

**Direct Loan eServicing High Level Design
Phase 1 Deliverables
Software Release 1.0
Section 2.0 – Requirements with Proposed
Solutions**



March 26, 2001

**Direct Loan eServicing High Level Design
Phase 1 Deliverables
Software Release 1.0
Section 2.0 – Requirements with Proposed Solutions**

Table of Contents

2 REQUIREMENTS WITH PROPOSED SOLUTIONS1

2.1 ELECTRONIC CUSTOMER RELATIONSHIP MANAGEMENT (ECRM)..... 1

 2.1.1 *Electronic Customer Relationship Management*..... 1

 2.1.2 *Existing Customer Relationship Management Requirements*.....10

 2.1.3 *System Regulatory Requirements*.....12

 2.1.4 *VRU/Call Center Operations*.....14

2.2 ELECTRONIC BILL PRESENTMENT & PAYMENT (EBPP) AND ONLINE CORRESPONDENCE (OC)..... 19

 2.2.1 *Electronic Bill Presentment & Payment*.....19

 2.2.2 *Online Correspondence*.....26

 2.2.3 *System Regulatory Requirements*.....29

Direct Loan eServicing High Level Design

Phase 1 Deliverables

Software Release 1.0

Section 2.0 – Requirements with Proposed Solutions

2 REQUIREMENTS WITH PROPOSED SOLUTIONS

2.1 ELECTRONIC CUSTOMER RELATIONSHIP MANAGEMENT (ECRM)

2.1.1 Electronic Customer Relationship Management

Description – The electronic Customer Relationship Management (eCRM) system will enhance and streamline the users' ability to address and satisfy borrower inquiries and requests. The following eCRM requirements detail new functionality that will improve the customer's experience with the call center.

2.1.1.1 The eCRM system will provide a single identification verification point for the customer.

Description – When a customer confirms their identity through the VRU and is transferred to a CSR, the VRU will pass the borrower's identification confirmation information to the eCRM system. This will allow the customer to state their identification information only once.

Under current functionality, the customer must state their identification information twice, once for the VRU and once for the CSR.

Proposed Solution – Computer Telephony Integration (CTI) will allow a screen pop to display the borrower's information on the CSR's screen. This screen pop will indicate to the CSR that the customer has already been validated by the VRU.

DLSS Impact: No identified impact.

2.1.1.2 All borrowers requesting electronic processing of self-certifying forms or applications requiring a signature must be further validated with a PIN.

Description – The borrower must provide a valid PIN in order to electronically process a self-certifying form or application requiring a signature over the phone with a CSR, as a PIN is equivalent to a signature.

Proposed Solution – To allow the CSR to process a self-certifying form for the borrower over the phone, the borrower will key their PIN into their telephone keypad. A transaction will be developed to trigger a PIN validation request from DLSS to CPS. After the PIN has been validated, the CSR will be notified and can then begin processing the self-certifying form. Throughout the process the PIN will not be disclosed to the CSR. If the borrower's SSN does not exist on DLSS or the PIN is entered incorrectly the first time, the borrower will be automatically routed to a CSR who will explain that a correct PIN must be entered

before a self-certifying form can be processed. However, if the borrower has entered in the information and knows that they made a mistake, the borrower can press the star key to re-enter the SSN and PIN again.

DLSS Impact: This proposed solution is based on the assumption that the existing alphanumeric PIN will be changed to a numeric PIN. If the PIN cannot be changed to numeric, this requirement will not be met. There are possible legal issues in processing self-certifying forms that must be analyzed during detail design.

2.1.1.3 The eCRM system will provide users with the ability to search for a borrower or a Direct Loan participant based on the borrower's demographic information.

Description – The system will provide users with the capability to perform advanced searches on demographic attributes such as name, phone number, account number, endorser name, etc. System performance will be a consideration in determining which fields will be used to satisfy this requirement.

Proposed Solution – The user will be able to perform Query By Example searches on customer name, phone number, account number, reference name, endorser name, etc. The affects on system performance will be assessed in Detail Design. Demographic information will be stored on the eCRM database and synchronized with the DLSS at regular intervals (to be determined in Detail design). The disaster recover plan will cover contingencies for loss of synchronization.

DLSS Impact: No identified impact.

2.1.1.4 The eCRM system will be designed to have customized views (screens) based on user roles and responsibilities.

Description – Certain departments or groups within departments may have access to certain screens that others do not. In addition, certain departments or groups within departments may want different screens to default as their first screen. A call center system administrator will grant these capabilities.

Proposed Solution – The eCRM system allows for users or groups of users to view customized screens to better suit their business function. The organization, departments and/or positions will be mapped out in Detail Design. A user who has been granted administrator privileges will be able to grant screen views.

DLSS Impact: No identified impact.

2.1.1.5 The eCRM system will provide CSRs with an Electronic Reference Manual that can be updated by a system administrator.

Description – The system will provide users with a single point of reference to review and research Direct Loan terms, policies, and procedures. The Electronic Reference Manual will improve the ability of the users to provide a consistent experience for the Direct Loan customer. The reference manual will include searchable topics such as Direct Loan information for borrowers, Direct Loan information for prospective borrowers, Direct Loan

policies and any additional information that needs to be available to users. A call center system administrator can update the reference manual at any time. The Electronic Reference Manual must be part of a version control system with attributes such as last date modified, last time modified, user ID, etc.

Proposed Solution – Encyclopedia will allow for a central point of reference for eCRM users. The Encyclopedia will allow users to search on topics to include the current training manual, Direct Loan policies, general information, and definitions of terms. A user can use queries (Query By Example) or click on related issues within a topic to easily search for topics in Encyclopedia.

DLSS Impact: No identified impact.

2.1.1.6 The eCRM system will provide the CSR with interactive scripts.

Description – The eCRM system will provide interactive scripts for the CSR to respond to a customer’s request (such as processing a form) or to provide customers with information (such as promoting self-service). The scripts will contain a decision tree to allow the CSR to address the customer’s inquiries as the customer provides information.

Proposed Solution – With SmartScripts, the CSR will be prompted to enter in information and will be guided to a solution. The solution will incorporate the questions and decision-tree logic already identified on the Direct Loan website and GUI where the customer or CSR is guided through a series of questions.

DLSS Impact: No identified impact.

2.1.1.7 The eCRM system will provide the user with the ability to view the borrower’s information at different levels of detail.

Description – The system will provide users with the ability to view the borrower’s information at the borrower level, the packet level, the loan level or the disbursement level.

Proposed Solution – The eCRM system views will be configured to display data to the user at the borrower level, the packet level, the loan level and the disbursement level. Data mapping of the DLSS will be needed to translate and present information to the user. This solution ensures that the data will be presented at the appropriate level for the question asked.

DLSS Impact: No identified impact.

2.1.1.8 The eCRM system will allow users to register for, cancel, and change a borrower’s EDA enrollment.

Description – Under current functionality, users have the ability to cancel and change a borrower’s enrollment in the EDA program. The eCRM requirements are expanding the CSR’s ability to register the borrower for the EDA program over the phone. The borrower must enter in their PIN in order to perform this task.

Proposed Solution – The eCRM system will allow the user to register for, change, or cancel the borrower’s EDA enrollment. An Activity will be created to trigger a transaction to be sent to the DLSS for further processing. If there is a change to banking information for a borrower’s EDA enrollment, the system will execute the change without removing the borrower from EDA. Whether or not the EDA update will take affect before the next billing cycle depends on when the borrower notifies DLSC of the change. Further information on handling EDA changes will be uncovered in Detail Design. The borrower’s PIN will be entered on their telephone keypad and will be validated before the CSR can continue.

DLSS Impact: This proposed solution is based on the assumption that the existing alphanumeric PIN will be changed to a numeric PIN. If the PIN cannot be changed to numeric, this requirement will not be met. There are possible legal issues in processing self-certifying forms and applications that must be analyzed during Detail Design.

2.1.1.9 The eCRM system will allow a borrower to apply for and process all self-certifying forms and applications (i.e. forbearance or deferment) on the phone with a CSR.

Description –The CSR will be able to fill out and process all forms and applications that are self-certifying over the phone.

Proposed Solution – If applicable, the CSR will use SmartScripts to determine if the borrower is eligible to apply for a particular program, such as deferments and forbearances. Once the borrower has been successfully validated with a PIN (see Requirement 2.1.1.2), the CSR will proceed to process the self-certifying form or application as an Activity. The CSR will receive immediate notification if the submission was successful.

DLSS Impact: This proposed solution is based on the assumption that the existing alphanumeric PIN will be changed to a numeric PIN. If the PIN cannot be changed to numeric, this requirement will not be met. There are possible legal issues in processing self-certifying forms and applications that must be analyzed during detail design. The eCRM system will allow the customer to update email/mail preferences for correspondence.

Description – The eServicing Online Correspondence effort will allow for electronic correspondence to be sent to the borrower’s email address. The customer will be able to change mailing preferences on the phone with a CSR.

Proposed Solution – The eCRM system will allow the CSR to update the borrower’s mailing preference. Workflow Manager will react to this update by creating an Activity to log the change and then trigger a transaction to the DLSS. A DLSS transaction and field will be created to satisfy this requirement.

DLSS Impact: To implement this requirement, the DLSS will be updated to include the borrower’s correspondence preference.

2.1.1.10 The eCRM system will provide users with the ability to update borrower's demographic information to include a borrower's email address and Primary Language Indicator.

Description – Under current functionality, users have the ability to update demographic information such as last name, address, phone number, etc. This functionality is being expanded to include a borrower's email address and Primary Language Indicator.

Proposed Solution – The eCRM system will allow the CSR to update the borrower demographic information, including email address and Primary Language Indicator. Workflow Manager will react to this update by creating a Activity to log the change and then trigger a transaction to the DLSS.

DLSS Impact: To implement this requirement, the DLSS has already been updated to include fields and transactions to update the borrower's email and Primary Language Indicator. However, since these fields are new, they have not yet been populated for many borrowers.

2.1.1.11 The eCRM system will provide users with the ability to address interest rate and repayment calculator inquiries based on varying interest rates.

Description – Under current functionality, users have the ability to address interest rate questions. The eCRM system will expand the CSRs ability by providing an online tool that calculates monthly fixed payments based on changes in interest rates.

Proposed Solution – The eCRM system will display interest rates at the various levels of detail (Borrower, Packet, Loan, Disbursement) to address interest rate inquiries. General information as to what interest is and how it is calculated will be found in the Encyclopedia. Calculated fields and potentially SmartScripts can be used to satisfy inquiries on repayment amounts based on different interest rates.

DLSS Impact: No identified impact.

2.1.1.12 The eCRM system will provide users with a repayment estimator based upon all of the repayment plan options.

Description – Under current functionality, users have the ability to provide the customers with scenario calculations for each type of repayment plan except for the ICR plan. This eCRM system will expand the repayment estimator functionality to provide an online tool that calculates monthly fixed payment for each repayment plan including ICR.

Proposed Solution – Calculated fields and potentially SmartScripts can be used to satisfy inquiries on repayment estimates based on different repayment plan options. The user will be able to see the interest rate, the estimated monthly payment, and the number of months until the borrower has paid in full for each repayment plan. SmartScripts can be used to determine if the borrower is eligible for a particular repayment plan (i.e. ICR).

DLSS Impact: No identified impact.

2.1.1.13 The eCRM system will provide users with the ability to easily navigate between multiple borrowers' accounts.

Description – There are some instances when a user would like to view data for more than one borrower to answer a customer's question. For example, a borrower will call about their own account in conjunction with their spouse's account (if they have authority to access their spouse's account) to resolve a borrower's inquiry. While this is an existing requirement, the process will be enhanced so that the user can access accounts for more than one borrower in a more efficient manner.

Proposed Solution – An eCRM History Bar will allow a user to easily go back to a prior borrower's account. History Bar works similarly to how a web browser's back button functionality works. The user can click on a drop down button and search for the page the user would like to navigate back to. The eCRM History Bar will have a drop down list consisting of descriptive titles to help guide the user to the page they would like to view.

DLSS Impact: No identified impact.

2.1.1.14 The eCRM system will provide the users with the ability to request a PIN for a borrower to be sent to the borrower's permanent address of record.

Description – Similar to the Direct Loan website, the user will be able to request a PIN for the borrower. Once the PIN has been processed, the PIN will be mailed to the borrower's address.

Proposed Solution – The eCRM system will allow the user to create an Activity to trigger a request to be sent to CPS, the system that creates and maintains PINs for SFA. The Activity will initiate a DLSS transaction that will trigger a request to CPS. CPS will process the request as it would process a request originating from the Direct Loan website. The PIN will be sent to the borrower's address via postal mail.

DLSS Impact: A transaction will be developed to send a validation request to CPS.

2.1.1.15 The eCRM system will allow the CSR to access information from the Direct Loan website.

Description – To better enable certain CSRs to address borrower inquiries, including questions regarding the Direct Loan website, CSRs will have the ability to access the Direct Loan website.

Proposed Solution – All users with a PC can have access to the Direct Loan website. However, only certain CSRs will have this privilege for the first release. These CSRs will be able to log into the Direct Loan website under their own unique ID and have authority to view (not update) any borrower's account to answer questions

DLSS Impact: No identified impact.

2.1.1.16 The eCRM system will automatically track and provide users with the ability to maintain a history of any activities affecting a borrower's account.

Description – The reason the customer called and any actions performed on the borrower's account must be recorded in the DLSS Borrower History File for historical purposes. Users will be able to review the call history and transaction history for a particular borrower.

Proposed Solution – By using eCRM Activities and Service Requests to update or perform any actions on a borrower's account, all history will be maintained by viewing the Activities or Service Request screens. In addition, an Activity or Service Request will update the DLSS to record the transaction, call history log, or borrower comments entities.

DLSS Impact: No identified impact.

2.1.1.17 The eCRM system must display all borrower history to the user.

Description – The reason the customer called, any actions performed on the borrower's account and comments must be displayed to the user. The eCRM system will allow the user to search through history.

Proposed Solution – The eCRM system will utilize Virtual Business Components to allow the user to view and scroll through borrower call history, transaction history and comments history. Since eCRM will store certain history data such as attachments and Service Requests, eCRM will become a 2nd database of record for new capabilities that are not available to be stored on the DLSS. A user must be able to print history stored and maintained in eCRM. Legal and auditing implications will be analyzed in Detail Design.

DLSS Impact: No identified impact.

2.1.1.18 The eCRM system will provide users with the ability to assign unresolved issues to other departments or users.

Description – The eCRM system will allow a user to assign an unresolved request or issue to another department or user. During the phased implementation, if the user who is assigned the unresolved issue is not using the eCRM system, a DLSC Department Manager/Supervisor or a System Administrator will assign the issue. The eCRM system must have the capability to track and report on unresolved issues.

Proposed Solution – By using Service Requests in conjunction with Assignment Manager, a user can assign a Service Request to another user, group, or department. The call center organization will be defined in Detail Design. As the Service Request is being processed, any actions taken to fulfill the Service Request can be recorded as an Activity. Service Requests have an attribute to indicate its status. Depending on the detail requirements, the eCRM system has reports that may satisfy tracking and reporting of unresolved issues.

DLSS Impact: No identified impact.

2.1.1.19 The eCRM system will allow the users to access a borrower's account at anytime without requiring an incoming call.

Description – This will allow users to conduct research activities outside the context of a customer’s call.

Proposed Solution – The eCRM system does not require an incoming call or PIN to enable an authorized user to view a borrower’s account.

DLSS Impact: No identified impact.

2.1.1.20 The eCRM system will provide the appropriate users with the ability to create stored and ad hoc reports regarding system activity.

Description – For efficiency and forecasting purposes, reports will provide statistics for call center managers, Department of Education representatives, and other authorized individuals who wish to analyze call center performance.

Proposed Solution – Stored and ad hoc reports can be created using a variety of different solutions. Depending on the detail requirements for reports, potential solutions include the following:

- 1) Actuate, a report-generating tool,
- 2) CTI or PBX (switch) level reports,
- 3) Standard eCRM Charts,
- 4) Exporting data to another application (i.e. Microsoft Excel or Microsoft Access).

DLSS Impact: No identified impact.

2.1.1.21 The eCRM system will allow all manually generated, non-transaction-based forms and correspondence to be electronically generated at the call center.

Description – Currently, certain correspondence and forms (i.e. payoff quote, research responses, etc) are filled out manually by a user or a supervisor at the call center. The eCRM system will provide the capability to automatically populate necessary fields in a form and submit the form electronically. The form will have built-in error checks and allow the user to view the form or correspondence before it is mailed to the borrower.

Proposed Solution – The eCRM system Correspondence Business Component allows forms, applications and correspondence to be stored as templates. The Correspondence Business Component in conjunction with Workflow Manager allow users to fill in a stored template with Borrower information. Workflow Manager and Assignment Manager will create a Service Request to be assigned to a supervisor or fulfillment department for further processing. A Spanish set of documents will be stored on the eCRM system for those borrowers who have chosen Spanish as their Primary Language Preference.

DLSS Impact: This assumes that the supervisor or fulfillment department will have the eCRM system.

2.1.1.22 The eCRM system will provide the appropriate users with the ability to broadcast messages to users.

Description – The system will allow the appropriate user to create and send broadcast messages to all or sets of users. The broadcast messages will serve to communicate to the users changes in policy, suggestions from other users, or any message that needs to be quickly and uniformly conveyed to users.

Proposed Solution – The eCRM system will include a Message Bar that scrolls horizontally at the bottom of the application. This Message Bar will be used to broadcast messages to a group of users or all users. When a new message first appears on the Message Bar, users may choose to see a pop-up box that highlights the new information. A user located in Rockville or Utica who has been granted administrative privileges can modify the information in the Message Bar.

DLSS Impact: No identified impact.

2.1.1.23 The eCRM system will be deployed widely to all representatives who currently use the DLSS.

Description – The eCRM system must be deployed to all representatives to ensure that an accurate, consistent message is being communicated to customers.

Proposed Solution – The eCRM system will be rolled out in phases. The first release will only focus on CSRs within the Borrower Services and Loan Counseling departments. A Release Schedule that is definitive and enforceable will be developed in Detail Design.

DLSS Impact: No identified impact.

2.1.1.24 The eCRM system will allow a user to update a borrower's Language Preference Indicator.

Description – The user will be able to change a borrower's Language Preference Indicator to allow the borrower's call to be directed to a CSR speaking the borrower's preferred language.

Proposed Solution – The user will use an eCRM Activity to update a borrower's language preference. This activity will trigger a transaction to the DLSS for further processing.

DLSS Impact: To implement this requirement, the DLSS will be updated to include the borrower's language preference.

2.1.1.25 The eCRM system will ensure that data must be the same and consistent in the eCRM database and the DLSS.

Description – The customer must receive consistent and accurate information regardless of what channel the customer chooses to interact with DLSC. When data is used locally in the eCRM system, the data must be consistent with the information that resides in the DLSS.

Proposed Solution – A variety of data integration tools will be used to ensure that the data is consistent and accurate across all channels of communication with the borrower. These tools include Virtual Business Components, Enterprise Integration Manager, Business Integration Manager, and other eBusiness Application Integration (eAI) solutions, as well as IBM MQ Series. All transactions initiated from eCRM to the DLSS will be executed using MQ Series. The Detail Design process will map which integration tool will be used for remaining integration points.

DLSS Impact: No identified impact.

2.1.1.26 The eCRM system will allow the user to register for, change or cancel Electronic Bill Payment enrollment.

Description – With the eServicing Electronic Bill Payment functionality in place, the borrower will have the option to pay bills online. The eCRM system will allow the borrower to register for, change or cancel Electronic Bill Payment on the phone with a CSR.

Proposed Solution – The eCRM system will have three separate Activities where the user can choose to register for, change or cancel the borrower’s Electronic Bill Payment enrollment. An Activity will trigger a transaction to be sent to the DLSS to process the request. A letter will be sent to the borrower to confirm their Electronic Bill Payment registration, change or cancellation. NOTE: The electronic Bill Presentment and Payment functionality will be branded in such a way to increase borrower awareness of the functionality and clarify the difference between Internet billing and EDA. The eBPP brand name will be determined during Detail Design.

DLSS Impact: Transactions will be developed to allow a borrower to register for, change and cancel Electronic Bill Payment enrollment.

2.1.2 Existing Customer Relationship Management Requirements

Description – Existing functionality that is currently being met by the DLSS will be available to the user and is detailed at a high level in this section. Existing requirements will be implemented, and when possible, enhanced to make the system more user-friendly for the users and to increase customer satisfaction.

2.1.2.1 The eCRM system will continue to validate all customers through the existing security mechanism (SSN, date of birth, zip code) to gain access to and update a borrower’s account through the VRU or with a CSR.

Proposed Solution – The existing security functionality used for validating a customer will be utilized to satisfy this requirement.

2.1.2.2 The eCRM system will continue to allow the CSR to search for borrower by name or account number.

Proposed Solution – The eCRM system will allow users to search on name or account number.

2.1.2.3 The eCRM system will continue to allow the CSR to view all account (financial/demographic/informational) data necessary to respond to questions from a phone call.

Proposed Solution – The eCRM system will be configured to allow the user to view all financial, demographic, and informational data.

2.1.2.4 The eCRM system will continue to allow the CSR to update information on the borrower's account as necessary. Current functionality allows modifications to fields such as: privacy codes, sensitivity codes, suspense codes, repayment plan, due date, combined billing, separation date, next payment due date, total due amount, delinquent due amount, billing type, prepayment logic, accrued and capitalized interest.

Proposed Solution – The user will be able to create Activities, which will describe the borrower's financial information that needs to be changed. Workflow Manager will monitor the creation of these Activities, and in turn, trigger a transaction that is sent to the DLSS to make the proper data changes.

2.1.2.5 The eCRM system will continue to allow the CSR to generate correspondence and forms as needed.

Proposed Solution – The eCRM system's Correspondence functionality will enhance the CSRs ability to create correspondence and forms. The CSR will be able to view the document before it is sent to the borrower.

2.1.2.6 The eCRM system will continue to allow the processing and removal of forbearances and deferments as needed to service a borrower's account.

Proposed Solution – The eCRM system's Activity feature, Correspondence functionality and workflow manager enable a user to process or remove a forbearance or deferment as needed.

2.1.2.7 The eCRM system will continue to allow simultaneous access to other software applications (i.e. FileNET or Greenbar) as necessary to respond to phone inquiries.

Proposed Solution – Since all users will be using PCs, all users *can* have access to other software applications such as FileNET or Greenbar. For the initial deployment of the eCRM system, only a select number of users will have access to other applications.

2.1.2.8 The eCRM system will continue to allow the CSR to annotate actions taken to service the borrower's loan by entering servicing comments and/or results of phone calls.

Proposed Solution – By using Activities or Service Requests to perform actions, call history is being created and maintained with every incoming or outgoing call. Without an incoming or outgoing call, users will be able to use Activities and Service Requests to investigate or further document activities.

2.1.2.9 The eCRM system will continue to allow the CSR to make outgoing phone calls (manually or with the aid of an autodialer) as required while still allowing all of the above capabilities.

Proposed Solution – CSRs will be able to make outgoing calls by using one of the following three solutions:

- 1) Using the phone and manually dialing as they do today,
- 2) Using the autodialer as they do today,
- 3) Using CTI. A user on an eCRM screen that is CTI-enabled can search for a borrower and click on a button to automatically call the borrower.

2.1.2.10 The eCRM system will continue to allow other departments outside the scope of this eServicing effort to perform all necessary functions to service the borrower.

Proposed Solution – The implementation of the eCRM system will ensure all departments can still perform the necessary functions to service the borrower. For departments where the eCRM system has not yet been deployed, the current front-end servicing system will continue to be used.

2.1.2.11 The eCRM system will continue to allow a “warm transfer” of calls to internal or external sources.

Proposed Solution – The user will have access to a phone and a 3-way feature to enable a “warm transfer” to internal departments or trading partners.

2.1.2.12 The eCRM system will continue to support school-related inquiries that are directed to Borrower Services.

Proposed Solution – Users can view an eCRM Screen that contains general information about Direct Loan schools. The school’s contact information will also be displayed on this screen.

2.1.3 System Regulatory Requirements

Description – The eCRM system must maintain security for all borrower information. The systems must also address security requirements based upon new functionality and technology that may be introduced during the eServicing project.

2.1.3.1 The system must comply with all the privacy and security regulations and laws.

Description – The Privacy Act of 1974 and all applicable data laws serve as the foundation for all privacy and security rules. The Department of Education will be contacted to provide

guidance on how the privacy laws should be implemented for the eServicing project. The Privacy Act of 1974 is available at http://www.epic.org/privacy/laws/privacy_act.html

Proposed Solution – A borrower who has specified that he prefers to receive correspondence via email may still receive certain documents through postal mail as mandated by law.

Privacy and security regulations will be considered throughout Detail Design. The eServicing team in conjunction with the Department of Education will work to ensure that all privacy and security requirements are met. During Detail Design, the appropriate Department of Education Security Officers must approve all security requirements.

2.1.3.2 The system must maintain the security requirements regarding borrower's information.

Description – All borrower information must be protected at all times. Borrower identification procedures must be followed for all channels of communications including VRU and eCRM, .

Proposed Solution – The customer will be able to use the VRU and eCRM system to access borrower-specific information with a valid SSN, date of birth, and zip code. If the borrower would like to perform actions that require a higher level of security (self-certifying forbearance, application for EDA, application for Electronic Bill Payment, etc), the borrower must enter in their PIN.

Security will be considered throughout Detail Design. The eServicing team in conjunction with the Department of Education will work to ensure that all security requirements are met. During Detail Design, the appropriate Department of Education Security Officers must approve all security requirements.

2.1.3.3 The system must utilize the existing PIN request process.

Description – The existing PIN request process through the CPS will be utilized for the eServicing project.

Proposed Solution – The existing Department of Education PIN process will be utilized for the eCRM system.

2.1.3.4 The system must define the appropriate disaster recovery processes and architecture.

Description – The eCRM system will have a disaster recovery process defined prior to implementation. The recovery processes will include software procedures, data recovery procedures, and disaster communications plan and contacts. The technical architecture must be designed to support the disaster recovery requirements. The disaster recovery plan for the eCRM system will be reviewed and approved by the Department of Education prior to implementation. Requirements must be submitted to Hot Site as part of an annual test.

Proposed Solution – During Detail Design of the eServicing project, the eServicing team, in conjunction with the Department of Education, will define the disaster recovery plan and architecture for the eCRM system.

2.1.3.5 The system must be designed and implemented to meet the defined performance standards and requirements.

Description – The eCRM system will identify performance requirements that will be tested prior to implementation. These Performance Standards and Requirements will be fully defined and Department of Education agreement will be received before the final Detail Design is complete.

Proposed Solution – During Detail Design of the eServicing project, the eServicing team in conjunction with the Department of Education will define the performance standards and requirements associated with the eCRM system.

2.1.3.6 The system must comply with the Americans with Disabilities Act (as amended).

Description – The eCRM system must be compliant with the ADA (as amended).

Proposed Solution – The eServicing team will work with the Department of Education to define the requirements for the eCRM system to be compliant with the Americans with Disabilities Act (as amended) and all related ADA regulations.

2.1.3.7 The system must comply with the Freedom of Information Act (as amended).

Description – The eCRM system must be compliant with the Freedom of Information Act (as amended).

Proposed Solution – The eCRM system will be able to support Freedom of Information Act inquiries. The system will be designed, in conjunction with the Department of Education, to comply with the Freedom of Information Act (as amended).

2.1.3.8 The existing GUI system must be retired in the first release of the eCRM system.

Description – The existing PC-based servicing system, GUI, will be retired. Approximately 50 CSRs use the GUI to respond to customer inquiries. Due to costs associated with maintaining a duplicate front end system, the GUI must be retired during the initial deployment of eCRM.

Proposed Solution – Current GUI users will receive training on the eCRM system and migrated to the eCRM system. After the initial deployment of the eCRM system, there will no longer be any GUI users. No additional maintenance will be invested in the GUI.

2.1.4 VRU/Call Center Operations

Description – The current VRU system provides the call center with the ability to route incoming calls to the appropriate CSRs. The VRU system also communicates messages to the customer and records their responses in order to complete the customer's inquiries and requests without having to interact with a CSR. The following enhancements to the VRU will be analyzed to determine the effort involved and the value of benefits reaped for Release 1.0.

Any requirement requiring further vendor selection or significant complexity will be out of scope for Release 1.0.

2.1.4.1 All borrowers requesting electronic processing of self-certifying forms or applications requiring an e-signature must be further validated with a PIN over the VRU system.

Description – The borrower must provide a valid PIN to electronically process a self-certifying form or application needing a signature, as a PIN is equivalent to a signature.

Proposed Solution – The borrower will key in their authorized numeric PIN in order to process a self-certifying form or application. A DLSS transaction will be developed so that this type of activity will trigger a PIN validation request to be sent to CPS, the system that stores and maintains borrowers' PINs.

DLSS Impact: This proposed solution is based on the assumption that the existing alphanumeric PIN will be changed to a numeric PIN. If the PIN cannot be changed to numeric, this requirement will not be met.

2.1.4.2 The customer will be able to use the VRU to request a PIN to be mailed to the borrower.

Description – Similar to how the Direct Loan website grants PINs today, the customer will be able to request a PIN through the VRU. Once the PIN application has been processed, the PIN will be mailed to the borrower's address, which is maintained on the DLSS.

Proposed Solution – By selecting this option in the VRU, the VRU will trigger a request to be sent to CPS, the external system that creates and maintains PINs for SFA. CPS will process the request as it would process a request originating from the Direct Loan website and send the PIN to the borrower's address via postal mail.

DLSS Impact: No identified impact.

2.1.4.3 The VRU system will allow the borrower to apply for and process all self-certifying forms and applications.

Description – The borrower will be able to process all forms and applications (i.e. forbearances and deferments) that are self-certifying over the VRU, similar to the Direct Loan website.

Proposed Solution – After the PIN has been entered and validated by the VRU, the VRU will prompt the borrower for the information needed to process a self-certifying forbearance or deferment. The VRU system will perform error checks on the data the borrower entered and will process the application. The borrower will know whether the application has been processed successfully. However, during hours when the DLSS is unavailable, the borrower will not be able to receive confirmation. During these hours, the VRU will notify the borrower that the transaction will be processed and the borrower can check the status of the transaction via the DLSS web.

DLSS Impact: This proposed solution is based on the assumption that the PIN is numeric and can be validated by the VRU. If this assumption is incorrect, this requirement cannot be met. There are possible legal issues in processing self-certifying forms and applications that must be analyzed during detail design.

2.1.4.4 The VRU system will allow the customer to update email/mail preferences for correspondence.

Description – The eServicing Online Correspondence effort will allow for electronic correspondence to be sent to the borrower’s email address. The customer will be able to change the borrower’s mailing preferences through the VRU system.

Proposed Solution – A new mailing preference transaction and a new field in the DLSS will be created to capture borrower mailing preferences. The VRU system will include a menu option to allow the customer to choose to receive their correspondence and bills via email or postal mail. This preference will apply to all correspondence generated by the eCRM system, the DLSS and the Direct Loan website. Note: Certain correspondences have to be sent via postal mail by law or as mandated by the Department of Education. Regulations supercede the borrower’s correspondence preference.

DLSS Impact: The DLSS will be updated to incorporate an email/mail preference field and transaction.

2.1.4.5 The eCRM system will provide the CSR with the ability to route a call to another CSR through the eCRM system.

Description – The eCRM system will provide CSRs with the ability to route a customer’s request to another CSR through the system. The existing call transfer system will remain available to the user. System administrators will have the ability to update the routing rules for the eCRM system.

Proposed Solution –Computer Telephony Integration (CTI) will allow a CSR to route a call and borrower-data to another CSR using the eCRM system. CTI will enable this requirement using a warm transfer and screen pop functionality.

DLSS Impact: No identified impact.

2.1.4.6 The eCRM system will provide the CSR with the ability to route a customer’s request to another CSR in an external, but eCRM-capable call center through the eCRM system.

Description – The eCRM system will provide CSRs with the ability to route a customer’s request to another CSR in a different call center that has implemented an eCRM system. The existing call transfer system will remain available to the user. System administrators will have the ability to update the routing rules for the eCRM system.

Proposed Solution – Enterprise-wide CTI, enterprise-wide IVR, and enterprise-wide eCRM solutions must be in place in order to transfer a call and data at the same time to a

CSR in a different call center. The first release of eCRM will only include deployment to CSRs receiving borrower requests within the DLSC Call Centers. Therefore call and data routing to external eCRM users is out of scope for Release 1.0. CSRs will still have the capability to perform a warm transfer to CSRs in an external system.

DLSS Impact: No identified impact.

2.1.4.7 Customers calling the Loan Counseling number outside of call center business hours will be routed to the Borrower Services' VRU system.

Description – Delinquent borrowers calling the Loan Counseling number outside of call center business hours will be routed to the Borrower Services' VRU system to allow them to request a forbearance or deferment (and similar information), if desired.

Proposed Solution –The Loan Counseling Conversant box will be modified so that customers will be routed to the Borrower Services' VRU system outside of call center operational hours. The Conversant will state operational hours, remind the delinquent borrower of their loan responsibilities, and state that they are being transferred to the Borrower Services' VRU where they can request a forbearance or deferment form (and similar information) to be sent to their address. If the borrower has a PIN and can enter it for validation in the VRU system, the borrower can process a self-certifying forbearance or deferment. The VRU must be modified to only provide a minimum subset of functionality for delinquent borrowers calling during non-operational hours.

DLSS Impact: No identified impact.

2.1.4.8 The VRU system will allow the borrower to register for, change or cancel Electronic Bill Payment enrollment.

Description – With the eServicing Electronic Bill Payment functionality in place, the borrower will have the option to pay bills online. The borrower will be able to register for, change or cancel Electronic Bill Payment.

Proposed Solution –To register for or change Electronic Bill Payment, the VRU system will prompt the borrower to enter in the necessary information such as bank routing number, bank account number, and other financial information. Registering, changing and canceling electronic Bill Payment will trigger transactions to the DLSS. Electronic Bill Payment will allow a borrower to add multiple bank accounts to their EBP profile. NOTE: The electronic Bill Presentment and Payment functionality will be branded in such a way to increase borrower awareness of the functionality and clarify the difference between Internet billing and EDA. The eBPP brand name will be determined during Detail Design.

DLSS Impact: This proposed solution is based on the assumption that the existing alphanumeric PIN will be changed to a numeric PIN. If the PIN cannot be changed to numeric, this requirement will not be met. There are possible legal issues in processing self-certifying forms and applications that must be analyzed during detail design.

THIS PAGE INTENTIONALLY LEFT BLANK

2.2 ELECTRONIC BILL PRESENTMENT & PAYMENT (EBPP) AND ONLINE CORRESPONDENCE (OC)

2.2.1 Electronic Bill Presentment & Payment

Description – The electronic Bill Presentment and Payment (EBPP) system will allow borrowers to view and pay their bills through the Direct Loan web site and the Aggregator model. Borrowers will be able to view current and past bills, pay their current bill, and schedule future payments. The EBPP system will utilize the existing payment procedure for payment processing. For the EBPP capability, two models are utilized: Direct Model and the Aggregator Model. In the Direct Model, borrowers will be able to submit their loan payments directly from the existing Direct Loan web site. For the Aggregator model, the EBPP system will forward bill summary information to an Aggregator engine, which then forwards the information to the participating portal sites, where the borrower will be submitting their loan payments via their choice of portal sites. In both the Direct and Aggregator models, bill detail information will reside at the Direct Loan web site and will be accessible to the borrowers via a secure login.

2.2.1.1 The system will customize information on bills and correspondence for specific borrowers based upon defined logic rules.

Description – The EBPP system will allow the appropriate system administrators to define messages that will be shown on the Direct Loan web site to borrowers based upon defined logic rules. For example, borrowers in a specific status will be shown a defined message on their electronic bill. The logic rules and messages will be managed by a system administrator and can be changed outside of a system release. A formal approval and testing phase will be performed with the Department of Education prior to any message display to the borrower.

Proposed Solution – The EBPP system will include functionality to push defined messages to a defined set of borrowers or a single borrower. The message and logic rules will be managed by the system administrator through the EBPP configuration management development tools and can be updated in real-time. During the initial development of the EBPP system and through out the life of the EBPP system, the content and target for the messages will be reviewed and approved by the Department of Education prior to implementation of the messages.

DLSS Impact: No identified impact.

2.2.1.2 The system will include version control capabilities for billing templates with logic rules.

Description – The EBPP system will maintain billing templates with the appropriate logic rules. Each version of the billing templates will be maintained in order to display the billing information to the borrower in the appropriate bill template. For example, the system uses version 3.0 of the billing template during the first billing cycle in September. Prior to the first billing cycle in October, version 3.1 is tested and approved. When the borrower requests to see their September bill, the system will display the bill with the appropriate template (version

3.0). When the borrower requests to see their October bill, the system will display the bill with the appropriate template (version 3.1).

Proposed Solution – Development tools will be available to the appropriate users to create, update, and delete billing templates and maintain version control. The development tools will allow the users to update the billing text, data links within the billing template, and logic rules. The billing templates will be designed and reviewed with the Department of Education prior to their implementation.

DLSS Impact: No identified impact.

2.2.1.3 The system will allow the borrower to view their bill on the Direct Loan web site.

Description – The EBPP system will present the borrower’s bill online through the Direct Loan web site. The borrower can view their current or past bill. The system will retain up to six months of past bills for the borrower.

Proposed Solution – On the billing cycle date, the Direct Loan Servicing System (DLSS) will create a data file containing billing information for all borrowers (due during that cycle) and transmit that information to the eBPP system. Billing information for all borrowers will be available on the Direct Loan Web Site (DLWS). Borrowers who have selected to receive their bills online will be notified by email of their bill’s availability. The email will contain a hyperlink to their bill on the DLWS. Borrowers who have not selected to receive their bill electronically will continue to receive their bill through the postal mail.

The Direct Loan Web Site will also allow the borrower to view past bills. Borrowers will also be able to view different levels of detail for their current and past bills. Borrowers will be able to print their current and past bills.

NOTE: The Electronic Bill Presentment and Payment functionality will be branded in such a way to increase borrower awareness of the functionality and clarify the difference between EBPP and EDA. The EBPP brand name will be determined during the detailed design phase.

DLSS Impact: To implement this requirement, the DLSS may be updated to create a data file detailing the correspondence to be emailed to a borrower.

2.2.1.4 The system will allow the borrower to see their payment history on the Direct Loan web site and the Aggregator model.

Description – For the Direct Loan web site, payment history is current functionality. For the Aggregator model, the system will provide the portal site with a link to the Direct Loan web site. When the borrower follows the link and confirms their identity, the system will display their payment history. Most Portal Sites retain payment history including total payment, payee, and date. Through the payment history functionality, the borrower can check the status of their payment (pending, applied, failed, etc.).

Proposed Solution – Payment History functionality is currently available on the Direct Loan Web Site and will continue to be utilized for all borrowers. For the Aggregator Model, a link will be provided to the borrower on the Portal Site back to the DLWS. After the borrower confirms their identity, the borrower will be directed to the existing payment history functionality. A payment status will be available on the Direct Loan web site.

DLSS Impact: No identified impact.

2.2.1.5 The system will allow the borrower to print their current remittance slip from the Direct Loan web site.

Description – The Direct Loan web site will allow the borrower to print a copy of their current remittance slip with the appropriate OCR line.

Proposed Solution – When the borrower clicks on the remittance slip functionality on the Direct Loan Web Site, the system will provide the borrower with the remittance address, minimum amount due, the borrower’s account information, due date, and the appropriate information to submit a payment via mail. The borrower will be able to print the remittance slip.

The eServicing team is researching the cost, feasibility, and technical requirements for the OCR line functionality. The results of the research will determine the scope of the requirement.

DLSS Impact: No identified impact.

Payment Process Impact: Prior to the implementation of this requirement, the remittance slip functionality will be tested with the Bank of America lockbox. The borrower supplied envelope may impact the cost incurred through the lockbox.

2.2.1.6 The system will manage the electronic Bill Payment enrollment and de-enrollment process.

Description – When a borrower makes a payment on the Direct Loan web site for the first time, the borrower must provide banking information to the system. The borrower must provide their routing number, bank account number, and other required financial information. The EBPP system will retain the borrower’s financial information for future payments. A similar enrollment process will take place for the Aggregator model at a portal site where the borrower decides to make a payment.

The EBPP system will manage the de-enrollment process. When a borrower is de-enrolled, the system will indicate that the borrower should receive a paper bill. The system should also allow the borrower to manually de-enroll from Bill Payment.

Proposed Solution – When a borrower accesses the Bill Payment functionality on the Direct Loan Web Site for the first time, the borrower will be prompted to provide their banking information. The borrower’s banking information will be retained by the EBPP system for future use. When a borrower accesses the EBPP functionality in the future, the borrower will

be able to update their banking information. The borrower's banking information includes routing number, bank account number, bank name, bank phone number, account type, and account (borrower's) name. When the borrower enrolls for Bill Payment, the system will ask the borrower if they would like to receive the bills and/or correspondence electronically. Borrowers will have the ability to store several bank account profiles.

DLSS Impact: No identified impact.

2.2.1.7 The system will allow borrowers to be systematically de-enrolled from the Bill Payment based upon borrower's information.

Description: The system will support the ability to systematically de-enroll a borrower from electronic Bill Payment based upon defined criteria such as borrower status, days delinquent, payment plan, and/or bill type.

Proposed Solution – If an incentive is provided for electronic Bill Payment, a borrower will be eligible for the incentive based upon defined criteria. When a borrower no longer meets the defined criteria, the incentive will be removed systematically through the DLSS. The borrower will be notified through their correspondence preference that the incentive has been removed.

DLSS Impact: To implement this requirement, the DLSS system must be updated to manage the incentive criteria.

2.2.1.8 The system will allow the borrower to make a payment or schedule payment through the Direct Loan web site and the Aggregator Model.

Description – The system will allow a borrower to make a payment to the Direct Loan program at any time. The borrower can be enrolled in the EDA process and still make payments through the EBPP functionality. A payment through EBPP will not effect the borrower's EDA status. A borrower can also schedule future payments. A borrower can also modify future payments until the payment is processed.

Proposed Solution – The EBPP system will provide the borrower with the ability to submit a payment to the Direct Loan program through the Direct Loan Web Site or the Aggregator Model. Once the borrower has submitted their payment, the payment will be processed through the existing payment process. Borrowers will also have the ability to schedule future payments and modify scheduled payments. Borrowers will have the ability to select the payment date, payment amount, and bank account profile.

DLSS Impact: No identified impact.

2.2.1.9 The system will process electronic payments through the existing payment process.

Description – When a borrower submits a payment through the Direct Loan web site or the Aggregator model, the payment will be processed through the existing payment process. The payment process must be compliant with Department of Treasury requirements.

Proposed Solution – The eServicing team is currently researching the following options to implement this requirement:

Option 1 (Lockbox) – When a borrower submits a payment through the Direct Loan Web Site or a payment is scheduled for the current date, the payment will be processed through the Bank of America lockbox. The DLWS will forward the payment information as an electronic file. The format and frequency of the file will be specified during the detailed design phase. Once the payment information has been submitted from the EBPP to the lockbox, the existing process will be completed.

Option 2 (Treasury – EDA Vendor) – When a borrower submits a payment through the Direct Loan Web Site or a payment is scheduled for the current date, the payment will be processed through the Department of Treasury. The DLWS submit the information to the DLSS and the DLWS will forward the debit information to the Department of Treasury – EDA Vendor. Once the payment information has been submitted, the existing process will be completed.

Option 3 (Vendor Payment Process) – When a borrower submits a payment through the Direct Loan Web Site or a payment is scheduled for the current date, the payment will be processed through the EBPP vendor’s payment process.

Note on Scheduled Payments: When a borrower schedules a payment, the system will retain payment information until the payment processing date when the payment will be processed. This is the same functionality for payments that are submitted for processing on the current date. The system will process all payments (either submitted in the past or on the current date) with a payment date of the current date. If the scheduled payment amount is less than the borrower’s fixed payment, the system will notify the borrower of the deficit and will accept the borrower’s payment.

DLSS Impact: To implement this requirement, the bill type field will be expanded at a minimum to add a new value for Direct Model payments and Aggregator payments. EDA (A) and Monthly (M) currently exist as bill type field codes. Current payment processing must be expanded to allow multiple payments to be processed on the same day.

2.2.1.10 The system must allow the borrower to make a payment prior to the due date.

Description – The system should allow the borrower to make a payment to the Direct Loan program.

Proposed Solution – The system will accept a payment from a borrower at any point during the billing cycle. The system will provide the borrower with a payment page independent of the borrower’s bill where the borrower can submit any amount of payment.

When a borrower submits a payment that equals their total due amount plus their fixed payment amount through the Direct Loan Web Site or through the Aggregator engine, the system will allow the borrower to indicate if the borrower does not want their bill due date moved to the future.

DLSS Impact: No identified impact.

2.2.1.11 The system must allow the borrower to indicate how their payment should be applied to the loans.

Description – The system should allow the borrower to indicate how their payment should be applied to their loans. Application options include making a payment to a specific loan or several loans.

Proposed Solution – To implement this requirement, the DLSS would have to be significantly modified and therefore it is outside the scope of the eServicing project. See eServicing Assumption 3.2.2.4.

The Electronic Bill Presentment and Payment terms and conditions will be available to the borrower on the Direct Loan web site which will detail the payment application process.

DLSS Impact: No identified impact.

2.2.1.12 The system will provide the appropriate users with the ability to audit bill information sent to the Direct Loan web site and the Aggregator Model.

Description – The EBPP system must allow the appropriate users to audit the files that are submitted to the Direct Loan web site and Aggregator model. The existing audit processes will be used for the EBPP system.

Proposed Solution – The Direct Loan Servicing Center currently audits billing information to ensure accuracy. The existing process will be applied to the bills displayed on the Direct Loan Web Site and the Aggregator model.

DLSS Impact: No identified impact.

2.2.1.13 The system will provide the appropriate users with the ability to correct errors discovered during the audit process.

Description – Based upon auditing activities, files sent to the Direct Loan web site and/or the Aggregator model may need to be corrected. The system must allow the DLSS to resend the corrected files.

Proposed Solution – For the Direct Loan Model when the Quality Control (QC) group identifies a bill or set of bills that need to be corrected, the data file will be re-created by the DLSS and sent to the Direct Loan Web Site. The updated data file will create a second (corrected) bill for the borrower communicating that the first bill was incorrect. For the Aggregator Model when the QC group identifies a bill or set of bills that need to be corrected, the data file will be re-created by the DLSS and sent to the Aggregator engine. The Aggregator engine is not able to replace or remove the erroneous bill. However, the Aggregator engine is able to forward a second (corrected) bill to the borrower communicating that the first bill was incorrect.

DLSS Impact: No identified impact.

2.2.1.14 The system will provide activity reports for presentment and payment activities on the Direct Loan web site and bill presentment information on the Aggregator model.

Description – For the Direct Loan web site, the system must provide reports tracking the bill presentment activities and bill payment activities. For the Aggregator model, the system must provide reports tracking the bill presentment activities. For the Aggregator model, the bill payment activity is controlled by the portal site. Access to the bill payment activity reports for the Aggregator model varies depending upon the portal site.

Proposed Solution – For the Direct Model, system administrators will have the ability to create reports and run stored reports on bill presentment and bill payment activity on the Direct Loan Web Site. System Administrators will access these reports through an interface provided by the EBPP system. Stored reports will include reports detailing the number of processed transactions per day, the number of enrollments and de-enrollments, the number of overpayments per day, number of underpayments per day, and the number of failed transactions per day.

For the Aggregator Model, system administrators will have the ability to create reports and run stored reports on bill presentment activity. The reports will be based upon the bills that have been forwarded to the Aggregator engine. System Administrators will access the reports through an interface provided by the EBPP system.

Bill Payment reports for the Aggregator engine will be available through the payment process and/or the Aggregator engine.

DLSS Impact: No identified impact.

Payment Process Impact: To implement this requirement, the payment process will have to record the source of the electronic payment (either Direct Model or Aggregator Engine)

2.2.1.15 The system must allow the borrower to view their bills and correspondence in Spanish.

Description – The Direct Loan web site must allow the user to view their bill in Spanish. Under current functionality, the Direct Loan web site is available to the borrower in Spanish. This requirement is the application of an existing requirement on the electronic Bill Presentment and Payment functionality on the Direct Loan web site.

Proposed Solution – Under current Direct Loan Web Site functionality, the web site is available in English and Spanish. A borrower indicates their language preference by clicking the English or Spanish button. The same functionality will be applied to the EBPP and OC functionality. When the borrower clicks their language preference, the current DLWS Spanish functionality will be extended to include this requirement.

The content of the Espanol pages will be reviewed through the American Translation Association process.

DLSS Impact: No identified impact.

2.2.2 Online Correspondence

Description – The Online Correspondence (OC) system will manage and fulfill sending correspondence or notification of correspondence to borrowers via email. For emails with borrower sensitive information, the system will protect the borrower’s privacy by sending an encrypted link (back to the Direct Loan web site) to the borrower. When the borrower clicks on the link, the borrower will be taken through the existing PIN functionality on the Direct Loan web site. Once the borrower’s identification has been confirmed, the web site will immediately direct the borrower to their correspondence. If no borrower sensitive information is required in the email, the text of the correspondence will be included in the email. All electronic correspondence will be maintained in templates in the Online Correspondence system. A formal approval and testing process will be performed with the Department of Education prior to any modification and/or creation of any existing or new correspondence template. The appropriate system administrator users will have the ability to create, modify, and delete the correspondence templates.

2.2.2.1 The system must email correspondence to the borrower.

Description – The DLSS system will provide the Online Correspondence system with a data file of correspondence to fulfill through email. At the specific times, the DLSS system will send a batched file to the Online Correspondence system detailing the correspondence to be sent to the appropriate borrower. The Online Correspondence system will use the input file to fulfill the correspondence. For emails with borrower sensitive information, a link (back to the Direct Loan web site) will be included within the email. When the borrower clicks the link and confirms their identity, the correspondence will be displayed to the borrower on the Direct Loan web site. For emails with no borrower sensitive information, the text of the email will be included within the email. Each correspondence will be identified if it includes borrower sensitive information during the detailed design phase.

Proposed Solution – The Online Correspondence (OC) system will email the appropriate correspondence to the borrower based upon SFA security requirements. A data file will be sent from the DLSS to the Online Correspondence system detailing the correspondence each borrower should receive along with the target email address. The OC system will merge the data file information with the appropriate correspondence templates and then send the email to the email server. The email server will send the email to the borrower.

A “Sent” email account and a “Reply” email account will be created. The reply email address will be included on all email correspondence. If a borrower would like to reply to the correspondence, the borrower will reply to the email which will be directed to the reply address.

When an email is returned as undeliverable, the email will be returned to the sent email account and the appropriate department within the Direct Loan Servicing Center will be assigned the responsibility of researching and resolving erroneous email addresses. When an email is returned, the DLSS will be updated to indicate that the email address is bad. Existing procedures for Skip Trace activities will be applied to email correspondence as it is to postal correspondence. Skip Trace will have the ability to change the borrower's correspondence preference based upon their research activities.

DLSS Impact: No identified impact.

2.2.2.2 The system must fulfill the borrower's correspondence based upon the borrower's requested correspondence channel.

Description – The Online Correspondence system and the Direct Loan Servicing System (DLSS) must send the borrower's correspondence based upon the borrower's correspondence channel preference (email or postal mail).

NOTE: Certain correspondence must be sent by postal mail due to regulations and laws. Regulatory requirements supercede the borrower's preference. The regulatory requirements for each correspondence will be detailed during the detailed design phase.

Proposed Solution – The borrowers who indicate they prefer to receive their correspondence through postal mail will be fulfilled through the existing correspondence creation process (current functionality).

The borrowers who indicate they prefer to receive their correspondence through email will be fulfilled through the Online Correspondence creation process. The DLSS system will provide information to the Online Correspondence system. The data file will contain the borrower's name, borrower's email, the correspondence name, and any supporting data for the correspondence (i.e. information that must be merged into the correspondence template).

DLSS Impact: To implement this requirement, the DLSS will be updated to include the merged fields for each template.

2.2.2.3 The system will allow the appropriate system administrator to manage the correspondence templates.

Description – The Online Correspondence system will allow the appropriate system administrator users to create, edit, and delete the correspondence templates. The current and past versions of correspondence will be available to the system. The creation and management of the correspondence templates is subject to the Configuration Management process.

Proposed Solution – Development tools will be available to the appropriate users to create, update, and delete correspondence templates. The development tools will allow the users to update the correspondence text, data links within the correspondence template, and logic rules.

DLSS Impact: No identified impact.

2.2.2.4 The system must track and record all correspondence sent to a borrower via email.

Description – The Online Correspondence system will track any attempt to send a correspondence to a borrower by updating the borrower’s account in the DLSS. The borrower’s history will be updated to reflect when the system attempted to send the email, what correspondence the system sent, and the email address that the system used. The correspondence to the borrower will be retained for a specified time.

Proposed Solution – When the DLSS creates the data file for the Online Correspondence system, the DLSS will update the borrower’s history (A03) with the generation of the borrower’s correspondence and delivery method.

DLSS Impact: The implementation of this requirement will be done by the DLSS. Under current functionality, the DLSS updates the borrower’s history when a postal correspondence is created. Similar functionality will be utilized for the email correspondence.

2.2.2.5 When an email is returned, the system must follow the Skip Trace procedures.

Description – When an email is returned as undeliverable, the Skip Trace process will be utilized to research the email address. Skip Trace will define the appropriate reaction to the returned email. For example if Skip Trace cannot find an accurate email address, Skip Trace could create a paper-based correspondence for the borrower and change the borrower’s correspondence preference.

Proposed Solution – When an email is returned as undeliverable, the email will be returned to the sent email account and the appropriate department within the Direct Loan Servicing Center will be assigned the responsibility to research and resolve erroneous email addresses. When a email is returned, the DLSS will be updated to indicate that the email address is bad. Existing procedures for Skip Trace activities will be applied to email correspondence as it is to postal correspondence. Skip Trace will have the ability to change the borrower’s correspondence preference based upon their research activities.

DLSS Impact: No identified impact.

2.2.2.6 The system should provide reporting capabilities regarding the creation and the access of correspondence on the Direct Loan web site.

Description – The system should provide reports regarding online correspondence creation. The system should also provide reporting activities regarding whether and when a borrower accesses the correspondence on the Direct Loan web site.

Proposed Solution – The appropriate system administrators will have the ability to create ad hoc reports and run stored reports regarding the creation and the access of correspondence on the Direct Loan Web Site. Under current functionality, the DLWS records when the borrower confirms their identity. The system will track when the borrower accesses their correspondence and/or bills on the DLWS. The system will also report when a borrower has not accessed their correspondence and/or bill.

DLSS Impact: No identified impact.

2.2.2.7 The system must allow a borrower to update their correspondence (email/mail) preference on the Direct Loan web site.

Description – The Direct Loan web site must allow the borrower to set their correspondence preference (postal mail or email). If email is chosen, the borrower must provide their email address. When a borrower updates their correspondence preference, the system must forward the change to the DLSS.

Proposed Solution – A borrower will be able to indicate their correspondence preference on the Direct Loan Web Site. The borrower will be able to select from postal mail or email. A borrower will be able to select a correspondence preference for the bills and correspondence separately. The existing DLWS database will be updated to track the correspondence preference.

DLSS Impact: To implement this requirement, the DLSS must be updated to include a correspondence preference field. The DLSS must also support the ability to systematically change a borrower's or a set of borrower's correspondence preference. (for example: to support an incentive)

2.2.2.8 The system will process self-certifying Forbearance and Deferment requests through the Direct Loan web site.

Description – The Direct Loan web site will submit the requests for self-certifying Forbearances and Deferments in real-time and will update the borrower regarding the results of their request.

Proposed Solution – The eServicing team is investigating the details of this requirement with the Department of Education. The team is looking at the issues raised by this requirement including re-application of payments, inability to provide supporting documentation, and security.

DLSS Impact: No identified impact.

2.2.3 System Regulatory Requirements

Description – The Electronic Bill Presentment and Payment and Online Correspondence systems must maintain security for all borrower information based upon the guidelines from the Department of Education and the Privacy Act of 1974 (as amended). The systems must also address security requirements based upon new functionality and technology that may be introduced during the eServicing project.

2.2.3.1 The system must comply with the all privacy and security regulations and laws.

Description – The Privacy Act of 1974 and all applicable data laws serve as the foundation for all privacy and security rules. The Department of Education will be contacted to provide

guidance on how the privacy laws should be implemented for the eServicing project. The Privacy Act of 1974 is available at http://www.epic.org/privacy/laws/privacy_act.html

Proposed Solution – For the Online Correspondence system when a correspondence contains borrower sensitive information, the correspondence will be created in two steps. First, an email will be created containing a hyperlink to the correspondence on the Direct Loan Web Site. Second, the system will create the correspondence on the DLWS. When the borrower clicks the link in the email and confirms their identity, the correspondence will be displayed to the borrower.

For the Online Correspondence system when a correspondence does not contain borrower sensitive information, the correspondence will be created in a email and sent to the borrower.

Correspondence that contain or does not borrower sensitive information will be identified during the detailed design phase in conjunction with the Department of Education.

For the Direct Model of the Electronic Bill Presentment and Payment system, borrower sensitive information will be maintained and housed on the Direct Loan Web Site. A borrower's identification will be confirmed through the existing PIN process.

For the Aggregator Model of the Electronic Bill Presentment and Payment system, a borrower must first logon to the Portal site and setup their Direct Loan bill information. After the borrower has established their Direct Loan bill information, the Aggregator engine will forward the bill presentment request to the Direct Loan Web Site. When the borrower's next cycle date occurs, the SFA approved summary of the borrower's bill information along with a link to the bill details will be forwarded to the Aggregator engine. If the borrower wants to view more detailed information, the borrower must follow the provided link back to the Direct Loan Web Site. After the borrower confirms their identity through the existing PIN process, the borrower's bill detail will be presented.

DLSS Impact: No identified impact.

2.2.3.2 The system must utilize the existing PIN request process.

Description – The existing PIN request process through the CPS (pin registration) will be utilized for the eServicing project.

Proposed Solution – The existing Department of Education PIN process will be utilized for the eServicing project.

DLSS Impact: No identified impact.

2.2.3.3 The system must define the appropriate disaster recovery processes and architecture.

Description – All of the eServicing systems will have a disaster recovery processes defined prior to implementation. The recovery processes will include software procedures, data recovery procedures, and disaster communications plan and contacts. The technical

architecture must be designed to support the disaster recovery requirements. The disaster recovery plan for each eServicing system will be reviewed and approved by the Department of Education prior to implementation. Requirements must be submitted to Hot Site as part of an annual test.

Proposed Solution – During the detailed design phase of the eServicing project, the eServicing team in conjunction with the Department of Education will define the disaster recovery plan, architecture, and archiving rules for the EBPP and OC systems.

DLSS Impact: No identified impact.

2.2.3.4 The system must be designed and implemented to meet the defined performance standards and requirements.

Description – All of the eServicing systems will have defined performance requirements that will be tested prior to implementation.

Proposed Solution – During the detailed design phase of the eServicing project, the eServicing team in conjunction with the Department of Education will define the performance standards and requirements associated with the EBPP and OC systems.

DLSS Impact: No identified impact.

2.2.3.5 The system must comply with the Americans with Disabilities Act (as amended)

Description – The EBPP and OC system must be compliant with the Americans with Disabilities Act (as amended).

Proposed Solution – The eServicing team will work with the Department of Education to define the requirements for the EBPP and OC systems to be compliant with the Americans with Disabilities Act (as amended).

DLSS Impact: No identified impact.

2.2.3.6 The system must comply with the Freedom of Information Act (as amended).

Description – The EBPP and OC systems must be compliant with the Freedom of Information Act (as amended). The systems must facilitate the fulfillment of Freedom of Information Act inquiries through research and presentment capabilities.

Proposed Solution – The EBPP and OC systems will be able to support Freedom of Information Act inquiries. The system will be designed, in conjunction with the Department of Education, to comply with the Freedom of Information Act (as amended).

DLSS Impact: No identified impact.