



*“We Help
Put America
Through
School”*

TO 61- CFO Transformation

ITR: Bill Walsleben

SFA Contact: Jim Lynch

Modernization Partner Contact: K.C. Abadian

January 16 - February 15, 2002

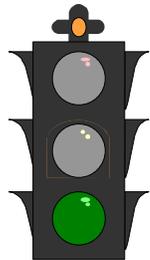
Discussion Agenda



- Overall Status
- Project Scorecard
- Integrated Timeline
- Major Risks
- Government & Project Dependencies
- Key Issues & Decisions



Overall Status



Green

Trend



Task Order 61 Securities & Facilities and Accounting reports on schedule status.

Major Accomplishments Since Last Meeting

- Ongoing processing of Pell transaction files to and from GAPS to FMS, which includes (1) daily processing of Pell transaction files (obligations, de-obligations, payments) from FMS to GAPS; (2) Processing (several times a week) of acknowledgement files of Pell transactions from GAPS to FMS; (3) Daily processing of Pell payments through FMS to colleges, universities, trade schools, etc.
- Analyzed the most recent independent auditor reports received from each of the 36 SFA Guarantee Agencies & prepared a spreadsheet identifying each GA, type of opinion rendered, opinion FY & date of opinion.
- Partial completion of Phase I of the Internal Control Plan - To date have identified and drafted over 85 internal control standards / objectives that we plan to assess in Phase II.
- Partial completion of phase II of the Internal Control Plan - Completed additional 26 two-page write-ups (clean drafts) for each of the planned standards/objectives to be tested. This increases the total number of two page write-ups completed (clean draft) to 38. Additional 13 narratives are in various levels of draft form and review.
- Performed queries in FMS to research transactions posted to SGL 2120 against transactions as paid by Treasury in response to auditor inquiry.
- Mapping accounting transactions in GA Forms 2000 to Oracle FMS for FFEL.

Upcoming Activities / Target Dates

- Continue work on Internal Control procedures for AD, Phase I & Phase II.
- Assist AD on Cash Related Items in the suspense accts.
- Providing reports & procedures for feeder systems into GAPS & FMSS (reconciliation support of FMS data).
- Project with Raytheon contractors concerning DCMS reconciliation's for FY02.
- Continue Account Mapping of GA Forms 2000 for Lender Payments.
- Work-plan defining Reconciliations at a lower level from GAPS & Non-GAPS Feeds to FMS & FMSS.

Project Scorecard



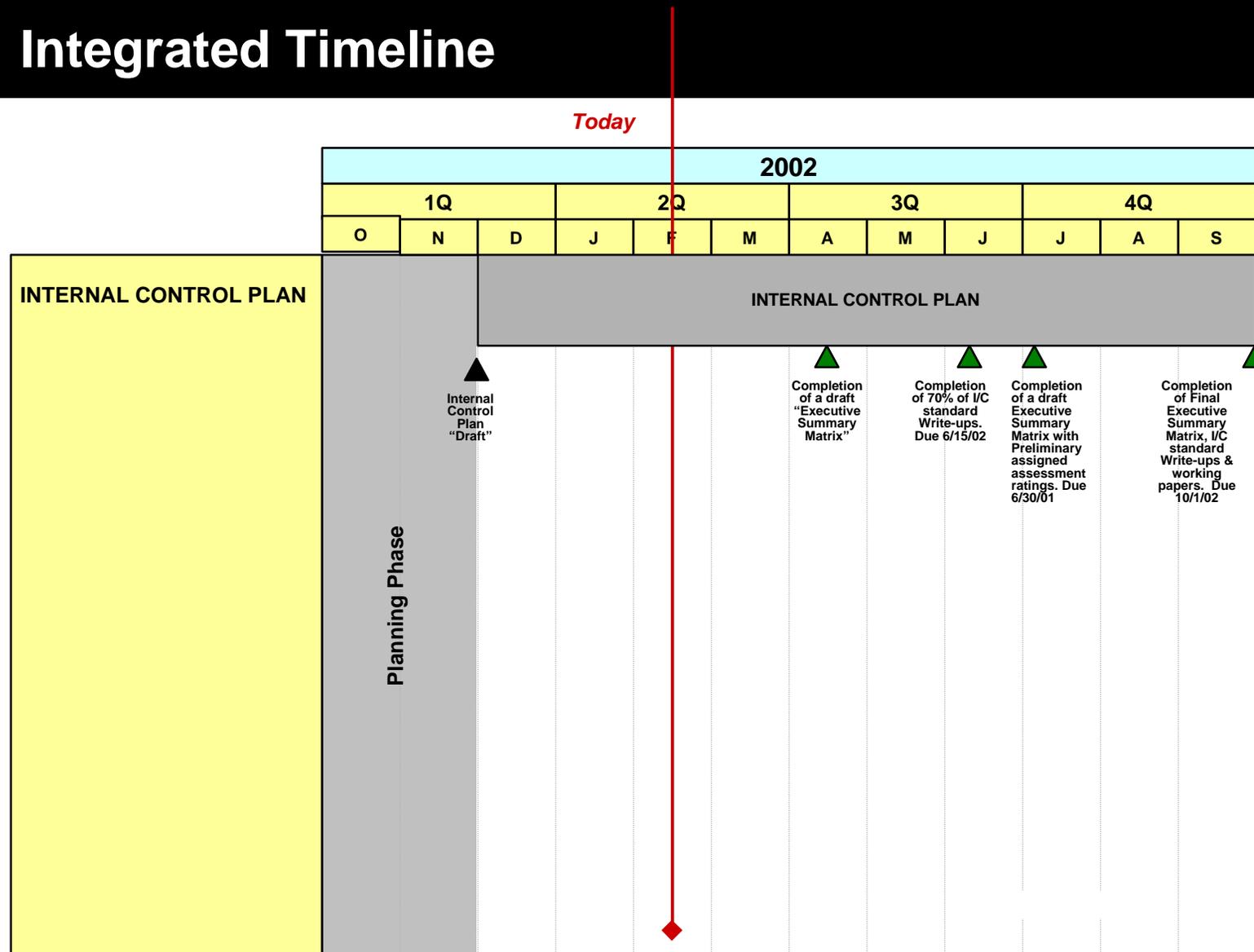
Category	Status	Trend	Status Comments
Task Order			<ul style="list-style-type: none"> Task order has not been awarded but ATP has been issued through 12/31/01. Task order option was sent to Client on 1/22/02 for review. Task order currently operating at risk.
Scope			
Schedule			<ul style="list-style-type: none"> Internal Control Procedures on Schedule. PBC items for auditors on Schedule. Defining Reconciliations for AD.

 High Risk – significantly impacts Project schedule	 Moderate Risk – Minor schedule slippage and/or manageable issues	 Low Risk – On schedule, no significant issues	 Better	 Worse	 Same
--	--	---	--	---	--

* Per current plan



Integrated Timeline



Status Legend			
▲	High Risk – Major impact to schedule	▲	Moderate Risk – Manageable impact to schedule
▲	On Schedule	▲	Not Started
▲	Complete		

Major Risks



Risk	On Point	Mitigating Actions	Status
Finalize Supplemental Lease Agreements for “Mechanical”, “Utilities”, “Cleaning”, and “All Others” between GSA and the Lessor.	Paul Colangelo ED QWG Jim Barnard SFA Admin Bob Powers Mod Partner	Supplemental Lease Agreements for the maintenance of SFA-installed equipment, e.g., UPS, etc., and other critical building support/infrastructure are not in place and continue to be stalled. Until these agreements are in place, no process is in place to provide immediate support from the Lessor if a failure occurs, or if other building support is needed.	<ul style="list-style-type: none"> ▪ Pending GSA action
Response time of FMS has been extremely slow for researching transactions posted to SGL 2120. This has caused a significant increase in the amount of time to perform routine G/L inquiries. In addition, FMS regularly logged out our users during the middle of an inquiry, which added to further delays.	KC Abadian (Mod Partner) Todd Kaywood (Mod Partner)	<ul style="list-style-type: none"> ▪ Problems addressed to Help Desk/Team. 	<ul style="list-style-type: none"> ▪ No resolution at this time.

Government and Program Dependencies



<i>Dependency</i>	<i>On Point</i>	<i>Target Date</i>	<i>Status Comments</i>

Key Issues & Decisions



<i>Issue / Decision Required</i>	<i>On Point</i>	<i>Target Date</i>	<i>Status Comments</i>
Department reaction to Management Improvement Team recommendations concerning SFA/ED relationships may require change in responsibility for building operations support services. Responsibility may shift from QWG to SFA Administration.	Jim Barnard (SFA Admin.) Bob Powers (Mod Partner)	TBD	<ul style="list-style-type: none"> Current effort focuses on QWG providing support to SFA. SFA Admin began parallel effort to assume responsibility (SOW prepared, preliminary pricing obtained, Facilities Management Plan being developed, etc.).
ED LAN Access. Need security clearance for 5 new subcontractors from DEVA & Associates.	Linda Snyder (SFA) KC Abadian (Mod Partner) Michael Thorpe (Mod Partner)	TBD	<ul style="list-style-type: none"> Security Paperwork & fingerprints completed. Waiting for Interim Security Clearance to receive LAN Access. Updated: Status Closed. Everyone has received ED LAN access effective February 8, 2002.
We currently have 6 cubes for 9 contractors under contract here on the 5th floor. We have resorted to doubling up 3 cubes. When installing two PCs in one cube, we found that only one port is active (the other two being off). Need to have two ports active per cube so that each computer at each desk has ED LAN access simultaneously.	Tawanda Hampton (SFA) KC Abadian (Mod Partner)	TBD	<ul style="list-style-type: none"> Request was forwarded on 11/15/01. No resolution at this point until LAN Access has been achieved. Updated: Status Closed. Received double port on two of the cubes on February 12, 2002.