

Collections Regional Director Interview Questions

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GA Hearing Process

1. Describe the GA Hearing Process	<ul style="list-style-type: none"> ▪ GA can give hearings, but if they are contested they are raised to the federal level – DoED. Branch also provides hearings for ECMC debtors. ▪ GA holds loans for up to 5 years. Often by the time they reach the federal level they are older loans – (Example: Processing hearings now for loans defaulted in the 1980's. ▪ Hearings can be on a variety of topics- (if re: closed school discharge, handled in CSB.)
2. What processes are internal vs. contracted?	<ul style="list-style-type: none"> ▪ All internal
3. Is this a repeatable process or does it change from borrower to borrower?	<ul style="list-style-type: none"> ▪ The basic process is repeatable but will vary based on the situation
4. Is this process the same for every region, or does it change for AWG and TOP Hearings?	<ul style="list-style-type: none"> ▪ The basic process is the same from region to region – difference being in the type of hearings that are conducted. The Hearings Officer must be familiar with the GA, AWG and/or TOP process. ▪ Borrowers have the right to an in-person hearing. Given the location of the borrower, the closest office will conduct the hearing. Each region must be cross-trained on the different issues of the three types of hearings should the in-person hearing be requested. An in-person hearing is not a popular choice by borrowers.
5. On average, how many hearings are processed each week/month/year?	<ul style="list-style-type: none"> ▪ 30 hearings/month ▪ 500 or less hearings/year
6. How long is the cycle time from when a hearing is requested to when it is completed?	<ul style="list-style-type: none"> ▪ Standard cycle time- 30 days
7. Is this process automated or manual and what does that look like?	<ul style="list-style-type: none"> ▪ <u>Manual</u> – The process requires looking over the entire history of the loan to date and previous hearing records and comparing it to the regulations.
8. How are cases assigned to employees?	<ul style="list-style-type: none"> ▪ 1 SFA employee at a time works on a case. He/she will receive input from co-workers.
9. How many employees are involved in a case at a time?	<ul style="list-style-type: none"> ▪ There are 6 FTEs working on cases at any given time. The senior staff work primarily the GA cases; the ECMC cases are distributed equally among other staff.
10. What skills/knowledge do employees processing hearings require?	<ul style="list-style-type: none"> ▪ Student loan program regulations re: repayment, default, hearings. ▪ Familiarity w/legal terms/concepts re: student aid and debt ▪ Higher emphasis on writing skills in this branch and Litigation ▪ No external certification in needed; Collections' "proficiency" in hearing procedures is required. ▪ Hearing officials are considered "Department Officials" ▪ Basics same as other branches. ▪ Primarily OJT
11. What oversight does HQ have in this process, if so how?	<ul style="list-style-type: none"> ▪ No HQ involvement unless the case has increased exposure – there is no official review role required by HQ ▪ The Regional Department Officials have the final decision
12. Is travel involved? (If so, where and why?)	<ul style="list-style-type: none"> ▪ No ▪ Hearings are typically processed in writing

Other Comments –

- San Francisco is trying to improve the partnership with GA's.
- HRG Branch works closely with OGC (Office of General Counsel) to benefit from legal advice.

Loan Services

<p>1. Describe the Loan Services process (5 tier approach)</p>	<ul style="list-style-type: none"> ▪ This process is the same in each region ▪ Process all inquiries that don't fit into other specialties ▪ Specific to this region – process debt collections related to death and disability
<p>2. What activities take place?</p>	
<p>3. Are these activities consistent with the other regions and are they processed the same from region to region?</p>	
<p>4. What activities are completed in house vs. by contract support?</p> <p><i>Recommendation – Determine if additional processes could be moved to PIC (some processes were not included in last PIC contract because they required authority not delegated to contractor.)</i></p>	<ul style="list-style-type: none"> ▪ Additional activities performed until 10/00 now performed by PIC ▪ Activities still done in-house are those not covered by PIC contract ▪ Not many public referrals to this Region--referrals left over from old number distribution, school/GA/Congressional referrals
<p>5. What parts of the process are automated vs. manual?</p>	<ul style="list-style-type: none"> ▪ Manual process
<p>6. What is the average cycle time for processing a loan from the time you receive a request to when it is complete?</p>	<ul style="list-style-type: none"> ▪ 600 requests/month ▪ 100 calls/day ▪ 10 FTEs to respond to requests, plus phone support from other SFSC staff
<p>7. How are contacts assigned?</p>	
<p>8. Is the loan service a one-to-one ratio of employees to borrowers?</p>	<ul style="list-style-type: none"> ▪ Phone inquiries are assigned randomly – according to availability ▪ Projects are assigned according to skill required for project
<p>9. What skills/knowledge is required to process a loan?</p>	<ul style="list-style-type: none"> ▪ Title IV repayment regs & procedures ▪ FFEL System procedures ▪ Writing and analytical skills ▪ Customer interaction skills
<p>10. Is training provided to acquire necessary skills or is it more “OJT”?</p>	<ul style="list-style-type: none"> ▪ Primarily OJT ▪ Basic Collections' proficiencies
<p>11. Is travel involved? (If so to where and why?)</p>	<ul style="list-style-type: none"> ▪ No
<p>12. What oversight does HQ provide?</p>	<ul style="list-style-type: none"> ▪ Decision made by the region is FINAL, no need for it to go to HQ
<p>13. Who are your customers?</p>	<ul style="list-style-type: none"> ▪ Borrowers ▪ Staff of Collections ▪ Anyone who comes in contact with the process including attorneys, legal services corporations, collection agencies, congressional offices, lenders.

Other Comments –

Currently working on a Portfolio Management Project

Contract Services

<p>1. Describe the Loan Discharge contract process</p>	<ul style="list-style-type: none"> ▪ 4 Basic Steps <ul style="list-style-type: none"> ○ Receive/log in/ ○ Determine completeness ○ Determine if eligible for discharge ○ Record discharge in system/adjust account
<p>2. What processes are internal vs. contracted?</p> <p><i>Recommendation – Students Channel should consider taking this function out of the Raytheon contract when the contract is up for re-compete and placing it within the PIC contract or ECMC Agreement, given their compatible functions.</i></p>	<ul style="list-style-type: none"> ▪ <u>CLOSED SCHOOL DISCHARGES</u>: Log-in, initial review & recommendation contracted to Raytheon. ▪ Application Process <ul style="list-style-type: none"> ○ Applications come into ED ○ ED ships to Raytheon to log into System, conduct initial review and analysis ○ Raytheon returns applications to ED for SFA to make final approval ○ ED normally agrees with Raytheon's preliminary decision but may offer alternative solutions on rejects ▪ <u>ATB, UNPAID TUITION REFUND, OTHER</u>: All processes internal ▪ Process: <ul style="list-style-type: none"> ○ Applications come into ED ○ ED logs into FFEL system and assigns ○ Staff researches to verify school circumstances supporting discharge: audits, program reviews, closed school unit records, state and licensure agencies ○ ED determines if eligible for discharge/ records decision in system/adjusts account
<p>3. Is this a repeatable process or does it change much from borrower to borrower?</p>	<ul style="list-style-type: none"> ▪ The basic process of determining student eligibility is repeatable but will vary based on the situation
<p>4. What processes are automated vs. manual?</p>	<ul style="list-style-type: none"> ▪ Automated – for CS and ATB: after decision has been made <ul style="list-style-type: none"> ○ Decision letter ○ Refund ○ Credit Bureau report ▪ Manual <ul style="list-style-type: none"> ○ Steps leading up to making a decision ○ All processes for unpaid tuition refund ▪ Tracking system done in Microsoft Excel
<p>5. How many contract agencies are you working with?</p>	<ul style="list-style-type: none"> ▪ ONE - Raytheon
<p>6. How is the assignment of employees to contractors assigned?</p>	
<p>7. Is there any overlap in the work you provide and that of the contractor?</p>	
<p>8. On average, how many loans are processed in a week/month/year?</p>	<ul style="list-style-type: none"> ▪ Closed School: 11,000 processed last year; ▪ 250-300 processed/mo this year ▪ Cycle time - 60-90 days (90 days statutory, 60 days typical) ▪ 1-2 FTE analysts, 3 max FTEs at any given time work on school closures ▪ Also includes a Sr. Analyst which stays in contact with Raytheon ▪ 7 FTE = ATB, Tuition Refund + senior analyst ▪ ATB =15,000 last FY; 500/mo this year ▪ Tuition Refund = just starting up, do not have specific stats yet other than applications requested
<p>9. How are assignments made to employees?</p>	<ul style="list-style-type: none"> ▪ Work is assigned proportionately
<p>10. What skills/knowledge do SFA employees require?</p>	<ul style="list-style-type: none"> ▪ <u>Basic</u> – General knowledge of loan processing (analytical, writing, customer interaction) and FFEL system procedures ▪ Collections' school-related discharge proficiencies
<p>11. Is training provided or are these skills acquired On The Job (OJT)?</p>	<ul style="list-style-type: none"> ▪ 60-40 as a result of partnership with Union <ul style="list-style-type: none"> ○ 60% of time in home branch ○ 40% of time in another branch to learn cross-functions
<p>12. What oversight does HQ have in this process?</p>	<ul style="list-style-type: none"> ▪ Decision made by the region is FINAL, no need for it to go to HQ

<p>13. Is travel involved? (If so where and why?)</p>	<ul style="list-style-type: none"> ▪ No – not required to do often <ul style="list-style-type: none"> ○ Raytheon visits – 1x every 3 years
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Other Comments

Prior Region Reorganization

- Branches consistent in 3 regions – Change was to establish “specializations” in each regions
 - San Francisco – Litigation, School Closures, Violation (ATB), Refund, Discharge (death/disability)

Partnership with Union (1997)

- Proficiency Program related to Subject Matter Expertise
 - GS-7: Base Skills + 1 Branch proficiency (i.e. loan servicing)
 - GS-9: Base Skills + 2 Branch proficiencies
 - GS-11: Base Skills + 3 Branch proficiencies

- Currently, no good cross-region training

Litigation Services

<p>1. Describe the Litigation Services process</p> <p><u>Recommendation</u> – Automate process #2</p>	<ol style="list-style-type: none"> 1. Establish criteria for litigation of cases; coordinate litigation program w/ DOJ 2. Private Collection Agencies (PCA's) identify cases to refer and prepare referral data to be sent to DOJ. PCA orders promissory note copy from Raytheon. PCA packages a collection report with the Note and supporting documentation and sends to SFA. SFA reviews and signs off before sending to DOJ, or rejects and returns to PCA 3. Support litigation referrals at DOJ. Provide supporting documents, explanations, affidavits, testimony for pending cases. Approve/deny settlement offers 4. Handle hardship petitions and other bankruptcy challenges; oversee Educational Credit Management Corporation's (ECMC) processing of routine bankruptcy documents 5. Respond to borrower litigation re: defaulted loans
<p>2. What processes are internal vs. contracted?</p>	<p><u>Contractor - Raytheon</u></p> <ul style="list-style-type: none"> ▪ Pulls and provides copies of Note(s) <p><u>Contractor - PCA(s)</u></p> <ul style="list-style-type: none"> ▪ Prepares litigation package <p><u>Contractor - ECMC</u></p> <p>Routine bankruptcy processing (proof of claim, write off, refunds):</p> <p><u>Internal</u></p> <ul style="list-style-type: none"> ▪ All other above processes.
<p>3. Is the process automated or manual?</p> <p><u>Recommendation</u> – Electronically transmit information</p>	<p><u>Manual</u></p> <ul style="list-style-type: none"> ▪ Paper-based ▪ Working on making paper-based forms automated
<p>4. Is this a repeatable process or does it change much from borrower to borrower?</p>	<ul style="list-style-type: none"> ▪ Basic activity same ▪ Variation on cases
<p>5. Is there any overlap in what you do vs. what the contractor is doing with the accounts?</p> <p><u>OVERLAP</u></p>	<ul style="list-style-type: none"> ▪ PCA prepares initial litigation report and SFA reviews the package before signing off
<p>6. On average, how many accounts are processed weekly/monthly/yearly?</p>	<ul style="list-style-type: none"> ▪ 100,000 cases currently in the process ▪ 30,000 referred last FY ▪ 42,000 closed/returned by DOJ for ED action
<p>7. How are accounts assigned to employees?</p>	<ul style="list-style-type: none"> ▪ A loan analyst is assigned to a litigation packet ▪ Bank. Adversary responses assigned equally ▪ Incoming calls are also received and assigned from Justice Department through phone routing system ▪ Past: Alphabetical system, now divided by geographic team(per US court districts) ▪ Other requests for DOJ support divided by geographic team
<p>8. What is the cycle time from when you receive an account to when it is closed (in your area)?</p>	<ul style="list-style-type: none"> ▪ Required turn around 30 days for litigation packages; 35 days for adversaries ▪ Response to DOJ requests: Goal: Respond to 85% of requests within 30 days--currently achieving goal
<p>9. How many employees are involved in an account at any given time?</p>	<ul style="list-style-type: none"> ▪ 16 FTE's (plus 5-10 other staff part-time based on workload) ▪ Contact plus back-up ▪ 1-2 Loan Analyst + Sr. Loan Analyst/Branch Chief ▪ Individual work – No team projects
<p>10. What skills/knowledge is required for processing an account?</p>	<ul style="list-style-type: none"> ▪ Student loan litigation procedures ▪ Familiarity w/legal terms/concepts re: student aid and debt. ▪ Emphasis on writing skills in this branch and Hearings more than the others ▪ Basics same as other branches. (see Loan Servicing)
<p>11. Is training provided or is it mostly OJT?</p>	<ul style="list-style-type: none"> ▪ OJT ▪ "60/40" ▪ OGC and internal training
<p>12. Is travel involved? (If so, where and why?)</p>	<ul style="list-style-type: none"> ▪ More likely – Participate in settlement conferences, training for DOJ and contractors, and professional conferences ▪ Do not have to show up to witness often--settlements/phone testimony.
<p>13. What oversight does HQ provide in this process?</p>	<ul style="list-style-type: none"> ▪ None – Have final authority ▪ OGC has veto power over some documents prepared here
<p>14. Other questions</p>	

Other Comments

LIT Branch works closely with OGC (Office of General Counsel) to benefit from legal advice.

9/19/2002