

August 14, 2001

TO: Greg Woods  
Candy Kane

FROM: Dottie Kingsley

RE: Program Analysis Staffing Needs

*Student Financial Assistance is currently confronted by a less than supportive political environment and a series of issues that, if they are not handled properly in the immediate future, have the potential to undermine SFA's credibility and its ability to save more of the dollars it needs to fund its backlog of initiatives. Critical to handling these issues properly is the timely, credible, and thorough analysis of the many variables driving these issues.*

The mission of the **Program Analysis Division** is to provide its customers—the SFA Chief Operating Officer, Channels, and Enterprise Offices—with analyzes they can use individually and collectively to proactively modify processes for improving customer and employee satisfaction and reducing unit costs. The Program Analysis Division has the potential to enable SFA to effectively deal with the issues and navigate the political waters confronting it by:

1. Aggregating and analyzing data across Channel and Enterprise unit boundaries,
2. Identifying and summarizing pertinent research from throughout the department and from private industry sources, and
3. Analyzing issues identified as critical to SFA.

At this time, the Program Analysis Division is not staffed and funded to handle the analyses needed to effectively deal with the most pressing of the issues confronting SFA. To effectively deal with the most pressing issues confronting SFA the program Analysis Division will require, at minimum, additional support equivalent to 1 full-time Research Analyst, and 1 full-time administrative support person. More help will be needed if quick-turnaround times are a priority. To accept a growing critical workload, the Program Analysis Division requires additional support equivalent to 4 full-time Research Analysts, 1 full-time statistician/financial analyst, and 1 full-time administrative support person.

## **BACKGROUND**

Currently, the Program Analysis Division barely has enough resources to handle *ongoing work* effectively. Current projects include:

### Limited Scope Analyses

- Lender Inducements – *risk management*
- Mid-Year Transfers – *risk management*
- Unpaid Refunds Study – *required by statute*
- Ad hoc requests for information

### Moderate Scope Analyses

- DL vs. FFEL Cohort Default Rates Analysis – *risk management, strategic planning, information for proactive program change*
- OIG Corrective Action Plan on Consolidating Defaulters – *risk management, OIG required SFA action items*

### Ongoing Analyses

- Development of monthly program statistics cutting across Channel and Enterprise units – one of the *2001 Performance Measures, risk management, strategic planning, information for proactive program change*
- Review of ability-to-benefit tests - *required by statute, risk management, program integrity*

The service delivery model PAD is using to handle some of its workload relies heavily on the time and talents of staff from the Channels. Unfortunately, the Channel resources do not have the time, and often do not have the expertise, needed to enable the Program Analysis Division to complete projects in a quality and timely manner.

In addition, SFA is confronted with, at minimum, the following four additional issues, any one of which could create substantial problems for the Agency if not handled properly.

- NSLDS Data Quality Analysis (See attached memo on this topic)
- Student Eligibility/IRS Matching
- Reauthorization studies
  - Default & Loan Repayment Behaviors
  - Applicant Income Changes Over Time (“prior, prior year data”)
  - Profile Potential Students Who Do Not Receive Aid
  - Projecting the impacts of reauthorization issues proposed by others
- Expansion of enterprise-wide knowledge of SFA program data

Handling these issues properly requires timely, thorough, and quality analyses to be conducted on the issues.

To effectively achieve its mission - providing SFA with analyses needed to proactively modify processes resulting in improved customer and employee satisfaction, and reduced unit costs - the Program Analysis Division must severely limit the projects it accepts or must expand its capabilities through additional staffing and/or contract support.

### **STAFFING NEEDS ANALYSIS**

Each Limited Scope Analysis requires approximately:

- One day to four weeks of calendar time
- 16 to 60 labor hours (usually there are follow-on questions)

- Skills at the levels of: 1) Operational Research Specialists, 2) Programmer Analysts, and 3) SFA Program Specialists. These individuals must have experience in conducting quantitative analyses; identifying significant data trends and patterns; utilizing database file structures, logics, and extract processes; organizing data in tabular and graphic forms; preparing clear, concise, easy to understand reports; and SFA program knowledge.
- Under current contracts, these services cost approximately \$100 to \$200 per hour. Generally, SFA staff would need to be at the 13,14, and 15 levels to have comparable skills
- Experience shows that a reasonable workload for one person is no more than 3 of these projects concurrently

Each Moderate Scope Analysis requires approximately:

- One to three months of calendar time.
- 180 to more than 500 labor hours.
- Skills at the levels of: 1) Project Directors, 2) Senior Statistician, 3) Economists, and 4) Senior Programmer. These individuals generally must have the skills outlined above for the limited scope analyses plus research design and implementation; project management; data collection techniques; model development; and project coordination and team-building skills.
- Under current contracts, these services cost approximately \$150 to \$200 per hour. Generally, SFA staff would need to be at the 14 and 15 levels to have comparable skills.
- Experience shows that a reasonable workload for one person is 1 of these projects.

Each On-going Analysis requires:

- Heavy up-front design and development processes that may take just a few weeks or more than 3 months of calendar time, followed by a regular level of effort that is dictated by the level of automation built into the analysis processes (such as data collection and dissemination, the generation of reports, and identification of anomalies or “triggers”).
- A combination of skills at the levels identified above for both limited and moderate scope projects. Additionally, routine analyses could be delegated to staff at levels less than 13 once the up-front design and development process work is completed.
- Under current contracts, these services cost approximately \$75 to \$200 per hour. Generally, SFA staff would need to be at the 13, 14 and 15 levels to have comparable skills.
- Experience shows that a reasonable workload for one person during the design and development phases is no more than 1/2 of these projects; following implementation, the workload for one person would combine regular analyses with other projects.

**Current Staffing Levels**

The Program Analysis Division currently consists of the Director and *one fulltime staff member*, David Morgan, at the 15 level. However, David’s performance and attendance are severely hampered by a major family health issue. I am working with SFA’s Human Resources office to support David.

Additionally, *one intern*, Monica Glee, is scheduled to provide part-time assistance during the fall, and one additional part-time intern has been requested. Monica coordinates all administrative functions, communication with other offices, helps prepare PowerPoint presentations, and helps draft, edit, and prepare documents.

Currently, *two contracting partners*, Indus Corporation and JBL, are funded to provide part-time support and intermittent analyses through November of 2001. This equates to roughly *one-half of a Research Specialist and four-fifths of a Programmer Analyst* with Indus Corporation, in the form of Amanda Wingo and David Lei. The funds for the other operating partner, JBL, are committed to the development of *one moderate scope study*, which will likely be “Pell Applicant Income Changes Over Time.” They are ready to begin preliminary work, but I do not have the resources available to start another major project. The importance of this work requires careful coordination with other offices. Further, until I have additional information about the full scope of this project, I cannot confirm that the funds remaining in the contract will cover all of the work.

The assignment of staff and contractor resources to the existing projects is shown in the following table.

Project Description	Staff and Contract Resources					
	Dottie	David M.	Amanda	David L.	David R.	JBL
Limited Scope Analyses						
Lender Inducements	X		X	X		X
Mid-Year Transfers	X					
Unpaid Refunds Study	X				X	
Ad hoc requests for info	X	X				
Moderate Scope Analyses						
DL vs. FFEL CDR Analysis	X					
OIG Corrective Action Plan	X		X	X		
Ongoing Analyses						
Dev cross Channel statistics		X	X			
Rvw ability-to-benefit tests		X				

As is visible by looking at this table, I am currently dedicated to doing six projects, including one Limited Scope and one Moderate Scope Analysis project without any staff or contract support. This limits my ability to adequately oversee the work being performed by my staff and contract resources.

### THE RESOURCE GAP

The above information discusses the level of effort needed to perform projects of various scopes and attempts to determine a per person workload equivalent. However, as is visible in the above table, I am performing analyses to the point of not being as effective as I can be in managing and monitoring staff, contractor deliverables, and work progress. In addition, projects don't start and

end in a sequential fashion and the staff and contractors often end up helping one-another when “crunches” or rush projects occur causing a strain of the ability of the existing staff and contractors to adequately handle the current projects. These limitations are exacerbated (as noted earlier, in the Background section of the memorandum) by the fact that the Channel resources tasked with assisting with the Moderate Scope Analyses often do not have the time or expertise to drive these projects towards a swift and quality conclusion. Further, contracting partners do not have the Title IV expertise to design and conduct program analyses without SFA staff support and review. Finally, SFA staff is critical to coordinating work with other offices and facilitating the inter-office exchange of information.

To overcome the above deficiencies and strains on the existing Program Analysis Division staff and contractor resources, this unit requires, at minimum, additional support equivalent to 1 full-time Research Analyst, and 1 full-time administrative support person. More help will be needed if quick-turnaround times are a priority.