



THIS WEEK

Application, School Eligibility and Delivery Services (ASEDS) Reorganization: Last month, the FSA Management Council approved recommendations presented by a cross-functional, multi-regional workgroup from ASEDS to reorganize their organization. Based on that presentation, ASEDS will submit a reorganization package to ED's Office of Management for approval by the end of April 2004.

On Monday, Kay Jacks notified ASEDS employees of the progress of the proposed reorganization. "Most of you will be minimally impacted by the proposed changes," she wrote in her communication to ASEDS employees. "However, this new organization will require new skills on the part of some of our employees. We will use all tools at our disposal to ensure that we have the right people with the right skills in the right positions.

In the past several months, some of you have asked about the availability of two other tools that might be used to assist in the restructuring and correcting the skills imbalance we face and to prepare us for the future -- Voluntary Early Retirement Authority (early outs) and Voluntary Separation Incentive Payments (buyouts). We are submitting a request to OPM for approval to use these two tools to assist us in achieving our restructuring objectives."

Throughout this process, FSAnet will post Frequently Asked Questions (FAQ's) and other relevant information on the reorganization. If you have any additional questions, please email FSA Communications and we will update the FAQ's accordingly.

FSA Annual Spring Conference: This week, FSA is hosting over 1500 financial aid professionals from across the country at our Annual Spring Conference in New York City. This year's conference will include a symposium on increasing access to and awareness of higher education and feature your keynote address to those in attendance.

FSA Software Developers Conference: On March 31, FSA will hold a Software Developers Conference in New York City in conjunction with FSA's Spring Conference. This Conference will provide information about FSA's data strategy and two new FSA initiatives: Front End Business Integration (FEBI) and Common Services for Borrowers (CSB).

FSA IN THE FIELD

Pacific Islands Financial Aid Association Annual Conference: From March 22-24, FSA representatives made presentations at the Pacific Islands Financial Aid Association Annual Conference.

College Fairs: For the week ending March 20, FSA representatives participated in the National Scholarship Service (NSS) College Fair in Philadelphia and the 5th Feria Educative sponsored by the National Partnership for Hispanic Education at the University of New Mexico in Albuquerque. New Mexico Governor Bill Richardson, Senator Domenici, Congresswomen Heather Wilson, Acting Deputy Secretary Hickok and Kathleen Leos, Associate Deputy Undersecretary and Senior Policy Analyst, Office of English Language Acquisition were among the many distinguish speakers at the New Mexico event. FSA participated in a six-member panel providing financial aid information on "What Matters Most on the Pathway to College for Students."

National McNair Conference: On March 19, FSA staff participated in a panel discussion at the Ronald E. McNair Conference on using *Student Aid on the Web* to find funding for graduate school. The Ronald E. McNair Post-Baccalaureate Achievement Program hosts a conference each year for college seniors and graduate students. Approximately 300 students, McNair staff, and graduate school admissions staff were in attendance.

24th Annual Policy Seminar: On March 21, FSA representatives and members of the Financial Aid Subcommittee of the Council for Opportunity in Education (COE) met during the Annual Policy Seminar. Among the topics they discussed were student financial aid issues including the best ways to simplify, integrate and deliver services to diverse student populations and the FAFSA redesign for 2005-06.

Customer Service Call Center Statistics: For the week ending March 19, the Customer Service Call Center received 399 inquiries and posted 17 items to IFAP.

Information for Financial Aid Professionals (IFAP) Web site Usage: For the week ending March 20, www.ifap.ed.gov received 71,843 visits and 2.2 million hits.

Schools Portal Usage: For the week ending March 20, www.fsa4schools.ed.gov received 13,746 visits and 1.2 million hits.

FSA PERFORMANCE METRICS

Application Activities through March 22, 2004: The Central Processing System (CPS) has processed 4.11 million applications for the 2004-05 cycle, a 7% increase over the 2003-04 cycle.

Program Disbursements: Through the week ending March 20, annual Pell and Direct Loan disbursements reached \$11.0 billion and \$10.2 billion respectively for the 2003-04 academic year. Through the week ending March 23, annual FFEL disbursements reached \$23.8 billion for the 2003-04 academic year. Through February, annual Direct Consolidation Loan disbursements reached \$2.71 billion.

Direct Loan (DL) Servicing: As of February 29, FSA was servicing 17.5 million DL accounts (a 2.4% increase over last year) with a total portfolio value of \$83.1 billion (a 3.3% increase over last year)

representing 6.5 million borrowers (a 3.5% increase over last year).

Consolidation Activity through February 29, 2004: Year to date, student loan consolidations from the Direct Loan program into the Direct Loan Consolidation program totaled 1.3 billion, a 7.3% decrease over last year. Consolidations from the FFEL program into the Direct Loan Consolidation program totaled 1.4 billion, a 4.2% decrease over last year. Consolidations from the Direct Loan Program into the FFEL program totaled \$4.0 billion, a 20.8% increase over last year.

Total Default Recoveries: Through March 19, total FSA Default Recoveries for FY04 reached \$778.8 million, an increase of 17% from this time last year. Total non-consolidation recoveries reached \$681.1 million, an increase of 31%. Combined Recoveries from our private collection agency efforts have reached \$530 million, up 23% over the same period in FY03.

1-800-4-FED-AID through March 20, 2004: Year to date, the Federal Student Aid Information Center (FSAIC) has received 1.94 million calls, a 9% decrease over last year. Service levels have decreased with 98.4% of calls completed, a 0.3% decrease over last year, and the average speed to answer increased by 18% over last year to 12 seconds.

Direct Loan Servicing Call Center Phone Activity through March 26, 2004: Year to date, the Direct Loan Servicing Centers received 1.5 million calls to the Interactive Voice Response System, a decrease of 7% from 2003. Of those calls received, Borrower Services representatives handled 1.1 million calls, a decrease of 8% from 2003. The average speed of answer was 4.2 seconds, a decrease of 34% from 2003. The resolve rate for the Voice Response System was 27%, an increase of 6% from 2003. The Abandoned Call Rate was 0.18%, a decrease of 32% from 2003.

FSA INDUSTRY ISSUES

FSA*Now*: The March edition of *FSA*Now** is out on a desktop near you. Look for it on [FSA*net*!](#)

FAA Access to CPS Online: On March 22, FSA held a conference call with financial aid administrators (FAA) who had expressed concerns with the migration of EDEXpress functionality to FAA Access to CPS Online. Each of these individuals had been contacted previously by a member of the Application Processing staff to discuss their issues and then invited to participate in this conference call. Recommendations made on the call are being assessed to see if there are any changes that can be made to the current release or added to requirements for the 2005-06 scheduled release. In addition to the conference call, APS staff has developed an Electronic Announcement that has been posted to IFAP, addressing some of these concerns and questions aid administrators have about EDEXpress/FAA Access. In addition, a group of FAAs were invited to participate in a focus group being held during the Spring Conference in New York City to gather additional comments.

FY 2002 Draft Cohort Default Rates: On February 17, the draft FY 2002 Cohort Default Rates were released to all eligible schools. The final national FY 2002 Cohort Default Rate will be released to the public in September.

IN THE WEEKS AHEAD

Presentations at Regional and State Financial Aid Administrator Conferences: FSA representatives will be making presentations at the following state financial aid administrator conferences in the coming weeks:

April 6 California Community College Student Financial Aid Association Southern
Spring Training

April 8 California Community College Student Financial Aid Association Northern
Spring Training

April 7-9 Kentucky Association of Financial Aid Administrators Conference

April 18-21 South Carolina Association of Student Financial Aid
Administrators Conference

April 19 Illinois Association of Financial Aid Administrators Conference

Common Origination and Disbursements (COD) Focus Group: On April 15-16, FSA will host the annual COD Focus Group in Reston, VA. This is an opportunity for schools to share their input into future system requirements.

Did we forget something? If you have additional news to report, please e-mail [FSA Communications](#)