



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: September 27, 2004

THE WEEK AHEAD

Fundamentals of Title IV Training: Today, FSA representatives are conducting Fundamentals of Title IV Training at the Atlanta Regional Training Facility.

R2T4, Analyzing Data, and Conflicting Information (RAC) Training: This week, FSA representatives are conducting RAC training sessions at Spokane Community College and the Chicago and Philadelphia Regional Training Facilities.

FSA IN THE FIELD

R2T4, Analyzing Data, and Conflicting Information (RAC) Training: Last week, FSA representatives conducted RAC training sessions at Virginia Tech University, the University of Montana and the Dallas Regional Training Facility.

CCCCO New Financial Aid Director's Training: On September 21-22, FSA representatives conducted New Financial Aid Director's Training in Sacramento, CA.

OPERATIONAL METRICS

Application Activities through September 20, 2004: The Central Processing System (CPS) has processed 11.2 million FAFSA applications for the 2004-05 cycle, a 3.1% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending September 18, annual Pell Grant disbursements reached \$2.6 billion for the 2004-2005 academic year, a 17% increase over last year. Through the week ending September 18, annual Direct Loan disbursements reached \$3.3 billion for the 2004-2005 academic year. Through the week ending September 14, annual FFEL disbursements reached \$4.2 billion for the 2004-2005 academic year, an 8% increase over last year. Through August, annual Direct Consolidation Loan disbursements reached \$6.9 billion.

Direct Loan (DL) Servicing: As of August 31, the Direct Loan Portfolio reached 17.5 million loans (a 4.0% increase over last year) with a total value of \$83.3 billion (a 4.8% increase over last year) representing 6.4 million borrowers (a 4.8% increase over last year).

Direct Loan Delinquency Summary: The Direct Loan portfolio delinquency rate for August 2004 rose to 12.16% from 11.93% in July. The delinquency rate for August 2003 was 11.80 percent.

Consolidation Activity through August 31, 2004: Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled \$3.70 billion, a 16% increase over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 3.30 billion, a 1.5% increase over last year. Consolidations from the Direct Loan program into the FFEL program totaled \$7.8 billion, an 11.5% increase over last year.

Total Default Recoveries: Through the September 17, total FSA Default Recoveries for FY04 reached \$1.771 billion, an increase of 12% from this time last year. Total non-consolidation recoveries reached \$1.570 billion, an increase of 21%. Combined Recoveries from our private collection agency efforts have reached \$1.212 billion, up 20% over the same period in FY03.

Guarantor Recoveries: Through the end of August, total Guarantor Default Recoveries for FY04 reached \$3.52 billion, a .2% decrease from this time last year. Combined ED and guarantor recoveries reached \$5.20 billion, a 4% increase over last year. Total non-consolidation recoveries for ED and guarantors combined reached \$3.278 billion, an increase of 11% over last year.

1-800-4-FED-AID through September 18, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 6.2 million calls, an 11% decrease over last year. Service levels have increased with 99.2% of calls completed, a .2% increase over last year. The average speed to answer decreased by 35.6% over last year to 5.8 seconds.

Direct Loan Servicing Call Center Phone Activity through September 10, 2004: Year to date, the Direct Loan Servicing Centers received 4.7 million calls to the Interactive Voice Response System, a decrease of 4.5% from 2003. Of those calls received, Borrower Services representatives handled 3.1 million calls, a decrease of 6.3% from 2003. The average speed of answer was 5.8 seconds, a decrease of 13.1% from 2003. The resolve rate for the Voice Response System was 29.4%, an increase of 5.2% from 2003. The Abandoned Call Rate was 0.26%, an increase of 4.0% from 2003.

Students.gov: In August, students.gov logged 262,791 visitors representing 6.5 million hits, an average of over 8,400 hits each day. Almost 60% of the users came from the AOL domain and 3% came from international locations. In August, 294 new subscribers were added to students.gov InfoSource.

Information for Financial Aid Professionals (IFAP) Web site Usage: For the week ending September 18, www.ifap.ed.gov received 62,535 visits representing 1.9 million hits, a decrease of 5% over last year.

Schools Portal Usage: For the week ending September 18, www.fsa4schools.ed.gov received 13,402 visits representing almost 1.1 million hits, an increase of 15% over last year.

Customer Service Call Center Activity: For the week ending September 18, the Customer Service Call Center received 383 inquiries and posted 3 documents to IFAP.

KEY ISSUES

E-Gov/eLoans: The GovLoans team is preparing to transfer GovLoans ownership to DOL/GovBenefits on September 30. Bill Leidinger signed the GovLoans Transition Memorandum of Agreement (MOA) on September 2. The documents were forwarded to Department of Labor/GovBenefits for signature.

E-Gov E-Authentication: E-Campus Based System will be the first system in FSA to participate in the E-Authentication Risk and Requirements Assessment. This assessment is scheduled for October 4.

ON THE HORIZON

Electronic Access Conferences (EAC): On November 1 - 4 and November 30 – December 3, FSA will host approximately 4,000 financial aid professionals from across the country at FSA's two EAC's in Orlando and Las Vegas.

FSA in the Classroom: FSA representatives will be conducting the following training sessions in the coming weeks:

- | | |
|-------------|--|
| October 4-8 | Fundamentals of Title IV
Chicago Regional Training Facility |
| October 5 | R2T4, Analyzing Data, and Conflicting Information (RAC)
New York Regional Training Facility |
| October 5 | R2T4, Analyzing Data, and Conflicting Information (RAC)
Atlanta Regional Training Facility |

Presentations at Conferences: FSA representatives will be making presentations at the following state financial aid and higher education conferences in the coming weeks:

- | | |
|---------------|--|
| October 4-6 | Idaho Association of Student Financial Aid Administrators (IASFAA) |
| October 6-8 | Colorado Association of Student Financial Aid Administrators |
| October 7-8 | National Scholarship Search Fair |
| October 20-22 | Washington Financial Aid Administrators (WFAA) |
| October 27-28 | National Association for College Admissions Counselors (NACAC) |

Weekly Report to Secretary Paige
September 27, 2004

CONTACT INFORMATION

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