

Chicago Regional Office

TOP Hearings Branch

Core Business Functions:

Process written and in person hearings, ensuring rights of due process afforded to borrower.

<p>Primary SFA Work Activities</p> <ul style="list-style-type: none">• Review and sign off of all written hearings (Written hearings are required to be signed off by Fed. Employee according to OGC)<ul style="list-style-type: none">- 70 % of time- 1 hour each- 2,000 for 3-4 months• Conduct in person hearings<ul style="list-style-type: none">- 30 p/ year- 1-2% of time• Conduct oral hearings<ul style="list-style-type: none">- X % of time- 2 hours each- 75 hearings for 3-4 months• Conduct Federal Defaulter hearings for federal employees.<ul style="list-style-type: none">- 2% of time• Conduct Hardship Documentation to determine if refund due back to borrower – about<ul style="list-style-type: none">- 20% of time- 500-1,000 per year	<p>Primary Contractor Activities</p> <ul style="list-style-type: none">• Write written hearings to be reviewed by SFA<ul style="list-style-type: none">- 6,000-8,000 hearings• Generate preliminary response for oral hearings<ul style="list-style-type: none">- 250-500 hearings
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<p>'02 Change Opportunities</p>	<p>Long Term Change Opportunities (03 and beyond)</p>
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Chicago Regional Office

Contract Services Branch

Core Business Function:

Review and monitor PIC work.

Primary SFA Work Activities

- Audit and review PIC's noncontrol mail
 - 20 % of time
 - 1 audit a month
- Respond to control mail
 - 20% of time
 - 200 a month
- Respond to PIC inquiries
 - 2 % of time
 - 10 inquiries a day
- Audit and review PIC's audit adjustments
 - 20 % of time
 - 200 p/mth
- Provide Technical Assistance to
 - 30% time
- Audit and review PIC's telephone calls
 - 10 % of time
 - about 500 calls

'02 Change Opportunities

Currently researching the following opportunities:

1. Decrease number of trips to PIC. Monitoring could be done from the Regional Office if PIC rep. repeats client's SS# (enabling SFA to tap into their files). This would likely require a contract adjustment.
 - *Approx. savings: \$15-20,000*
2. Reassess process to determine if less disputes could go to the Ombudsman, thus, decreasing PIC charges.
 - *Approx. savings: Currently costs \$40 hearing and \$78 control mail vs. \$ 300 for Ombudsman*
3. Decrease # of control mail review/audits
(Have PIC sign off on control mail like they do for noncontrol mail.)
 - *Approx. savings: 2 FTE (100-200 month, 50 week)*
4. Have PIC send email/faxes to customers
 - *Approx. savings: Save process times; borrower not calling again; ¼ person*
5. Have PIC send payment histories out to customer rather than sending out letter.
 - *Approx. savings from \$20 per account to \$1.50*

Currently being renegotiated. Waiting for Deena's signature.

Currently, approx 5800 letters p/yr

Long Term Change Opportunities (03 and beyond)

Chicago Regional Office

Loan Servicing Branch

Core Business Functions:

- Resolve disputes.
- Consolidate loans.
- Adjust loan balances.
- Credit reporting.
- Borrower credit counseling.
- Rehabilitation
- Ombudsman assistance to DC group and PIC

<p>Primary SFA Work Activities</p> <ul style="list-style-type: none">• Answer written correspondence<ul style="list-style-type: none">- 15 % of time. This includes PIC log- 150 letters per month• Review loan rehab sales<ul style="list-style-type: none">- 15 % of time- # of reviews –currently 1 a month; proposal for 4 per month• Answer Tier 3-4 calls referred from PIC<ul style="list-style-type: none">- 5 % of time- 40 per month• Research account information to resolve customer disputes<ul style="list-style-type: none">- 30 % of time- 200 cases per month• Work with Ombudsman to resolve collections focused inquiries<ul style="list-style-type: none">- 30 % of time- 50-100 per month	<p>Primary Contractor Activities</p> <ul style="list-style-type: none">• Address Tier 1-2 inquiries• Develop rehab sale packages• Draft noncontrol mail
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<p>'02 Change Opportunities</p> <ol style="list-style-type: none">1. Currently negotiating a contract with PIC for PIC to take over log correspondance<ul style="list-style-type: none">- <i>Approx. savings: 2 FTEs</i>	<p>Long Term Change Opportunities (03 and beyond)</p>
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Chicago Regional Office

Internal Verification and Validation (IV&V) Branch

(Refund Verification)

Core Business Functions:

Process refunds and close out accounts.

Portfolio management

<p>Primary SFA Work Activities</p> <ul style="list-style-type: none">• Identify overpaid accounts, balance, oversight of the process of refunds and close out accounts, including auditing PIC's work<ul style="list-style-type: none">- 70% of time- 3,000-6,000 accounts processed p/month• Conduct Portfolio Mgt (determine accounts and amounts that are collectable or should be written off).<ul style="list-style-type: none">- 10% of time- 150 accounts closed per month• Resolve PIC reconciliation problems with NSLDS and DMCS<ul style="list-style-type: none">- 20 % of time- 500-1000 of reconciliations	<p>Primary Contractor Activities</p> <ul style="list-style-type: none">• PIC processes simple refund verifications-- simple• Chicago processes more analysis refund verifications
<p>'02 Change Opportunities</p> <ol style="list-style-type: none">1. If refunds could be more automated, this group could do more functions:<ul style="list-style-type: none">- Portfolio mgt- Verification of loan documents that people- NSLDS reconciliation	<p>Long Term Change Opportunities (03 and beyond)</p> <ol style="list-style-type: none">1. The "New Solution" will automate refund process flow.2. The "New Solution" will better integrate with the new NSLDS leading to matched records.<ul style="list-style-type: none">- <i>Approx savings: 2-3 FTEs</i>