



Student Financial Assistance

**Consistent Answers
Customer Lifecycles**



SFA Customer Life Cycles

- Describe the major stages and SFA customer needs as they interact with SFA throughout the loan lifecycle.
- SFA's primary customer is the student and if appropriate his or her parent(s).
- SFA also supports Delivery Partners that perform the actual delivery of Title IV aid to students. Delivery Partners include:
 - Post-Secondary Education Institutions (Schools), and
 - Financial Partners (Lenders, Guarantee Agencies, and Loan Servicers)

The information contained in this document was derived from information provided in Consistent Answers Site Visit Surveys and Discover Sessions (June-August 2001).

Student Life Cycle



- The student life cycle is broken into three major stages and, if appropriate, includes services to the student's parent(s):
 - **Awareness**
 - The Awareness Stage is a preliminary stage to the actual receipt of Title IV aid. It may include the decision to attend school, along with developing knowledge about the ability to receive all types of financial aid including Title IV and the procedures for doing so.
 - **Apply / Receive**
 - In the Apply / Receive stage, a student completes the annual process of applying for Title IV aid and receives the aid from a Delivery Partner. This stage is entered by the 1st completion of a FAFSA and exited by beginning repayment of Title IV loans. The student's primary point of contact for SFA service is the school she/he is attending
 - **Repayment / Credit Management**
 - The final stage of the student life cycle is the Repayment / Credit Management stage. In this stage, the student pays off his/her educational loans, manages her/his debt, and builds on her/his educational achievements.
- A student may on occasion have activities in more than one stage, for example, (s)he may be completing a degree, entering repayment, and beginning a graduate degree.

Student Life Cycle



Major Needs / Activities	Description / Services
General Information	Students require information as to the types of aid programs, the amounts they may receive, eligibility requirements, application procedures. SFA provides direct service to these needs through WEB content, Customer Interaction Centers, direct mail and email.
Presentations and Publications	SFA delivers presentations to the public. SFA provides presentation materials to Awareness Partners for delivery to the public. SFA develops and publishes literature for distribution direct to the public.

Student Life Cycle



Awareness

Apply / Receive

Repay / Credit Management

Major Needs / Activities	Description / Services
General Information	Just like in the Awareness stage, students require information as to the types of aid programs, the amounts they may receive, eligibility requirements, application procedures. SFA continues to provide direct service to these needs through WEB content, Customer Interaction Centers (CICs) Customer Service Representatives (CSRs), direct mail and email.
Free Application for Federal Student Aid (FAFSA): Instructions & FAFSA On The Web (FOTW) Support	To successfully complete the application for Title IV aid (the FAFSA) students may require guidance in interpreting specific instructions and/or technical support interacting with FOTW. SFA provides this support through WEB interactions and CIC CSRs
FAFSA Status	Students require information regarding the processing status of their FAFSA. SFA provides this information through WEB interactions and CIC CSRs.
FAFSA Changes	Students require the ability to change or correct information they have previously provided on their application. SFA provides this service through WEB interactions, Paper SAR (Student Aid Report) submission, School ISIR (Institutional Student Information Report) submissions and may in the future through CIC CSRs. The FSAIC can make SAR changes for customers.

Student Life Cycle



Awareness

Apply / Receive

Repay / Credit Management

Major Needs / Activities	Description / Services
Disbursement Info (DL, FFEL)	Students require information about the disbursement of their Title IV loans. Specifically Direct Loans and Federal Family Educational Loans. SFA provides DL disbursement information through the WEB and CIC CSRs. In the future, SFA may be able to provide similar information regarding FFEL loans and Pell Grant and Campus Based programs
Appeals	Students may appeal their eligibility for aid based on unusual or mitigating circumstances. Appeals are handled directly with the school the student is attending. SFA must be able to provide information to students on the ability and procedures of appeal. SFA provides this support through WEB interactions and CIC CSRs
Complaints	Students require the ability to complain and receive resolution regarding complaints. SFA provides this support through WEB interactions and CIC CSRs

Student Life Cycle



Awareness

Apply / Receive

Repay / Credit Management

Major Needs / Activities	Description / Services
General Information	Students require general information regarding all post attending needs and services offered by SFA. SFA provides this support through WEB interactions and CIC CSRs
Aid History & Payment Information & Verification <ul style="list-style-type: none"> • All Aid Programs 	Students require the information the aid they have received, and then payments they have made. This information includes all aid programs for attendance at all of the schools the student attended. This information includes, amounts and award periods and payments applied to loans. Student's will require the ability to receive verification of this information either in paper or electronic form. SFA provides this support through WEB interactions and CIC CSRs and electronic and direct mail programs.
Payments, DL and Consolidated Loans	Students require the ability to make payments toward loans. (SFA supports the payment process for DL and Consolidated Loans.) Students require the ability to check the status of a payment and to determine the loan pay off amount. SFA provides this support through WEB interactions and CIC CSRs and electronic and direct mail programs

Student Life Cycle



Awareness

Apply / Receive

Repay / Credit Management

Major Needs / Activities	Description / Services
<p>Collections, Private Collection Agencies (PCAs)</p>	<p>SFA requires the ability to perform collection activities, manage the relationship with PCAs, and manage the relationship with students in all collection activities including PCAs.</p> <p>Students require the ability to receive information about their collection status and SFA's and PCA's collection activities. And to comply with collection activities.</p> <p>SFA provides this support through WEB interactions and CIC CSRs and electronic and direct mail programs</p>
<p>Debt Counseling Debt Management</p> <ul style="list-style-type: none"> • Consolidation • Forbearance • Deferments 	<p>SFA provides debt counseling and management programs. Students require the ability to gather information regarding these programs, apply for these programs, and check the status of their application(s) for the programs.</p> <p>SFA requires the ability to manage the programs, proactively identify and communicate students eligible for the programs.</p> <p>SFA provides this support through WEB interactions and CIC CSRs and electronic and direct mail programs</p>

Student Life Cycle



Awareness

Apply / Receive

Repay / Credit Management

Major Needs / Activities	Description / Services
<p>Appeals & Hearings</p>	<p>Students require the ability to gather information regarding the ability to appeal collection activities such as default status and Tax Offset Program. Students require the ability to complete the appeal, check the status of the appeal, and determine the resolution.</p> <p>SFA requires the ability to communicate with the student and manage the appeal process including supporting hearings.</p> <p>SFA provides this support through WEB interactions, SFA Regional Offices and CIC CSRs and electronic and direct mail programs.</p>
<p>Complaints</p>	<p>Students require the ability to complain and receive resolution regarding complaints. SFA provides this support through WEB interactions and CIC CSRs and specifically through the Ombudsman services.</p>

SFA Delivery Partners



Eligibility

Annual Operations

Oversight

- SFA Delivery Partners are comprised of two major groups:
 - Post-Secondary Educational Institutions (Schools), which provide financial aid and support the delivery to Title IV aid to enable students to attend their institutions. Schools are responsible for the management and administration of all Title IV funds received by their students including verifying the accuracy of student applications, determining award amounts, disbursing and delivering Title IV funds and acting as the primary customer service deliverer while the student is in attendance.
 - Financial Partners (Lenders, Guarantee Agencies, and Loan Servicers) provide funds through the Federal Family Educational Loan programs. These programs mirror the DL programs but are funded and administered through private lenders.
 - Lenders provide the loans to students delivering the funds through the school. Lenders are also responsible for collecting loan proceeds.
 - Guarantee Agencies act as agents of SFA guarantee the loan against default and quality assuring the administration.
 - Loan Servicers are outsource agents utilized by some lenders to perform the operational lending and collection functions.
 - SFA provides oversight to the entire process pay the lenders interest subsidies on subsidized loans and reinsures the loans against default.



SFA Delivery Partners Life Cycles

Eligibility

Annual Operations

Oversight

• While Schools and Financial Partners fulfill different roles in the delivery of Title IV aid, their life cycles follow identical stages

- **Eligibility**

- The Eligibility stage is a preliminary stage to the actual delivering of Title IV aid. It includes the determination of whether the delivery partner is eligible to participate in the general delivery of Title IV aid, as well as the determination of whether the delivery partner may participate in the Direct Loan Program, the Quality Assurance Program, and/or the Experimental Site Program.

- **Annual Operations**

- In the Annual Operations stage, delivery partners are involved in the various annual functions that occur when delivering Title IV aid. These functions include guidance and training, student issues, and the actual delivering of the Title IV aid.

- **Oversight**

- The final stage of the Delivery Partner life cycle is the Oversight stage. In this stage, the delivery partners are involved in program reviews, audits, and financial statement reviews. The Delivery Partner life cycle is a cyclical one.



Delivery Partner Life Cycle - Schools

Eligibility

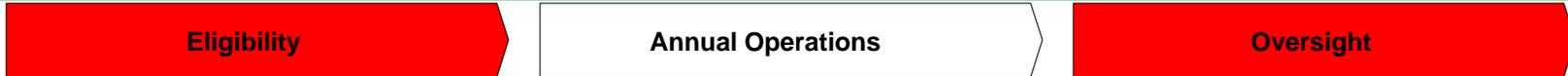
Annual Operations

Oversight

Major Needs / Activities	Description / Services
General Information	Schools require general information as to eligibility requirements and modifications to PPAs. SFA continues to provide direct service to these needs through WEB content, CIC CSRs, direct mail, and email.
Eligibility Applications	Schools require the ability to apply for the various programs within SFA. Schools are required to submit applications for initial eligibility and recertifications. They can also request entry into the Direct Loan Program, the Quality Assurance Program, and the Experimental Site Program. SFA provides direct service to these needs through WEB content, email, white mail, and provides support to schools completing the processes over the phone.
PPA Modifications	Schools require the ability to modify their Program Participation Agreements (PPAs). SFA provides this information through WEB content.
LS&T Emergency Actions	Schools sometimes have administrative actions taken against them. These actions can be in the form of limitations, suspensions, terminations, fines, or debarments.
Appeals	Schools require the ability to appeal an administrative action taken against them. SFA provides this ability through direct mail and email.



Delivery Partner Life Cycle - Schools



Major Needs / Activities	Description / Services
Guidance and Training	<p>Schools require guidance and training when performing their annual operations. Schools attend yearly training programs that update them on upcoming changes on how they deliver aid. A school may also require custom training for their particular school or for a particular issue.</p> <p>Dear Partner Letters are published by Program Development to provide written guidance to schools on a particular issue. Schools require the ability to request guidance on a specific issue or problem. Schools also require the ability to receive technical assistance from SFA.</p> <p>SFA provides this service to schools through WEB interactions, CIC CSRs, direct mail, email, and in person training programs.</p> <p>SFA also needs to manage the delivery of the services including targeting guidance at groups of schools, managing registrations, maintaining content, and tracking participation</p>
Student Issues	<p>Schools require the ability to check an application status for a student. They also require the ability to receive instructions on how to complete new applications or change existing applications. Schools need access to disbursement information and payment status for their students.</p> <p>Schools require the ability to complain on behalf of their students and receive resolution regarding those complaints. They also require the ability to get a historical view of a student's aid. SFA provides this assistance through WEB interactions, CIC CSRs, and email.</p>



Delivery Partner Life Cycle - Schools



Major Needs / Activities	Description / Services
Title IV Delivery	Schools may require guidance on ISIR processing. Schools also require guidance while originating Pell and Direct Loan awards. When reconciling balances, schools may also require assistance from SFA. Other areas in Title IV Delivery schools require guidance are PYCO, FISAP, and EOY Reporting. If a school is on reimbursement, it may also require assistance. Finally, schools require software technical assistance. SFA provides this assistance through WEB interactions, CIC CSRs, and email.
Third Party Servicers	Some schools may contract with third party servicers to manage and fulfill their delivery of Title IV aid to students. Schools require the ability to delegate part or all of their operational interactions with SFA to the servicer. SFA needs to be able to manage this relationship at both the school level and with the servicer level, monitoring the overall servicer performance.
Software Developers	Schools may contact with software developers to provide software and systems to support the management and delivery of financial aid. The developers need to maintain contact with SFA to gather software requirements to support Title IV Delivery. SFA needs to manage the relationship at both the school level and the developer (vendor) level. SFA may need to proactively serve schools with vendors who may support differing levels of Title IV delivery and SFA will need to manage the relationship with individual software vendors such as PeopleSoft, SCT, Datatel, etc.



Delivery Partner Life Cycle - Schools

Eligibility

Annual Operations

Oversight

Major Needs / Activities	Description / Services
Third Party Audits	<p>Schools are required to submit to audits of their Title IV aid delivery by independent third party auditors. These audits are submitted to SFA for review and action if required. Schools require the ability to submit the audit reports and be informed of the status of the audit review and the resolution.</p> <p>The third party auditors require information for SFA regarding audit requirements, procedures, training, and submission procedures.</p> <p>SFA needs to be able to manage the audit review and resolution process, track trends in findings by individual schools, the entire population of schools, and sub-sets of schools. SFA needs to be able to provide feedback to the schools regarding audit resolution and any required penalties or corrective actions.</p>
Accreditation Reviews	<p>Educational programs offered by schools are required to be accredited by recognized agencies. Schools need to submit proof of accreditation to SFA with their eligibility application. SFA needs to be able to provide guidance and training to accreditation agencies and staff.</p>
Program Reviews	<p>Program reviews are performed to ensure schools are maintaining program integrity and administrative capability. Schools require the ability to receive guidance when these program reviews are done. SFA provides this guidance through CIC CSRs, direct mail, and email.</p>
Inspector General Investigations	<p>SFA needs to work closely with staff from the Office of Inspector General regarding investigations of school performance. Providing information, managing the workflow and assessing penalties.</p>



Delivery Partner Life Cycle – Financial Partners

Eligibility

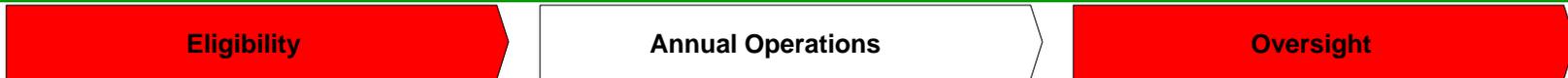
Annual Operations

Oversight

Major Needs / Activities	Description / Services
General Information	Financial Partners require general information on eligibility matters. SFA continues to provide direct service to these needs through WEB content, CSRs, direct mail, facsimile, and email.
Lender Application Process	Financial Partners require guidance and assistance in completing the lender application process. SFA provides this guidance through WEB content, CSRs, direct mail, facsimile, and email.
GA Agreements	Financial Partners, specifically GAs, require assistance when completing GA agreements. SFA provides this assistance through CSRs, direct mail, facsimile, and email.
Work with GAs to Process New Lenders	Financial Partners require assistance from SFA and GAs to process new lenders. SFA provides this assistance through WEB content, CSRs, direct mail, facsimile, and email.
Statutory Negotiations and Waiver Conditions	Financial Partners require assistance with statutory negotiations and waivers. SFA provides this assistance through CSRs, direct mail, facsimile, and email.



Delivery Partner Life Cycle – Financial Partners



Major Needs / Activities	Description / Services
Student Issues	Financial Partners require the ability to request general information on student issues. They also require SFA to act as a middleman when they have disputes or hearings about student issues. Financial Partners require SFA to act as a liaison between GAs, Lenders, and Borrowers by providing information, resolving issues, and intervening in borrower-Financial Partner conflicts. SFA meets these needs through WEB content, CSRs, direct mail, facsimile, and email.
Title IV Delivery	As in the Student Issues portion of the Annual Operations, Financial Partners require the ability to request general information about Title IV delivery. They also require the ability to send in and have their lender payments processed. GAs require guidance on their claims and any fees they must pay. Financial Partners require guidance in order to successfully prepare and compile financial reports. They also require assistance in accounting, reconciliation, and contract management. Finally, Financial Partners require the ability to ask and receive guidance on FMS technical issues. SFA provides all of these services through WEB content, CSRs, direct mail, facsimile, and email.



Delivery Partner Life Cycle – Financial Partners



Major Needs / Activities	Description / Services
<p>Guidance & Training</p>	<p>As in the other areas of the Annual Operations stage, Financial Partners require the ability to request general information about guidance and training.</p> <p>SFA provides internal and external outreach through meetings, presentations, and conferences (i.e., identifying opportunities; developing topics, agendas, and logistics; preparing materials; facilitating and taking minutes; question and answer sessions, and lessons learned).</p> <p>Financial Partners require the ability to ask and receive technical assistance or training.</p> <p>SFA also responds to Congressional inquiries that are received.</p>



Delivery Partner Life Cycle – Delivery Partners



Major Needs / Activities	Description / Services
Technical Assistance Review	Financial Partners may require the need for technical assistance. SFA maintains risk models to assess the need for any technical assistance.
Compliance Review	SFA monitors Financial Partners' compliance with guidelines and procedures in order to maintain program integrity.
Compliance Audits	SFA performs compliance audits on Financial Partners to ensure program integrity and compliance to guidelines and regulations.
Joint GA / Lender Reviews	Sometimes, SFA performs joint lender reviews with GAs.
Support GA Lender Reviews	SFA also works with GAs to support them as the GAs do lender reviews.
Policy Standards / Enforcement	SFA provides guidance on policy interpretations, standards, and the enforcement of those policies.