



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: June 21, 2004

THE WEEK AHEAD

Regional Office Visits: On June 23 and 24, Terri Shaw will visit FSA's Dallas and Denver regional offices to meet with FSA staff.

Midwest Association of Student Financial Aid Administrators: From June 19-24, FSA representatives are presenting at the Midwest Association of Financial Aid Administrators Conference.

FSA IN THE FIELD

American Association of Cosmetology Schools: On June 14, FSA representatives presented at the American Association of Cosmetology Schools Conference in Las Vegas, NV.

WEBEX Direct Loan Training in Spanish: From June 14-17, FSA representatives conducted WEBEX Training in Spanish for participating FSA schools.

Higher Education PKI Coordination Meeting: On June 16, FSA CIO participated in a meeting with representatives from the higher education community, hosted by EDUCAUSE. Topics included the Federal and Higher Education Bridge Certificate Authorities, Dartmouth's plan to issue digital certificates, EDUCASE / W-Authentication Partnership with NIH and future pilot projects.

OPERATIONAL METRICS

Application Activities through June 14, 2004: The Central Processing System (CPS) has processed 7.86 million applications for the 2004-05 cycle, a 1.9% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending June 12, annual Pell Grant disbursements reached \$12.3 billion for the 2003-04 academic year. Through the week ending June 12, annual Direct Loan disbursements reached \$11.4 billion for the 2003-04 academic year. Through the week ending June 15, annual FFEL disbursements reached \$28.5 billion for the 2003-04

academic year. Through May, annual Direct Consolidation Loan disbursements reached \$3.96 billion.

Direct Loan (DL) Servicing: As of May 31, FSA was servicing 17.3 million DL loans (a 2.8% increase over last year) with a total portfolio value of \$82.6 billion (a 3.4% increase over last year) representing 6.4 million borrowers (a 3.8% increase over last year).

Consolidation Activity through May 31, 2004: Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled \$1.86 billion, a 6.5% decrease over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 2.1 billion, a 1.0% decrease over last year. Consolidations from the Direct Loan program into the FFEL program totaled \$5.8 billion, a 19.8% increase over last year.

Total Default Recoveries: Through June 11, total FSA Default Recoveries for FY04 reached \$1.335 billion, an increase of 15% from this time last year. Total non-consolidation recoveries reached \$1.198 billion, an increase of 24%. Combined Recoveries from our private collection agency efforts have reached \$844 million, up 23% over the same period in FY03.

Total Guarantor Recoveries: Total Guarantor Default Recoveries through April 30 were \$2.31 billion, an increase of 5% over the same period last year. Combined ED and Guarantor recoveries through the end of April reached \$3.38 billion, a 9% increase over the same period in FY03. Total non-consolidation recoveries for ED and Guarantors combined reached \$2.08 billion, an increase of 15%.

Direct Loan Delinquency Summary: The Direct Loan portfolio delinquency rate for May 2004 is 11.77%, an increase from the April delinquency rate of 10.84% and a decrease from the May 2003 delinquency rate of 12.63%.

1-800-4-FED-AID through June 12, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 3.8 million calls, an 11.3 % decrease over last year. Service levels have increased with 99.0% of calls completed, a .3% increase over last year. The average speed to answer decreased by 31.8% over last year to 7.5 seconds.

Direct Loan Servicing Call Center Phone Activity through June 11, 2004: Year to date, the Direct Loan Servicing Centers received 2.8 million calls to the Interactive Voice Response System, a decrease of 7.0% from 2003. Of those calls received, Borrower Services representatives handled 2.0 million calls, a decrease of 8.2% from 2003. The average speed of answer was 5.09 seconds, a decrease of 16.7% from 2003. The resolve rate for the Voice Response System was 27.76%, an increase of 3.45% from 2003. The Abandoned Call Rate was 0.23%, a decrease of 5.63% from 2003.

Student Aid on the Web: For the week ending June 12, *Student Aid on the Web* recorded 357,001 visits, 6,217,201 hits and 692,604 page views representing increases of 35.8%, 53.5%, and 47.2% respectively over the same period last year.

Weekly Report to Secretary Paige
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CONTACT INFORMATION

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