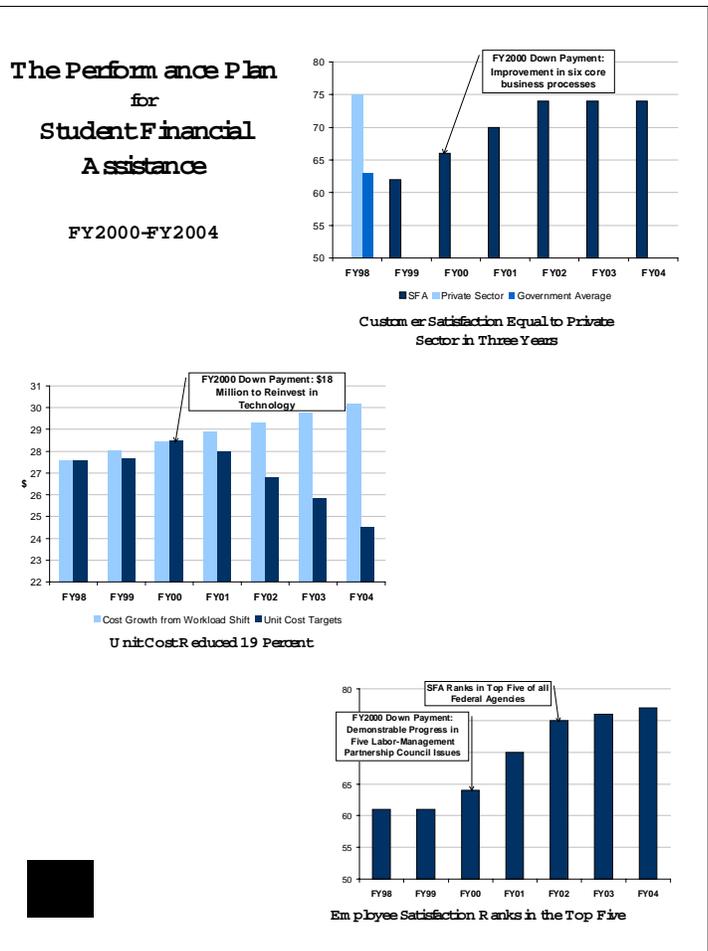


Biweekly Status Report

As of 6/23/00



SUMMARY

COMPLETE:

- The Schools Channel has completed revising the Pell Grant system to warn analysts with a pop-up screen that they must “save” payment batches when submitting them for rejection. It also changes the default to a rejection.
- Attached is an up-to-date list of all completed performance indicators. Approximately 32% of the projects* are completed (20 of 62).

* Measures not included.

GREEN LIGHT:

- The default recovery rate is exceeding the performance for the same period last year. The FY00 dollars collected are favorably running ahead of FY99 -- \$1,040,179,883 vs. \$886,390,018.
- The new contract for the Call Center (1-800-4FEDAID) has been signed. The call completion rate has been over 99% for the last three weeks.
- The Loan Origination Center is completing the final draft of the procedures for verification of payment records by batch runs. The procedures will finalize the process and give a specific time for the call to happen each day. It will also include a back-up list of people and phone numbers in case the primary person to call is not available. The procedures will document the tracking process that will be used in order to report on a monthly basis that the calls have been made.
- Implementation of the pilot included in Phase II of the Financial Management System remains on schedule.

Completed Items from FY2000 Annual Plan
Report Date: June 22, 2000

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
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
STU021	Students	Include all our forms in a "pdf" file format on our web site (by September 2000).	COMPLETED
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

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
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).	COMPLETED
SCH014	Schools	Allow schools to download all SFA software and materials through IFAP or the SFA web site (by April 2000).	COMPLETED
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.
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

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.
CFO001	CFO	Receive an unqualified opinion on the FY99 financial statement audit (by March 2000).	COMPLETED
CFO003	CFO	Interim Activity Based Cost accounting system is operational (by March 2000).	COMPLETED

COMPLETED PROJECTS AS OF JUNE 22, 2000

CHANNELS	TOTAL # PROJECTS	TOTAL COMPLETED	% COMPLETED
STUDENTS	21	9	43%
SCHOOLS	16	3	19%
FP	12	1	8%
CIO	8	5	63%
CFO	5	2	40%
TOTAL	62	20	32%

* Measures are not included

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
STU001	Students	Process loan consolidations in 60 days or less. Currently averaging 50 days.	<p>EXCEEDING BENCHMARK</p> <p>Goal has been exceeded. Loan consolidations are currently being processed in an average of 50 days.</p> <p>See Chart A.</p>
STU002	Students	Keep the default recovery rate at ten percent or higher. Rate is currently 10.5 percent.	<p>ON TRACK</p> <p>The recovery rate as of 6/30/00 is 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—\$1,040,179,883 vs 886,390,418—note that these numbers are only ED and PCAs—GA \$ won't be available til early August—we get info from the 1189 which is submitted quarterly.</p>
STU003	Student	Call Center (1-800-4FED AID) answers 95 percent of phone calls.	<p>MEETING STANDARD</p> <p>New contract has been signed. The call completion rate has been over 99% for the last 3 weeks.</p> <p>See Chart B.</p>
STU004	Students	Reduce the lifetime default rate.	<p>ON TRACK</p>
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.	<p>EXCEEDING STANDARD</p> <p>We are currently processing applications with an average turnaround time of 5.6 days. See Chart A.</p>
STU006	Students	Respond to internal audit reports within the timeframe specified.	<p>MEETING STANDARD</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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).	<p>ON TRACK</p> <p>Part One – Completed. SFA web site was redesigned in November and linked to Think College Early. SFA site also links to students.gov site, which in March received OMB permission to link to numerous non-federal sites.</p> <p>Part Two --Upcoming development of Students channel web portal will incorporate SFA web site, as well as students.gov.</p>
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).	<p>ON TRACK</p> <p>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.</p>
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).	<p>ON TRACK</p> <p>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).</p>
STU010*	Students	Partner with an existing organization to promote student aid (by September 2000).	<p>ON TRACK</p> <p>Scheduled presentation with the National TRIO conference on June 5, 2000.</p>
STU011*	Students	Test all new Aid Awareness products and services with students and parents to make sure they are understandable.	<p>ON TRACK</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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).	<p>ON TRACK</p> <p>The 2001-2002 FAFSA was cleared by OMB on 5/26/00. OMB commended ED for its efforts to develop a customer friendly application and for its continued partnership with the Higher Education Community.</p> <p>Additionally, we are developing plans to test proposed changes to drug question.</p>
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

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 was held on May17 to go over preliminary findings of this study; meeting with GAO was held 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
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.	<p>ON TRACK</p> <p>IPT continues to meet and move forward. Three sub-teams have convened.</p>
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.	<p>EXCEEDING STANDARD</p> <p>May turnaround of 4.37 days greatly exceeded the standard. See Chart B.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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. .
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 JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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>
STU029*	Students	<p>Resolve NY Guaranty Agency 1997 load issues and put processes in place to prevent issues from occurring again. (Added March 2000).</p>	<p>COMPLETED</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
SCH001	Schools	Process 95 percent of school recertifications within 120 days of receipt. The current benchmark is 42 percent.	BELOW STANDARD We have processed 88% of the recertifications within 120 days of receipt.
SCH002	Schools	Complete 95 percent of reimbursement requests within 30 days	EXCEEDING STANDARD We are completing 97.7% of reimbursement requests within 30 days. Contract support for CMIS and the Reimbursement Mgmt system has expired leaving us without software support.
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.
SCH004	Schools	Resolve 90 percent of school audits within six months of receipt. The current baseline is 82 percent.	EXCEEDING STANDARD We have resolved 97 % of school audits within six months of receipt.
SCH005*	Schools	Process Direct Loan origination and disbursement records within three days. The current baseline is three days.	MEETING STANDARD There was a slight increase in batches processed in the 12-24 timeframe because on the 15 th the lo020 did not complete. Also, on the 16-18 th and 30 th , the lo020 was delayed because of long run time.
SCH006*	Schools	Process PELL funding requests within 24-36 hours. The current baseline is three days.	MEETING STANDARD We did not consistently meet the standard in May, although we believe we met the standard in 3 out of 4 weeks. The maximum number of hours to acknowledge a disbursement batch to a school was 17 hours in May, and the GAPS process adds an additional day. ACS is still not providing complete performance data.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 has been sending out reminder letters to proprietary institution 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 financials statements that are overdue. By July 31, 2000, DMAD will identify for non-profit & public institutions whose 1997 and 1998 A-133 audits are missing and provide a listing to the Federal Audit Clearinghouse. The Clearinghouse will then send out at letter to the institution seeking their missing A-133 audits(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 (60% complete)</p> <p>The Welcome Letters & SFA Brochure - 90% complete. Feedback Mechanisms – complete Next Steps: Prepare instruction guide on how to drawdown funds, finish two letters, one to offer additional IIS consultation and one to invite school to visit regional office.</p>
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).	COMPLETED

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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.	ON TRACK 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.
SCH012*	Schools	Post the schedule of SFA publications needed by schools on our web site, and get public feedback on it (by January 2000).	COMPLETED
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 The Common Origination and Disbursement IPT is moving into a second phase that will include school focus groups. We are working on the RFMS Mad Dog Team enhancements suggested by schools.
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 Groups are being held at the Software Developers Conference this week. Mainframe Schools have been invited to participate in the focus groups on topics such as security and testing.
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.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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.	<p>ON TRACK</p> <p>CAMs are contacting the schools to help them develop their action plans. We are using the PYCO system that we developed to track issues. Direct Loan Operations staff is assisting as needed. Year 4 closeout letters were mailed May 26. Direct Loan Operations Staff is reviewing the responses and following up as needed.</p> <p>The Reconciliation Work Group will meet next week to prepare agenda for meeting to be held in July with LOC staff. At the July meeting, the Reconciliation Work Group will develop reconciliation monitoring/closeout plans for future years.</p>
SCH018	Schools	Electronically process official cohort rate appeals based on new data (by September 2000).	<p>PROGRESS CONCERNS</p> <p>The cost to develop this system will cost in excess of \$2M. A cost/benefit analysis indicates that due to the current downward trend in the number of appeals submitted each year, the benefits associated with developing this system do not warrant the cost. If the # of appeals climbs and if future technology can be leveraged to develop this system, the cost/benefit should be reevaluated.</p>
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).	<p>ON TRACK (60% complete)</p> <p>Funding for the study has been obtained. Next step is initiation of the contracting process.</p>
SCH020*	Schools	Work with schools to improve the quality of data in PEPS.	<p>ON TRACK</p> <p>PEPS training sessions are continuing to be held.</p>

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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>	COMPLETE
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>	ON TRACK The LOC is completing the final draft of the procedures for verification of payment records by batch run. The LOC is currently talking with GAPS on a daily basis; however, the procedures will finalize the process and give a specific time for the call to happen each day. It will also include a back up list of people and phone numbers in case the primary person to call is not available. The procedure will document the tracking process that will be used in order to report on a monthly basis that the calls have been made.
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 JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 II FFELP GA, LEAPP, and Fixed Assets pilot implementations remain on schedule.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF JUNE 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
			Working Solutions Demonstrations for the FFELP GA scheduled for July and August. Functional Design Documents for FFELP GA and Fixed Assets completed in June.
CFO005*	CFO	Separate the duties of ordering, receiving and paying for physical inventory. <i>(Added March 2000).</i>	ON TRACK CIO is on track to award the contract for SEAT management by July 2000. A tentative award date has been set for July 25.

* Not updated this reporting period

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
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 90% complete, and there continue to be some progress concerns. As of 6/9/00, there have been eight reorganization proposals developed. Five of these proposals (CIO, Accreditation, Communications, SFA Univ. and Contracting & Acquisitions) have cleared all clearance levels. The Union's demand to bargain on the proposals for Financial Partners and Students is ongoing. Resolution of issues for Financial Partners is anticipated by the end of June. The reorganization proposal for Analysis was sent to OM and is in clearance. The reorganization proposal for Human Resources is still in the early stages of development.</p>
HR0002*	Human Resources	Relocate SFA Headquarters to a more modern and up-to-date facility.	<p>ON TRACK</p> <p>Volunteer teams have been meeting regularly and are still recruiting. The construction crew has begun digging up ground at the new site.</p>
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>

* Not updated this reporting period

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
HR0005*	Human Resources	Establish career management plan with every employee through an Individualized Development Plan.	<p style="text-align: center;">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

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
SFAU01*	SFA University	Launch SFA University to transform SFA into a learning organization.	<p>ON TRACK</p> <p><i>PBO at the Front Lines.</i> The second block of PBO at the Front Lines began on May 23 for Headquarters staff and will continue through June 29. PBO sessions also began in the Regions on May 9. Chicago, Atlanta, and San Francisco staff are attending three sessions with a 1 or 2-week interval in between. The University is also providing two compressed PBO programs for the Northeast Regions on May 31 through June 2, and for the Dallas, Denver, Seattle, and Kansas City regions on June 27 - June 29. Several members of the leadership council appeared in fishbowl Q&A sessions at the teams' graduation ceremonies and middle managers attended to receive their teams' action plans.</p> <p><i>SFA University training for schools:</i> EDExpress training for Application Processing, Packaging, Pell and Direct Loans started in May and is now running in all ten regions.</p> <p>In June, the University began a series of half-day labs in the Regional Training Facilities that are designed to give financial aid professionals some hands-on experience with the new Return of Title IV Funds (R2T4) software. Formal training is not delivered at the lab sessions, but regional staff are available to answer questions.</p> <p><i>New Products:</i> The first "Super Week" training (designed for customers outside the continental United States) took place in Guam on May 15-18, and Super Week #2 was held in Hawaii from May 22-26. Four additional Super Week trainings are scheduled from June through August 1 in Bayamon, Puerto Rico; Caguas, Puerto Rico; Anchorage, Alaska; and Ponce, Puerto Rico.</p>

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			<p>Rico. Each Super Week offers a variety of training modules including EDEExpress, NSLDS, and Reauthorization. Both of the initial workshops received excellent feedback and had standing-room-only attendance. Schools in Alaska are anticipating their upcoming workshop and expressed satisfaction that ED is bringing training into their home state, rather than requiring them to travel to Seattle.</p>
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>

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ANAL01*	Analysis	Routinely Measure Employee Satisfaction. SFA University will help individual work-units identify issues and develop resolutions.	<p>ON TRACK</p> <p>After the first employee satisfaction survey earlier this year, senior leaders committed to a list of 26 tasks aimed at the sources of employee satisfaction and dissatisfaction. Those projects (including “PBO at the Front Lines” training, exception-based time and attendance reporting, and launching the SFA Intranet) are progressing as scheduled.</p> <p>The second employee survey was completed in May. Numeric results and summarized comments have been shared with all SFA; both are available on the SFA Intranet. Individual comments will be shared with senior leaders in June. As with the first survey, senior leaders are meeting with managers and staff to try to identify the sources of satisfaction and the sources of dissatisfaction.</p> <p>Overall satisfaction was practically unchanged since the first survey. Considering all factors, on a scale of one to five (with five being the highest score), average overall satisfaction was 3.26. The response rate for the second survey was greater than 50 percent – significantly higher than the first survey.</p> <p>The next employee survey will be in July and we are considering having Gallup conduct it.</p>

* Not updated this reporting period

