Andersen Consulting

SFA Modernization Partner Project
LEGACY CONTRACT TRANSITION PLAN

Pell Grant Recipient & Financial Management System (PELL)

Part 1
System Write-up

Pell Grant Recipient & Financial Management System (PELL)

CHANNEL:	Schools
BUSINESS MANAGER:	Rosemary Beavers
COTR:	Lenny Brown
CONTRACTOR:	ACS
CONTRACT NUMBER:	PM-97-0002-01
CONTRACT AWARD DATE:	June 24, 1997
CONTRACT EXPIRATION DATE:	December 31, 2002
ANNUAL CONTRACT COSTS:	$? million

PELL is the system used by schools to initiate (originate) Pell Grants. The PELL process is very similar to the DLO process.

PELL FUNCTIONS

Mail Room:

On the front-end PELL receives origination notices and Statement of Accounts from schools and does imaging of these records. Provides customer service for schools in the Pell Grant program (Statement of Account, verification of drawdowns and repayments of excess funding and other mailings).

Processing of Pell records Received from Schools:

Tracks delivery of Pell Grant Aid to schools. Calculates allowable eligibility amounts and notifies schools of the limitations. Maintains student eligibility. Aggregates planned disbursements by school and authorizes school drawdown funds.

WHO USES DLO?

External Users:
- Schools
- Students
- Dept. of Education GAPS

Internal Users:
- CFO

ANNUAL CONTRACT COST – PELL FUNCTION PERCENTAGES

The annual contract costs for PELL approximately $? million. The approximate percentages and annual cost for the base OFSA functions (as outlined in the OFSA Contracts/functions Matrix) are as follows:

Document Handling	%	$ million
Analytical/ Management Support	%	$ million
Customer Service	%	$ million

PLANNED ENHANCEMENTS

None

PROBLEMS

- The DLO and PELL Systems are very similar and appear to be redundant in the type of information they collect and processes they perform. It would appear that the consolidation of these two systems into one (under DLO) would be the most advantageous business decision, unless the Modernization Partner's initiative and eventual system architecture resolves this redundancy before the expiration of these contracts.