

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FSA Baseline Costs

	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
Raytheon - Operations & Maintenance	\$ 16,411,121	\$ 16,903,455	\$ 17,410,558	\$ 17,932,875	\$ 18,470,861	\$ 19,024,987	\$ 19,595,737	\$ 20,183,609	\$ 145,933,204
Raytheon - Task Orders	\$ 3,864,454	\$ 3,980,388	\$ 4,099,799	\$ 4,222,793	\$ 4,349,477	\$ 4,479,962	\$ 4,614,360	\$ 4,752,791	\$ 34,364,026
Postage	\$ 4,602,111	\$ 4,809,206	\$ 5,025,620	\$ 5,251,773	\$ 5,488,103	\$ 5,735,068	\$ 5,993,146	\$ 6,262,837	\$ 43,167,863
VDC	\$ 4,779,399	\$ 4,385,489	\$ 3,386,816	\$ 3,488,420	\$ 3,593,073	\$ 3,700,865	\$ 3,811,891	\$ 3,926,248	\$ 31,072,201

2. FSA Baseline Costs Subtotal

FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
\$ 29,657,085	\$ 30,078,537	\$ 29,922,794	\$ 30,895,862	\$ 31,901,515	\$ 32,940,882	\$ 34,015,134	\$ 35,125,485	\$ 254,537,294

3. PCA Commission Baseline

FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
\$ 131,561,656	\$ 115,693,298	\$ 142,033,577	\$ 153,381,423	\$ 169,060,413	\$ 182,966,995	\$ 194,664,885	\$ 212,679,635	\$ 1,302,041,882

4. Collections Total Baseline

FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	Total
\$ 161,218,741	\$ 145,771,835	\$ 171,956,371	\$ 184,277,285	\$ 200,961,927	\$ 215,907,877	\$ 228,680,019	\$ 247,805,121	\$ 1,556,579,176

Contract FFEL - DMCS Operations and Maintenance (Students Channel)
 Operating Partner Raytheon

DRAFT

Date: 03-Oct-02
 Version: 4.0

1. FY01 Operations and Maintenance Baseline

Schedule	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
A - Prod. Deliverables	\$ 961,081	\$ 834,333	\$ 774,077	\$ 906,119	\$ 858,985	\$ 938,151	\$ 1,021,467	\$ 1,105,909	\$ 885,050	\$ 959,606	\$ 1,013,036	\$ 770,292	\$ 11,028,106
B - Ad Hoc	\$ 8,283	\$ 4,613	\$ 5,100	\$ 9,915	\$ 7,028	\$ 8,126	\$ 9,214	\$ 5,916	\$ 10,623	\$ 5,471	\$ 9,881	\$ 7,993	\$ 92,162
E - Key Personnel	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 405,399	\$ 405,399	\$ 5,290,853
Total	\$ 1,417,370	\$ 1,286,951	\$ 1,227,182	\$ 1,364,039	\$ 1,314,019	\$ 1,394,282	\$ 1,478,686	\$ 1,559,830	\$ 1,343,679	\$ 1,413,082	\$ 1,428,316	\$ 1,183,684	\$ 16,411,121

Assumptions:
 1. Figures represent the Students Channel obligation only.
 2. Costs for Schedules A & E are based upon actual usage (i.e., deliverables and key personnel) by the Students Channel, not accounting splits.

2. FY02 Operations and Maintenance Baseline

Schedule	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
A - Prod. Deliverables	\$ 1,052,953	\$ 1,011,423	\$ 954,802	\$ 920,823	\$ 856,921	\$ 913,349	\$ 971,086	\$ 962,483	\$ 924,531	\$ 952,041	\$ 952,041	\$ 952,041	\$ 11,424,495
B - Ad Hoc	\$ 9,115	\$ 6,247	\$ 7,521	\$ 5,706	\$ 6,619	\$ 6,399	\$ 7,068	\$ 5,647	\$ 6,724	\$ 6,783	\$ 6,783	\$ 6,783	\$ 81,396
E - Key Personnel	\$ 317,628	\$ 296,938	\$ 296,938	\$ 296,938	\$ 296,613	\$ 296,938	\$ 317,628	\$ 296,938	\$ 296,938	\$ 254,364	\$ 296,786	\$ 296,786	\$ 3,561,433
Total	\$ 1,379,696	\$ 1,314,608	\$ 1,259,262	\$ 1,223,467	\$ 1,160,153	\$ 1,216,686	\$ 1,295,782	\$ 1,265,068	\$ 1,228,194	\$ 1,213,188	\$ 1,255,610	\$ 1,255,610	\$ 15,067,324

Assumptions:
 1. Figures represent the Students Channel obligation only.
 2. Costs for Schedules A & E are based upon actual usage (i.e., deliverables and key personnel) by the Students Channel, not accounting splits.

3. Forecast (with no quick wins implemented)

Operations/Maintenance	Growth Rate	Inflation Rate	FY02	FY03	FY04	FY05	FY06	FY07	FY08
FY01 as Baseline	0%	3.0%	\$ 16,903,455	\$ 17,410,558	\$ 17,932,875	\$ 18,470,861	\$ 19,024,987	\$ 19,595,737	\$ 20,183,609

Assumptions:
 1. Projections based upon FY01 totals, without quick wins implementations.
 2. Only the Students Channel operations costs are forecasted
 3. Inflation rate based upon the average of the 2-year, 5-year, 10-year, 15-year, and 20-year Consumer Price Index (CPI) averages
 4. Growth rate is based upon the number of active borrower accounts (i.e., accounts w/ balance equal or greater than \$25).

DRAFT

Contract FFEL - Schedule A (Production Deliverables)

Date: 03-Oct-02

Operating Partner Raytheon

Version: 4.0

1. FY01

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 1,011,127	\$ 877,778	\$ 814,385	\$ 953,303	\$ 903,714	\$ 987,003	\$ 1,074,657	\$ 1,163,496	\$ 931,136	\$ 1,009,574	\$ 1,065,787	\$ 810,403	\$ 11,602,364
Students	\$ 961,081	\$ 834,333	\$ 774,077	\$ 906,119	\$ 858,985	\$ 938,151	\$ 1,021,467	\$ 1,105,909	\$ 885,050	\$ 959,606	\$ 1,013,036	\$ 770,292	\$ 11,028,106
FP	\$ 50,046	\$ 43,446	\$ 40,308	\$ 47,184	\$ 44,729	\$ 48,852	\$ 53,190	\$ 57,587	\$ 46,087	\$ 49,969	\$ 52,751	\$ 40,111	\$ 574,258

Assumptions:

- FSA summary spreadsheet amount for September does not equal the actual invoice (\$810,402.77), a difference of \$0.10. Used the amount invoiced.
- The monthly allocation is based upon actual system usage for the two Channels:

Students	95.05%
FP	4.95%

2. FY02

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 1,102,649	\$ 1,059,159	\$ 999,866	\$ 964,283	\$ 897,365	\$ 956,456	\$ 1,016,918	\$ 1,007,909	\$ 968,167	\$ 996,975	\$ 996,975	\$ 996,975	\$ 11,963,697
Students	\$ 1,052,953	\$ 1,011,423	\$ 954,802	\$ 920,823	\$ 856,921	\$ 913,349	\$ 971,086	\$ 962,483	\$ 924,531	\$ 952,041	\$ 952,041	\$ 952,041	\$ 11,424,495
FP	\$ 49,696	\$ 47,736	\$ 45,064	\$ 43,460	\$ 40,444	\$ 43,107	\$ 45,832	\$ 45,426	\$ 43,635	\$ 44,933	\$ 44,933	\$ 44,933	\$ 539,201

Assumptions:

- Actual February invoice = \$902,807.35. According to invoice memo and FSA summary spreadsheet, the amount actually paid is \$897,365.35.
- Costs for July, August, and September of FY02 are calculated using the year-to-date monthly averages from FY02
- The monthly allocation is based upon actual system usage for the two Channels:

Students	95.49%
FP	4.51%

Contract

Operating Partner

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FY01

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 8,719	\$ 4,856	\$ 5,368	\$ 10,436	\$ 7,398	\$ 8,553	\$ 9,699	\$ 6,227	\$ 11,183	\$ 5,759	\$ 10,401	\$ 8,414	\$ 97,013
Students	\$ 8,283	\$ 4,613	\$ 5,100	\$ 9,915	\$ 7,028	\$ 8,126	\$ 9,214	\$ 5,916	\$ 10,623	\$ 5,471	\$ 9,881	\$ 7,993	\$ 92,162
FP	\$ 436	\$ 243	\$ 268	\$ 522	\$ 370	\$ 428	\$ 485	\$ 311	\$ 559	\$ 288	\$ 520	\$ 421	\$ 4,851

Assumptions:

1. Used actual FY01 monthly invoices provided by Raytheon.
2. FSA spreadsheet summary for Schedule B equals \$97012.99. A difference of \$832.08 less than the FY01 invoices.
3. FSA FY 01 Schedule B summary included an adjustment for a downtime labor charge, which was applied to the September invoice, leaving a difference of \$0.02 between invoices and FSA summary spreadsheet.
4. Monthly split between Students and FP is based upon actual system usage. Approximate split is 95% and 05%, respectively.

2. FY02

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 9,595	\$ 6,575	\$ 7,917	\$ 6,007	\$ 6,968	\$ 6,736	\$ 7,440	\$ 5,944	\$ 7,078	\$ 7,140	\$ 7,140	\$ 7,140	\$ 85,680
Students	\$ 9,115	\$ 6,247	\$ 7,521	\$ 5,706	\$ 6,619	\$ 6,399	\$ 7,068	\$ 5,647	\$ 6,724	\$ 6,783	\$ 6,783	\$ 6,783	\$ 81,396
FP	\$ 480	\$ 329	\$ 396	\$ 300	\$ 348	\$ 337	\$ 372	\$ 297	\$ 354	\$ 357	\$ 357	\$ 357	\$ 4,284

Assumptions:

1. Used actual FY02 monthly invoices through June 2002 provided by Raytheon (\$64,260.33).
2. Costs for July, August, and September of FY02 are calculated using monthly averages from FY02 invoices
3. Monthly split between Students and FP is based upon actual system usage. Approximate split is 95% and 05%, respectively.
4. FY 02 FSA summary spreadsheet for schedule B does not add up properly. It appears that the FP portion for fax bulletins is overstated.

Contract FFEL - Schedule E (Key Personnel)
 Operating Partner Raytheon

DRAFT

Date: 03-Oct-02
 Version: 4.0

1. FY01

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 506,335	\$ 458,181	\$ 458,181	\$ 5,979,709
Students	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 448,005	\$ 405,399	\$ 405,399	\$ 5,290,853
FP	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 58,329	\$ 52,782	\$ 52,782	\$ 688,856

Assumptions:

- Actual FY01 monthly invoices provided by Raytheon equals \$6,001,456.70 - a difference of \$21,748.04 from the FSA Schedule E summary (\$5,979,708.66).
- Difference between invoices and Schedule E summary is the same amount Raytheon charges in addition to the Oct. 2001 and April 2002 invoices for unpaid amounts in Aug and Sept. 2001.
- Underpayments in August and September are due to contract difference in expected reduction of key personnel. FSA assumed more reductions than actual.
- Allocated monthly Students and FP costs using Raytheon usage designations

Students	88.48%
FP	11.52%

2. FY02

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 333,869	\$ 312,121	\$ 312,121	\$ 312,121	\$ 311,779	\$ 312,121	\$ 333,869	\$ 312,121	\$ 312,121	\$ 267,370	\$ 311,961	\$ 311,961	\$ 3,743,536
Students	\$ 317,628	\$ 296,938	\$ 296,938	\$ 296,938	\$ 296,613	\$ 296,938	\$ 317,628	\$ 296,938	\$ 296,938	\$ 254,364	\$ 296,786	\$ 296,786	\$ 3,561,433
FP	\$ 16,241	\$ 15,183	\$ 15,183	\$ 15,183	\$ 15,166	\$ 15,183	\$ 16,241	\$ 15,183	\$ 15,183	\$ 13,006	\$ 15,175	\$ 15,175	\$ 182,103

Assumptions:

- Used actual FY02 monthly invoices through July 2002 provided by Raytheon.
- Invoices through June = \$2,852,243. Difference between invoices and Schedule E summary is \$43,835. Difference partially due to additional billings in Oct 2001 and again in April 2002 for Schedule "E" unpaid amounts in August 2001 (\$10,874) and September (\$10,874). Remaining difference unknown.
- Projected costs for August, and September FY02 are calculated using monthly averages from FY02
- Allocated monthly Students and FP costs using Raytheon usage designations

Students	95.14%
FP	4.86%

Contract

Operating Partner

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FY01 & FY 02 Task Order Baseline

Invoice Type	FY 01	FY 02
Time and Materials	\$ 1,905,056	\$ 208,578
Fixed Price	\$ 1,959,398	\$ 1,575,221
Total	\$ 3,864,454	\$ 1,783,798

2. Forecast (with no quick wins implemented)

Task Orders	Growth Rate	Inflation Rate	FY02	FY03	FY04	FY05	FY06	FY07	FY08
FY01 as Baseline	0%	3.0%	\$ 3,980,388	\$ 4,099,799	\$ 4,222,793	\$ 4,349,477	\$ 4,479,962	\$ 4,614,360	\$ 4,752,791

Assumptions:

1. Projections based upon FY01 totals, without quick wins implementations.
2. Figures represent the Students Channel obligation only
3. Growth rate is expected to be flat, with investment in only the highest priority initiatives
4. Inflation rate based upon the average of the 2-year, 5-year, 10-year, 15-year, and 20-year Consumer Price Index (CPI) averages

Contract FFEL - Schedule C (Monthly T&M Task Orders)
Operating Partner Raytheon

DRAFT

Date: 03-Oct-02
 Version: 4.0

1. FY01

T&M Task Orders	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 153,393	\$ 151,470	\$ 751,483	\$ 30,997	\$ 30,369	\$ 245,833	\$ 63,575	\$ 70,086	\$ 90,454	\$ 229,323	\$ 42,044	\$ 46,031	\$ 1,905,056
Students	\$ 153,393	\$ 151,470	\$ 751,483	\$ 30,997	\$ 30,369	\$ 245,833	\$ 63,575	\$ 70,086	\$ 90,454	\$ 229,323	\$ 42,044	\$ 46,031	\$ 1,905,056
FP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Assumptions:

1. All Task Order work in FY 01 was for the Students Channel.
2. Used actual monthly invoices provided by Raytheon
3. FSA summary spreadsheet does not provide details on monthly T&M Task Orders.
4. FSA summary spreadsheet shows the total amount awarded for the fiscal year, not what was paid.

2. FY02

T&M Task Orders	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Total Cost	\$ 40,180	\$ 21,703	\$ 14,753	\$ 6,843	\$ 54,781	\$ 12,073	\$ 2,019	\$ 2,183	\$ 1,898	\$ 17,381	\$ 17,381	\$ 17,381	\$ 208,578
Students	\$ 40,180	\$ 21,703	\$ 14,753	\$ 6,843	\$ 54,781	\$ 12,073	\$ 2,019	\$ 2,183	\$ 1,898	\$ 17,381	\$ 17,381	\$ 17,381	\$ 208,578
FP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Assumptions:

1. Projected costs for July, August, and September of FY02 are calculated using monthly averages from FY02
2. All Task Order work in FY 02 was for the Students Channel.
3. Used actual monthly invoices provided by Raytheon
4. FSA summary spreadsheet does not provide details on monthly T&M Task Orders.
5. FSA summary spreadsheet shows the total amount awarded for the fiscal year, not what was paid.

Contract FFEL - Schedule C (FFP Task Orders)

Operating Partner Raytheon

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FY01

Task Order Number	Task Order Title	Channel	Invoice Date	Amount
TO15	Milestone 1 (40% of \$429,513)	Students	11/8/2000	\$ 279,183
TO64	Milestone 2 (25% of \$429,513)	Students	3/8/2001	\$ 279,879
TO64	Milestone #2	Students	3/21/2001	\$ 195,068
TO64	Milestone #1, Completion of code and unit testing	Students	3/21/2001	\$ 195,068
TO15	Delta of Milestones #1 & #2, and completion of #4	Students	5/22/2001	\$ 280,037
TO15	Milestone #3 (15% of \$657,906.00)	Students	5/22/2001	\$ 98,686
TO 64	Milestone #1, Completion of code and unit testing	Students	7/23/2001	\$ 447,807
TO 65	Milestone #2, ED approval of the acceptance test procedures	Students	7/23/2001	\$ 121,917
TO34, Module 3	"Sub ledger subsystem enhancements" / Milestone #1, #2, #3	Students	7/23/2001	\$ 198,289
TO34, Module 3	Sub ledger subsystem enhancements / Milestone #4	Students	9/1/2001	\$ 49,572
TO34, Module 3, Phase II	Task Order Completion	Students	9/1/2001	\$ 8,960
	RCR #153 & #154	Students	9/1/2001	\$ 8,960

FY01 Total \$ **1,959,398**

Students \$ 1,959,398
FP \$ -

Assumptions: 1. All Task Order work in FY 01 was for the Students Channel.

2. FY02

Task Order Number	Task Order Title	Channel	Invoice Date	Amount
TO21	WO 196, 189	Students	11/8/2001	\$ 34,770
TO65	Milestone #3 / ED Acceptance of Implementation (FPE) 15% of \$487,669.68	Students	11/20/2001	\$ 73,150
TO64	RCR 192 Milestone #1 / Completed Code and Unit Testing	Students	1/16/2002	\$ 71,999
TO65	Milestone #4 / Task order completion	Students	1/16/2002	\$ 97,534
TO15 (Phase II)	Milestone #1 / Ed Approval of Acceptance Test Procedures	Students	2/12/2002	\$ 95,599
TO21	WO #193	Students	2/12/2002	\$ 2,987
TO #12, 60, 40, 64, 66, 67, 74, 76		Students	3/20/2002	\$ 116,779
TO64	Milestone #2 / RCR 192 / ED Acceptance of Implementation	Students	5/1/2002	\$ 53,999
TO64	Milestone #3 / ED Acceptance of Implementation (FPE)	Students	5/1/2002	\$ 167,928
TO21	WO #195	Students	5/7/2002	\$ 20,258
TO74	Milestone #1 / "Return of Title IV Aid" / ED approval of acceptance test procedures.	Students	6/10/2002	\$ 44,848
TO15, Module 2	Milestone #2 / Completion of load acceptance testing.	Students	6/27/2002	\$ 254,930
TO64	Milestone #3 / RCR 192 / Task order RCR completion	Students	7/19/2002	\$ 53,999
TO64	Milestone #4 / Task order completion	Students	7/19/2002	\$ 223,903

FY02 (ytd) Total	\$ 1,312,684
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Students (projected)	\$ 1,575,221
FP (projected)	\$ -

Assumptions:	<ol style="list-style-type: none"> 1. All Task Order work in FY 02 was for the Students Channel. 2. Projected totals are based upon the monthly average through the first 10 months of FY 02.
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Category

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FY01

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
\$ 472,304	\$ 289,578	\$ 253,128	\$ 298,105	\$ 389,926	\$ 340,447	\$ 465,654	\$ 769,043	\$ 486,373	\$ 290,772	\$ 287,653	\$ 259,127	\$ 4,602,111

Assumptions: 1. Monthly totals from spreadsheets provided by Nicole Harrison which summarize postage meter readings.

2. FY02

Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
\$ 302,866	\$ 195,157	\$ 111,011	\$ 209,910	\$ 229,917	\$ 202,454	\$ 138,003	\$ 281,100	\$ 449,781	\$ 253,011	\$ 253,011	\$ 253,011	\$ 2,879,232

Assumptions: 1. Monthly totals from spreadsheets provided by Nicole Harrison which summarize postage meter readings.
2. Costs for July, August, and September of FY02 are calculated using monthly averages from FY02. Costs increase by 7.4% to account for postage increase (\$0.27 to \$0.29).

3. Forecast (with no quick wins implemented)

	Growth Rate	Inflation Rate	FY02	FY03	FY04	FY05	FY06	FY07	FY08
FY01 as Baseline	0%	4.5%	\$ 4,809,206	\$ 5,025,620	\$ 5,251,773	\$ 5,488,103	\$ 5,735,068	\$ 5,993,146	\$ 6,262,837

Assumptions: 1. **Projections based upon FY01 totals, without quick wins implementations.**
2. Inflation rate based upon the average annual postage cost increase from 1978 until the latest increase on 30 June 2002.
3. Growth rate is based upon the number of active borrower accounts (i.e.. accounts w/ balance equal or greater than \$25).
4. All costs are assumed to be paid by the Students Channel. FP mailing is small and covered by Raytheon Schedule B invoice.

Contract Virtual Data Center (VDC)

Operating Partner Computer Sciences Corporation (CSC)

DRAFT

Date: 03-Oct-02
Version: 4.0

1. FY01

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Students	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 209,623	\$ 2,515,473

Assumptions:
 1. Monthly breakdown based upon total annual cost provided by Michele Brown.
 2. FY01 Students total cost estimate from Jennifer Hance (CSC) is \$2.416M
 3. Total represents a 50/50 split between Students and FP channels. Adjusting to a 95/5 split: \$2,515,473 / .50 * .95 = **\$4,779,399**

2. FY02

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Students	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 307,754	\$ 3,693,043

Assumptions:
 1. Monthly breakdown based upon total annual cost provided by Michele Brown.
 2. Total represents an 80/20 split between Students and FP channels. Adjusting to a 95/5 split: \$3,693,043 / .80 * .95 = **\$4,385,489**

3. FY03

	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
Students	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 282,235	\$ 3,386,816

Assumptions:
 1. Monthly breakdown based upon total annual cost provided by Michele Brown.
 2. All costs are for Students Channel. FP components expected to be retired by 9/30/02.

4. Forecast

	Growth Rate	Inflation Rate	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08
Cost	0%	3.0%	\$ 4,779,399	\$ 4,385,489	\$ 3,386,816	\$ 3,488,420	\$ 3,593,073	\$ 3,700,865	\$ 3,811,891	\$ 3,926,248

Assumptions:
 1. FY 01 adjusted to reflect an 95/05 split between the Students and FP channels, instead of an 50/50 split.
 2. FY 02 adjusted to reflect an 95/05 split between the Students and FP channels, instead of an 80/20 split.
 3. FY 03 - forecast provided by CSC
 4. FY 04 - FY 08 projections based upon FY03 estimate.
 5. Inflation rate based upon the average of the 2-year, 5-year, 10-year, 15-year, and 20-year Consumer Price Index (CPI) averages
 6. No savings are taken in the DMC business case for VDC hosting costs in FY02 and FY03.

Contract PCA Debt Collection Commission

DRAFT

Date: 03-Oct-02
Version: 4.0

Operating Partner All PCA's

1. FY01

Old Contract	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
	\$ 11,930,057	\$ 9,318,938	\$ 9,496,805	\$ 13,200,341	\$ 8,201,774	\$ 10,435,890	\$ 10,094,044	\$ 12,116,319	\$ 8,787,228	\$ 8,978,927	\$ 8,735,070	\$ 6,979,870	\$ 118,275,264
New Contract	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
	\$ -	\$ -	\$ -	\$ -	\$ 351,900	\$ 726,149	\$ 630,672	\$ 1,174,132	\$ 1,913,926	\$ 2,178,659	\$ 3,176,258	\$ 3,134,697	\$ 13,286,392
Total	\$ 11,930,057	\$ 9,318,938	\$ 9,496,805	\$ 13,200,341	\$ 8,553,674	\$ 11,162,039	\$ 10,724,716	\$ 13,290,451	\$ 10,701,154	\$ 11,157,586	\$ 11,911,328	\$ 10,114,567	\$ 131,561,656

Assumptions: 1. Cost information is from actual invoices obtained from Sharon Carter (FSA).
2. No commissions were paid on the new contract until February 2001.

2. FY02

Old Contract	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
	\$ 7,341,691	\$ 5,481,599	\$ 4,807,233	\$ 5,454,267	\$ 4,072,879	\$ 3,650,773	\$ 3,526,654	\$ 3,062,247	\$ 2,334,424	\$ 4,414,641	\$ 4,414,641	\$ 4,414,641	\$ 52,975,690
New Contract	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Total
	\$ 3,744,431	\$ 4,379,907	\$ 3,851,669	\$ 5,390,871	\$ 4,568,940	\$ 5,336,623	\$ 6,261,702	\$ 7,248,028	\$ 6,256,036	\$ 5,226,467	\$ 5,226,467	\$ 5,226,467	\$ 62,717,608
Total	\$ 11,086,122	\$ 9,861,505	\$ 8,658,902	\$ 10,845,138	\$ 8,641,819	\$ 8,987,396	\$ 9,788,356	\$ 10,310,275	\$ 8,590,460	\$ 9,641,108	\$ 9,641,108	\$ 9,641,108	\$ 115,693,298

Assumptions: 1. Cost information is from actual invoices obtained from Sharon Carter (FSA).
2. Costs for July, August, and September of FY02 are calculated using monthly averages from FY02

3. Forecast

PCA	FY03	FY04	FY05	FY06	FY07	FY08
\$'s Collected	\$ 869,509,200	\$ 973,850,304	\$ 1,090,712,340	\$ 1,199,783,574	\$ 1,319,761,931	\$ 1,451,738,125
Inflation Rate	FY03	FY04	FY05	FY06	FY07	FY08
n/a	\$ 142,033,577	\$ 153,381,423	\$ 169,060,413	\$ 182,966,995	\$ 194,664,885	\$ 212,679,635
Avg. % Paid	16.33%	15.75%	15.50%	15.25%	14.75%	14.65%
Growth	22.8%	8.0%	10.2%	8.2%	6.4%	9.3%

Assumptions: 1. Forecast provided by Gary Hopkins, 27 August 2002.
2. PCA commissions are expected to be renegotiated, starting in FY05.