



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: December 15, 2003

THE WEEK AHEAD

California Association of Student Financial Aid Administrators (CASFAA): On December 14-16, FSA will present at the CASFAA Annual Conference.

FSA IN THE FIELD

Identity Theft: FSA is working with OPA and OIG to warn students and parents about the increasing threat of Identity Theft. In coordination with your office, we held an event at Howard University on December 11 to introduce some of the tools students can use to combat this growing problem.

Counselors and Mentors Videoconference: On December 12, FSA hosted the Counselors and Mentors Videoconference in Washington, DC. High school counselors, mentors, TRIO staff and financial aid representatives from across the country participated in this forum designed to review FSA programs and services.

California Community College Student Financial Aid Administrators Association (CCCSFAAA): On December 12-14, FSA presented at the CCCSFAAA Annual Conference.

FSA Participates in the Second Feria Educativa: On December 5-6, FSA's Student Aid Awareness participated in the second Feria Educativa in Miami, Florida. The education fair was organized by the White House Initiative on Educational Excellence for Hispanic Americans and Partners in Hispanic Education. In addition to disseminating materials at the college fair, FSA representatives gave an overview of the financial aid and application process during a session entitled "What Matters Most on the Pathway to College for Students."

Student Aid on the Web: For the month of November, *Student Aid on the Web* recorded 840,969 visits; 15,656,975 hits; and 1,668,975 page views. For the same period one year ago our site recorded 99,832 visits; 2,353,353 hits; and 277,820 page views. This represents increases of 742.4%, 565.3%, and 500.5% respectively.

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In addition, on Tuesday, November 18th, MyFSA, the *Student Aid on the Web* feature that offers students and their families a single source of *free* information on choosing a career, selecting a college and identifying resources to pay for higher education, recorded it's 10,000 new account.

Financial Partners Services Portal: For the period ending December 6, the Financial Partners Services Portal received 44,361 hits representing 1994 visits. Year to date, hits are up almost 20% and visits are up 34%.

OPERATIONAL METRICS

Application Activities through December 7, 2003: The Central Processing System (CPS) has processed 11.8 million applications for the 2003-2004 cycle, a 7.8% increase over the 2002-2003 cycle.

Program Disbursements: Through the week ending December 6, annual Pell and Direct Loan disbursements reached \$11.6 billion and \$11.4 billion respectively for the 2002-2003 academic year and \$5.56 billion and \$5.1 billion respectively for the 2003-2004 academic year. Through the week ending December 9, annual FFEL disbursements reached \$28.6 billion for the 2002-2003 academic year and \$11.2 billion for the 2003-2004 academic year. Through November, annual Direct Consolidation Loan disbursements reached \$1.18 billion.

Total Default Recoveries: Through December 5, total FSA default recoveries for FY04 reached \$262.5 million, up 30% year to date. Total non-consolidation recoveries reached \$223 million, up 59% year to date. Combined Recoveries from our private collection agency efforts reached \$219 million, up 29% year to date.

1-800-4-FED-AID through December 6, 2003: Year to date, the Federal Student Aid Information Center (FSAIC) has received 7.9 million calls, a 0.6% decrease over last year. Service levels have increased with 99.0% of calls completed, a 2.7% increase over last year and the average speed to answer reduced by 64.3% over last year to 8 seconds.

Direct Loan Servicing Call Center Phone Activity through December 5, 2003: Year-to-date, the Direct Loan Servicing Centers received 6,182,028 calls to the Interactive Voice Response System, an increase of 0.30 percent over 2002. Of the calls received, Borrower Services representatives handled 4,448,048, an increase of 0.22 percent over 2002. The resolve rate for the Voice Response System was 27.8 percent, an increase of 1.80 percent over 2002.

KEY ISSUES

National Student Loan Data System (NSLDS) Certification: After a successful review of NSLDS Security and Disaster Recovery Plans as well as Data Exchange with other FSA systems, NSLDS was recommended for full Certification and Accreditation. NSLDS is the U.S. Department of Education's central database for student aid. It receives data from schools, agencies that guaranty loans, the Direct Loan program, the Pell Grant program, and other U.S. Department of Education programs. NSLDS provides a centralized, integrated view of Title IV loans and Pell grants that are tracked through their entire cycle; from aid approval through closure.

Common Originations and Disbursements (COD) Certification: ED-CIO's security certification contractor has recommended COD for full certification with no findings. This certification is the result of an examination that demonstrated the system's compliance with Federal IT Security standards including all security documentation. The formal certification should be completed within the next week or two. Common Origination and Disbursement (COD) is a streamlined method for processing Pell Grant and Direct Loan financial aid data. The COD System went live in April 2002 for all Pell Grant and Direct Loan student level record. The COD System integrates the origination and disbursement processes for Pell Grants and Direct Loans that was previously performed by the Recipient Financial Management System (RFMS) and the Direct Loan Origination System (DLOS).

FY 2005 Passback: On December 8, FSA met with OMB to discuss FSA's appeal of OMB's FY 2005 Passback. A settlement was reached determining that FSA would receive additional funding to support Direct Loan consolidations. OMB requested a meeting after January 1, 2004 to discuss matters concerning lender payment processing, unit cost, and guaranty agency monitoring.

E-Gov/GovLoans: On December 5, requirements for the GovLoans.gov website were finalized and approved by the eLoans partner agencies and the eLoans/GovBenefits program managers. The ED GovLoans team briefed the FSA Business Integration Group (BIG) on December 9 concerning GovLoans.gov and FSA program office outreach and involvement.

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 and OGC are reviewing policy implications and options for resolution.

ON THE HORIZON

Coalition of African American Professional and Community Organizations: On February 13, 2004, FSA representatives will present to the Coalition of African American Professional and Community Organizations at the 4th Annual Career Expo and College Fair.

CONTACT INFORMATION

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