

James W. Runcie, Chief Operating Officer, Office of Federal Student Aid — Biography

Former U.S. Secretary of Education Arne Duncan appointed James W. Runcie as the Chief Operating Officer (COO) for the Office of Federal Student Aid (FSA) on September 15, 2011. FSA is the federal government's first Performance-Based Organization established as part of the *Higher Education Amendments of 1998* to modernize the delivery of student financial assistance, and improve service to millions of students and the postsecondary institutions they attend.

The COO advises the Secretary of Education on matters related to the U.S. Department of Education's operation of student financial assistance programs under *Title IV* of the *Higher Education Act of 1965*, as amended.

As COO, Mr. Runcie is responsible for the strategic and operational management of FSA. Since 2010, FSA has managed an unprecedented increase in the student loan portfolio from approximately 9.2 million recipients with \$155 billion of William D. Ford Federal Direct Loan Program (Direct Loan), to 32 million recipients with \$1 trillion of Direct Loans today. The overall portfolio is approximately \$1.3 trillion with more than 42 million borrowers. Despite this growth, the portfolio performance has improved substantially with cohort default rates dropping more than 20% in the most recent three years, and over 43% of the Direct Loan portfolio dollars in income driven repayment plans. On an annual basis, FSA originates and disburses approximately \$125 billion of loans and aid to approximately 13 million students attending over 6,000 colleges and institutions of higher education. FSA comprises numerous operating units and divisions reporting to the COO. These include product management and servicing, customer experience, enterprise data research and analytics, risk management, acquisitions, compliance, enforcement, finance, technology, project management, communications and outreach, administrative services and strategic planning. FSA has an operating budget of approximately \$1.6 billion and more than 13,000 employees and contractors.

Prior to managing FSA, Mr. Runcie garnered 20 years of experience in the banking sector, working with major financial institutions, including UBS Investment Bank, Banc of America Securities (Bank of America), and Donaldson, Lufkin & Jenrette (Credit Suisse). His duties included transaction management and execution, project management, business development, group operations, marketing, human resources and risk management. Mr. Runcie also worked on a broad range of services, including public and private capital raising, mergers and acquisitions, merchant banking, debt-equity-hybrid structures and general advising. He also worked within numerous industries, including technology, internet, financial, industrial, casino and gaming, healthcare, agribusiness, sports, retail, toy and others. Assignments included transactions and advisory work in North America, Latin America, Europe and Asia. Prior to his banking experience, Mr. Runcie was a systems consultant in the network division of Xerox Corporation.

Mr. Runcie holds a Bachelor's of Arts in Mathematics from the College of the Holy Cross and a Master's of Business Administration, with distinction, from Harvard Business School.