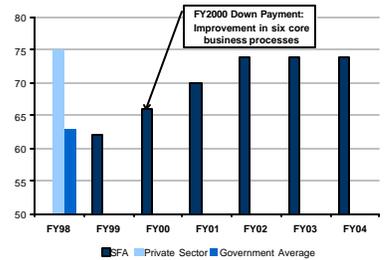


Biweekly Status Report

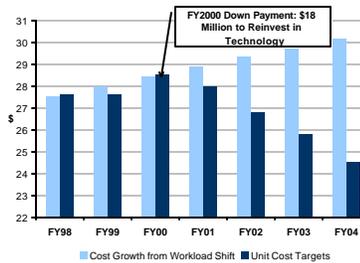
As of 8/4/00

The Performance Plan for Student Financial Assistance

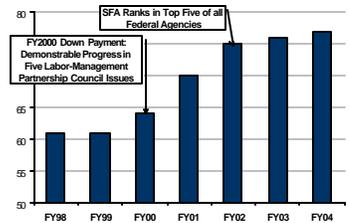
FY2000-FY2004



Customer Satisfaction Equal to Private Sector in Three Years



Unit Cost Reduced 19 Percent



Employee Satisfaction Ranks in the Top Five



SUMMARY

GREEN LIGHT:

- ❖ Partnering with the IRS to implement a pilot test of matching income data continues to be pursued. Two files were delivered to the IRS on July 17, 2000. These files – one containing FAFSA data for 50,000 independent students and one file containing FAFSA data for 50,000 dependent students and their parents – will be matched with IRS data files on Social Security numbers. The matching process should be complete by mid-August.
- ❖ The average time for processing a consolidation loan continues to steadily drop – reporting an average processing time of 46 days. Once the new electronic applications go on-line, the average processing time could drop an additional 5-7 days.
- ❖ The redesign of the 2001-2002 FAFSA is receiving positive evaluations. A letter to COO Greg Woods indicates that school attendees at the NASFAA conference “applauded the numerous changes made to the 2001-2002 FAFSA as a result of feedback from aid officers and focus groups with students.”
- ❖ The Schools Channel is now completing 97.7% of reimbursement requests within 30 days. This is above the performance goal of 95 percent.
- ❖ Every school now has a contact point assigned to them that is part of a Customer Service Team. This news will be communicated to the schools shortly. Each contact has the know-how and the authority to solve problems. The contact points have the ability to respond to an institution’s inquiry within 48 hours.

ON TRACK/MODIFIED SCHEDULE

- ❖ Financial Partners has received approval for public comment for one Voluntary Flexible Agreement. Four Agreements are awaiting approval of the Deputy Secretary, and the remaining Agreement is being restructured. This action item has a new completion date of September 2000.
- ❖ All remedial actions have been taken to reduce fraudulent death and disability cases. The final review of the investigative results is currently underway and is expected to be complete in September 2000.
- ❖ Schools Channel will complete the development of common business processes and interchange standards for Pell, Direct Loans and FFELP in September 2000, and not the original date of July 2000. The establishment of the Partnership Council Team has been established and work on the item continues.

Completed Items from FY2000 Annual Plan
Report Date: August 4, 2000

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).	COMPLETED
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
SCH016	Schools	Increase schools access to SFA databases within Privacy Act constraints and with appropriate security measures (by June 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
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).	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 August 4, 2000

CHANNELS	TOTAL # PROJECTS	TOTAL COMPLETED	% COMPLETED
STUDENTS	21	11	52%
SCHOOLS	16	6	38%
FP	12	4	33%
CIO	8	5	63%
CFO	5	2	40%
TOTAL	62	28	45%

* Measures are not included

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
STU001	Students	Process loan consolidations in 60 days or less. Currently averaging 50 days.	EXCEEDING BENCHMARK Average processing time is now 46 days and steadily dropping. Introducing e-signature to on-line application, electronic loan pay-off and electronic loan pay-off amount certification for lenders to process which should drop the cumulative average by 5 – 7 days. We could be as low as 39 days within the next 6 months.
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.	ON TRACK Continuing to average under six days.
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).	COMPLETED

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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).	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 produced 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 40,000 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 6 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 subteam's

Not updated this reporting period

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APPENDIX A PERFORMANCE MEASURES
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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
			recommendations: that all SFA calls centers be equipped with NEXTALK software, which facilitates real-time e-mail conversations; the Ombudsman toll-free line should be supplemented with a 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. 2. 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. 3. 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. 4. 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 August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
STU011*	Students	Test all new Aid Awareness products and services with students and parents to make sure they are understandable.	<p>ON TRACK</p> <p>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.</p> <p>Other recent example: Spanish FAFSA was made available to bilingual Aid administrators for comment on the translation.</p>
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 TARGET</p> <p>Preparing to test multiple drug question wording options with students. Securing proofreading services for final, pre-print proofing.</p> <p>Printing test “pre-production” 01-02 FAFSAs to ensure smooth operations at processor. 7/27/00 letter from Paul Combe of ASA to Greg Woods indicated that at NASFAA conference, “schools applauded numerous changes made to the FAFSA that were made as a result of feedback from aid officers and focus groups with students.”</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).	<p>COMPLETED</p> <p>As of 1/2000</p>

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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).	ON TRACK We have finalized plans and the schedule for Phase II of this study. We are currently on schedule. On July 17, ED provided the IRS with two files, one containing FAFSA information for 50,000 independent and another containing FAFSA information for 50,000 dependent students and their parents. The IRS will use SSNs in this file to match the records against the IRS master file. The matching process should be completed by the IRS by mid-August.
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 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.
STU021*	Students	Include all our forms in a "pdf" file format on our web site (by September 2000).	COMPLETED

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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. Three sub-teams have convened.
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 We are now 26% above last year's rate – 3.25 million this year as opposed to 2.4 million 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

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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. (Added March 2000).</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 August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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
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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
SCH005	Schools	Process Direct Loan origination and disbursement records within three days. The current baseline is three days.	MEETING STANDARD See attached graph.
SCH006	Schools	Process PELL funding requests within 24-36 hours. The current baseline is three days.	MEETING STANDARD ACS has not been able to create a reliable or repeatable process to extract data from the RFMS that shows if the standard is being met. Performance data is not available for this reporting period.
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 August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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 / MODIFIED SCHEDULE September 2000

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
SCH014*	Schools	Allow schools to download all SFA software and materials through IFAP or the SFA web site (by April 2000).	<p>COMPLETED</p> <p>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.</p>
SCH015*	Schools	Involve schools in operational decisions to assess their impact, and test changes with schools before implementing them (by September 2000).	<p>ON TRACK</p> <p>Focus Groups were held at the Software Developers Conference.</p>
SCH016	Schools	Increase schools access to SFA databases within Privacy Act constraints and with appropriate security measures (by June 2000).	<p>COMPLETED</p> <p>Schools now have access to LO data through the web page, and access to PEPS.</p>
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>Year 2/3 Business Case for requesting contract assistance in Montgomery, AL has been forwarded to DL COTR. On site research has been scheduled to begin the week of 9/11 with two individuals from DLOPS and two to three CAMs providing on site assistance.</p> <p>The schools' access to GAPS for cash drawdown for Program year 98/99 is closed effective July 31, 2000. LO is continuing to process electronic and manual loan data for Program years 97/98 and 98/99. LOS will continue to provide the 732 LOS Report on a bi-weekly schedule to the schools until further notice from DLOPS. The Joint Reconciliation Work Group has planned a three-day work session in Denver, CO from 8/15 through 8/17. The continue to provide the 732 LOS Report on a bi-weekly schedule to the schools until further notice from DLOPS.</p>

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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 were held the entire month of June and continue the entire month of July. These sessions will result in better school data in PEPS.</p>
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>)	<p>COMPLETED</p>

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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>	<p>ON TRACK</p> <p>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.</p>
FP0001*	Financial Partners	Reduce the lifetime default rate.	<p>ON TRACK</p> <p>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.</p>
FP0002*	Financial Partners	Identify guaranty agencies and lenders that submit audit reports late and take appropriate action.	<p>ON TRACK</p> <p>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.</p>
FP0003*	Financial Partners	Respond to internal audit reports within the timeframe specified.	<p>MEETING STANDARD</p> <p>Continued efforts to revise the current procedure and receive reports electronically directly from the submitting agency.</p>

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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.
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).	COMPLETED 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. Existing work group is now in place. Additional work groups will be added as needed.

Not updated this reporting period

STATUS OF FIVE-YEAR PLAN
APPENDIX A PERFORMANCE MEASURES
AS OF August 4, 2000

Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
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
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 / MODIFIED SCHEDULE One VFA has been approved by the Deputy Secretary for public comment. Four additional VFA's are at the Deputy Secretary for approval. The final VFA is being restructured. The modified completion date is September 2000.
FP0015	Financial Partners	Reduce fraudulent death and disability cases below 1998 baseline (by December 1999).	ON TRACK / MODIFIED SCHEDULE Instituted method to detect potential fraud. Working to consolidate process for better control. 8-4-00: All remedial actions have been taken. Final review of investigative results is currently underway with a completion date of September 2000.

Not updated this reporting period

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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

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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. Just received a Management Letter from IG, but don't have a due date yet.
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.

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CIO010	CIO	Implement the recommendations that would rectify the procedural findings in the IG Security Audit. <i>(Added March 2000)</i>	ON TRACK Activity 1 – Completed on Schedule (Create new category of advisors to GMs) Activity 2 – On Track for October Activity 3 - On Track for August Activity 4 – Completed on Schedule (ED CBT Security Training) Activity 5 - Completed on Schedule (Corrective Action Tracking System) Activity 6 – On Track for August Activity 7 – Due Date changed to July by Andy in June Monthly Report— Consultation was completed.
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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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:</p> <p>*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></p> <p>*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>

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Activity Number	Channel	Action Item/ Performance Measure	Progress Summary Through 8/4/00
HR0001	Human Resources	Implementation of a new SFA organizational design that is customer focused, like the best in business.	<p>ON TRACK</p> <p>The work on organizational design is about 95% complete. As of 8/4/00, there have been eight reorganization proposals developed. Five of these proposals (CIO, Accreditation, Communications, SFA Univ. and Acquisitions & Contract Performance) 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 August. The reorganization proposal for Analysis has been approved by OM and was sent to the Union on 8/8/00 for their final review. A reorganization proposal for Human Resources has been developed and discussions with OM/HRG on transition are ongoing.</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; it is expected to be completed by the end of July. Some interior design possibilities for our new building will be on display in the lobby area of room 4009 in ROB-3 beginning August 9th.</p>

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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>Managers are working with their teams to implement, provide guidance or redo the action plans that were developed during the training. This process is expected to be on-going and once the first action plans are completed, new ones will be developed and implemented.</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>
SFAU01	SFA University	Launch SFA University to transform SFA into a learning organization.	<p>ON TRACK</p> <p>PBO Training. Development of <i>PBO Traditions</i> and <i>The Student Aid Process Front to Back</i> is continuing in a Design Lab that convened August 15 and runs through August 17. The "SFA Core Curriculum" pieces will be delivered in the fall to employees and to SFA's operating partners, using a combination of SFA staff and operating partner staff as trainers.</p>

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			<p>SFA University training for schools. EDExpress training for Application Processing, Packaging, Pell and Direct Loans continues in all ten regions, and will conclude in September 2000.</p> <p>Blue Book Revision for 2001. The project lead for the <i>Blue Book</i> Revision will soon be contacting SFA and ED managers requesting reviewers to comment on the instructional design plan and first and final drafts of the <i>Blue Book</i> Revision for 2001. Included in the communication is an Excel spreadsheet listing SFA and ED organizational offices and the prospective <i>Blue Book</i> topics that pertain to each office's expertise.</p> <p>Spring 2000 Reauthorization Training. Representatives from SFA University's DC and Regional offices debriefed the Training Contractor on the Spring Reauthorization workshops, evaluating how well the workshops were received and providing suggestions for improvement. This feedback supplements the evaluation data from workshop trainees.</p> <p>New Products. SFA University staff met with the Ombudsman and agreed to develop a brief customized training that would introduce PBO concepts to new Ombudsman staff. The proposal is currently under discussion and training will be delivered on a date to be determined after Labor Day. This is an intermediate product that will be replaced by other PBO core curriculum pieces when they are completed.</p>
SFAU02	SFA University	Define core competencies and conduct a gap analysis between current and desired level of skills.	<p>ON TRACK</p> <p>SFA Human Resources has been working with Andersen Consulting on the development of competencies for all</p>

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			<p>functional areas of SFA. The purpose of the project is to develop competencies that can be used when making HR management decisions and to identify skill gaps among employees for training purposes. The first phase of this project which has been completed, was to develop core competencies for all professional and managerial positions. The second phase of the project, which is due to be completed by COB August 18, is the development of functional competencies for each of the business processes within SFA. This was accomplished through individual meetings with general managers and enterprise service directors. The next phase of the project will be to link the competencies to an overall human resource information system (including a performance management system), and also to an employee development system.</p>

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ANAL01	Analysis	Routinely Measure Employee Satisfaction. SFA University will help individual work-units identify issues and develop resolutions.	ON TRACK The comments from the April employee survey can be grouped into four general categories: Give people the basics, Give staff opportunities for growth and professional development , Management support, and Stronger two-way communication. Every week, SFA Communications will send an e-mail featuring one project that addresses one of these issues. The next employee satisfaction survey will be in late August or early September.

Not updated this reporting period