



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: October 12, 2004

THE WEEK AHEAD

Alabama Association of Student Financial Aid Administrators (AASFAA): On October 14, FSA representatives are attending the AASFAA conference.

R2T4, Analyzing Data, and Conflicting Information (RAC): For the week of October 12 -15, FSA representatives will be conducting RAC Training at Florida State University, Southern Maine Community College, Boise State University, SUNY Albany, Macomb Community College as well as at the New York, Kansas City, Dallas, San Francisco and Denver Regional Training Facilities.

FSA IN THE FIELD

Fundamentals of Title IV Training: Last week, FSA representatives conducted Fundamentals of Title IV Training at the Chicago Regional Training Facility.

R2T4, Analyzing Data, and Conflicting Information (RAC): On October 5, FSA representatives conducted RAC Training at the New York and Atlanta Regional Training Facilities.

Idaho Association of Student Financial Aid Administrators (IASFAA): On October 4-6, FSA representatives presented at the IASFAA Conference in Idaho Falls.

Colorado Association of Student Financial Aid Administrators (CASFAA): On October 6-8, FSA representatives presented at the CASFAA Conference in Vail.

National Scholarship Search Fair: On October 7-8, FSA representatives attended the National Scholarship Search Fair in New Orleans.

Feria Educativa: On September 22 – 24, FSA staff conducted a financial aid information session for parents and students at the 7th Feria Educativa (Education Fair) at the Detroit School Board Visitors Center. Over 250 attendees received information about No Child Left Behind and how to pay for college. The entire program was delivered in Spanish.

Hispanic Engineering, Science, and Technology Conference (HESTEC): On September 27 - October 2, FSA participated in the HESTEC at the University of Texas-Pan American in Edinburg, TX. The event provided college access information to educators, parents, middle and high school students. FSA representatives conducted a financial aid session, provided one-on-one information to GEAR UP staff and disseminated over 4000 financial aid publications.

National Association for College Admission Counseling (NACAC): On September 29-October 3 FSA representatives exhibited federal student aid materials and conducted workshops at the 60th Annual NACAC Conference in Milwaukee, WI.

OPERATIONAL METRICS

Application Activities through October 4, 2004: The Central Processing System (CPS) has processed 11.4 million FAFSA applications for the 2004-05 cycle, a 3.1% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending October 2, annual Pell Grant disbursements reached \$3.6 billion for the 2004-2005 academic year, a 12% increase over last year. Through the week ending October 2, annual Direct Loan disbursements reached \$4.1 billion for the 2004-2005 academic year, a 9% increase over last year. Through the week ending October 5, annual FFEL disbursements reached \$6.1 billion for the 2004-2005 academic year, a 6% 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 24, total FSA Default Recoveries for FY04 reached \$1.810 billion, an increase of 12% from this time last year. Total non-consolidation recoveries reached \$1.603 billion, an increase of 21%. Combined Recoveries from our private collection agency efforts have reached \$1.245 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

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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 October 2, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 6.4 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 28.8% over last year to 5.7 seconds.

Direct Loan Servicing Call Center Phone Activity through October 1, 2004: Year to date, the Direct Loan Servicing Centers received 4.8 million calls to the Interactive Voice Response System, a decrease of 4.5% from 2003. Of those calls received, Borrower Services representatives handled 3.4 million calls, a decrease of 6.3% from 2003. The average speed of answer was 5.8 seconds, a decrease of 10.3% from 2003. The resolve rate for the Voice Response System was 29.3%, an increase of 5.1% from 2003. The Abandoned Call Rate was 0.26%, an increase of 4.0% from 2003.

Students.gov: In September, students.gov logged 204,671 visitors representing 4.9 million hits, an average of over 6,800 hits each day. As of September 27, almost 16,000 people had subscribed to Students.gov "InfoSource", a subscription service that highlights the features of students.gov.

Student Aid on the Web: For the year ending September 30, 2004, *Student Aid on the Web* 6,817,440 visits, 144,280,446 hits and 16,592,964 page views representing increases of 151.8%, 111.5%, and 100.1% respectively over the same period last year.

Student Aid on the Web's MyFSA, the 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 50,877 accounts as of the week ending October 2nd.

Information for Financial Aid Professionals (IFAP) Web site Usage: For the week ending October 2, www.ifap.ed.gov received 63,150 visits representing 1.9 million hits, a decrease of 3% over last year.

Schools Portal Usage: For the week ending October 2, www.fsa4schools.ed.gov received 12,568 visits representing almost 1.4 million hits, an increase of 4% over last year.

Information Services: For the week ending October 1, the Customer Service Call Center received 372 inquiries and Web Communications posted 4 items to FSATECH and 14 documents to IFAP.

KEY ISSUES

E-Gov E-Authentication: On October 4, FSA's E-Campus Based System (eCB) participated in the OMB-required E-Authentication Risk Assessment (E-RA). Representatives from GSA were present at the eCB risk assessment to provide support and guidance on the process. This system is the first of 14 FSA systems and 23 ED systems that need to have an E-RA completed. A joint

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ED/FSA team is working towards a goal of completing all these E-RA assessments systems by December 15, 2004.

Update on Common Services for Borrowers (CSB) Transition: On October 4, the new CSB Data Mart was implemented, which allows staff to view summary financial data posted to the Direct Loan Servicing System.

HUD Interagency Meeting: FSA staff met with HUD to provide them with insight on our experiences in working with the National Directory of New Hires (NDNH) matching program. FSA staff responded to questions regarding requirements, security and privacy concerns, telecommunications, accuracy and age of system data, and other issues related to HHS procedures with the NDNH matching program.

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 19	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Chicago Regional Training Facility
October 19-21	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Puerto Rico Regional Training Facility
October 20-22	Fundamentals of Title IV Training for Foreign Schools UCP Learning Center
October 21	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Hennepin Technical College
October 21	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Arkansas State University
October 25-29	Fundamentals of Title IV Training Kansas City Regional Training Facility
October 26	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Boston Regional Training Facility
October 26	R2T4, Analyzing Data, and Conflicting Information (RAC) Training Oregon State University
October 27	R2T4, Analyzing Data, and Conflicting Information (RAC) Training

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Salt Lake Community College

October 27 R2T4, Analyzing Data, and Conflicting Information (RAC) Training
University Of Hawaii

October 28 R2T4, Analyzing Data, and Conflicting Information (RAC) Training
Carnegie Melon University

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

October 17-19 Midwest Association of Student Financial Aid Administrators (MASFAA)

October 17-19 Tennessee Association of Student Financial Aid Administrators

October 17-20 Rocky Mountain Association of Financial Aid Administrators

October 19-22 Kentucky Association of Student Financial Aid Administrators

October 20-22 Washington Association of Financial Aid Administrators (WAFAA)

October 20-22 Arizona Association of Financial Aid Administrators (AASFAA)

October 26-29 Pacific Islands Financial Aid Association

October 26-29 New York Student Financial Aid Association

October 27-28 National Association for College Admissions Counselors (NACAC)

CONTACT INFORMATION

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