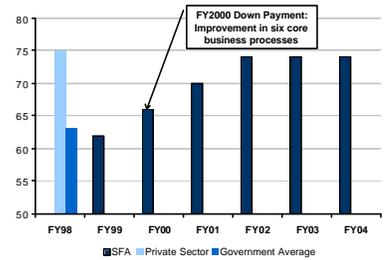


Biweekly Status Report

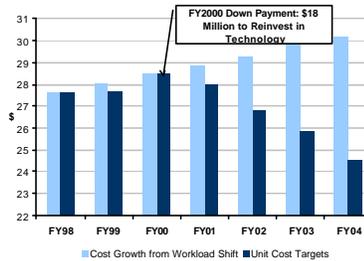
As of 5/26/00

The Performance Plan for Student Financial Assistance

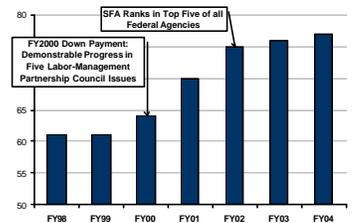
FY2000-FY2004



Customer Satisfaction Equal to Private Sector in Three Years



Unit Cost Reduced 19 Percent



Employee Satisfaction Ranks in the Top Five

SUMMARY

GREEN LIGHT:

- Both the Direct Loan Servicing and Loan Origination Web sites have been launched. These new sites were designed so customers have the capability to view data and conduct transactions with SFA. They will simplify, expand and improve the delivery of online information.
- Purchase orders for translating the 2000-2001 Student Guide and the 2001-2002 FAFSA into Spanish have been awarded.
- Meetings were held with OMB and GAO to review preliminary findings of a study to pilot test electronic matching of income data with the IRS.
- As of May 31, 2000, nearly 2.5 million electronic FAFSAs have been received. This represents an increase of more than 40% from the same period last year.
- An action item for CFO was added in March that would separate the duties of ordering, receiving and paying for physical inventory. The contract for SEAT management for this project is on track to be announced in July.
- For the month of May 2000, 94.2% of reimbursement requests were processed within 30 days. This nearly meets the target of processing 95% of reimbursement requests within 30 days.
- Operating costs for the systems that have migrated to the consolidated data center are showing a 10% reduction through the second quarter of this fiscal year. The calculated savings are based on measuring the costs of Direct Access Storage Device (DASD) and Millions of Instructions Per Second (MIPS).

YELLOW LIGHT:

- Although the Call Center (1-800-4FEDAID) answer rate continues to be below the 95% standard, the contractor has increased staff by 71% to handle the increased volume of calls.

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU001	Students	Process loan consolidations in 60 days or less. Currently averaging 50 days.	EXCEEDING BENCHMARK Goal has been exceeded. Loan consolidations are currently being processed in an average of 50 days. See Chart A.
STU002*	Students	Keep the default recovery rate at ten percent or higher. Rate is currently 10.5 percent.	ON TRACK The recovery rate as of 3/31/00 is 4.38%--exceeding the performance for the same period last year. We expect the 10% recovery rate will be achieved. The FY00 dollars collected are favorably running ahead of FY99—\$1,159,000,000 vs. \$1,032,000,000.
STU003	Student	Call Center (1-800-4FED AID) answers 95 percent of phone calls.	BELOW STANDARD Contractor has hired additional staff—an increase of 71% (Jan to April) to handle the increased volume of calls. See Chart B.
STU004	Students	Reduce the lifetime default rate.	ON TRACK
STU005*	Students	Process Free Applications for Federal Student Aid (FAFSAs) with an average turnaround time of eight days or less. Now currently averaging six days.	EXCEEDING STANDARD We are currently processing applications with an average turnaround time of 5 days.
STU006	Students	Respond to internal audit reports within the timeframe specified.	MEETING STANDARD

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU007*	Students	Create a new, high-quality, SFA web site linked to the Access America web site and the Department's "Think College Early" web site. Pending OMB guidance, link to appropriate sites in the education community (by September 2000).	ON TRACK An IPT will develop a capabilities assessment and web site project design for the Student Portal; this assessment will further provide a development and implementation strategy and schedule for FY01.
STU008	Students	Ensure that information is provided in accessible formats to meet Department of Education standards for special needs, such as Braille and TTY for the sight and hearing impaired (by September 2000).	ON TRACK Special Needs IPT sub-team has conducted research on access technology for hearing- and vision-impaired persons. Recommendations and promotional campaign will be in place by September 2000.
STU009	Students	Partner with the Puerto Rican education community to focus on their needs, translate more of our publications into Spanish and post them on a Spanish version of our web page (by September 2000).	ON TRACK As of 6/2/00, purchase orders had been awarded for translating the 2000-01 Student Guide (so that the '01-02 translation can be done quickly) and for translating the April 19 draft of the '01-02 FAFSA (so that the translation of the final version can be done quickly).
STU010	Students	Partner with an existing organization to promote student aid (by September 2000).	ON TRACK Scheduled presentation with the National TRIO conference on June 5, 2000.
STU011*	Students	Test all new Aid Awareness products and services with students and parents to make sure they are understandable.	ON TRACK
STU012*	Student	Redesign the 2001-2002 Free Application for Federal Student Aid (FAFSA) to make it demonstrably simpler and more user-friendly (by September 2000).	ON TRACK

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU013*	Students	Redesign the Direct Loan consolidation electronic application to make it demonstrably simpler and more user-friendly (by September 2000).	COMPLETED
STU014*	Students	Work with five states and college consortia so data from college applications can be electronically applied to fill out FAFSA on the Web (by September 2000).	COMPLETED
STU015*	Students	Expand FAFSA Correction on the Web capabilities (by September 2000).	COMPLETED
STU017*	Students	Provide web-based mechanism for students to check the status of their FAFSAs and to notify students when processing is completed (by September 2000).	COMPLETED
STU018	Students	Work with IRS to participate in a pilot test of electronic matching of income data (by September 2000).	<p>ON TRACK</p> <p>Phase I of study completed. Meeting with OMB held on May17 to go over preliminary findings of this study; meeting with GAO on May 25 to go over preliminary findings.</p> <p>Finalizing plans for conducting Phase II of the study, where parent and student 2000-2001 FAFSA income data will be matched with 1999 IRS income data. Match with IRS for Phase II is scheduled to take place in July 2000. Final report will be issued by end of September.</p>
STU019*	Students	Develop a Direct Consolidation Loan web site and allow electronic submission of Direct Loan consolidation forms (except for forms requiring an actual signature) via the Internet (by September 2000).	COMPLETED

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU020	Students	Test all proposed changes to our application processing forms with focus groups of current and former students (by September 2000).	ON TRACK
STU021*	Students	Include all our forms in a "pdf" file format on our web site (by September 2000).	COMPLETED
STU022*	Students	Establish one toll-free number for "one call" student customer service (by September 2000). This will include TTY.	ON TRACK IPT continues to meet and move forward.
STU023*	Students	Reduce turnaround time for processing Direct Loan forbearance and deferment requests (by September 2000). The current contract requirement is within ten days from the date of receipt and the current baseline averages between five and seven days.	BELOW STANDARD March turnaround of 7.56 days slightly exceeded the 7 day standard. This was due to unanticipated workloads in the servicing center. This unusual heavy production is not likely to repeat itself. <i>More recent data show that the contractor is performing within standard.</i>
STU024	Students	Increase the number of FAFSAs filed electronically from three million last year to four million in FY2000 (by September 2000).	ON TRACK As of May 31, we have received nearly two-and-a-half million electronic FAFSA's. That represents an increase of more than 40% from the same period last year. See Chart C.
STU025*	Students	Eliminate paper processing (with the exception of promissory notes) for students participating in our MENTOR Project in the state of New York (by March 2000).	COMPLETED
STU026*	Students	Partner with the National Student Loan Clearinghouse so we can eliminate mismatches in enrollment information between our own and our partner's processes (by August 2000).	COMPLETED

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU027	Students	<p>Try at least five new ways to make debt collection more effective, less costly, and more customer service oriented (by September 2000)</p> <ol style="list-style-type: none"> 1. On line access to ACB to correct borrower records that have been reported to the Credit Bureaus in error (Improve Customer Service) 2. Process debt collateral electronically from Guaranty Agencies during the Mandatory Assignments process. 3. Provide Borrowers option of direct debit payment for their student loans. 4. Notepad Record Reduction 5. Collection Agencies generate and mail CA letters (rather than ED). 	<p>ON TRACK for 1, 3, 4, 5.</p> <p>Alternate options for 2 being discussed.</p> <ol style="list-style-type: none"> 1. Obtained test software from the credit bureaus, working with Collections to determine locations responsible for updates. Working agreement for usage fee. 2. Working with Andersen Consulting and CIO staff to determine if initiative could be part of Enterprise solution. DCSS will present recommendations to Channel Management during week of 6/12/00. 3. Reviewing MOU from Contractor. After MOU acceptance, Contractor will submit a Phase II proposal. 4. Working with Collection Agencies and Collection Agency's COTR to implement Notepad reduction initiative. 5. Completed a draft phase I task order that will provide system functionality for new Collection Agencies. CA letter issues will be addressed in this task order as well as within the new Collection Agency contract
STU028*	Students	<p>Increase by five, the number of guaranty agency partnerships with SFA designed to improve portfolio management by September 2000.</p>	<p>ON TRACK</p> <p>The USAF partnership meeting is scheduled for 4/27/00.</p> <p>An Oklahoma partnership meeting will be scheduled in May 2000.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
STU029*	Students	Resolve NY Guaranty Agency 1997 load issues and put processes in place to prevent issues from occurring again. <i>(Added March 2000).</i>	COMPLETED Both were completed by the end of February. Collections continues to implement its routine monthly exception reporting to detect potential new erroneous debts loaded to the Debt Collection System. If a debt looks suspect, it is identified on an exception report and Collections staff in turn contacts the Guaranty Agency to verify and correct the erroneous balance(s) as/if they arise.
SCH001*	Schools	Process 95 percent of school recertifications within 120 days of receipt. The current benchmark is 42 percent.	BELOW STANDARD For the period March 1-March 31, 2000, recerts processed within 120 days is at 57.3%.
SCH002	Schools	Complete 95 percent of reimbursement requests within 30 days	EXCEEDING STANDARD For FY2000 through April 26, 2000, 97.4% of reimbursement requests were processed within 30 days. For the months of Feb, March & April, 2000, 100% were processed within 30 days. For the month of May 2000, 94.2% were processed within 30 days. Potential Issues: Contract Support for CMIS & the Reimbursement Management System has apparently expired leaving CMO without software support. The current version of the system minimally captures and provides necessary information.
SCH003*	Schools	Keep the cohort default rate under ten percent. The current baseline is 8.8 percent.	EXCEEDING STANDARD Draft 1998 cohort rates were calculated in Dec 99 which indicate the standard will be exceeded.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SCH004*	Schools	Resolve 90 percent of school audits within six months of receipt. The current baseline is 82 percent.	EXCEEDING STANDARD For the period March 1-31,2000, resolution of audits within the six-month period is at 91%.
SCH005*	Schools	Process Direct Loan origination and disbursement records within three days. The current baseline is three days.	MEETING STANDARD Chart not available this reporting period. Changing the schedule so that data will be available for future reporting cycles.
SCH006*	Schools	Process PELL funding requests within 24-36 hours. The current baseline is three days.	MEETING STANDARD Not consistently meeting standard for this reporting period. Not all disbursement batches were sent to GAPS within 36 hours due to sporadic RFMS downtime during the reporting period. RFMS Mad Dog, Pell Ops, Pell Systems are researching ways to prevent RFMS downtimes. Teams are also researching ways to streamline manual disbursement batch approval that will expedite disbursement batches to GAPS.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SCH007*	Schools	Identify schools that fail to submit audits or that submit audit reports late and take appropriate action.	<p>MEETING STANDARD</p> <p>On March 21, 2000 DMAD sent out our first set of monthly reminder letters to proprietary institutions whose compliance audits and/or financial statements will be due within 60 days. Each month DMAD will send out reminder letters to proprietary institutions for compliance audits and/or financial statements that will be due within 60 days and delinquency letters to proprietary institutions with compliance audits and/or financial statements that are overdue. By May 31, 2000, DMAD will identify for non-profit & public institutions whose 1997 & 1998 A-133 audits are missing and provide a listing to the Federal Audit Clearinghouse. The Clearinghouse will then send out a letter to the institution seeking their missing A-133 audit(s).</p>
SCH008*	Schools	Respond to internal audit reports within the timeframe specified.	ON TRACK
SCH009*	Schools	Expand our current initiatives for new schools, including the creation of an eligibility checklist, preparing instructions on how to begin to draw funds, providing onsite technical assistance if requested, and extending an invitation to come to the regional office to meet the SFA staff (by September 2000).	<p>ON TRACK (40% complete)</p> <p>Defined new school cycle: tracking of new schools will begin with initial contact and will continue through 1st recertification which will take place 1 year from date PPA is issued. The goal of this definition is to determine tech assistance needs and provide same. Tracking by submission of OPEID will determine a population for sample for feedback on new school eligibility process. Team selection – completed; welcome letter & attachment – draft complete; SFA brochure – draft ready for comment wk 6/9; feedback mechanisms – complete (folding into SCH013 plus risk analysis)</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SCH010*	Schools	Expand our current initiatives to help non-compliant schools and schools on reimbursement prepare action plans to improve their management of Title IV programs (by September 2000).	<p>ON TRACK (70% complete)</p> <p>The Case Management Teams recently conducted a nationwide assessment targeted to those schools on reimbursement with the sole goal of improving the school's management & administration of their Title IV programs. An Executive Summary will be completed & distributed by May 1, 2000. Overall, the assessment revealed that since October 1999, the number of schools on reimbursement has decreased by 30% with a large percentage of the regions experiencing decreases of over 50%. The dramatic decreases are directly attributed to the Case Management Teams efforts to provide: aggressive technical assistance and training; flexible and modified forms of reimbursement, i.e., cash monitoring; and joint action planning to address and correct areas targeted for improvement.</p>
SCH011*	Schools	Assign each school a contact point who will be a part of a Customer Service Team with the know-how and authority to solve problems with one call (by July 2000). The contact point for institutions will respond to an institution's inquiry within 48 hours.	<p>ON TRACK</p> <p>The committee has completed its staff work. Our report with recommendations has been submitted to the Schools Channel General Manager. The General Manager has requested that the committee complete several other assignments before releasing the committee from its charge.</p>
SCH012*	Schools	Post the schedule of SFA publications needed by schools on our web site, and get public feedback on it (by January 2000).	<p>COMPLETED</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SCH013*	Schools	Participate in the Partnership Forum (establish Partnership Council Teams with our school partners) to develop common business processes and interchange standards for Pell, Direct loans and FFELP. Ensure delivery of quality customer service and address other common concerns (by July 2000).	ON TRACK SFA is partnering with NACHA on our origination, disbursement and servicing initiatives as well as digital signature. SFA continues to conduct school focus groups for DL 2001-02 requirements and current Pell processing issues.
SCH014*	Schools	Allow schools to download all SFA software and materials through IFAP or the SFA web site (by April 2000).	COMPLETED
SCH015*	Schools	Involve schools in operational decisions to assess their impact, and test changes with schools before implementing them (by September 2000).	ON TRACK Focus group was held on April 5. Next focus group scheduled for May 3. We involved schools in the LO web page development. Schools now have access to LO data through the web page.
SCH016*	Schools	Increase schools access to SFA databases within Privacy Act constraints and with appropriate security measures (by June 2000).	ON TRACK We involved schools in the LO web page development. Schools now have access to LO data through the web page.
SCH017*	Schools	Improve the Direct Loan origination, reconciliation and closeout process (by September 2000). Test and evaluate an alternative origination and payments system using a commercial servicer as part of the Access America for Students project.	ON TRACK DL years 2-5 are to be closed by 7/31/00. Evaluation of DL reconciliation process completed; recommendations will be implemented over the next year. AAFS test and evaluation complete.
SCH018*	Schools	Electronically process official cohort rate appeals based on new data (by September 2000).	ON TRACK

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SCH019*	Schools	Initiate a feasibility study to identify the technology solutions that can be used to fully automate the compliance audit and financial statement submission and review process (by September 2000).	ON TRACK (60% complete) Funding for the study has been obtained. Next step is initiation of the contracting process.
SCH020*	Schools	Work with schools to improve the quality of data in PEPS.	ON TRACK PEPS is currently planning training for May and this summer on the eligibility and certification redesign, which will improve PEPS data.
SCH021*	Schools	Revise the Pell Grant system to warn analysts with a pop-up screen that they must "save" payment batches when submitting them for rejection (by mid-April, 2000). Change the default to rejection (by June 30, 2000). (<i>Added March, 2000</i>)	
SCH022*	Schools	Strengthen controls between Loan Origination and GAPS and perform verification of the number of payment records and refund records in a payment request file to prevent duplicate payments. (<i>Added March, 2000</i>)	
FP0001*	Financial Partners	Reduce the lifetime default rate.	ON TRACK Meetings on Default Reduction as Integrated Project will begin in April with members both within and outside of ED. Jack Reynolds will lead this team. In April, a core group of individuals will meet to discuss and plan for the Fall Default Symposium. Jack Reynolds will also lead this team.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
FP0002*	Financial Partners	Identify guaranty agencies and lenders that submit audit reports late and take appropriate action.	ON TRACK Continuing to use our in-house tracking system to monitor guaranty agency and lender audit report. New initiative: representatives from FP, School Channel, OIG and CFO (Dept. of ED) are working together to resolve Clearinghouse issues and develop web based system for obtaining audits and financial reports.
FP0003*	Financial Partners	Respond to internal audit reports within the timeframe specified.	MEETING STANDARD Continued efforts to revise the current procedure and receive reports electronically directly from the submitting agency.
FP0004*	Financial Partners	Create a rapid response team to identify and to address serious administrative problems (by January 2000).	ON TRACK Essentially in place with the regional office staff prepared to react as necessary.
FP0005*	Financial Partners	Continue to work with guaranty agencies and lenders to maintain the quality of data in NSLDS.	ON TRACK Analyzing current requirements to determine unnecessary and non-viable requests. Also working with the FMS project to determine the proper use of NSLDS in fee billing.
FP0006*	Financial Partners	Assign each financial partner a contact point within a customer service team with the know-how and the authority to get questions answered and problems solved (by January 2000).	ON TRACK The regions have been identified as the point of contact for our partners. Still in process of increasing authority and knowledge. Working with policy to establish a better process.
FP0007*	Financial Partners	Give guarantors access to all the information in the National Student Loan Data System, subject to Privacy Act considerations and appropriate security measures (by September 2000).	ON TRACK

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
FP0008*	Financial Partners	Involve our partners in the design of everything that affects them (by April 2000).	COMPLETED Expanded this month to include development of B2B standards involving electronic invoicing and billing.
FP0009*	Financial Partners	Join current guarantor and lender groups or establish Partnership Council Teams with guaranty agencies and lenders to develop guiding principles of quality service, training and technical assistance materials, performance data for benchmarking purposes, develop common standards and operating rules to simplify transactions, and to address issues to improve service to students (by June 2000).	ON TRACK See above. Also will be instrumental in NSLA conference in May to discuss and recommend improvements. Involvement includes participation with NCHELP, CBA, NSLA, SLSA, NASGAPP.
FP0010*	Financial Partners	In cooperation with guarantors, develop electronic payment/reporting systems (by September 2000).	ON TRACK
FP0011*	Financial Partners	Continuously ask our financial partners two questions: "Are we doing a better job as your partner?" and "What can we do next year to improve even more?"	ON TRACK
FP0013*	Financial Partners	Increase the default recovery rate for loans in default held by guaranty agencies (by September 2000)	ON TRACK Also working on developing MIS requirements to provide better portfolio performance measures. Starting project to compare other industry trends and methods to manage delinquency and maintain portfolio wellness.
FP0014*	Financial Partners	Enter into up to six Voluntary Flexible Agreements with guaranty agencies in FY 2000, as called for in legislation, to experiment with improved ways to deliver aid, improve program integrity, and realize cost efficiencies (by June 2000).	ON TRACK

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
FP0015	Financial Partners	Reduce fraudulent death and disability cases below 1998 baseline (by December 1999).	ON TRACK Instituted method to detect potential fraud. Working to consolidate processing to better control.
FP0016	Financial Partners	Within the Financial Partners channel, develop a project team and management methodology consistent with SFA enterprise-wide tools.	ON TRACK Rolled out a channel wide transformation plan including 14+ projects aimed at modernization, better process development, reengineering and employee development. Effort includes training and use of project management tools.
CIO001*	CIO	Provide outreach services to the school community in Year 2000 preparedness, which will result in a Year 2000 school readiness measure in excess of 70 percent as reflected in a Department focused survey (by October 1999).	COMPLETED
CIO002*	CIO	Provide all Student Aid financial services without invoking contingency plans as a result of a major delivery system failure (by January 2000).	COMPLETED
CIO003*	CIO	Manage the transition of all systems into the millennium in accordance with OCIO Day One plans with all events occurring as planned (by January 2000).	COMPLETED
CIO004*	CIO	Manage the implementation of new systems or changes to systems from November 1999 to March 2000 with minimum risk and resulting in no system failures (by March 2000).	COMPLETED
CIO005*	CIO	Achieve 90 percent of the annual major modernization milestones that have been approved by the Information Technology Investment Review Board (by September 2000).	ON TRACK Where projects are controlled by OCIO.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
CIO006	CIO	Reduce overall volume-adjusted operating costs for systems migrated to the consolidated data center by ten percent. (by September 2000).	ON TRACK Operating costs, measured by Direct Access Storage Device (DASD) and Millions of Instructions Per Second (MIPS) have been reduced by 10% as of the end of the second quarter. See Chart D.
CIO007*	CIO	Work with schools to improve the quality of data in NSLDS (by September 2000).	ON TRACK
CIO008*	CIO	Respond to internal audit reports within the timeframe specified.	MEETING STANDARD A tracking system has been created on Outlook. All responses have been timely to date.
CIO009*	CIO	Update and maintain Modernization Blueprint by including Level Three and Four details, as developed, for each project undertaken. Publish updated blueprint semi-annually.	COMPLETED Updated version was posted to the Web on April 7. Next version is due after the close of this fiscal year.
CIO010*	CIO	Implement the recommendations that would rectify the procedural findings in the IG Security Audit. (<i>Added March 2000</i>)	ON TRACK
CFO001*	CFO	Receive an unqualified opinion on the FY99 financial statement audit (by March 2000).	COMPLETED
CFO002	CFO	Respond to internal audit reports within the timeframe specified.	MEETING STANDARD
CFO003*	CFO	Interim Activity Based Cost accounting system is operational (by March 2000).	COMPLETED
CFO004	CFO	Complete Phases I and II of the Financial Management System (to include the design and proof of concept).	ON TRACK Phase I is 100% complete (contract extended one week to April 7, 2000) SFA accounting code classification, FMS conceptual data and application/interface architecture, and

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
			<p>FMS design deliverable are complete.</p> <p>Phase II FFELP GA, LEAPP, and Fixed Assets pilot implementations remain on schedule.</p> <p>Conference Room Pilot/Solutions Demonstration conducted May 9th with the Financial Partners Channel.</p> <p>Software licensing requirements for Phase II were completed.</p>
CFO005	CFO	<p>Separate the duties of ordering, receiving and paying for physical inventory. <i>(Added March 2000).</i></p>	<p>ON TRACK</p> <p>CIO is on track to award the contract for SEAT management by July 2000. A tentative award date has been set for July 25.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
CFO006	CFO	Continue to improve the SFA and Department financial statement preparation and audit support process to assure a better opinion in FY 2000. <i>(Added March 2000).</i>	<p>ON TRACK</p> <p>SFA-CFO and ED-CFO project plans drafted into one document. Audit Steering Committee meeting each week (members from OUS/ED-CFO/SFA-CFO). SFA-CFO staff assigned to monitor and track the SFA "Prepared By Client" (PBC) listing to assure auditors have requested information timely and accurately.</p> <p>SFA-CFO assigned additional staff to support analysis of the Net Position issues. Resolution of three FFEL issues on track for assuring appropriate accounting for FY 2000.</p> <p>Met with ED-CFO and OUS to explain SFA's Activity Based Costing methodology. SFA's process may be used by the Department to allocate costs to Functions of the Department for the Statement of Net Costs.</p> <p>ED-CFO on track to provide auditors March 31, 2000 financial statements on June 15. SFA working with CFO and OUS to analyze account balances and identify and correct discrepancies.</p> <p>Kick-off meeting between auditors, IG, ED-CFO, SFA-CFO and other POCs is scheduled for June 12, 2000.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
HR0001*	Human Resources	Implementation of a new SFA organizational design that is customer focused, like the best in business.	<p>PROGRESS CONCERNS</p> <p>The work on organizational design is about 80% complete, but there are progress concerns. As of 4/17/00, there have been seven reorganization proposals developed. Only three of these proposals (CIO, Accreditation, & Communications) have cleared all clearance levels. The Union has invoked a demand to bargain on the remaining four (Financial Partners, Students, Contracting & Acquisitions, and SFA Univ.). We are attempting to address the Union's concerns. We do not anticipate additional information from the Union until the week of 4/17/00. A reorganization proposal for Analysis has been developed and will soon be presented to the LMPC. There is only one more reorganization proposal expected before Wave II of organizational design is completed (Human Resources). Development of this proposal is now beginning.</p>
HR0002*	Human Resources	Relocate SFA Headquarters to a more modern and up-to-date facility.	<p>ON TRACK</p> <p>There was a lease signing party on April 11 at which our new location, Union Center Plaza - 830 First Street NE, was announced. ADM's interior designer with guidance from SFA is now in the process of determining the look of our new offices. Additionally, volunteer teams are currently being formed in the following areas: Financial, Communications, IT/Telecommunications, Employee Amenities, Work Protocols, and Physical Move/Coordination.</p>

* Not updated this reporting period

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APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
HR0003*	Human Resources	Identify and resolve five key issues identified by the labor management partnership council.	<p>ON TRACK</p> <p>The LMPC has adopted the issues identified by the employee survey. Work on clarifying the issues and obtaining buy in from SFA Management Council is on-going.</p>
HR0004*	Human Resources	Implement the "Performance Excellence Program." Standards will be applied to every one of our business processes. Staff will use these standards when dealing with customers, partners and each other. Each customer, employee and business process experience should be worthy of trust, delivered with courtesy, with great products and services, and efficiency.	<p>ON TRACK</p> <p>Part of the curriculum for PBO at the Front Lines includes each team developing their own standards of excellence. Additionally, middle managers will receive the performance excellence matrices developed by their units.</p>
HR0005*	Human Resources	Establish career management plan with every employee through an Individualized Development Plan.	<p>PROGRESS CONCERNS</p> <p>Still in the planning stages this work will be conducted when the Human Resources Director is on board.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SFAU01*	SFA University	Launch SFA University to transform SFA into a learning organization.	<p>ON TRACK</p> <p>PBO at the Front Lines began April 18 and the first block of training continues through May 18. Thirty-four teams, representing approximately 275 employees and supervisors, make up this first block and the initial feedback is positive. The second block of Headquarters teams will attend PBO at the Front Lines between May 23 and June 30. Five special sessions for Regional employees are also scheduled in this timeframe, with the first workshop beginning May 9 in Chicago.</p> <p>SFA University training for schools: Reauthorization training will conclude on May 19. NSLDS training began in April and workshops will continue through December 5, 2000. In May, the University will begin EDExpress training for the Application Processing, Pell/RFMS, Direct Loan, and Packaging modules. Also beginning in May are workshops on Direct Loan Accounting and Direct Consolidation Loan Training.</p> <p>New product, soon to be announced: "Super Weeks" are one-week, compressed workshops designed especially for customers outside the continental United States, who have unique travel considerations. One Super Week will cover selected training modules, e.g., Reauthorization plus Application Processing, Pell/RFMS, and NSLDS. Currently three workshops are scheduled for Guam, Puerto Rico, and Hawaii during May/June.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF MAY 26, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 5/26/00
SFAU02*	SFA University	Define core competencies and conduct a gap analysis between current and desired level of skills.	<p>ON TRACK</p> <p>The "training analysis tool" is still moving through the CIO's office. It is now being tested in the IT Services, IT Management, and Innovations group. Pending results it will be further modified and moved on to E-Commerce and the Business Services group. Once testing is completed, skills will be assessed and skill gaps identified; then training needs and timeframes can be assessed to begin development of course curriculum. This development and design will take place through a collaboration of efforts between SFA University, the CIO's office, TDC, and outside vendors.</p> <p>The CFO is also in the process of reviewing their existing IDP's and determining the need for "training needs analysis" in determining potential skills gaps. Once this is done, the same collaboration will exist between the CFO's office, SFA University, TDC and outside vendors as is expected with the CIO.</p>

* Not updated this reporting period

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AS OF MAY 26, 2000

ANAL01*	Analysis	Routinely Measure Employee Satisfaction. SFA University will help individual work-units identify issues and develop resolutions.	<p>ON TRACK</p> <p>The senior leadership team met to discuss the first employee satisfaction survey and came up four main areas of improvement:</p> <ul style="list-style-type: none">• People don't see that being a PBO has changed much of anything in their jobs.• People want the opportunities for promotions and different jobs that Wave II of the reorganization was supposed to bring.• People want better two-way communication -- to know what's going on, and to be heard and have some influence.• People need the <u>basics</u> to do their jobs -- good computers and telephones, supplies, travel and other administrative services, and decent work space. <p>They met again and came up with specific projects that would positively affect employees that would be completed during the month of April. The next survey will be conducted April 28th.</p>
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* Not updated this reporting period

Processing Loan Consolidations (EDS System)

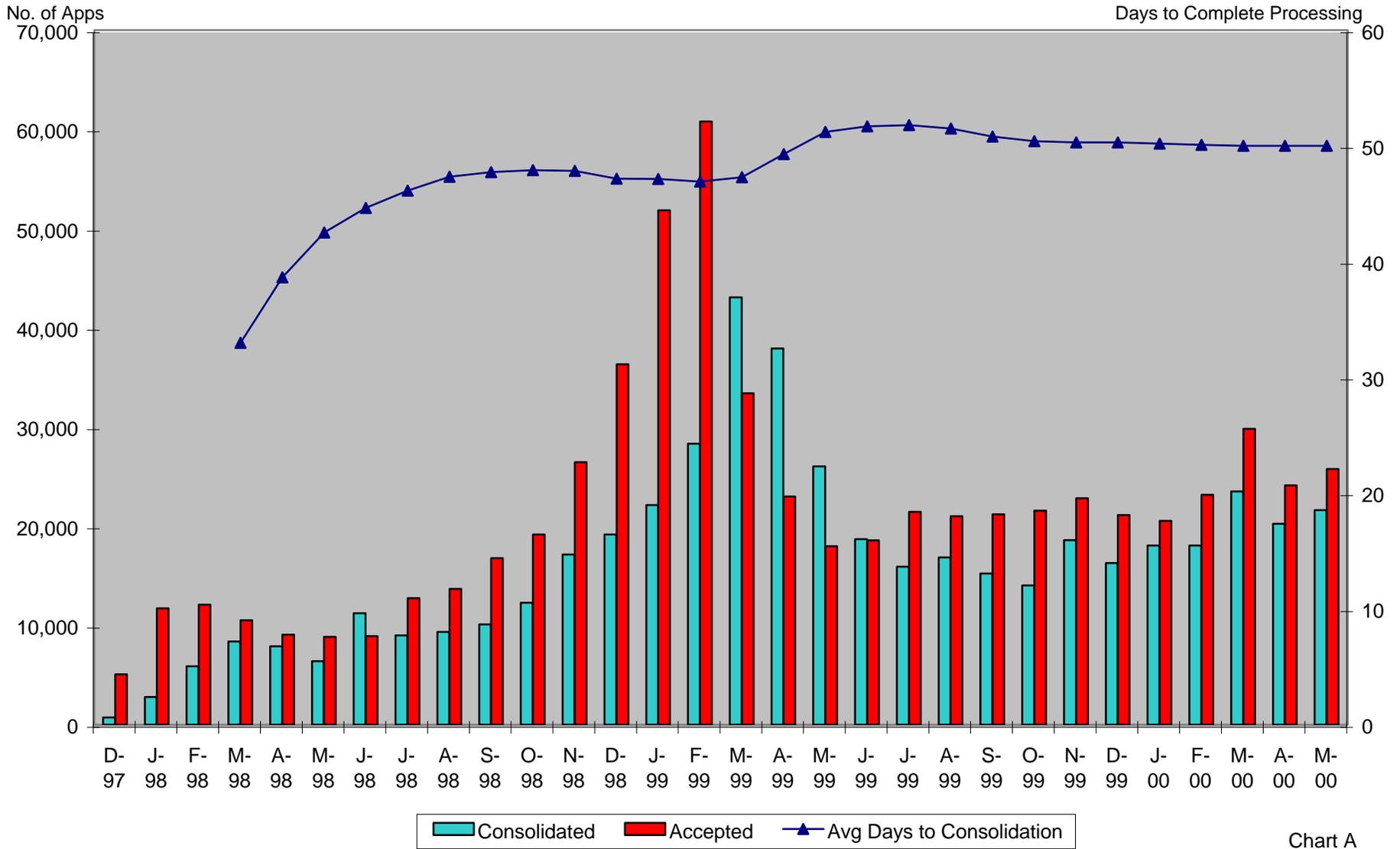


Chart A

Call Center (1-800/4FED-AID) FY 2000

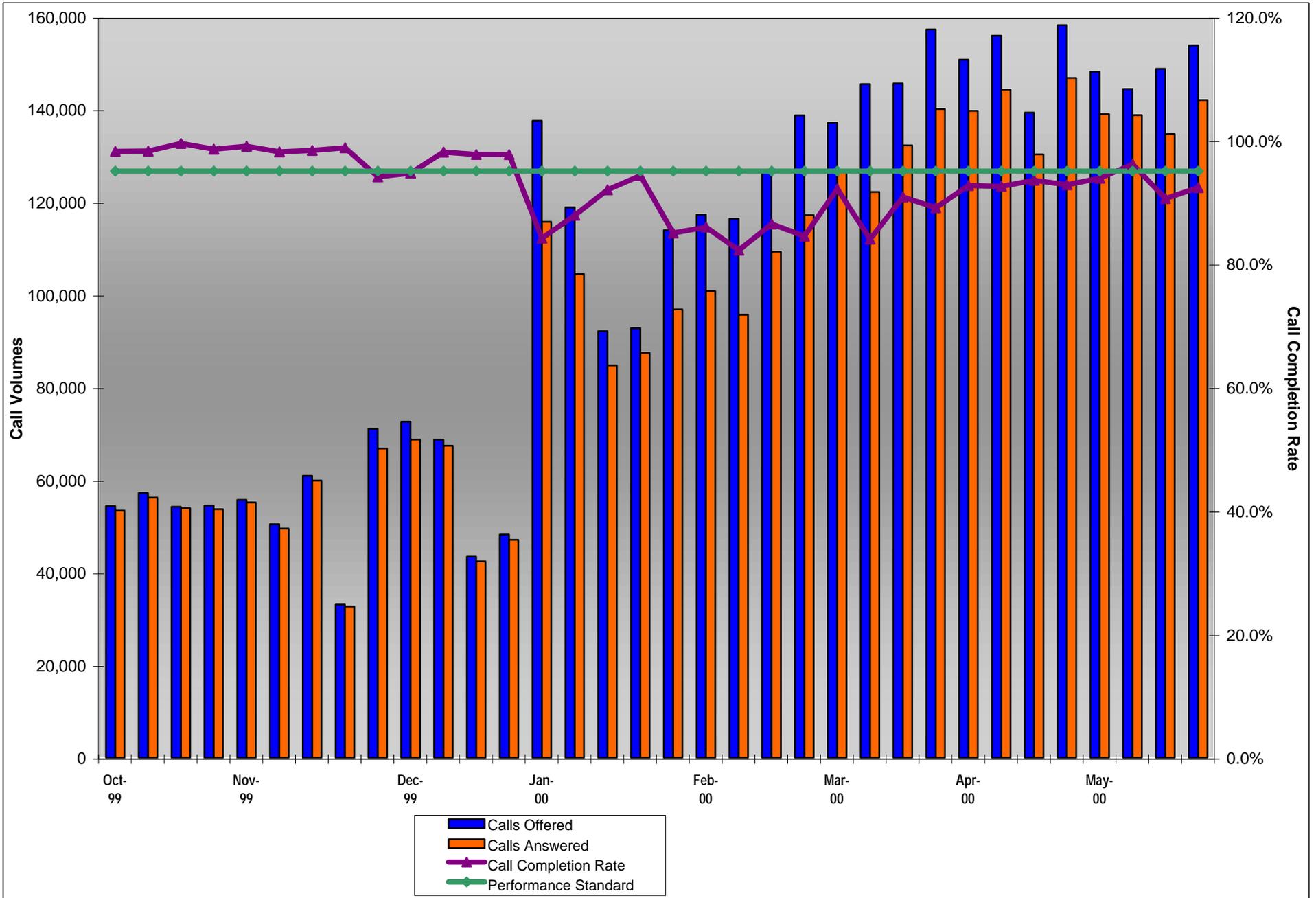
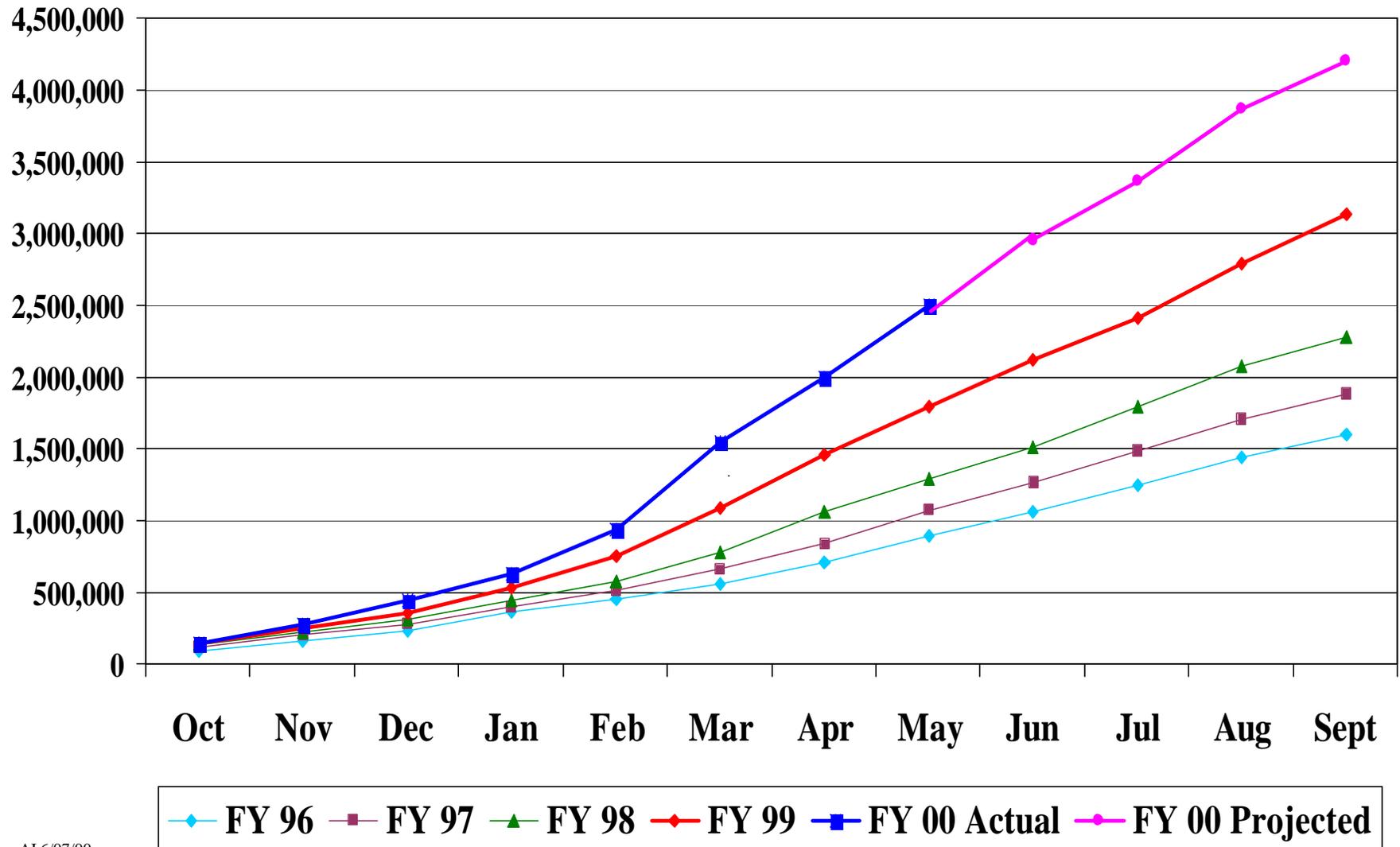


Chart B

FAFSAs Filed Electronically By Fiscal Year



**CUMULATIVE RESOURCE USAGE COST,
VIRTUAL DATA CENTER
2Q 1999 vs 2Q 2000**

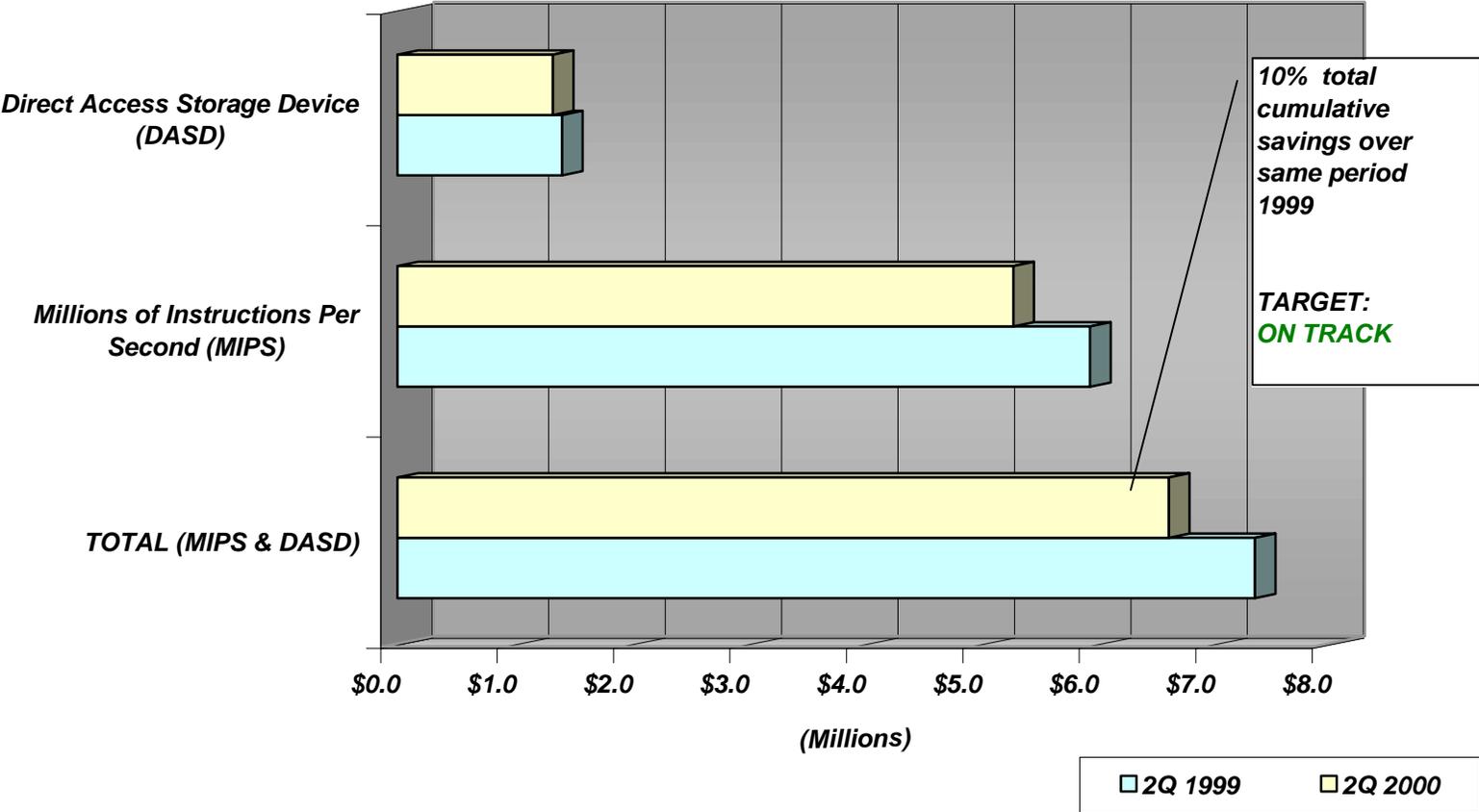


Chart D