Students** (Traditional and Non-Traditional)
- **Active College Students** (Traditional and Non-Traditional)
- **Borrowers** (Former Students with loans in repayment).

Incumbent provides both short and long range strategic advice to the Chief Operating Officer and other senior managers on how to achieve customer satisfaction. S/he identifies, measures, and reports customer expectations and satisfaction with the federal financial aid services and products offered by Federal Student Aid pursuant to Title IV of the Higher Education Act of 1965.

Exercises a comprehensive understanding of the customer's perception of service over the entire customer lifecycle, and identifies ways to improve customer satisfaction. As a member of the FSA Operating Committee, serves as a "voice of the customer," and works as an advocate for issues facing customers.

Expands customer listening, by engaging stakeholders to contribute and participate; applies quantitative and qualitative analyses of customer data to inform FSA's views of customers; and uses findings, to inform and influence business decisions, and to make positive changes to customer-facing processes.

Utilizes customer surveys, research and enterprise data analytics, and monitors school data, to drive action and inform decision-making.

Refines current outreach and engagement strategies through social media, webinars, in-person presentations, and publications.

Reviews and makes improvements to StudentAid.gov, to simplify and improve the customer experience; and implements methods to improve customer satisfaction.

Manages and leads the primary customer management function within FSA. The unit is charged with developing and deepening trust-based relationships with key customer groups. These relationships are designed to position FSA, to be proactive in identifying, analyzing, and addressing potential issues impacting customers. In addition, the unit provides advice and counsel, to key customer groups on various topics required for customers, to remain in "good standing" with the Department. The team works closely with all FSA business units, to ensure that customer needs and expectations are met.

Incumbent ensures effective and appropriate use of social media and digital communications with customers.

S/he continually reviews, improves and automates aid application products (e.g. Free Application for Federal Student Aid), to ensure materials are easy to use and student centric; and manages the contracts and annual lifecycle for FAFSA and related vendor products, including digital delivery and application services.

Gathers feedback, from the network, of Financial Aid Administrators (FAA) working at the 6200 schools eligible, for the Title IV funds (including public, private and proprietary Institutions). The FAA feedback system enables FSA, to gather insights on ways to improve its business processes, technology, and aid programs to better meet the needs of college students.

Initiates customer interactions designed, to improve institutional performance and student outcomes, at minority serving institutions (MSIs).

Develops intervention and prevention strategies, to minimize the number of non-compliant schools and borrowers in default.

Reviews and aligns, where appropriate, the Ombudsman and FSA Feedback system processes.

Develops, implements and revises as necessary a FSA consumer protection function, to enable students, to make better informed decisions regarding college.

Formulates FSA's outreach strategies; builds and manages the customer experience team; works with various stakeholders, to achieve customer awareness and aid application goals; assesses FSA's product mix and positioning, to ensure they meet the needs of students; and oversees customer contact points (e.g. call center, e-mail, mail, and websites) and the vendors associated with these activities.

Works closely with the other FSA business units, to ensure a coordinated and comprehensive approach, in all areas to focus on customer needs and ways to meet them, and to ensure that FSA's communications are customer focused

Incumbent represents FSA and the Department, in meetings with other Federal agencies, customer groups, academic organizations and State and local organizations. Participates in cross-agency efforts, to improve students' financial well being; and represents ED and FSA on government-wide customer service groups and efforts.

#### **MANAGERIAL AND TECHNICAL SKILLS REQUIRED**

Possess expert knowledge, of customer experience programs and processes, to develop and implement enterprise wide customer experience activities, for a public sector organization, focusing on financial aid.

Knowledge of, and experience with all aspects of e-commerce technologies, consumer marketing, customer analytics, and customer feedback systems, and of customer segmentation methodologies.

Demonstrated knowledge, of project management practices and principles, in order to coordinate numerous simultaneous projects and activities.

Demonstrated knowledge, of the characteristics and needs, of customer groups, to develop programs, to address their concerns, and meet requirements.

Ability to effectively interact with and influence executive management levels, including FSA and ED senior leadership.

Ability to work closely and cooperatively with business unit heads across FSA and with senior officials, at the Department, to engage them in customer related issues, and to ensure a customer focused, student-centric approach across FSA, including FSA's communication strategies.

Possess excellent written and verbal communication skills sufficient, to summarize and communicate complex customer experience issues, relevant analyses, and programmatic options, to senior leadership.

## **LEVEL OF RESPONSIBILITY**

The Customer Experience organization is divided into the following components, reporting to the CCEO:

- Awareness and Outreach
- Ombudsman
- Consumer Protection
- Student Experience
- School Experience
- Borrower Experience
- Customer Analytics teams working with targeted colleges, such as minority-serving institutions and foreign schools

The CCEO reports directly to the Chief Operating Officer of FSA, who establishes the overall mission of the organization and provides broad policy guidance. The position is responsible and accountable for the operations of FSA's customer experience program. Exercises independent judgment and is expected to keep the COO informed of major controversial or sensitive developments or trends. Makes independent decisions about appropriate actions or alternative strategies, and conducts key meetings with FSA officials, to interpret developments and trends. Guidelines do not exist for much of the work, and the incumbent is expected to develop new ways of conducting business and accomplishing goals without direction. Work is evaluated in terms of overall results, effectiveness, accomplishments, and responsiveness to the goals, objectives, and policies of the COO, the Secretary of Education, and the Administration.

## **SUPERVISORY RESPONSIBILITY**

The position provides supervision and management, to the Customer Experience organization, which includes subordinate managers and a staff of about 100 employees. The incumbent performs the full range of supervisory and managerial duties, including setting priorities for the work of the organization, making assignments, interviewing candidates and making selections for supervisory and non-supervisory staff, evaluating performance, and approving performance plans, ratings and awards. The incumbent takes disciplinary and adverse actions as necessary. S/he allocates, controls and ensures efficient use of resources, assesses and enhances program and operational policy efficiency and effectiveness. The work includes resolving serious work complaints, making decisions on work problems presented by subordinate supervisors and managers, approving training and individual development plans, approving or disapproving leave, promoting employees, and approving within grade increases, overtime and travel. S/he coaches and mentors employees, to facilitate employee engagement and career development. The incumbent is responsible for the unit's compliance with Human Resources policies, laws, rules and regulations, as well as with contracting and procurement laws and policies, ethics, travel, etc.

Assumes and exercises leadership and responsibility for equal opportunity, in the employment, development, advancement and treatment of employees directly and indirectly supervised. The incumbent applies knowledge of, and adheres to federal equal opportunity policies, goals and objectives. The incumbent promotes the principles of equal employment opportunity in written and oral communications with individuals and groups within and outside the work unit.

#### **OTHER INFORMATION**

The incumbent is subject to the required security background investigation.

This position is FLSA exempt due to its executive and administrative responsibilities.

This position is excluded from bargaining unit coverage because of its supervisory and managerial responsibilities.

#### **COMPETENCIES**

Is consummate team player with big picture vision, excellent communications and negotiations skills and ability.

Is a proactive self-starter with high level of maturity, sound business judgment, and recognized professionalism.

## Attachment B

Please provide the number of full-time equivalent employee positions assigned to each of the functions headed by the senior executives listed above, disaggregated by employee hiring authority and listing any current or expected staff vacancies.

Office	Total # of full-time equivalent Employees*	Senior Executive Service (SES) Employees	General Schedule (GS) Employees	Administratively Determined (AD) Employees	Attorneys Hired under the Government-wide Attorney Appointment
Risk Management Unit	17	2	10	5	
Customer Experience Unit	97		77	20	
Enforcement Unit	45		44 – includes the 13 Attorney Appointments	1	13
Executive Outreach	2			2	

\*Regarding current vacancies, the Department, including FSA, is currently under a hiring freeze. However, we continually review and evaluate critical vacancies in each of the areas and, as appropriate, request hiring exceptions.



**Attachment C**

**What is the number of filled and vacant spots disaggregated by the Enforcement unit's four staff groups: Investigations, Borrower Defense, Administrative Actions and Appeals, and Clery, and who are the senior managers for each of those staff groups?**

<b>Unit Name</b>	<b>Number of Employees</b>	<b>Senior Manager</b>
Administrative Actions and Appeals Service Team	11	Julian Schmoke, Jr.
Borrower Defense Team	8	Julian Schmoke, Jr.
Clery Team	18	Julian Schmoke, Jr.
Investigations Team	6	Julian Schmoke, Jr.
Enforcement Front Office	2	Julian Schmoke, Jr.

## Attachment D

**Please provide a list of all contractors employed by FSA for any oversight, compliance, or risk management activity and the description and scope of work for each contract.**

Vendor Name	Description of Services
PricewaterhouseCoopers LLP; Deloitte and Touche LLP; Ernst and Young LLP (IDVs)	A-123 Internal control, improper payments, and other related audit services.
PricewaterhouseCoopers LLP (PwC)	Support services to: <ul style="list-style-type: none"> <li>- Execute the requirement of annual assessments of internal control under OMB Circular A-123, <i>Management's Responsibility for Enterprise Risk Management and Internal Control</i>, Appendix A, <i>Internal Control over Financial Reporting</i>, and to estimate and report improper payments as derived under Appendix C, <i>Requirements for Effective Estimation and Remediation of Improper Payments</i></li> <li>- Conduct a review of Program Compliance program review data to generate improper payment estimation.</li> <li>- Conduct annual school risk assessments through the use of integrated data from the Enterprise Data Warehouse and worked with their contractor, Accenture, to develop the assessment model.</li> </ul>
Collabralink	Provides an acceptability review of annual compliance audit and financial statements submissions.
Blue Canopy	Provides oversight support services in the areas of: security assessments; ongoing security authorizations; vulnerability scanning and penetration testing; and the Security Operations Center (SOC).
Deva & Associates; St. George Consulting (IDVs)	Conducts attestation and non-financial auditing services engagements such as performance, program, and contract compliance services, financial statement reviews and comparative analysis of invoicing system.
Tista; Centennial Technologies (IDVs)	Provides professional services in the areas of: program management; project management; software application development; operations and maintenance; and enterprise testing.
Synergy Tech Consulting Inc.	Provides mobile application support services to include testing and software code assessment for the FAFSA mobile application.

TurningPoint Global Solutions, LLC	Provides technical subject-matter expertise in Enterprise Change Management (ECM) and System/Software Configuration Management (SCM) to support the various processes and procedures for systems in the Virtual Data Center (VDC).
Tista	Provides enterprise performance testing support services for FSA.