



FSA *Now*

The Monthly Newsletter for FSA Staff & Operating Partners

Issue 1 Volume II

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Performance Plan and Organizational Structure Unveiled

Terri Shaw Meets FSA Staff at First All-Hands

Terri Shaw, FSA's new chief operating officer, unveiled FSA's FY 2003 Performance Plan and her proposal for a new organizational structure at her first All-Hands meeting on January 8, 2003.

"Since joining FSA in September, I've made a few observations," Terri began. "First, you all are very passionate about what you do and you have an enormous amount of pride in the fact that you are direct participants through your daily work in helping students to get an education."

To continue that work, the FSA senior management team created the FY 2003 Performance Plan, including new objectives and strategic priorities. FSA's objectives are to integrate FSA's systems and provide new technology solutions, to improve program integrity, to reduce program administration costs, to improve human capital management, and to improve products and services to provide better customer service. The senior management team ensured that these objectives aligned with the five drivers of FSA's work: the PBO legislation, the President's Management Agenda, the General Accounting Office High Risk List, the Department's Strategic Plan and the One-ED initiative.

The plan includes 18 priorities, each with its own detailed set of action items, to help FSA fulfill its objectives. The two top priorities are to achieve a clean audit and get off the GAO High-Risk List.

"You've accomplished a great deal since becoming a PBO," said Terri. "But much work is still ahead of us. Removal of the student aid programs from the GAO high-risk list and obtaining a clean financial audit opinion in 2003 are two of the

highest priorities for FSA. Simply put, achieving both of these goals means that we are delivering the right aid, for the right amount, to the right people, at the right time."

Many of the remaining priorities will help FSA achieve those two goals, such as reconciling FSA's accounts within 30 days of month-end, developing trial balances to facilitate reconciliation and addressing audit issues.

Other priorities address our continued efforts to integrate our remaining legacy systems and migrate them to newer technology solutions, such as stabilizing LAP (Lender Application Process) and LaRS (Lender Reporting System), enhancing Form 2000, creating an integrated security and privacy architecture, reengineering NSLDS, and determining the scope of the Debt Management Collection System (DMCS) reengineering.

In addition, we'll work on improving the process for schools to manage funds; enhance program monitoring and oversight; analyze PIN issues; and develop a performance-based, integrated approach to contract management.

A new project management team in FSA will create an integrated approach to managing our work. As Terri explained, "I have spent many hours with the senior leadership of FSA discussing the need to ensure that our workforce is fully deployed, critically challenged and working together as a team. Our use of outside help, while necessary in many cases, should be to augment skill sets and short term staffing needs, and must not be at the expense of using our own

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talented and knowledgeable staff.”

Another new initiative is to develop a strategy for managing FSA’s data to ensure data consistency and integrity across our systems, and for providing our customers with easy access to the data they need. In addition to our efforts to improve the delivery of financial aid, we’ll also align our workforce with our performance goals and One-ED. To measure our performance on the plan, we’ll create an FSA dashboard that will provide performance metrics for management of our project portfolio, 2003 Performance Plan, day-to-day operations and budget. The plan also calls for FSA to perform all baseline operations efficiently and in the highest quality manner while identifying opportunities for cost savings, process improvement and enhanced customer service.

To help FSA meet these strategic objectives, Terri unveiled her proposed structure of the organization (see sidebar). The approval package with the details for the proposed organization chart is being finalized and it will go through the Departmental approval process. Once approved, the detailed organization structure will be shared with the FSA staff.

“I will hold myself to the highest performance standards, and I will hold each of you to that same standard. The pace must be, and will be, fast and furious. I cannot express strongly enough to each and every one of you, no matter what your job is, no matter what role you play, no matter what level you are, or what your title is, that you must carry out your responsibilities with the highest urgency and with the goal of flawless delivery. There will be no room and no tolerance for mediocrity in our performance. You all can count on me to always be fair, to always tell you the truth, even though on occasion it may not be pleasant, to be swift in making decisions, to work hard for this organization, and to place the best interests of FSA and the Department first. I know I can count on all of you for the same in return,” Terri concluded. “FSA will continue to be an organization that empowers people to get things done.”

In addition to the Performance Plan, the meeting included an update on One-ED. Bill Leidinger, the assistant secretary for the Office of Management, discussed the One-ED process to examine the Department’s work processes.

In the first phase of One-ED, employee-driven teams are reviewing HR, accounts payable, legal review, postsecondary education policy and auditing. Each team is mapping their business process, identifying metrics, reviewing best practices and suggesting solutions for improvement. The teams will then decide to keep the function in house or compete the work. If competition is recommended, employees will be given the opportunity to develop their own proposal to compete with the private sector. Under the President’s Management Agenda, all federal agencies must compete 50 percent of their positions that aren’t inherently governmental in nature.

Addressing staff questions, Leidinger explained that federal employees would get help preparing their proposals for competition, with Booz Allen Hamilton guiding the process. He reassured staff that “nothing has been predetermined. We’re not trying to get rid of folks, and we’re not trying to skinny down the organization.”

Leidinger admitted that it is too early to know for sure what might happen to people’s jobs, noting that the outcomes will only be known after each team has completed the process. In response to a question about the fate of employees whose work might be awarded to a private contractor, he noted that they

Proposed High-Level Functional Organizational Structure

Application and Delivery Services

- Combine aspects of Schools and Students Channels
- School Technical Training

Borrower Services

- Servicing
- Consolidation
- Debt Collections
- Portfolio and Risk Management

Enterprise Performance Management Services

- New project management function
- Strategic planning
- High Risk management
- Contract management
- Operational Analysis and Reporting, combining Performance Analysis, Program Analysis, and audit tracking and reporting

Administration and Workforce Support Services

- HR
- FSA University
- FSA Administration (non-financial functions)

Communications Management Services

- FSA Communications
- Controlled correspondence
- Conference & event management

Financial Partners Services

- Financial Partners Channel
- NSLDS

CIO

CFO

Ombudsman

Policy Liaison and Implementation

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hope to give employees the right of first refusal to join that company and will make every effort to place that employee in another position within the Department or within the government. More information on the One-ED process is available on connectED.

The meeting began with an acknowledgment of the one-year anniversary of the No Child Left Behind Act. Jim Manning, chief of staff to Deputy Secretary Bill Hansen, highlighted some of the accomplishments under the act, noting that federal spending on K-12 education has increased by 40 percent. President Bush signed the bill into law on January 8, 2002.

Staff from D.C. and the regions participated in a lively Q&A session, asking specific questions about the new organizational structure, employee satisfaction and One-ED.

Terri closed the meeting with this thought: "I take the trust, confidence and expectation for high performance that has been placed in me and in the FSA team by Secretary Paige and Deputy Secretary Hansen very seriously. I, in turn, place that same trust, confidence and expectation for high performance in each of you."

EXTRA! EXTRA!

ED HQ Coat Drive

On January 6, ED staff in Washington, D.C., kicked off the annual winter coat drive. The drive runs through January 17. Employees are encouraged to donate children's and adults' coats, hats, scarves and gloves that are clean and in good condition. The FSA donation bin is located in the UCP lobby below the monitor. For more information, contact Joe Aiello.

New Acting CIO Announced

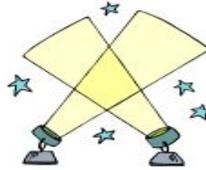
Effective December 18, Gerald Schubert was named FSA's acting CIO. Steve Hawald is on special assignment for the COO's office.

Students.gov Web Site Usage

Students.gov had increases in site traffic during 2002. A total of 1,074,382 visits to the site were recorded last year, and during the past two years, the site's traffic has increased by 75percent. By January 31, students.gov will have a new design that will greatly improve usability for customers.

Spotlight On....

New and Improved Online FAFSA



On January 1, FSA launched the new 2003-04 online version of the FAFSA. The latest version has many new features such as Auto Zero EFC, which allows needy families to more easily file online. Prior to Auto Zero EFC, if a family had an "automatic zero Expected Family Contribution," they still had to fill out the entire electronic FAFSA. With online FAFSA auto-zero, applicants can skip irrelevant sections of the FAFSA, saving time and potential errors.

Another improvement is skip logic, which allows applicants to skip unnecessary questions. For example, if the applicant answers "no" to the question "Are you male?," the system automatically skips the selective service question.

With dynamic updating, FSA can post special news for students directly on the homepage. Also, improvements to the search engine will help students find the information they need.

Congratulations to....

Marianna Deeken, FSA University Region IX training officer, received a distinguished service award from the California Association of Student Financial Aid Administrators (CASFAA). The association presented Marianna the award at its annual conference in December. She was commended for her role as a liaison between ED and the CASFAA Executive Council: "Marianna has proven to be a valuable asset to the State of California, CASFAA, and our members. She has played a huge role in training our members on new and changing federal regulations while providing guidance and counsel."

FSA Now

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