

Breakthrough Performance at FSA



Theresa S. Shaw
Chief Operating Officer
Federal Student Aid

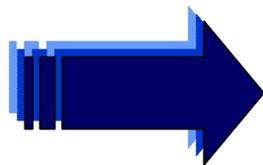
May 26, 2004

Presentation at GSA/American Council for Technology sponsored “Management of Change” Conference. Panel discussion on breakthrough performance in the public/private sector.

Who We Are...

Federal Student Aid (FSA) administers and operates the annual \$60 billion Title IV student aid programs for the Department of Education. In 1998, FSA became the government's first performance based organization (PBO).

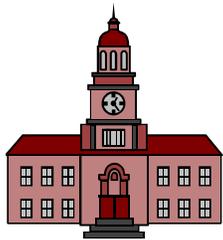
***Billions of
Transactions
Industry-wide***



- ❑ \$321 billion outstanding loan portfolio
- ❑ 23.6 million borrowers
- ❑ 13 million aid applicants annually

What We Do...

We deliver over \$60 billion in aid each year to 13 million aid applicants, including nearly 12 B in Pell Grants to the most needy students, through & with:



6,130 Schools



3,600 Lenders



36 Guaranty Agencies



27 3rd-Party Servicers



36 Secondary Markets

Why We Matter?



Education – A National Priority

- ❑ Federal student aid programs support the President's goals for the nation
- ❑ Substantial and on-going public support for federal financial assistance for higher education

The Business Imperative

- ❑ Delivery of student aid is not optional
- ❑ Consistent increases in demand for FSA's services and in the scope of our activities
- ❑ PBO legislation raised the expectations of FSA

What Does Being a PBO Mean?

PBO: Raising the Bar

Management agrees on performance goals for achieving specific results:

- Improve service to students
- Reduce costs
- Increase accountability
- Integrate information systems
- Implement common integrated delivery system
- Strengthen program integrity



What are the Challenges?

Challenges to Meeting the Raised Bar

- ❑ Many masters, many goals
- ❑ Limited budgetary, personnel and procurement flexibilities
- ❑ Must align the speed of advancement and innovation with customer and partner capabilities



What Did We Do?



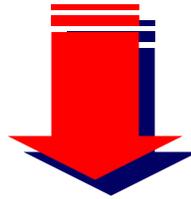
That Said, FSA...

Organized around our customers instead of our programs by:

- ❑ Transforming the financial aid process from paper to electronic – from aid awareness, to application, to repayment – all while ensuring uninterrupted access to student aid programs
- ❑ Implementing e-business solutions for schools and financial partners
- ❑ Reducing default rates to historic lows
- ❑ Optimizing our default collection practices resulting in increased recoveries
- ❑ Continuing to overhaul our remaining legacy systems

What Does that Mean?

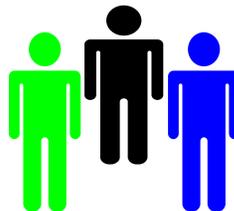
Customer Service



Organizing around our customers



Getting the Right Aid to the Right Student at the Right Time



What Did We Develop?

FAFSA on the Web (Free Application for Federal Student Aid)

FAFSA
FREE APPLICATION FOR FEDERAL STUDENT AID
We Help Put America Through School

Discover Your Opportunities! Welcome to FAFSA on the Web, U.S. Department of Education

FAFSA opens the door to the federal student aid process. Every step you take will get you closer to achieving your educational goals. Find out what you can expect from beginning to end. [More>>](#)

To apply for your PIN online, go to the Department of Education's [PIN Site](#). If you need more information about the PIN, select [More>>](#)

Get organized!
To simplify filling out the application, gather the required documents and other information.

Before Beginning a FAFSA	Filling Out a FAFSA	FAFSA Follow-up
<ul style="list-style-type: none"> Determine my eligibility Gather documents and information Check deadlines Register for a PIN Find my school codes Worksheets/Hojas de Trabajo More Options >>> 	<ul style="list-style-type: none"> Fill out a FAFSA Llenar una FAFSA en Español Fill out a Renewal FAFSA Continue working on saved FAFSA Provide Electronic Signature More Options >>> 	<ul style="list-style-type: none"> Check status of a submitted FAFSA Print Student Aid Report (SAR) Make Corrections to a Processed FAFSA Student Access More Options >>>

FAFSA ELECTRONIC SERVICES | PRIVACY & SECURITY | STUDENT GUIDE

<http://www.fafsa.ed.gov>

Student Aid on the Web

FSA
We Help Put America Through School
Student Aid on the Web

Preparing | Choosing | Applying | Funding | Attending | Repaying

U.S. Department of Education

Available Languages: English | Español

Site Resources: About Us, Contact Us, FAQ's, Forms, Link to Us, Publications, Site Map, Survey

Student Aid Questions? Technical Web Help

Announcements: Resources for Blind and Visually Impaired Students Available

Free Help to Fill Out Your FAFSA!

Can't make your student loan payments? Is your loan in default? [Get information here.](#)

<http://studentaid.ed.gov>

What Was Our Development Methodology?

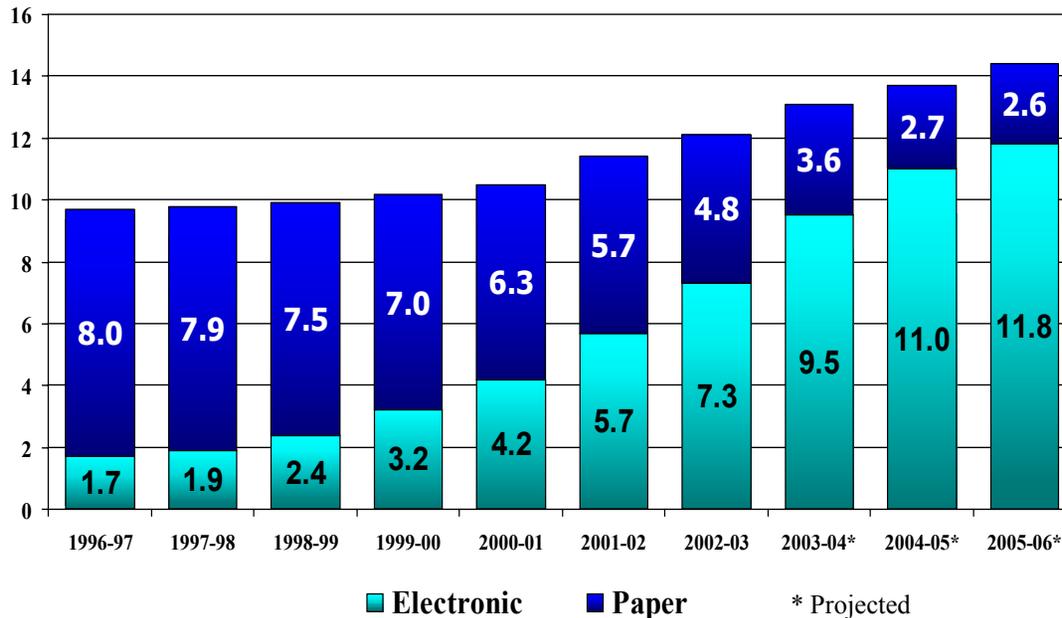
Career Staff Leadership and Involvement

- Market Research
- Focus Groups
- Beta Test
- More Focus Groups
- Customer Feedback Mechanisms
- Continuous Improvement



How Are We Doing?

Student Eligibility: FAFSA



**WE PROCESS
nearly 800,000
APPLICATIONS
IN A PEAK
PROCESSING WEEK.**

- 13+ million FAFSA forms submitted
- 78% completed electronically
- Electronic process, including changes, usually completed in less than a day
- The paper process, including changes, typically takes less than three days
- 8.9 million changes are made to previously submitted applications by schools and applicants
- Use of the online change process has increased nine fold over the last four years (3% to 26%)
- Paper process reject rate is about 8%
- Electronic process reject rate is less than 1%



Deadlines



Pin Site



Help



Contact Us



FAQs



Site Map



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CPS Web Applications Demo System

Welcome to FAFSA on the Web, U.S. Department of Education

FAFSA ALERTS:

Deadlines:

Submit 2003-2004 FAFSA on the Web Applications by **midnight Central Daylight time**, June 30, 2004.

Submit 2004-2005 FAFSA on the Web Applications by **midnight Central Daylight time**, June 30, 2005.

[More>>](#)

Scheduled Maintenance:

FAFSA on the Web will be unavailable on every Sunday from 5 a.m. to 11 a.m. (Eastern Standard Time). We apologize for any inconvenience this may cause. [More>>](#)

Before Beginning a FAFSA

Get organized!

To simplify filling out the application, gather the required documents and other information.

- ▶ Determine my eligibility
- ▶ Gather documents and information
- ▶ Check deadlines
- ▶ Register for a PIN
- ▶ Find my school codes
- ▶ Worksheets/Hojas de Trabajo
- ▶ More Options >>>

Filling Out a FAFSA

Fill out the application!

FAFSA has seven steps that ask about you, your school plans, financial information and more.

- ▶ Fill out a FAFSA
- ▶ **Llenar una FAFSA en Español**
- ▶ Fill out a Renewal FAFSA
- ▶ Continue working on saved FAFSA
- ▶ Provide Electronic Signature
- ▶ More Options >>>

FAFSA Follow-up

Find your FAFSA online!

You can go back to your FAFSA to check status, make corrections to a processed FAFSA and get other information.

- ▶ Check status of a submitted FAFSA
- ▶ Print Student Aid Report (SAR)
- ▶ Make Corrections to a Processed FAFSA
- ▶ Student Access
- ▶ More Options >>>



Help



Contact Us



FAQs



Chat



Need help with this page?



This page may scroll downward.

The following questions are not numbered and are not asked exactly in the same order as they are on the paper FAFSA. For your convenience, we have included the paper FAFSA question numbers in parenthesis for each question. You can use this information to find the corresponding question on the paper FAFSA.

Last Name (question 1):	<input type="text" value="Cohen"/>
First Name (question 2):	<input type="text" value="Jennifer"/>
Middle Initial (question 3):	<input type="text" value="A"/>
Permanent Street Address (include Apt. Number) (question 4):	<p>Only use letters (A-Z), numbers (0-9), periods (.), commas(,), apostrophes ('), dashes (-), number symbols (#), at symbols (@), percent symbols (%), ampersands (&),slashes (/), or blanks (spaces). No other characters are allowed. Use street address abbreviations such as APT (apartment) or AVE (avenue) if the address extends beyond the space provided.</p> <input type="text" value="123 America Ave."/>
City (and Country if not U.S.) (question 5):	<input type="text" value="New York"/>
State (question 6):	<input type="text" value="New York"/>
Zip Code (question 7):	<input type="text" value="10001"/>
What is the student's state of legal residence (question 18)?	<input type="text" value="New York"/>

9

Finish

Student E-mail Address (if any) (question 13):

jennifercohen@aol.com

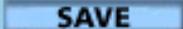
Please re-enter to confirm the student's E-mail Address:

Note: some e-mail systems differentiate between capital and lower case letters. Make sure you type in the student's e-mail address exactly as it would be recognizable by his/her e-mail provider.

jennifercohen@aol.com

 **Need help with this page?**

 Previous  Next

 SAVE -  VIEW FAFSA SUMMARY -  EXIT



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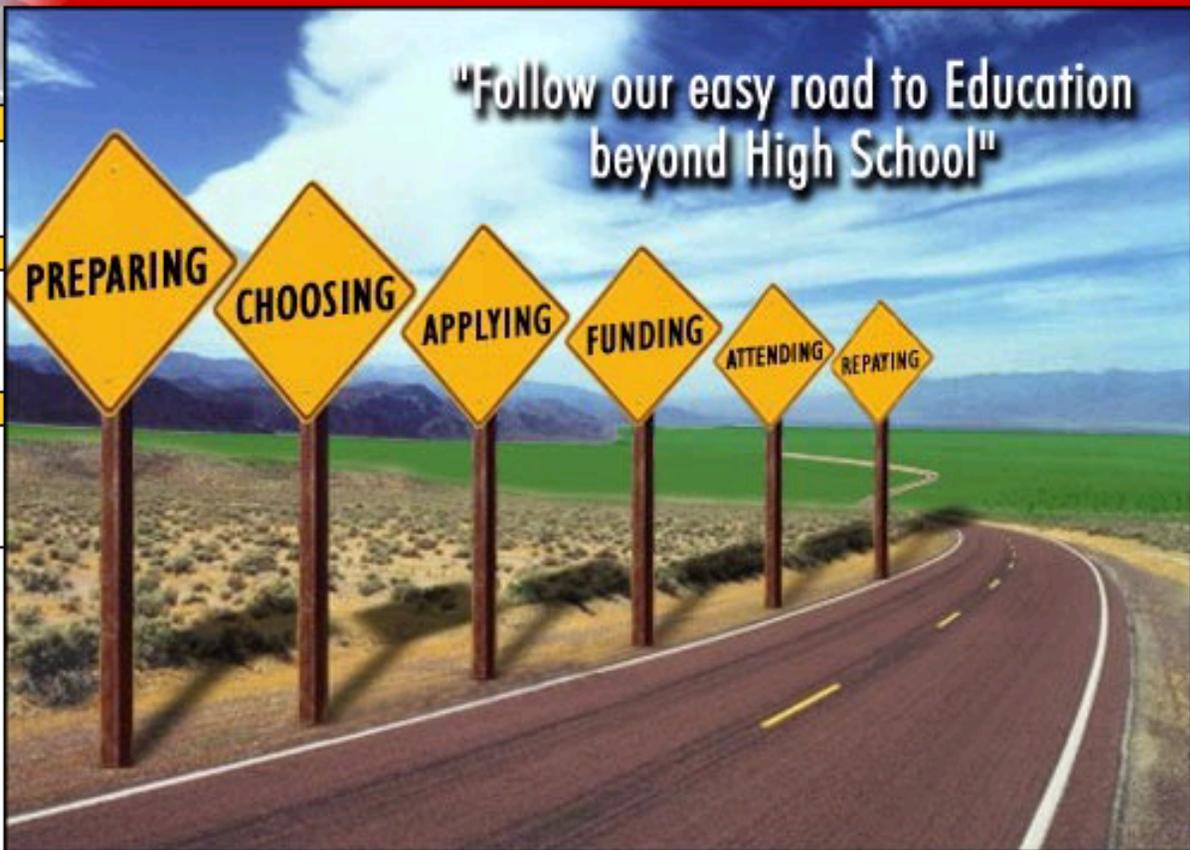
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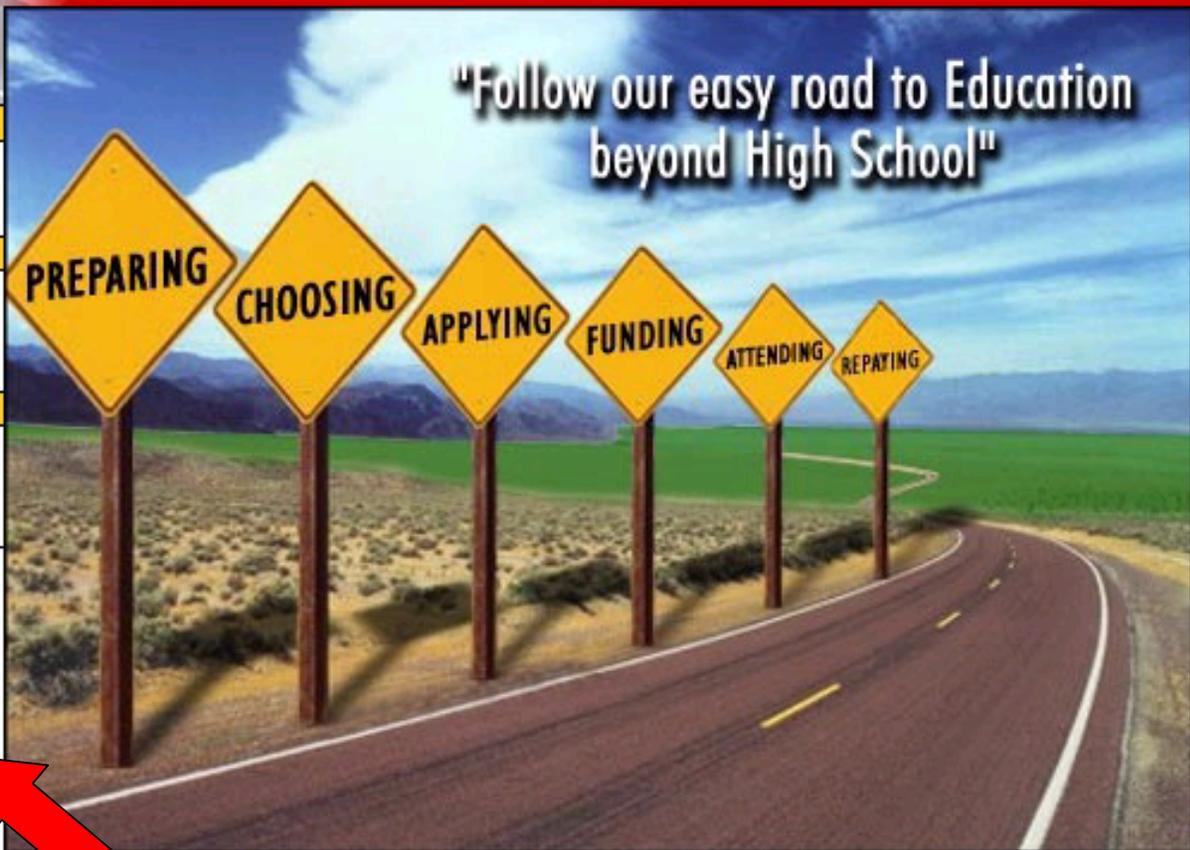
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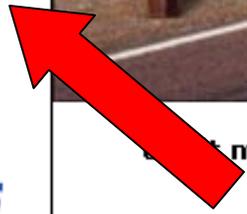
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Welcome, Jennifer!

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College Finder

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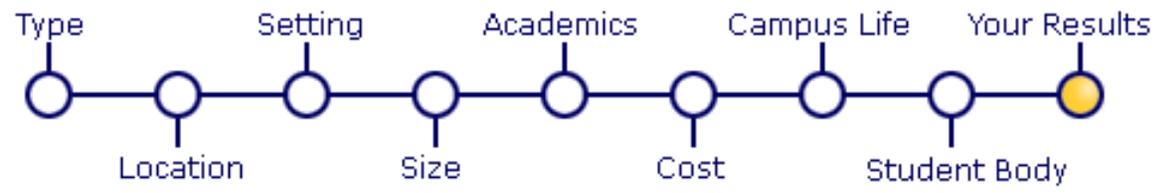
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1 - 50 of 115 possible matches.
They are listed in order of best match, then alphabetically.

College	Apply	Campus Tour	Add to MyFSA
Allegheny College (100%)	APP INFO		
Bloomsburg University of Pennsylvania (100%)	APP INFO		
Bucknell University (100%)	APP INFO		
Cabrini College (100%)	APP INFO		
Carnegie Mellon University (100%)	APP INFO		
Cedar Crest College (100%)	APP INFO		
Chatham College (100%)	APP INFO		
Chestnut Hill College (100%)	APP INFO		
Clarion University of Pennsylvania (100%)	APP INFO		
East Stroudsburg University of Pennsylvania (100%)	APP INFO		
Edinboro University of Pennsylvania (100%)	APP INFO		
Gannon University (100%)	APP INFO		
U.S. Family College (100%)	APP INFO		

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MyFSA

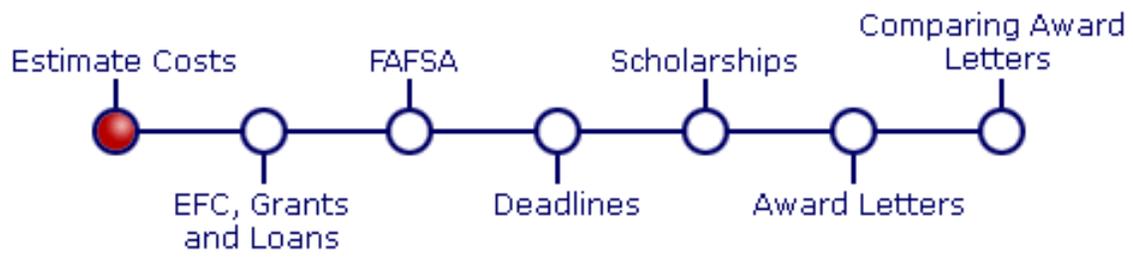
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Estimate Costs

The first step to figuring out how to pay for college is to estimate the cost of attendance at the colleges that interest you. The typical cost of attendance at a college includes not just tuition, but room and board, additional fees, books and supplies, and miscellaneous costs such as personal expenses and transportation.

Most colleges provide average cost information on the expenses associated with attending college. The average cost will vary based on your program of study and lifestyle. Be sure to verify these cost estimates with information from the colleges.

Cost of Attendance Worksheet

Institution Name	Tuition	Room & Board	Additional Fees	Books & Supplies	Total
The figures in gray bars are for in-state.					
The figures in white bars are for out-of-state.					
Carnegie Mellon University	\$25670	\$7264	\$202	\$865	\$33136
	\$25670	\$7264	\$202	\$865	\$33136
Penn State Abington	\$8620	\$0	\$388	\$0	\$9008
	\$13250	\$0	\$388	\$0	\$13638
University of Pennsylvania	\$25078	\$8224	\$2910	\$790	\$36212
	\$25078	\$8224	\$2910	\$790	\$36212

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Scholarship Search

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If you are a(n)...

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Type in a key word(s) in the above box for the category of scholarship you are seeking such as: music, law enforcement, biology, community service, etc. If you have filled out the MyFSA Profile, you can search for scholarships based on information in your MyFSA account. [Click here to perform the MyFSA search.](#)

These are scholarships that may match your search of "computer technology"

Scholarships	Add to MyFSA
American Oil Chemists' Society Scholarship	
AeA Technology Scholarship Program	
Micron Science and Technology Scholars	
Robert Greenberg/Harold E. Ennes Scholarship Fund and Ennes Foundation for Surgical Technology Scholarship Fund	
American Society of Heating, Refrigeration, and Air Conditioning	
American Oil Chemists' Society Honored Student Awards	
American Dental Association Foundation Dental Lab	
International Technology Education Association Undergraduate	
Library and Information Technology Association/Christian Larew	
Santa Clara University School of Law Computer and High Technology	



How Successful Are We?

1 Improve service to students



Reduced processing time from days to hours and enabled one stop shopping

2 Reduce costs



Eliminated costly paper process; 78% of FAFSA's are completed electronically

3 Increase accountability



Getting the right aid to the right student at the right time

4 Integrate information systems



Simplified the process for students and families

5 Implement common integrated delivery system



Integrated preparing and planning phases with the actual application process (FAFSA)

6 Strengthen program integrity



Improved data quality - Electronic process reject rate is less than 1% - our data checks are working

What Do Our Customers Say?

Customer Visits

- ❑ 613,092 unique visits to FAFSA on the Web for March 2, 2004 (peak processing day)
 - ❑ 10 million plus hits **hourly**
- ❑ Student Aid on the Web receives two million monthly hits; four million page views

Survey Says

- ❑ 2003 ACSI Customer Satisfaction Survey
 - ❑ FAFSA satisfaction scores better than Yahoo...only Amazon.com scores were better

Awards

- ❑ Federal Leadership Council's Showcase of Excellence Award
 - ❑ Student Aid on the Web (<http://studentaid.ed.gov>)
- ❑ Award Finalist for Government Solutions Center Pioneer Awards Winner
 - ❑ FAFSA on the Web (<http://www.fafsa.ed.gov>)

Breakthrough Performance Continues...

- ❑ **Common Services for Borrowers** – integrating four different systems to provide a streamlined repayment process for our customers
- ❑ **Data Strategy** – ensure consistency and accuracy of the billions of transactions we complete everyday
- ❑ **Front-End Business Integration** – further integrating our delivery systems to develop the “ultimate customer service experience” not only for our borrowers but for our industry partners as well

Questions?



This presentation is available at:

<http://ifap.ed.gov/IFAPWebApp/currentCPresentationsPag.jsp>