

Contract Information Matrix

APPLICATION PROCESSING

Contract Name: **Multiple Data Entry
(MDE)**

Period of Contract: **9/30/95 – 12/31/02**

Contract Number: **PM95008001**

*FY '00 Projected
Contract Value:* **\$19,322,018**

Vendor	Nature of Services	Basis for Billing
American College Testing (ACT)	<p>The MDE receives student data from ED’s various reporting forms and then transmits this data to the Central Processing System (CPS). MDE receives, optically scans, and enters data for the following:</p> <ul style="list-style-type: none"> • FAFSA original and correction applications; • FAFSA renewals; • History Corrections for Student Aid Report (SAR); and • History Corrections via letters including signature pages for web-based forms. 	<p>SFA is billed monthly based on an established pricing schedule detailing product code by deliverable, volume and unit price. Based on an analysis of award year 2000 invoice from January through July 2000 totaling \$16,767,627, we noted the following as the primary products and services provided by the vendor and have included unit prices and percentages of cost incurred to date:</p> <ul style="list-style-type: none"> • FAFSA original and application corrections is \$1.74 per application, 41%; • FAFSA renewal applications is \$1.54 per renewal application, 24%; • History corrections for Student Aid Report (SAR) is \$1.25 per history correction, 16%; and • History corrections via letters including signature pages is \$.81 per letter, 4%.

Contract Information Matrix

APPLICATION PROCESSING

<i>Contract Name:</i>	<i>Social Security Administration (SSA) – Prisoner</i>	<i>Duration of Agreement:</i>	<i>2/8/00 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP852</i>	<i>FY '00 Estimated Cost:</i>	<i>\$3,629</i>

Nature of Services	Basis for Billing
<p>This agreement initiates an arrangement for a periodic computer matching program between ED as the matching recipient agency and the Social Security Administration (SSA) as the matching source agency. The purpose of this matching program between ED and SSA is to identify each Title IV student financial assistance applicant who is incarcerated at the time of application.</p>	<p>Actual expenses incurred by SSA to implement the data exchange are reimbursed by ED. The reimbursement of expenses incurred by SSA are reimbursable on an annual basis.</p>

Contract Information Matrix

APPLICATION PROCESSING

<i>Contract Name:</i>	<i>Social Security Administration (SSA) – SSN – Citizenship</i>	<i>Duration of Agreement:</i>	<i>10/1/99 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP860</i>	<i>FY '00 Estimated Cost:</i>	<i>\$16,100</i>

Nature of Services	Basis for Billing
<p>This agreement initiates an arrangement for a periodic computer matching program between ED as the matching recipient agency and the Social Security Administration (SSA) as the matching source agency. ED provides identifying information from the Central Processing System (CPS) files, Federal Student Aid Application File to SSA for the purpose of validating each Title IV student financial assistance applicant’s social security number (SSN) and citizenship status.</p>	<p>SSA bills ED for actual costs incurred to conduct the match. The reimbursement of expenses incurred by SSA are reimbursable on an annual basis.</p>

Contract Information Matrix

AID AWARENESS

Contract Name:	<i>Editorial Services Contract (ESC)</i>	Period of Contract:	<i>9/30/99 – 12/31/04</i>
Contract Number:	<i>ED99CO0165</i>	FY '00 Projected Contract Value:	<i>\$3,500,000</i>

Vendor	Nature of Services	Basis for Billing
National Computer Systems (NCS)	<p>The ESC performs the following tasks:</p> <ul style="list-style-type: none"> • Prepares responses to correspondence from the general public, the White House and Congress about federal student aid; • Updates ED’s set of approximately 1,200 standard paragraphs, nearly 300 form letters and approximately 10-12 fact sheets to ensure they provide current information about ED’s programs; • Translates correspondence into and prepare responses in languages other than English; • Prepares various reports, including weekly and monthly reports concerning control and non-control correspondence; • Provides information on financial aid transcripts to schools having difficulty obtaining these documents from other schools; and • Updates annually the Office of Student Financial Assistance Programs (OSFAP) regulations compilation. 	<p>Based on an analysis of a monthly invoice totaling \$253,349 (August 2000), we noted the following as the primary products and services provided by the vendor and have included unit prices and percentages of monthly cost incurred:</p> <ul style="list-style-type: none"> • screening non-control mail is \$3.29 per screening, 9%; • screening control mail is \$29.24 per screening, 5%; • control - custom response is \$85.28 per response and casework response is \$159.98 per response , 15%; • non-control –custom response is \$14.33 per response and casework response is \$57.38 per response, 32%; and • e-mail individual response is \$18.48 per response, 14%.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - REPAYMENTS

<i>Contract Name:</i>	<i>Direct Loan Servicing System (DLSS) & Central Database Subsystem (CDS)</i>	<i>Period of Contract:</i>	<i>12/93 – 9/30/03</i>
<i>Contract Number:</i>	<i>PM94017001</i>	<i>FY '00 Projected Contract Value:</i>	<i>\$174,851,622</i>

Vendor	Nature of Services	Basis for Billing
Affiliated Computer Services/ Government Solutions Group, Inc.	The DLSS & CDS contract provides loan servicing support, maintains the Department’s database of Direct Loan recipient and payment information, handles billings and repayments, and assists with customer service. This contract is also responsible for linking information from the loan origination and servicing systems and providing the subsidiary ledger for Direct Loans.	The contract is divided into tiers: A- Operations, CDS and Servicing; B- Ad Hoc tasks by request; C- Systems Development; and E- Key personnel. Based on an analysis of a fiscal year-to-date Schedule A invoice totaling \$85,601,846 (through July 2000), we noted the following as the primary services provided in Schedule A and have included unit prices and percentages of cost incurred to date: <ul style="list-style-type: none"> • loan servicing rate of \$.87416 per borrowers, 46% of Schedule A; and • delinquent collections at an average rate of \$1.44 per borrower, 11% of Schedule A.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - REPAYMENTS

<i>Contract Name:</i>	<i>IRS – Income Contingent Repayment Program</i>	<i>Duration of Agreement:</i>	<i>10/1/99 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP751</i>	<i>FY '00 Estimated Cost:</i>	<i>\$150,000</i>

Nature of Services	Basis for Billing
Internal Revenue Service (IRS) discloses to ED certain tax return information such as the adjusted gross income (AGI) required by ED to administer its Income Contingent Repayment Program (ICRP).	All fees are based upon the IRS's actual cost for services provided. All work performed by the IRS is reimbursed on a monthly basis.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - REPAYMENTS

<i>Contract Name:</i>	<i>The Financial Management Service – Kansas City Financial Center (Debit Application)</i>	<i>Duration of Agreement:</i>	<i>10/1/99 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP750</i>	<i>FY '00 Estimated Cost:</i>	<i>\$170,000</i>

Nature of Services	Basis for Billing
The preauthorized debit application is a program through which Federal agencies initiate Automated Clearing House (ACH) debits to a consumer or corporate account to electronically collect non-federal accounts receivables.	ED is billed based on volume of debit transactions and the cost of services used to process the transactions on a monthly reimbursable basis.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - REPAYMENTS

<i>Contract Name:</i>	<i>U.S. Government Agency Lockbox Services (General Lockbox Network)</i>	<i>Duration of Agreement:</i>	<i>10/1/99 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP0117</i>	<i>FY '00 Estimated Cost:</i>	<i>\$25,000</i>

Nature of Services	Basis for Billing
A central lockbox operation for borrowers to remit Direct Student Loan payments.	ED is billed based on volume of payments processed and the cost of services related to payment processing on a monthly reimbursable basis.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - COLLECTIONS
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<i>Contract Name:</i>	<i>Debt Collection Agencies Contracts</i>	<i>Period of Contract:</i>	<i>10/1/97 – 9/30/01</i>
<i>Contract Number:</i>	<i>PM97053001 to PM97053018</i>	<i>FY '00 Projected Contract Value:</i>	<i>\$121,361,447</i>

Vendor	Nature of Services	Basis for Billing
Multiple Collection Agencies	Debt Collection Agencies Contracts (17 collection agencies) perform collection and administrative resolution activities on debts resulting from non-payment of student loans made under the FFEL Program, Federal Direct Loan Program, and Federal Perkins Loans.	<p>SFA is billed monthly according to the actual monies collected and fees for performing certain administrative functions that do not result in dollars collected. Based on our analysis of the projected fiscal year 2000 invoice data totaling \$121,361,447, we noted the following as the primary services provided by the vendors and have included commission rates, fees, and percentage of total cost incurred to date:</p> <ul style="list-style-type: none"> • 23%, 12%, and 12% commission rates for defaulted loans, consolidated loans, and rehabilitation loans, respectively, 91%; • administrative resolution fee at \$50 per loan , 2%; and • litigation preparation fee at \$120 per loan, 3%.

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - COLLECTIONS
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<i>Contract Name:</i>	<i>Credit Alert Interactive Voice Response System (CAIVRS)</i>	<i>Duration of Agreement:</i>	<i>10/1/99 – 9/30/00</i>
<i>Award Number:</i>	<i>ED00NP0851</i>	<i>FY '00 Estimated Cost:</i>	<i>\$174,000</i>

Nature of Services	Basis for Billing
<p>A computer matching agreement between the Department of Housing and Urban Development (HUD) and ED in the use of the data files in the Credit Alert Interactive Voice Response System (CAIVRS). Access to CAIVRS allows ED and authorized financial institutions to prescreen applicants for loans made or loans guaranteed by the Federal Government to ascertain if the applicant is delinquent in paying a debt owed to or insured by the Government.</p>	<p>Actual expenses incurred by HUD to conduct this data exchange are reimbursed by ED. The reimbursement of expenses is performed on a quarterly basis.</p>

Contract Information Matrix

STUDENT CREDIT MANAGEMENT - CONSOLIDATION
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Contract Name: Loan Consolidation

Period of Contract: 12/1/97 – 9/30/01

Contract Number: PM95016201

*FY '00 Projected
Contract Value: \$26,773,000*

Vendor	Nature of Services	Basis for Billing
Electronic Data Systems (EDS)	The loan consolidation contract supports the consolidation program under both the Federal Family Education Loan Programs and the Direct Loan Program. Under these programs, a borrower's loans are paid off and a new consolidation loan is created. These programs simplify loan repayment by combining several types of Federal education loans into a single direct loan.	Based on an analysis of a monthly invoice totaling \$2,288,124 (April 2000), we noted that the invoice line item, consolidation of applications, represents 90% of the monthly invoice. The consolidated applications are comprised of fast track and regular applications. <ul style="list-style-type: none"> • Fast track applications cost \$113 per loan consolidation; and • Regular applications cost \$71 per loan consolidation if completed in 80 days. On the average, cost per loan consolidation is \$96 per application.

Contract Information Matrix

CUSTOMER SERVICE AND SUPPORT CALL CENTER

Contract Name: *Public Inquiry Contract
 (PIC)*

Period of Contract: *4/28/94 – 9/30/00*

Contract Number: *PM94002001*

**FY '00 Projected
Contract Value:** *\$17,004,105*

Vendor	Nature of Services	Basis for Billing
National Computer Systems (NCS)	The Public Inquiry Contract (PIC) maintains the Federal Student Aid Information Center and the Debt Collection Services call center for the public to obtain information concerning Federal financial assistance to students. PIC responds to a high volume of controlled and non-controlled correspondence on a wide variety of topics related to the Title IV student aid programs.	<p>SFA is billed monthly based on an established pricing schedule detailing product code by deliverable, volume and unit price. Based on an analysis of a fiscal year-to-date invoice totaling \$11,532,483 (through July 2000), we noted the following as the primary products and services provided by the vendor and have included unit prices and percentages of cost incurred to date:</p> <ul style="list-style-type: none"> • \$1.75 per call for toll-free telephone inquiries for the Federal Student Aid Information Center, 48%; • \$1.80 per call for toll-free telephone inquiries for Debt Collection Services, 11%; • \$6.49 per inquiry for answering general questions with individual responses non-controlled mail, 8%; • \$1.45 per call for change of address or change of information, 5%; and • \$2.99 per letter to set up procedures and research for responses to DCS control and non-controlled mail, 5%.

Contract Information Matrix

CUSTOMER SERVICE AND SUPPORT CALL CENTER

Contract Name: **Material Fulfillments by
EDPubs**

Period of Contract: **3/13/98 – 3/4/00**

Contract Number: **ED98CO0007**

*FY '00 Projected
Contract Value:* **\$1,250,000**

Vendor	Nature of Services	Basis for Billing
Aspen Systems Corp.	EDPubs packages Student Financial Assistance (SFA) materials for bulk distribution throughout the United States. In addition, EDPubs packages and mails SFA materials and posters to potential and current borrowers and financial aid recipients.	EDPubs bills by unit cost based on several variables. These variables include the number of boxes, items, or posters being packaged and whether packages include the same title publications or multiple title publications. Based on an analysis of a monthly invoice totaling \$32,315 (June 2000), we have included the primary products provided by the vendor and have included percentages of monthly cost: <ul style="list-style-type: none"> • shipping for \$12,413 per month, 38%; and • bulk distribution for various volume of boxes for same and multiple titles for \$11,495 per month, 36%

