

## NARRATIVE SUMMARY

Over this past quarter, the Division of Program Operations has focused on implementing new and amended programs:

- Analysis and feedback on regulations to implement SB195
- Business design and technical implementation of loan program changes (Benjamin Shier, lead)
- Business design and technical implementation of Alaska Education Grant changes (Cindee Brown-Mills, lead)
- Development of procedures and forms to implement WICHE State Authorization Reciprocity Agreement (W-SARA) participation (Joann Rieselbach, lead)

To facilitate public communication and awareness around the regulations implementing SB195, the team provided a detailed presentation on the proposed changes, and information on how to make formal public comment, delivered in-person in Anchorage and statewide via WebEx. The presentation was very well attended, with representation from over 15 Alaska institutions.

Specific to the procurement of a new management system for the Alaska Education Grant and Alaska Performance Scholarship, the winning bidder was GBPI, a Maine-based software developer with expertise in state grant programs, having built management systems for 11 states. The GBPI project manager, programmer and business analyst are scheduled on site at ACPE the week of October 13<sup>th</sup>.

In other procurement activity, operations staff are beginning development of a solicitation for a new collection vendor. The current contract with Premiere Credit of North America, which has been in place since 2006, expires in June 2015, with no optional extensions allowable.

Other ongoing projects include a review of the agency's process analysis system to identify opportunities for enhanced efficiency and scalability, ongoing transition of agency training programs to an online self-paced mode, enhancements to the customer service new employee on-boarding process, and analysis of credit reporting and general privacy/security mechanisms and processes. We are also beginning to field questions from students and other members of the public about various pieces of proposed federal legislation to reauthorize the Higher Education Act.

As the ANSWERS project enters its final year, I am more directly involved with work on project deliverables and related sustainability tasks. The result is over 50% of my time represents an in-kind ANSWERS contribution. The report from the ANSWERS June site visit from the National Center for Education Statistics is included in the management reports to the Commission.

Please do not hesitate to contact me if you have any questions or would like additional information.

## LOAN ORIGINATION

### Number of Loans Awarded – Program Year 14/15 through September 30, 2014

Loan Type	2014-2015	2013-2014	Difference
Family Education Loans	22	25	-12.00%
Teacher Education Loans	25	61	-59.02%
AK Supplemental Loans	322	385	-16.36%
<b>Total</b>	<b>369</b>	<b>471</b>	<b>-21.66%</b>

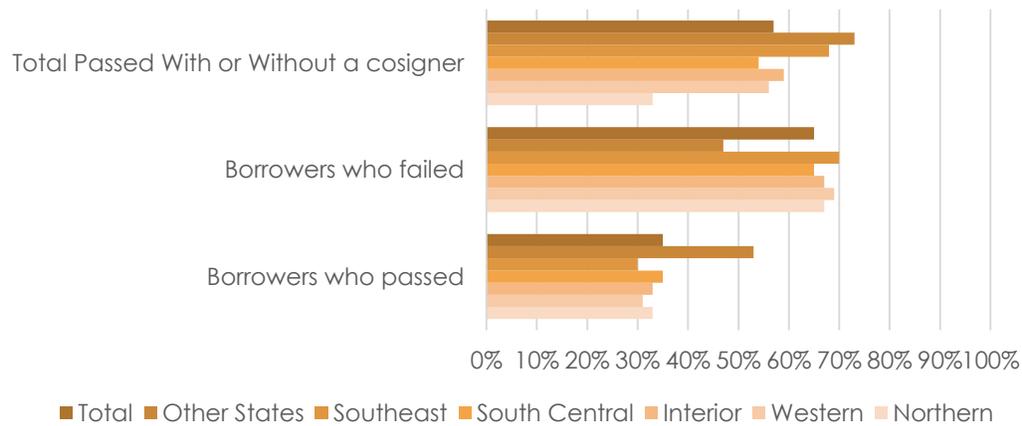
### Loan Amount Awarded – Program Year 14/15 through September 30, 2014

Loan Type	2014-2015	2013-2014	Difference
Family Education Loans	\$166,000	\$203,000	-18.23%
Teacher Education Loans	\$187,500	\$445,283	-57.89%
AK Supplemental Loans	\$2,513,468	\$3,023,713	-16.87%
<b>Total</b>	<b>\$2,866,968</b>	<b>\$3,671,996</b>	<b>-21.92%</b>

### Alternative Consolidation – Program Year 13/14 through September 30, 2014

Cumulative Consolidation Totals			
Applications Awarded	45	Dollars Awarded	\$1,352,435
Applications Denied	26	Average Loan Balance	\$30,054

### Cumulative Credit Requirement (FICO Score) Statistics Prgm Yr 14/15 through September 30, 2014



## SPECIAL PROGRAMS

### Special Programs – Program Year 14/15 through September 30, 2014

Program Type	2014-2015	2013-2014	% Change
Winn Brindle Education Loan	\$257,586	\$202,866	26.97%
WWAMI Medical Edu Loan	\$0	\$0	0.00%
WICHE PSEP Loan	\$0	\$0	0.00%
<b>Total</b>	<b>\$257,586</b>	<b>\$202,866</b>	<b>26.97%</b>

**APS/AEG Awards by Institution – Program Year 14/15 through September 30, 2014**

School Name	AEG Program		APS Program	
	Total # of Awards	Total Award Amount	Total # of Awards	Total Award Amount
AK Bible College	1	\$2,000	6	\$21,400
AK Christian College	26	\$53,000	0	\$0
AK Technical Center*	0	\$0	0	\$0
Amundsen Edu. Center*	0	\$0	0	\$0
APU	40	\$80,000	11	\$46,368
AVTEC	25	\$65,500	15	\$48,784
Alaska Career College	123	\$318,832	3	\$10,700
Charter College	241	\$457,333	1	\$3,567
Galena City School District*	0	\$0	0	\$0
Ilisagvik College	7	\$14,000	1	\$2,378
Northern Industrial Training*	0	\$0	0	\$0
Trendsetters*	0	\$0	2	\$7,132
UAA	1,736	\$2,929,625	1,623	\$5,436,766
UAF	609	\$1,120,500	1,072	\$3,949,990
UAS	207	\$370,250	123	\$433,957
Wayland Baptist University	30	\$44,999	0	\$0
<b>Totals</b>	<b>3,045</b>	<b>\$5,456,039</b>	<b>2,857</b>	<b>\$9,961,042</b>

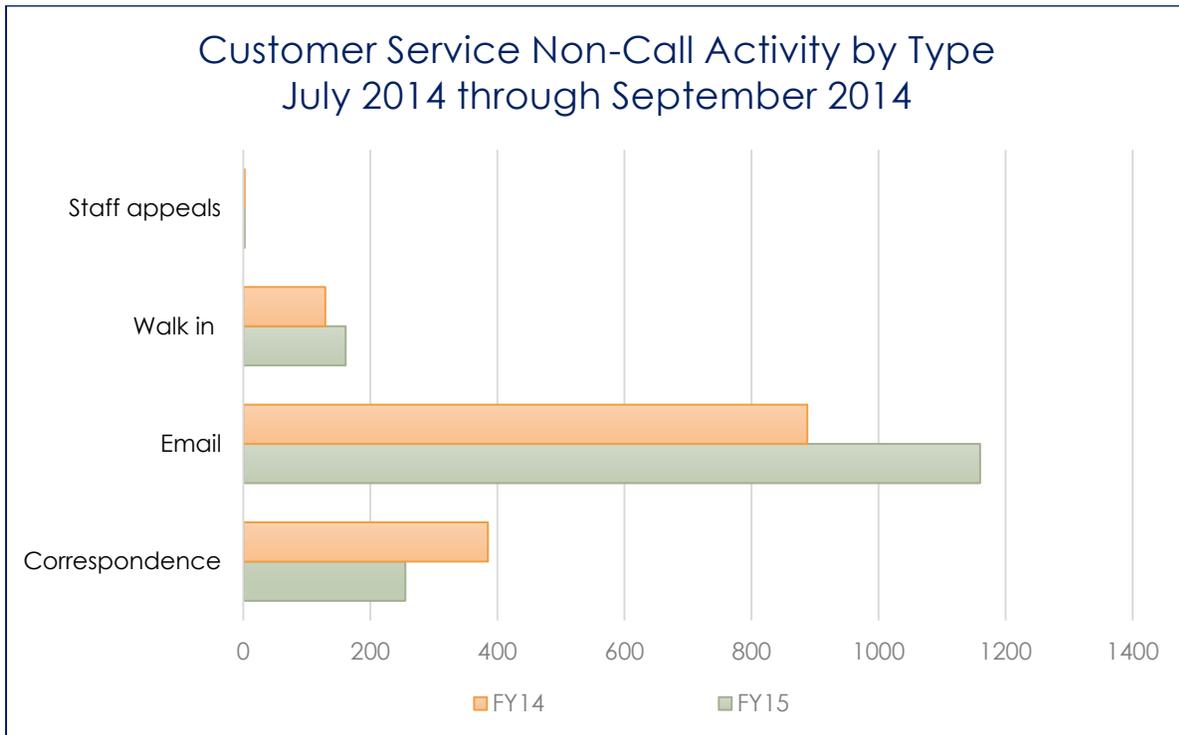
\*Participation in the APS program only.

# CUSTOMER SERVICE

## Call Center Activity – July 2014 through September 2014

	FY15	FY14	% Change
Calls Received in IVR	0*	12,738	N/A
Calls Received in CS Queue	10,672	11,341	-5.90%
Calls Answered by CS	10,360	10,863	-4.63%
Hold Time in CS Queue	48 sec	60 sec	-19.44%
Calls Placed	18,287	19,283	-5.16%

\*IVR statistics are temporarily unavailable.



## PAYMENT INFORMATION

Method	# of Borrowers	Amount Received	% of Total Dollars
WebPay/IVR	36,854	\$10,496,008	49.00%
TelPay	3,916	\$2,415,172	11.28%
Consolidation	79	\$1,867,588	8.72%
Claim Payments	435	\$1,624,661	7.58%
Coupon Checks	4,236	\$1,058,217	4.94%
BillPay	5,219	\$1,033,436	4.82%
Local Payments- US Bank	1,160	\$1,019,618	4.76%
AWG	3,004	\$996,232	4.65%
Premiere Payments	3,157	\$833,600	3.89%
Direct Pay	295	\$50,171	0.23%
Cosigner TelPay	248	\$25,033	0.12%
PFD Garnishments	0	\$0	0.00%
<b>Total</b>	<b>58,603</b>	<b>\$21,419,736</b>	

## ACPE WEB ACTIVITY

<b>Viewer Information</b>	Total Unique Visitors	71,907
	Total Page Views	443,388
	Average # of Pages/Views	4.53
	Length of time on site (avg.)	6 min 6 sec
<b>Returning vs. New Visitors</b>	Returning	55.60%
	New	44.40%
<b>Visits by Device Type</b>	Desktop	78,579
	Mobile	21,485
<b>Traffic Sources</b>	Google	38,883
	Direct (acpe.alaska.gov)	29,551
	Akcis.org	13,351
	Bing	5,151
	YAHOO	1,467
<b>Top Content (Page views)</b>	Home	65,727
	Login	52,249
	AKCIS	45,960
	My Accounts	42,541
	Online payments	25,486

# QUALITY ASSURANCE

## Compliance Activity – July 2014 through September 2014

Type of Compliance Referral	Number
Compliance Question/Topic	4
Document Review	3
Industry Resource Update	7
Potential Breach Investigation	5
<b>Total</b>	<b>19</b>

## Alaska Student Loan Corporation Federal Loan Cohort Default Rate

	FFY 2011	FFY 2010	FFY 2009
Originator	11.3%*	6.6%	7.8%
Holder	12.2%*	13.6%	32.3%

The federal cohort default rate is the percentage of loans entering repayment during a particular federal fiscal year (FFY), October 1 to September 30, and defaulting prior to the end of the next fiscal year.

\*Starting in FFY 2011, cohort default rates are calculated using a 3-year cohort. Prior years calculated a 2-year cohort and are therefore not comparable.

## Alternative Loans Default Rate Calculations

The Commission calculates default rates annually, based on Alaska state education loans entering repayment between January 1<sup>st</sup> and December 31<sup>st</sup> of the cohort year. Alaska education loans greater than six months past due at the end of the first 12 months of repayment are included in the annual default rate calculations.

The Commission publishes two different default rate calculations for the state loan programs:

1. Institutional Rate: Rate of default on Alaska Supplemental, Alaska Student and Teacher Education Loans at institutions administering education loan programs on behalf of Alaska students.
2. Program Rate: Rate of default by specified loan program.

### Institutional Cohort Default Rate (CDR)

Institution Location	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Alaska	8.15%	9.15%	8.13%	6.88%	5.34%	5.29%	5.30%	5.60%	6.30%	6.10%	5.10%
Out-of-State	3.32%	4.87%	6.96%	4.90%	3.45%	3.93%	3.50%	4.00%	4.10%	3.40%	2.50%
Combined Rate	6.14%	6.61%	7.69%	6.08%	4.56%	4.68%	4.50%	4.70%	4.90%	4.60%	3.60%

### Program Cohort Default Rate

Program	2012	2011	2010	2009
Alaska Supplemental Education Loan	6.00%	7.40%	7.67%	6.04%
Alaska Student Loan	10.41%	9.94%	13.57%	8.48%
Family Education Loan	2.11%	0.00%	2.09%	0.00%
Teacher Education Loan	9.40%	4.35%	4.56%	3.01%
Winn Brindle Education Loan	1.62%	3.21%	4.54%	15.33%
Alternative Loan Consolidation	0.00%	0.00%	0.00%	0.00%



## Alaska Commission on Postsecondary Education

P.O. Box 110505  
Juneau, Alaska 99811-0505

Customer Service Center  
Toll Free: (800) 441-2962  
In Juneau: (907) 465-2962  
TDD: (907) 465-3143  
Fax: (907) 465-5316  
[acpe.alaska.gov](http://acpe.alaska.gov)

### MEMORANDUM

**TO:** Members, Alaska Commission on Postsecondary Education  
**THROUGH:** Diane Barrans, Executive Director  
**FROM:** Brian Rae, Principal Researcher, Research & Analysis  
**DATE:** October 6, 2014  
**SUBJECT:** Research unit activities

Much of the unit's work this quarter focused on incorporating the data needed to manage the Alaska Performance Scholarship (APS) and the Alaska Education Grant (AEG) programs for the current academic year into the APS and AEG management system. Other activities have been as a member of the new student aid management project team and work on identifying critical system specifications and functionality, as well as continued work on ANSWERS-related projects.

Continuing the trend of the last several years, there was a decline in the number of 2014 Alaska high school graduates. However, with each additional year of graduates added to the APS-eligible population, the number of recipients continues to increase. Similarly, increased funding for the AEG has allowed awarding a larger number of students this year than was awarded in AY14. A more complete picture of students receiving assistance from both programs will be presented in this year's report to the legislature, due in mid-January.

ANSWERS-related tasks again focused mainly on two items: 1) the School District Feedback Reports, which serve as a proof-of-concept of the linked data products a fully functioning ANSWERS tool is available; and, 2) designing the processes to extract data from ACPE's management system to populate ANSWERS with APS and AEG data.

Finally, the requirements for a new APS and AEG management system were formalized as part of a Request for Proposals, including the need for data collection, storage, reporting and extraction tools. Work now turns to implementing these requirements into a new system, which will occur over the next several months. The research unit will continue to work with the selected application developers and ACPE staff to make sure the new system meets Alaska's needs.