



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 26, 2004

THE WEEK AHEAD

Government Computer News: Terri Shaw appears on the cover of this week's edition (July 26, 2004) of *Government Computer News* where FSA is featured as a model for e-government.

FSA IN THE FIELD

Outreach to Native American Students: On July 20, FSA participated in the U.S. Department of Agriculture's (USDA) Native Intern Open House as part of an ongoing partnership with the USDA's American Indian/Alaska Native Program.

American Federation of Teachers (AFT) Conference: On July 13-17, FSA representatives attended AFT's Annual Conference at the Convention Center in Washington, D.C.

OPERATIONAL METRICS

Application Activities through July 19, 2004: The Central Processing System (CPS) has processed 9.22 million FAFSA applications for the 2004-05 cycle, a 2.9% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending July 17, annual Pell Grant disbursements reached \$12.6 billion for the 2003-04 academic year and \$130.0 million for the 2004-2005 academic year. Through the week ending July 10, annual Direct Loan disbursements reached \$11.7 billion for the 2003-04 academic year and \$115.2 million for the 2004-2005 academic year. Through the week ending July 13, annual FFEL disbursements reached \$29.2 billion for the 2003-04 academic year and \$478,433 for the 2004-2005 academic year. Through June, annual Direct Consolidation Loan disbursements reached \$4.01 billion.

Direct Loan (DL) Servicing: As of June 30, the Direct Loan Portfolio reached 17.3 million loans (a 2.5% increase over last year) with a total value of \$82.2 billion (a 3.2% increase over last year) representing 6.4 million borrowers (a 3.8% increase over last year).

Consolidation Activity through June 30, 2004: Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled \$1.87 billion, a

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5.9% decrease over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 2.1 billion, a .2% decrease over last year. Consolidations from the Direct Loan program into the FFEL program totaled \$6.2 billion, a 24.2% increase over last year.

Total Default Recoveries: Through July 16, total FSA Default Recoveries for FY04 reached \$1.476 billion, an increase of 14% from this time last year. Total non-consolidation recoveries reached \$1.321 billion, an increase of 24%. Combined Recoveries from our private collection agency efforts have reached \$958.19 million, up 20% over the same period in FY03.

Guarantor Recoveries: Through the end of June, total Guarantor Default Recoveries for FY04 reached \$2.758 billion, an increase of 4% from this time last year. Through the end of June, combined ED and guarantor recoveries reached \$4.146 billion, a 7% increase over last year. Total non-consolidation recoveries for ED and guarantors combined reached \$2.74 billion, an increase of 12.7%.

1-800-4-FED-AID through July 17, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 4.51 million calls, an 11.5 % decrease over last year. Service levels have increased with 99.1% of calls completed, a .3% increase over last year. The average speed to answer decreased by 31.0% over last year to 6.9 seconds.

Direct Loan Servicing Call Center Phone Activity through July 16, 2004: Year to date, the Direct Loan Servicing Centers received 3.38 million calls to the Interactive Voice Response System, a decrease of 7.0% from 2003. Of those calls received, Borrower Services representatives handled 2.4 million calls, a decrease of 8.1% from 2003. The average speed of answer was 5.14 seconds, a decrease of 9.72% from 2003. The resolve rate for the Voice Response System was 28.44%, an increase of 3.6% from 2003. The Abandoned Call Rate was 0.23%, a decrease of 3.5% from 2003.

Student Aid on the Web: For the week ending July 17, *Student Aid on the Web* recorded 394,619 visits, 6,941,580 hits and 712,069 page views representing increases of 28%, 43.1%, and 26.8% respectively over the same period last year.

For the week ending July 17, *MyFSA*, the *Student Aid on the Web* feature that allows students and parents to establish their own personal password protected accounts for use as they move through the financial aid life cycle, has recorded 40,918 new accounts. To date 3,608 students have submitted their FAFSA applications and 1,198 have applied for admission to college using the transfer module and the data entered in their MyFSA accounts.

Information for Financial Aid Professionals (IFAP) Web site Usage: For the week ending July 17, www.ifap.ed.gov received 76,951 visits representing 2.1 million hits.

Schools Portal Usage: For the week ending July 17, www.fsa4schools.ed.gov received 15,661 visits representing approximately 1.2 million hits.

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Customer Service Call Center Activity: For the week ending July 16, the Customer Service Call Center received 383 inquiries, posted three item to FSATech, and posted four documents to IFAP.

Students.gov: For the week ending July 17, Students.gov received 53,535 visits representing approximately 1.3 million hits. On average, visitors spend five minutes on the site and review 3 pages during each visit with 60% of the traffic coming from the AOL domain.

FAFSA on the Web: On July 16, FSA received the 7 millionth web application for the 2004-2005 cycle, four months ahead of last year. The 2004-2005 volume is on pace to exceed the web application volume for the entire 2003-2004 cycle by the end of August.

KEY ISSUES

Private Collection Agency (PCA) Procurement: FSA received 38 proposals from perspective PCA vendors. These proposals were distributed to two FSA evaluation panels, which will evaluate each proposal for levels of success with regard to past performance, relevant corporate experience, computer systems readiness, and the experience of key personnel. The evaluation process is scheduled to last approximately 60 days with Task Order Awards being made by September 30, 2004.

Proper Accounting and Internal Controls Contract: FSA completed the technical review of proposals received in response to the Proper Accounting and Internal Controls contract solicitation. FSA anticipates completing the review of the cost proposals within the next week and awarding a contract by the end of the summer.

2005-2006 FAFSA Print Contract: GPO awarded a four-year contract to Vertis (formerly Webcraft) to print the FAFSA forms replacing the incumbent R.R. Donnelley. While the number of printed copies continues to decline by approximately 10% annually due to FAFSA on the Web, FSA will print approximately 20 million copies of the English FAFSA and 1.1 million copies of the Spanish FAFSA this year.

E-Gov/GovLoans.gov: On July 21, the GovLoans working group met to discuss the official launch in September 2004 and the progress of the second release of GovLoans. Kath Straub from Human Factors International presented findings from the usability testing conducted on June 29-30, 2004.

ON THE HORIZON

Annual Tribal Schools Conference: On August 1-4, FSA representatives will be making presentations at the Annual Tribal Schools Conference in Polson, Montana.

Fundamentals of Title IV Administration: On August 23-24, FSA representatives will be conducting Fundamentals of Title IV Administration at the San Francisco Regional Training Facility.

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CONTACT INFORMATION

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