

Supplemental Business Case Information For BYs 2003 & 2004 IT Useful Segments

This document collects supplemental business case information for IT useful segments. The Department Investment Review Board will use this information to determine which IT enhancements to undertake, in accordance with the Clinger-Cohen Act, and for monitoring initiative progress.

Please answer each question. Responses should be concise, and prepared at a level of detail commensurate with the initiative lifecycle phase, size/criticality, and type. Initiatives that have not been implemented or deployed will require more detailed information than an initiative in maintenance. We will use the information collected to create a baseline for the initiative.

Please type your responses in the white answer blocks of the Business Case Responses document and return the electronic copy of that document to Treva Lutes by June 7th. Please do not modify the shaded rows of the table. These rows contain special codes that we will use to populate a database automatically.

1. Useful Segment Name *Provide the name of the useful segment and its respective initiative.*

Useful Segment Name: Release II
Initiative Name: IAOD

2. Useful Segment Description

Briefly describe the useful segment in a concise, non-technical, management-oriented manner (two paragraphs maximum please).

The 2nd release of the Integrated Application, Origination & Disbursement solution will implement identified technological and business process solutions to foster the "bringing together" of the FAFSA/CPS functions with capabilities provided by Common Origination & Disbursement system. Initial analysis indicates opportunities to reduce operational redundancies and enable cost savings by making FSA's loan application processes more closely aligned with its loan origination and disbursement processes. The sharing of data and validation of customer inputs at the front-end should streamline back-end processing and provide FSA's delivery partners (Schools and Financial Partners) with timely information that is easier to and quicker to process.

3. Solution Impact

(1) What will be the impact of the useful segment on lines of business and business processes? (2) What is the impact of the useful segment on other IT initiatives? (3) Identify the direct beneficiaries, customers, users, and any additional stakeholders of the useful segment. (4) Describe how the direct beneficiaries, customers, users, and additional stakeholders are involved with the planning, development, and operation of the useful segment. (5) What are the major organization restructuring, training, and change management projects that will be required?

- 1) This release will foster integration among FSA's Students and Schools channels by aligning its application (front-end) processes with its origination and disbursement (back-end) functions.
- 2) This release is closely aligned with the FAFSA 8.x initiative, the NSLDS II initiative which will enable the extension of the Common Record, the Data Mart Integration initiative as this release will transfer student loan application and loan origination data to both the NSLDS II data warehouse and FSA data marts.
- 3) Students, Schools, and Financial Partners are all direct beneficiaries of this release.
- 4) The effort to develop this initiative will involve focus groups of students and parents to identify specific improvements to the application process. It will involve School Financial Aid Administrators and Financial Partners to identify the required data layouts for the Common Record.
- 5) No major organization restructuring will be required. Training and change management will take place to provide FSA employees with the tools and skills required to utilize the modernized solutions.

4. Mandatory Requirement

Is this useful segment, or the business process it supports, required by legislation, regulation (CFR citation), or other guidance (e.g., OMB Circular, Presidential Management Memorandum)? If so, please cite the specific section number, name, and language of the requiring provision. Additionally, if the business process is required, then please indicate the extent to which the useful segment supports the business process and compliance with the requiring provision.

The Higher Education Amendments of 1998, Sec. 483 B [20 U.S.C 1092b], established FSA as a Performance Based Organization (PBO) within the Federal Government charged with modernizing the delivery of student financial aid. The underlying goal was to improve services to millions of students and the postsecondary institutions they attend. As one of the main objectives of this designation, Congress mandated that FSA implement a common, open, integrated system for student financial aid delivery.

The FAFSA has been identified by legislation as the common mechanism with which to apply for federal student aid. This initiative will seek to provide improved service, reduce redundancies, and integrate the application processes with the origination and disbursement processes.

5. Consequence of Not Funding the Useful Segment

Describe the adverse impacts on business operations or future costs if the useful segment is not funded.

The business case is improved when an operation or business process is highly dependent on the useful segment or delaying the useful segment will result in significantly higher costs in the future.

The failure to implement this release or useful segment will foster the continued operation of redundant processes leading to increased costs. It will also lead to a failure to integrate systems and solutions will lead to an inability to meet Congress' PBO mandate.

6. Benefits

Please describe the benefits associated with the useful segment, including how the investment reduces costs or improves efficiencies.

Benefits are the advantages or gains the useful segment produces for customers, the public, or the Department. Benefits can include increased efficiencies, improved customer satisfaction, reduction in costs, increase in revenue, or improved public access to ED information.

The investment in this release will enable the reduction in application processing costs and provide FSA's Common Origination and Disbursement system with data to enable a more streamlined process. General benefits include:

- Reduced costs
- Improved customer satisfaction via on-line and seamless edits & validations
- Increased efficiencies between FSA's application processes and its origination processes

7. Crosscutting Initiative

Indicate which Principal Offices the useful segment supports. If the useful segment supports the entire Department, then simply select that item. If the useful segment supports entities outside of the Department, then in addition to selecting "Entities outside of the Department," please identify the agencies and organizations affected by this useful segment.

- Entire Department
- Office for Civil Rights
- Office of Educational Research and Improvement
- Office of Elementary and Secondary Education
- Office of English Language Acquisition
- Office of Postsecondary Education
- Office of Special Educational and Rehabilitation Services
- Federal Student Aid
- Office of Vocational and Adult Education
- Office of the Chief Financial Officer
- Office of the Chief Information Officer
- Office of the General Counsel
- Office of Inspector General
- Office of Intergovernmental and Interagency Affairs
- Office of Legislation and Congressional Affairs
- Office of Management
- Office of Public Affairs
- Entities outside of the Department

8. Audit Finding

Does the useful segment close an audit recommendation? If so, please describe the recommendation and note the audit name or number.

N/A