

TO: Secretary Riley
FROM: COO Greg Woods
OSFA
RE: Weekly Report
DATE: July 31, 2000

PRINCIPAL OFFICE'S WORK ON PRESIDENTIAL INITIATIVES

Nothing to report.

OFFICIAL'S ACTIVITIES

Nothing to report.

DEPARTMENT'S NEWS

Cohort Default Rates FY 1998: NSLDS will calculate the FY 1998 official cohort default rates on August 12, 2000. Prior to calculating the cohort default rates, the Default Management Division will work with the NSLDS Division to ensure that all guaranty agencies and the Direct Loan servicer have submitted the most recent loan program updates to NSLDS. The FY 1998 Official cohort default rates are scheduled to be released to schools on September 28, 2000.

NSLDS Customer Service Center: The Center is pleased to announce that it now has a special queue to assist Spanish-speaking callers. By choosing an option from the main menu, customers will be connected to a Spanish-speaking representative.

NCHERP Conference: SFA staff participated in the National Coalition for Higher Education Loan Program's (NCHERP) Summer Institute Conference in Cleveland, Ohio on July 25, 2000. Staff discussed upcoming initiatives for the Default Management Division, including electronic processing of cohort default rate appeals, revision of the *Cohort Default Rate Guide*, and a pilot program to assist schools and guaranty agencies in processing cohort default rate appeals.

CONGRESSIONAL TESTIMONY

SFA Congressional Briefing: Briefing to congressional staff on SFA products and services is scheduled for late August.

Nothing to report.

LEGISLATIVE ACTIVITY

Nothing to report.

REPORTS

- **OIG Exit Conference** Held on its audit of Consolidation of Defaulted Loans in the FFEL Program. OPE and OIG and SFA staff from Analysis, Students Channel and CFO participated in a telephone exit conference to discuss OIG's findings. OIG anticipates issuing a draft report in the near future.
- **OIG Entrance Conference on Financial Responsibility** Scheduled for August 8, 2000. The overall objective of the audit is to determine if SFA has established sufficient controls and procedures to enforce the financial responsibility regulations.
- **OIG Entrance Conference on Verification** Scheduled for August 22, 2000. The objectives of the audit are to determine if the Department: 1) is effectively managing the verification selection process by using the appropriate selection criteria to identify applicants with potential inaccuracies in their applications; 2) has adequate controls to ensure institutions complete verification and accurately report verification status, and 3) has procedures to evaluate and/or measure the effectiveness of the verification process.