



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 29, 2004

THE WEEK AHEAD

FSA Annual Spring Conference: This week, FSA will host over 1500 financial aid professionals from across the country at our Annual Spring Conference in New York City. This year's conference will include a symposium on increasing access to and awareness of higher education and feature your keynote address to those in attendance.

FSA Software Developers Conference: On March 31, FSA will hold a Software Developers Conference in New York City in conjunction with FSA's Spring Conference. This Conference will provide information about FSA's data strategy and two new FSA initiatives: Front End Business Integration (FEBI) and Common Services for Borrowers (CSB).

FSA IN THE FIELD

Showcase of Excellence: Earlier this week, *Student Aid on the Web* was awarded the Federal Leadership Council's Showcase of Excellence Award. Each year at FOSE, the Federal Leadership Council's Showcase of Excellence presents federal government IT projects representing the finest implementations of citizen-centric electronic government. Ten are selected to demonstrate their program in the Federal Leadership Council Showcase of Excellence located in E-Town at FOSE. Two are then chosen by the Federal Leadership Council Executive Committee to receive the Showcase of Excellence Award.

Pacific Islands Financial Aid Association Annual Conference: From March 22-24, FSA representatives made presentations at the Pacific Islands Financial Aid Association Annual Conference.

National McNair Conference: On March 19, FSA staff participated in a panel discussion at the Ronald E. McNair Conference on using *Student Aid on the Web* to find funding for graduate school. The Ronald E. McNair Post-Baccalaureate Achievement Program hosts a conference each year for college seniors and graduate students. Approximately 300 students, McNair staff, and graduate school admissions staff were in attendance.

Weekly Report to Secretary Paige
March 29, 2004

24th Annual Policy Seminar: On March 21, FSA representatives and members of the Financial Aid Subcommittee of the Council for Opportunity in Education (COE) met during the Annual Policy Seminar. Among the topics they discussed were student financial aid issues including the best ways to simplify, integrate and deliver services to diverse student populations and the FAFSA redesign for 2005-06.

Customer Service Call Center Statistics: For the week ending March 19, the Customer Service Call Center received 399 inquiries and posted 17 items to IFAP.

Information for Financial Aid Professionals (IFAP) Web site Usage: For the week ending March 20, www.ifap.ed.gov received 71,843 visits and 2.2 million hits.

Schools Portal Usage: For the week ending March 20, www.fsa4schools.ed.gov received 13,746 visits and 1.2 million hits.

OPERATIONAL METRICS

Application Activities through March 22, 2004: The Central Processing System (CPS) has processed 4.11 million applications for the 2004-05 cycle, a 7% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending March 20, annual Pell and Direct Loan disbursements reached \$11.0 billion and \$10.2 billion respectively for the 2003-04 academic year. Through the week ending March 23, annual FFEL disbursements reached \$23.8 billion for the 2003-04 academic year. Through February, annual Direct Consolidation Loan disbursements reached \$2.71 billion.

Direct Loan (DL) Servicing: As of February 29, FSA was servicing 17.5 million DL accounts (a 2.4% increase over last year) with a total portfolio value of \$83.1 billion (a 3.3% increase over last year) representing 6.5 million borrowers (a 3.5% increase over last year).

Consolidation Activity through February 29, 2004: Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled 1.3 billion, a 7.3% decrease over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 1.4 billion, a 4.2% decrease over last year. Consolidations from the Direct Loan Program into the FFEL program totaled \$4.0 billion, a 20.8% increase over last year.

Total Default Recoveries: Through March 19, total FSA Default Recoveries for FY04 reached \$778.8 million, an increase of 17% from this time last year. Total non-consolidation recoveries reached \$681.1 million, an increase of 31%. Combined Recoveries from our private collection agency efforts have reached \$530 million, up 23% over the same period in FY03.

1-800-4-FED-AID through March 20, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 1.94 million calls, a 9% decrease over last year. Service levels have decreased with 98.4% of calls completed, a 0.3% decrease over last year, and the average speed to answer increased by 18% over last year to 12 seconds.

Direct Loan Servicing Call Center Phone Activity through March 26, 2004: Year to date, the Direct Loan Servicing Centers received 1.5 million calls to the Interactive Voice Response System, a decrease of 7% from 2003. Of those calls received, Borrower Services representatives handled 1.1 million calls, a decrease of 8% from 2003. The average speed of answer was 4.2 seconds, a decrease of 34% from 2003. The resolve rate for the Voice Response System was 27%, an increase of 6% from 2003. The Abandoned Call Rate was 0.18%, a decrease of 32% from 2003.

KEY ISSUES

FY 2002 Draft Cohort Default Rates: On February 17, the draft FY 2002 Cohort Default Rates were released to all eligible schools. The final national FY 2002 Cohort Default Rate will be released to the public in September.

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:

- | | |
|-------------|--|
| April 6 | California Community College Student Financial Aid Association
Southern Spring Training |
| April 8 | California Community College Student Financial Aid Association
Northern Spring Training |
| April 7-9 | Kentucky Association of Financial Aid Administrators Conference |
| April 18-21 | South Carolina Association of Student Financial Aid Administrators
Conference |
| April 19 | Illinois Association of Financial Aid Administrators Conference |

Common Origination and Disbursements (COD) Focus Group: On April 15-16, FSA will host the annual COD Focus Group 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.