

**Congress of the United States**  
**Washington, DC 20515**

January 27, 2012

The Honorable Arne Duncan  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202

Dear Secretary Duncan:

Thank you for Federal Student Aid's recent letter in response to the Missouri delegation's November 3, 2011, letter. The delegation's letter, addressed to you, requested that the Department of Education provide a waiver from requiring Missouri's career centers to comply with a costly financial reporting requirement when applying for Title IV funds. While we were disappointed that it took almost seven weeks for a response -- and only after a member of the Missouri delegation requested a phone call with Under Secretary Martha Kanter -- we appreciate Federal Student Aid's feedback so that we can more easily inform our state's career centers about the Department's position.

Of course, we still disagree. Since receipt of the Department's response letter, we have heard from a number of career centers that have decided not to sign the agreement. They were frustrated that they received a hastily prepared letter, delivered before the holidays, requesting that they sign an agreement within 10 days stating that they will convert to accrual accounting. We believe it is unreasonable to expect these schools to sign off on such an agreement in 10 days, especially given the Department itself does not give timely responses.

We are frustrated by the Department's conflicting information: first, schools received a letter stating that they would need to come into compliance no later than June 2013. However, on a December 23, 2011, conference call with Under Secretary Martha Kanter, a member of the delegation was told that the Department would be happy to extend the extension by one year. In a follow-up email from the Department, a Department of Education staffer further wrote, "As mentioned on the call, we are pleased to provide an additional year for the schools to come into compliance, so it would not be until 2014."

While appreciative of the extension, we are frustrated by the varying information, short deadlines and lack of awareness about how this regulation impacts job creation in the state of Missouri. We request a complete fix so that schools are not stuck in this same situation come 2013 or 2014.

It is interesting that the Department suggests that a waiver is not possible in order to be compliant with the underlying legislation, the *Higher Education Act*. How, then, has the Department been in compliance with the underlying legislation when it has been granting an extension for over 14 years? As you know, Missouri allows school districts to adopt any comprehensive basis of accounting. Cash accounting is working for our state, and over 90 percent of our schools, regularly subjected to audits, are using this system of accounting. For most schools, many of which are rural, changing an entire school district's accounting system for

one affiliated career center necessitates an expense that many school districts simply cannot afford. This means career center programs will close down.

Recently, one school district superintendent told us that as a result of the uncertainty perpetuated by an agreement she cannot in good conscience sign, her school district's affiliated career center will no longer apply for Title IV funds. She said, "I cannot take money away from K-12 education in order to needlessly convert our entire school district's accounting system for one affiliated career center." As you know, this means adults seeking more education and a way to find work in this struggling economy will no longer have the possibility of receiving financial assistance.

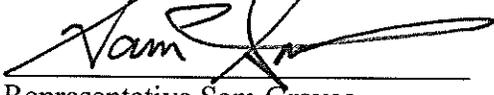
Missouri families have been hit hard by the economic downturn, and, as you know, the direct and indirect economic impact is not yet known from the tornado that mauled the town of Joplin, Missouri, in May 2011, leaving deaths, injuries and much destruction. In September 2011, you heard firsthand from people on the ground about progress to rebuild Joplin schools, including its affiliated career center. In subsequent correspondence with the Department, the superintendent of schools, C.J. Huff, had suggested to you that waiving this requirement would be one way to help rebuild Joplin and allow Missourians to find work. These are just two examples of how this onerous requirement will impact Missourians that rely on career centers for skill development, job searching and career resources in a struggling economy.

At a time when schools are strapped for cash, we do not believe it makes sense to saddle them with more uncertainty. Similarly, at a time of historic unemployment, we do not believe the administration should be denying people the opportunity to obtain new training. We'd once again respectfully ask the Department to reconsider this regulation, which shows a disconnect between education policy and job creation.

Sincerely,

  
Representative Blaine Luotkemeyer

  
Representative Vicky Hartzler

  
Representative Sam Graves

  
Representative Billy Long

  
Representative Jo Ann Emerson

  
Representative Todd Akin