



UNITED STATES DEPARTMENT OF EDUCATION

Federal Student Aid

TO: Secretary Rod Paige
U.S. Secretary of Education

FROM: Terri Shaw
Chief Operating Officer

RE: FSA Weekly Report

DATE: March 8, 2004

THE WEEK AHEAD

Missouri Association of Student Financial Aid Personnel Spring Conference: On March 10-12, FSA representatives will participate in the Missouri Association of Student Financial Aid Personnel Spring Conference.

FSA IN THE FIELD

Federal Update: On March 3, FSA representatives presented a Federal Update to Washington Community College Financial Aid Council in North Bend, WA.

Second Annual East Palo Alto College Fair: On March 6, FSA representatives participated in Second Annual East Palo Alto College Fair in East Palo Alto, CA.

Tampa College Fair: On February 29, FSA representatives participated in the National Association for College Admission Counseling (NACAC) College Fair in Tampa, Florida.

Student Aid on the Web: *Student Aid on the Web* recorded its busiest week in history as students and parents worked to meet the March 1 deadline many colleges and state agencies set for the receipt of financial aid applications for the 2004-05 academic year. For the week ending February 28, *Student Aid on the Web* recorded 462,933 visits, 844,001 page views and 7,781,693 hits. My FSA, the *Student Aid on the Web* feature that offers students and their families a single source of *free* information on choosing a career, selecting a college and identifying resources to pay for higher education, has recorded 23,094 accounts.

Students.gov: In February 2004, students.gov logged 213,017 visitors and 5.4 million hits representing a 221% increase over February 2003.

Customer Service Call Center Statistics: For the week ending February 28, the Customer Service Call Center received 432 inquiries, posted 10 items to FSA Tech and posted 11 items to IFAP.

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Information for Financial Aid Professionals (IFAP.gov) Web site Usage: For the week ending February 28, www.ifap.ed.gov received 74,506 visits and 2.5 million hits.

Schools Portal Usage: For the week ending February 28, www.fsa4schools.ed.gov received 14,071 visits and 1.3 million hits.

Financial Partners (FP) Portal Usage: For the week ending February 27, the FP Portal received over 53,105 hits and almost 2,392 visits.

OPERATIONAL METRICS

Application Activities through February 29, 2004: The Central Processing System (CPS) has processed 2,318,863 applications for the 2004-05 cycle, a 10.9% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending February 28, annual Pell and Direct Loan disbursements reached \$10.4 billion and \$9.8 billion respectively for the 2003-04 academic year. Through the week ending March 1, annual FFEL disbursements reached \$22.0 billion for the 2003-04 academic year. Through January, annual Direct Consolidation Loan disbursements reached \$2.24 billion.

Total Default Recoveries: Through February 29, total FSA Default Recoveries for FY04 reached \$643.7 million, an increase of 19% from this time last year. Total non-consolidation recoveries reached \$558.6 million, an increase of 37%. Combined Recoveries from our private collection agency efforts have reached \$472.3 million, up 24% over the same period in FY03. February recovery totals were \$205.9 million representing the first time recovery totals have ever exceeded \$200 million in a single month.

1-800-4-FED-AID through February 28, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 1.41 million calls, a 10.7% decrease over last year. Service levels have increased with 98.9% of calls completed, a 0.2% increase over last year, and the average speed to answer reduced by 72.3% over last year to 2.8 seconds.

Direct Loan Servicing Call Center Phone Activity through February 27, 2004: Year to date, the Direct Loan Servicing Centers received 1,113,757 calls to the Interactive Voice Response System, a decrease of 7.28% from 2003. Of those calls received, Borrower Services representatives handled 812,520, a decrease of 9.18% from 2003. The average speed of answer was 3.75 seconds, a decrease of 47.97% from 2003. The resolve rate for the Voice Response System was 26.85%, an increase of 6.45% from 2003. The Abandoned Call Rate was 0.16%, a decrease of 48.44 % from 2003.

KEY ISSUES

Partnership for Public Service: FSA is teaming with the Partnership for Public Service, a nonpartisan, nonprofit organization dedicated to revitalizing public service, to update FSA's human capital management plan to reflect the FSA's mission-critical challenges, workforce needs, and plans for recruiting, retaining, developing and motivating employees. The project was kicked-off in February with the final plan due to be completed in July 2004.

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Electronic Verification Certification (EVC): In July 2003, FSA piloted Electronic Verification Certification (EVC) with the Pennsylvania Higher Education Assistance Authority (PHEAA) and began full implementation of EVC in December 2003. To date, 30 schools, five guaranty agencies and one servicer have registered to be EVC participants.

EVC allows loan holders to access, review, update, and certify loan verification certificates (LVCs) through a secure Website in real-time. The EVC technology brings a traditionally manual process onto the Web and promises to reduce costs and increase accuracy in the loan certification process.

E-Sign OIG Audit: On February 24, OIG issued a Draft Audit Report on the *Implementation of Electronic Signatures for Select Federal Student Aid Transactions* (ED-OIG/A11-D0002). FSA CIO was designated the 'lead action office' to coordinate the response to the audit's three findings. The response and a draft Corrective Action Plan are due by March 12.

ON THE HORIZON

Presentations at Regional and State Financial Aid Administrator Conferences: FSA representatives will be making presentations at the following state financial aid administrator conferences in the coming weeks:

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| March 10-12 | Missouri Association of Student Financial Aid Personnel Spring Conference |
| March 15-16 | South Dakota Association of Student Financial Aid |
| March 22-24 | Pacific Islands Financial Aid Association Annual Conference |
| April 7-9 | Kentucky Association of Financial Aid Administrators Conference |
| April 18-21 | South Carolina Association of Federal Aid Administrators Conference |
| April 19 | Illinois Association of Financial Aid Administrators Conference |

Private Career Schools Conference: On March 14, FSA representatives will be presenting at the Private Career Schools Conference in Dallas, TX.

National Council of Higher Education Loan Programs (NCHELP): From March 14 - 17, FSA representatives will make several presentations at the NCHELP Conference in Myrtle Beach, SC.

Common Origination and Disbursements (COD) Focus Group: On April 15-16, FSA will host the annual COD Focus Group in held in Reston, VA. This is an opportunity for schools to share their input into future system requirements.

CONTACT INFORMATION

Please contact Chris Greene at 377-4003 with any questions.