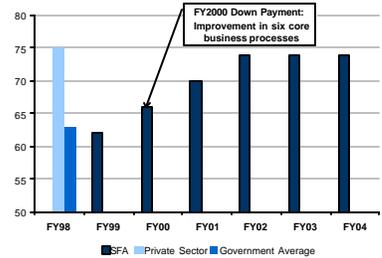


Biweekly Status Report

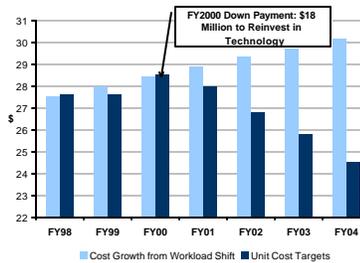
As of 7/23/00

The Performance Plan for Student Financial Assistance

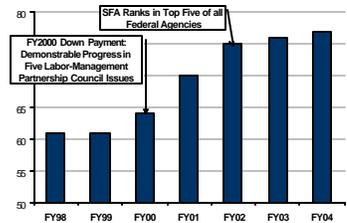
FY2000-FY2004



Customer Satisfaction Equal to Private Sector in Three Years



Unit Cost Reduced 19 Percent



Employee Satisfaction Ranks in the Top Five



SUMMARY

GREEN LIGHT:

- A total of 3.3 million FAFSA's have been filed electronically in FY 2000. This is 26% above last year's rate at the end of July (2.4 million).
- The Call Center (1-800-4FEDAID) completion rate has been over 98% for the period June 5 through July 21, 2000.
- The Student Aid Awareness IPT's Special Needs Access subteam announced that SFA will launch a major information campaign in September promoting the resources available to vision and hearing-impaired students. The campaign will reach not only SFA's traditional audiences of postsecondary schools, high schools and libraries, and TRIO programs, but state agencies, and organizations that represent hearing and vision-impaired constituencies. Among the subteam's additional recommendations: that all SFA call centers be equipped with NexTalk software, which facilitates real-time e-mail conversation; the Ombudsman toll-free line should be supplemented with a TTY, and that SFA implement TTY service for hearing-impaired individuals.
- The Students' web page now includes a "New Products" area. New publications are posted on the site, inviting comments and feedback. SFA interns have already provided comments on the content and design of new publications showcased on the site.
- Students Channel has completed four of five guaranty agency partnerships designed to improve portfolio management. They are with USA Group, South Dakota, Nebraska and Texas.
- Schools Channel is resolving 95% of school audits within six months of receipt. This is above the performance goal of 90% and 13 percentage points above the baseline of 82%.

Completed Items from FY2000 Annual Plan
Report Date: July 23, 2000

STU010	Students	Partner with an existing organization to promote student aid (by September 2000).	COMPLETED
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
SCH011	Schools	Assign each school a contact point that 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.	COMPLETED
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
SCH014	Schools	Allow schools to download all SFA software and materials through IFAP or the SFA web site (by April 2000).	COMPLETED
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>)	COMPLETED
FP0004	Financial Partners	Create a rapid response team to identify and to address serious administrative problems (by January 2000).	COMPLETED

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).	COMPLETED
FP0008	Financial Partners	Involve our partners in the design of everything that affects them (by April 2000).	COMPLETED
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
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 JULY 23, 2000

CHANNELS	TOTAL # PROJECTS	TOTAL COMPLETED	% COMPLETED
STUDENTS	21	10	48%
SCHOOLS	16	5	31%
FP	12	3	25%
CIO	8	5	63%
CFO	5	2	40%
TOTAL	62	25	40%

* Measures are not included

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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 48 days. See Chart A
STU002	Students	Keep the default recovery rate at ten percent or higher. Rate is currently 10.5 percent.	ON TRACK
STU003	Student	Call Center (1-800-4FED AID) answers 95 percent of phone calls.	ON TRACK New contract has been signed. The call completion rate has been over 98% for the period June 5 through July 21, 2000 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 5.2 days. See Chart A.

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
STU006*	Students	Respond to internal audit reports within the timeframe specified.	MEETING STANDARD
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 – (Development of Students Channel web portal) is expected to commence following the implementation of the Schools channel web portal, tentatively scheduled for September.</p>

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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>As part of the Student Aid Awareness IPT, a Special Needs Access subteam has been formed. The subteam researched SFA's channels of communicating with vision-impaired and hearing-impaired persons, as well as ED's provisions for making available alternate-format materials to those who request them. <i>Finding:</i> In general, SFA and ED have appropriate means of communicating—BUT—there have been essentially no promotion or publicity efforts. This September, SFA will implement a major information campaign promoting the resources available to vision and hearing-impaired students. The campaign will reach not only SFA's traditional audiences of postsecondary schools, high schools and libraries, and TRIO programs, but state agencies, and organizations that represent hearing and vision-impaired constituencies. As an example, SFA has always produce an Audio Guide to student aid. But in the past, SFA has only distributed the Audio Guide to the Library of Congress, and has never received more than a few hundred requests for it. This fall, SFA will distribute nearly 40,00 copies as part of the promotion, and will promote 4- FED-AID as a source for additional copies, and for student aid information as well. Not only will the audio guide be more widely distributed and promoted than ever before, it is also ready at least six months earlier than ever before—exactly synchronized with SFA's written materials. In addition, SFA will announce an e-mail resource for hearing-impaired students: SFAMail@ncs.ed.gov. This will be an important value-added service for hearing-impaired students, as the group's research showed that increasingly, hearing-impaired persons are relying on e-mail rather than TTY services. Among the sub-team's</p>

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
			recommendations: that all SFA call centers be equipped with NexTalk software, which facilitates real-time e-mail conversation; the Ombudsman toll-free line should be supplemented with a TTY, and that SFA itself implement TTY service for hearing-impaired individuals.
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> <ol style="list-style-type: none"> 1. 2001-02 Spanish FAFSA: The translation is completed, with the exception of q35. Copies of the Spanish FAFSA were available at the SFA Booth at NASFAA, for bilingual aid administrators to review and offer suggestions on the translation. 1. Spanish/English glossary of student aid terms: the most recent version, incorporating comments from bilingual aid administrators in Puerto Rico, California, and other parts of the country, was distributed for review and comment at NASFAA. 2. Student Guide: the Spanish translation of the current (2000-01) version has been received and is being reviewed in-house. We will work from this as we revise the Student Guide for 2001-02. 3. Funding Your Education: Translation complete, graphics layout firm selected.
STU010	Students	Partner with an existing organization to promote student aid (by September 2000).	COMPLETED

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
STU011	Students	Test all new Aid Awareness products and services with students and parents to make sure they are understandable.	ON TRACK Created a “New products’ area on the Students web page: new publications are posted on that site; comments are requested. SFA interns provide comments on new publications, both on content and design; products are also tested with actual students; for example, “School Shopping “Tips was tested in two high school English classes at Roosevelt High School in DC. Other recent example: Spanish FAFSA was made available to bilingual Aid administrators for comment on the translation.
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 TARGET Discussion on Q28 taking place. Meetings held with SFA Community Reps for ideas/suggestions—Ed Elmendorf, Dallas Martin, and Brian Fitzgerald.
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 As of 1/2000
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 JULY 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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).	<p>ON TRACK</p> <p>Preparing to test 2001-2002 FAFSA with students and parents in August, prior to printing form in September. Test forms will include updated state deadlines and IRS tax line items.</p>
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>

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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.	EXCEEDING STANDARD June turnaround of 4.73 days exceeded the standard. See Chart B.
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 June 30, we have received nearly 2.9 million electronic FAFSA's. That represents an increase of roughly 40% from the same period last year. We are on target for meeting our goal of 4 million in FY 2000. 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 JULY 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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</p> <ol style="list-style-type: none"> 1. Software being purchased via Purchase Order. DCS functional staff tasked to write procedures. On track. 2. Student Management approved recommendation to receive tapes of imaged collateral from the GAs. T.O. is complete and submitted to COTR. 3. On Track. Requirement Change Requests under review. Contractor is modifying MOU. 4. Phase one work 90% complete by DCS Systems. Solution to be implemented via FY01 T.O. On track. 5. On track. Submitted Phase I, Analysis Task Order to ED Contracts. Task Order will update system to accept new Collection Agencies and also enhance the system for Letter Reduction functionality
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 TARGET</p> <p>USA Group, South Dakota, Nebraska and Texas completed.</p>
STU029*	Students	<p>Resolve NY Guaranty Agency 1997 load issues and put processes in place to prevent issues from occurring again. <i>(Added March 2000).</i></p>	<p>COMPLETED</p>
SCH001*	Schools	<p>Process 95 percent of school recertifications within 120 days of receipt. The current benchmark is 42 percent.</p>	<p>BELOW STANDARD</p> <p>We have processed 88% of the recertifications within 120 days of receipt.</p>
SCH002	Schools	<p>Complete 95 percent of reimbursement requests within 30 days</p>	<p>EXCEEDING STANDARD</p> <p>We are completing 97.7% of reimbursement requests within 30 days.</p>

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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 95 % of school audits within six months of receipt.

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
SCH005*	Schools	Process Direct Loan origination and disbursement records within three days. The current baseline is three days.	MEETING STANDARD Updated graph not available for this reporting period.
SCH006*	Schools	Process PELL funding requests within 24-36 hours. The current baseline is three days.	MEETING STANDARD We believe we consistently met the standard in June, although there were processing cycles that exceeded the standard. The maximum processing time to process a funding request through RFMS to GAPS took 45 hours, under the current baseline of three days. ACS is still not providing complete performance data.
SCH007	Schools	Identify schools that fail to submit audits or that submit audit reports late and take appropriate action.	MEETING STANDARD On March 21, 2000 the Data Management and Analysis Division 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 August 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).
SCH008*	Schools	Respond to internal audit reports within the timeframe specified.	ON TRACK

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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).	ON TRACK (80% complete) New school brochure under edit for final publication.
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
SCH011	Schools	Assign each school a contact point that 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.	COMPLETED
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 Completed 1/28/00. Updated version on 4/18/00 Next updated version to be posted to IFAP July 2000.
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 CMO has established the School Partnership Council Team. The team's primary purpose will be to facilitate collaboration between SFA and the Schools to improve delivery of financial aid to students. CMO plans to announce the formation of this Council at the NASFAA Conference.

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
SCH014*	Schools	Allow schools to download all SFA software and materials through IFAP or the SFA web site (by April 2000).	COMPLETED All SFA software is available on www.sfadownload.ed.gov . With the exception of a few publications, all can be retrieved on the web. Very few publications are currently mailed to users.
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 were held at the Software Developers Conference.
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 JULY 23, 2000**

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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>Isiah Dupree is leading a group to review school responses for 95/96 and 96/97. They are preparing to travel to Montgomery, AL to research files as appropriate. Lisa DiCarlo has agreed to lead the effort for 97/98 and 98/99. Letters for 97/98 will be going out within the next week. We are currently researching to ensure data is 100% complete. Lisa will also lead the Joint Reconciliation Workgroup. Currently all of the closeout tools are ready for use and the CAMs are working with their schools to develop action plans.</p> <p>We have redesigned the 732 and DLSAS to better meet the needs of the schools. The new reports will allow the schools to choose the one that best meets their needs, from several formats.</p> <p>We are discussing the possibility of using E.solutions to develop an internal and external communications plan and help implement some of the suggestions that were given during the Reconciliation evaluation.</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>

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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 training sessions were held the entire month of June and continue the entire month of July. These sessions will result in better school data in PEPS.
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>)	COMPLETED
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.

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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.
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).	COMPLETED
FP0005	Financial Partners	Continue to work with guaranty agencies and lenders to maintain the quality of data in NSLDS.	ON TRACK NSLDS, FP and the GA community continue to meet (conferences, phone, web-sites, e-mail, etc.) to ensure the high quality of data.

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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).	COMPLETED
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
FP0008*	Financial Partners	Involve our partners in the design of everything that affects them (by April 2000).	COMPLETED
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 FT/FP has informed FFEL community of function-specific e-mail addresses to exchange questions and concerns. FT has also established "Partner" workgroups to ensure on-going communications.
FP0010	Financial Partners	In cooperation with guarantors, develop electronic payment/reporting systems (by September 2000).	ON TRACK FT is currently working jointly with CIO, CFO and partners to complete testing, training & other efforts.
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

* Not updated this reporting period

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

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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
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

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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 Met all milestones for Intranet and Portals tasks. AC getting me Project chart, I will provide you with the schedule as soon as I get it. No other tasks with milestones established at this time.
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 third quarter. See Chart D.
CIO007*	CIO	Work with schools to improve the quality of data in NSLDS (by September 2000).	ON TRACK Refers to reduction in duplicate Perkins Loans on NSLDS. In May 00, reached a 60% reduction over 9/99. On track for goal of 75% reduction by 9/30/00.
CIO008*	CIO	Respond to internal audit reports within the timeframe specified.	ON TRACK Responded timely to EDCIO on IG Security Audit. No other audits have been received.

* Not updated this reporting period

**STATUS OF FIVE-YEAR PLAN
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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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. Delivered the first of four Working Demonstrations for the FFELP GA Payment System.
CFO005	CFO	Separate the duties of ordering, receiving and paying for physical inventory. <i>(Added March 2000).</i>	ON TRACK – MODIFIED SCHEDULE SFA-CIO has informed SFA-CFO that the Seat Management contract is on temporary hold pending discussions between OCIO and SFA. A resolution is expected shortly.

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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 on track to provide June 30, 2000 Interim Financial Statements by August 15, 2000, to include footnotes.</p> <p>Steering Committee meeting regularly. ED Deputy CFO reports on weekly to the Deputy Secretary, with SFA-CFO and Budget.</p> <p>Status of issues reported on in the Financial Statement Audit Report needed to be resolved to facilitate clean opinions that we are working on include: *FFELP Financing Account had an \$817 million equity balance attributable to fiscal year 1999 and prior years. <i>Corrected - Reclassification adjustments were prepared, approved, journalized, and remove the equity balance. The work papers have been made available to the auditors for any testing they deem appropriate.</i> *FFELP's proprietary general ledger is not in balance with its budgetary general ledger. <i>On Target - Determination made that manual journal entries were processed that did not encompass either a proprietary and budgetary effect, or vice-versa, when one was needed. Research being done by Budget ED-CFO and SFA-CFO and is monitored by the Audit Steering Committee.</i></p>

* Not updated this reporting period

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
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>The construction crew began pouring concrete on June 29 and are expected to be completed by the end of July. They will begin setting the tower crane to build our new office building within the next three weeks. The exterior finishes have been approved.</p>

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
HR0003*	Human Resources	Identify and resolve five key issues identified by the labor management partnership council.	<p>ON TRACK</p> <p>The LMPC has endorsed the four key areas identified by the employee survey as important to employee satisfaction. The areas are: ensure each SFA staff member understands how the organization's transformation to a PBO touches them and affects their job, communicate to staff the opportunities resulting from Wave II activities, develop strong two-way communications and give people the basic tools they need to do their job. The SFA Management Council and LMPC are working together to clarify these issues.</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>PBO on the Frontlines has been completed. All performance excellence matrices (Action Plans) have been presented to managers and the managers are working with the teams to help implement the Plans.</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>

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
SFAU01*	SFA University	Launch SFA University to transform SFA into a learning organization.	<p>ON TRACK</p> <p>PBO Training. <i>PBO at the Front Lines</i> concluded the week of June 26 with graduation sessions for the second legion of DC teams; simultaneously the Dallas, Kansas City, Denver, and Seattle Regions attended their final compressed session in Denver. This month the University and Public Strategies Group begin development on <i>PBO Traditions</i> and <i>Student Aid Process Front to Back</i>, which are the remaining segments of the core curriculum. The "SFA Core Curriculum" (<i>Front Lines, Traditions</i> and <i>Front to Back</i>) will be provided to employees and to SFA's operating partners, using a combination of SFA staff and operating partner staff as trainers.</p> <p>SFA University training for schools. EDEXpress training for Application Processing, Packaging, Pell and Direct Loans is continuing in all ten regions, and will end conclude in September 2000.</p> <p>The final <i>Super Week</i> training will take place in Ponce, Puerto Rico, August 1-4. These week-long compressed workshops for customers outside the continental United States have been well attended and very well received.</p> <p>Work began July 14 on analyzing the content of the Blue Book and deciding which pages need to be updated and replaced for the 1999 version. We expect the new pages to be issued to the fiscal and financial aid community in late March 2001.</p> <p>New Products. <i>Direct Loans 101</i>, a new electronic training module that can be downloaded from the web, is in its final testing stage. It will be available to schools in September 2000. This module is similar to</p>

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 7/23/00
			<p><i>SFA Coach</i> and covers the Direct Loan Basics that formerly were included in Direct Loan Overview training. Also included are a glossary of Direct Loan terms, a directory of personnel, and links to all Direct Loan websites.</p> <p><i>RFMS Customer Service Training.</i> SFA University began work with Pell Operations and the RFMS contractor to develop a curriculum for training RFMS customer service representatives. This new training program will focus on serving financial aid administrators, to help them understand the RFMS interface with NSLDS, EDEExpress, and the Central Processing System. The projected date for rollout is October 2000.</p>
SFAU02*	SFA University	Define core competencies and conduct a gap analysis between current and desired level of skills.	<p>PROGRESS CONCERNS</p> <p>The "training analysis tool" is currently on hold.</p> <p>SFA University's Learning Consultant worked with TDC to develop basic College Accounting Courses for the CFO and other SFA employees. The classes started July 19. We also are working with TDC to place SFA CIO employees in Information Technology Certificate Programs beginning this fall.</p>

* Not updated this reporting period

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 6/23/00
ANAL01*	Analysis	Routinely Measure Employee Satisfaction. SFA University will help individual work-units identify issues and develop resolutions.	ON TRACK Senior leadership has determined the most frequently stated comments and are addressing them. An update will be sent to all SFA employees in late July.

* Not updated this reporting period

Monthly Chart

