



## 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:** July 21, 2003

### OPERATIONAL METRICS

**Application Activities through July 13, 2003:** The Central Processing System (CPS) has processed 8,694,661 applications for the 2003-2004 cycle, a 8.3% increase over the 2002-2003 cycle.

**1-800-4-FED-AID through July 12, 2003:** Year-to-date, the Federal Student Aid Information Center (FSAIC) has received 4,956,447 calls, a 3.2% increase over last year. Service levels have increased with 98.8% of calls completed, a 4.4% increase over last year and the average speed to answer reduced by 70.9% over last year to 10 seconds.

### FSA IN THE FIELD

**United Negro College Fund's (UNCF) Professional Development Institute:** On July 15, FSA representatives presented at the United Negro College Fund's Professional Development Institute entitled "Strengthening Institutional Capacity at HBCUs." Participants included presidents, chief fiscal officers, financial aid officers and institutional effectiveness professionals.

**FSA Reaches Out to Native American Community:** In support of the Department's goal of increasing access to postsecondary education, FSA's Student Aid Awareness (SAA) is conducting an outreach campaign to raise awareness of federal student aid programs among the Native American community. As part of the campaign, SAA is working with the Bureau of Indian Affairs (BIA) to create a CD-ROM for distribution to the BIA's 324 Johnson-O'Malley (JOM) programs. (Similar to TRIO, JOM serves 272,000 students from age three through high school.) The CD will include forms, regulations, and college access information useful to JOM staff and their students.

### KEY ISSUES

**IRS Income Verification Match:** FSA is working with OMB to address Congressional concerns about providing IRS taxpayer information to the ED contractor providing income verification services. FSA is working with OMB to identify an alternative, cost-effective approach that will not disrupt the delivery of student aid.

**Studentaid.ed.gov Records Busiest Week**

For the week ending July 12<sup>th</sup>, studentaid.ed.gov received 294,529 visits with the average daily volume exceeding 42,000 visits, also a new high.

**GAO Audit - IRS Data Sharing (GAO-03-821)**: On July 15, FSA provided a response to the GAO audit on data sharing. GAO did not make any recommendations but does support the implementation of data match between Education and the IRS to improve eligibility determinations.

**GAO Audit - Americans at Foreign Schools (GAO-03-647)**: A response to the GAO's audit on foreign schools has been prepared and forwarded for clearance. GAO determined that FSA made progress in monitoring foreign schools but concluded that more steps could be taken and made some recommendations.

**OIG Audit - Monitoring Private Collection Agency Contractors (A19-D0002)**: On July 15, GAO held an exit conference on Monitoring Private Collection Agency Contractors. A draft report is scheduled to be issued in September and will reflect FSA's recent efforts to improve monitoring.

**GAO Study -- Community Colleges in Workforce Development (GJC 130273)**: On July 16, GAO held an entrance conference on Community Colleges in Workforce Development. The study will attempt to answer questions about "community college involvement in workforce training activities, their outcomes, and how these activities fit in with the academic mission of the community college as well as the overall goals of state and national education and workforce development efforts."

**Sallie Mae Monthly Payment Error**: FSA continues to assess the impact of Sallie Mae's recent disclosure that a Sallie Mae system problem caused over 1 million borrowers to make inaccurate monthly payments. FSA, OPE, OGC, and OIG met with Sallie Mae officials to discuss the problem and later briefed Under Secretary Hickok on policy implications and proposed options for resolution.

**ON THE HORIZON**

**Common Services for Borrowers (CSB) Procurement**: The Department of Education has received proposals from ACS Education Solutions and Sallie Mae, Inc. in response to its CSB request for proposals. The CSB Source Selection Advisory Committee is now reviewing the respective technical and business proposals. The Committee's objective is to complete its review on a schedule that will permit the Department to award the CSB contract by September 30th.

**Boston Summit**: FSA's Eastern and Northern Regions will be hosting a "Boston Summit" partnership meeting on August 27, 2003 in Boston, MA. The "Boston Summit" is an annual meeting focusing on guaranty agency operations and finance.

**National Association of Student Loan Administrators (NASLA)**: On July 16, FSA met with the National Association of Student Loan Administrators (NASLA) to discuss increased communications between those participating in voluntary flexible agreements (VFAs), ED, and

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the community. Topics included a general update from NASLA on VFA initiatives, expansion of the Financial Partners Portal to cover ED VFA initiatives, and site visits to gain a deeper understanding of program administration. The first visit is tentatively scheduled for the last week in August at the American Student Assistance (ASA) site to coincide with FSA's Boston Summit.

**CONTACT INFORMATION**

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