



799 Reporting

Business Case

Last Revision	Last Review	Description
01/26/2001		Draft copy.
01/30/2001	02/05/2001	Draft copy w/ comments from subteam.
01/31/2001	02/05/2001	Draft copy w/ comments from WAN IPT.
02/07/2001	02/07/2001	Updates from final review.
02/08/2001		Updated cost sections.

Prepared by: Lender Reporting (799) Team

Date: February 8, 2001



Change History Log

Date	Change Description	Author
01/26/2001	Initial draft of business case.	Angela S. Roca-Baker
01/30/2001	Update from Subteam	Angela S. Roca-Baker
01/31/2001	Updates from WAN IPT comments.	Angela S. Roca-Baker
02/07/2001	Updates from final review	Angela S. Roca-Baker
02/08/2001	Updated cost sections	Angela S. Roca-Baker



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1 Project Information

Name: Lender Reporting (799) via TIVWAN

Project Sponsor: Kay Jacks (SFA School Channel)

Project Lead: Angela Roca-Baker (SFA Financial Partners)

2. Project Description

Describe the need for change (the business problem to be addressed).

The Office of Student Financial Assistance (SFA) is identifying ways to reduce the costs of delivering student financial aid. Current SFA data transmissions are administered under the Title IV Wide Area Network (WAN) contract, which is scheduled to expire on September 30, 2001. SFA does not plan to extend this contract; however the service will need to be continued.

What is the purpose of the initiative?

The purpose of this initiative is to determine the most effective practice for processing lender payment requests for interest benefits and special allowance (ED Form 799) that are currently transmitted via TIVWAN. Due to minimal costs and optimum customer satisfaction associated with current processing, that solution has been identified as retaining the use of TIVWAN and the GEIS mailbox to transmit ED Form 799s until the Lender Reengineering activities are completed.

What is the scope of the initiative, including what it is not?

As part of SFA's Modernization efforts, SFA is identifying ways to reduce the costs of delivering student financial assistance. TIVWAN is scheduled for retirement on 9/30/01. Currently 10% of the lender payment requests are transmitted to a mailbox via TIVWAN. At this time, there is a separate redesign project underway to accommodate electronic invoicing that is scheduled for implementation Spring 2002. While the redesign initiative is underway, we will still require services to accommodate the receipt of those invoices already being transmitted to SFA electronically.

The scope of this initiative is to obtain the approval required to extend the Lender Reporting (799) function of the TIVWAN contract until electronic invoicing is implemented.

The initiative does not include reengineering the overall Lender Reporting System.



What is the start date and end date of the initiative?

The planned start date is April 1, 2001. The planned end date is September 30, 2001, which coincides with the expiration of the Title IV WAN contract

What other business areas/external groups are affected by the implementation of this initiative and how are they affected?

No other business areas or external groups will be affected by this initiative.

What systems are impacted by the implementation of this initiative and how are they impacted?

No systems are impacted by the implementation of this initiative.

What business processes are impacted by the implementation of this initiative and how are they impacted?

Processing of the Lender's Interest and Special Allowance Request & Report (799) transmitted via EDI, which is currently administered under the TIVWAN contract.

The proposed solution to retain TIVWAN and the GEIS mailbox to remain operational would allow the Lender Reporting Redesign to proceed without disrupting current services.

- Lender Transmits 799 via TIVAN to mailbox using EDI;
- FFEL contractor retrieves 799 from GEIS mailbox;
- GEIS sends Functional Acknowledgement of receipt to lender; and
- FFEL contractor integrates the data into the lender application subsystem

3. Technologies Used

No new technologies will be implemented as part of this business case.

4. Benefits

The 799 sub-team initiative is focused on providing a viable recommendation in order to continue current system support for existing operations. This recommendation has a foundation in existing requirements for the business process and technology currently in place. The solution will benefit SFA and its end-users by providing uninterrupted service from what is in place today.

The recommendation **maintains the existing cost-effectiveness** of the current business process.



Reduce Unit Cost

This initiative does not reduce the unit costs.

Increase Customer Satisfaction

Quantified/Qualitative Benefit	How will benefit be measured/realized?	When will benefit be realized?
Provide uninterrupted service.	Existing services will continue without change come September 30, 2001.	

Increase Employee Satisfaction

Quantified/Qualitative Benefit	How will benefit be measured/realized?	When will benefit be realized?
Provide SFA and the related lender reporting subsystem with uninterrupted service.	Existing services will continue without change come September 30, 2001.	
<i>Assumptions</i>		

Estimated overall dollar amount of all benefits listed above.

Quantified Benefits						
	BY (2001)	BY+1 (2002)	BY+2 (2003)	BY+3 (2004)	BY+4 (2005)	Total
Transition Costs	\$7,000					\$7,000
Operating Net Savings		0	0	0	0	0
Cumulative Net Savings	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	(\$7,000)	
<i>Assumptions</i>						
Opportunity Cost of maintaining existing operations versus designing a new transmission mechanism to receive invoices.						



5. Costs

This section provides estimated costs, including those to implement the initiative (BY = Base Year) and costs to support it over its useful life (BY+1 through BY+4).

COSTS (numbers are in millions)						
	BY (2001)	BY+1 (2002)	BY+2 (2003)	BY+3 (2004)	BY+4 (2005)	Total
Transition Costs	\$7,000					\$7,000
On-going Costs		0	0	0	0	0
Total	\$7,000	0	0	0	0	\$7,000
Assumptions						
SFA Costs: Contractor Costs \$3,000 SFA would incur an additional \$4,000 in Mod Partner administration charges.						

6 Total Cost of Ownership

What is the level of required enhancement after implementation?

N/A

What is the life span of this initiative?

The lifespan of this initiative is from October 1, 2001 through until the functionality involved is reengineered. The proposed implementation for the reengineering effort is currently Spring 2002.

7 Alternatives

Describe what could be done in place in this initiative and describe the consequences of each alternative.



Alternative	Consequence
Remain as-is	SFA would incur mail box traffic charges.
Non-technology solution	A non-technological solution is not applicable for this initiative.
Enhance an existing system	This is planned under a separate Financial Partners initiative that is scheduled for implementation Spring 2002.
Transfer to another contract.	It is not worthwhile to transfer to another contract when it will be replaced after only a few months.

8 Risks

No risk associated with maintaining the current functionality.

9 Acquisition Strategy

No specific sources of supplies or services will be needed for these initiatives at this time.

10 Schedule/Milestones (including acquisition cycle)

#	Milestone	Start Date	End Date
1	Authorization of this business case received.	04/01/2001	04/30/2001
2	Request authorization to extend TIVWAN contract.	05/01/2001	05/31/2001
3	Negotiate extension to TIVWAN contract.	06/01/2001	06/30/2001
4	Contract administration in place.	07/01/2001	09/01/2001