

Converted Grants by Calendar Year of Conversion									
State	2008	2009	2010	2011	2012	2013	2014	2015	2016
AK	0	0	4	5	8	18	7	20	14
AL	0	0	15	37	151	207	122	234	161
AR	0	0	44	59	129	341	170	498	360
AZ	0	3	251	560	1,264	2,299	1,378	2,957	2,243
CA	0	0	58	288	910	1,878	891	2,061	1,888
CO	0	0	19	44	153	347	149	307	225
CT	0	0	7	10	13	52	16	57	60
DC	0	0	2	18	16	62	11	30	30
DE	0	0	1	16	35	90	50	90	66
FL	0	2	52	135	303	575	268	570	518
GA	0	1	90	248	492	794	371	804	438
GU	0	0	0	0	1	2	0	9	15
HI	0	0	3	8	29	59	39	49	24
IA	0	2	86	146	392	716	567	1,003	776
ID	0	0	9	18	25	81	52	125	72
IL	0	0	43	165	480	954	464	1,042	685
IN	0	0	6	24	99	154	109	152	90
KS	0	2	27	70	133	286	148	336	278
KY	0	1	49	89	155	330	183	435	292
LA	0	0	26	83	221	393	173	452	306
MA	0	3	35	89	286	594	343	621	292
MD	0	1	12	28	68	125	59	150	96
ME	0	0	1	0	8	22	12	22	41
MI	0	4	70	163	364	592	407	852	589
MN	0	1	58	188	570	1,092	605	1,374	951
MO	0	1	58	90	276	420	271	436	339
MP	0	0	0	0	0	1	3	19	22
MS	0	2	18	52	150	251	142	300	205
MT	0	0	0	1	3	11	11	14	13
NC	0	0	12	37	100	214	96	252	189
ND	0	0	7	13	29	68	50	94	91
NE	0	1	18	31	83	205	114	184	151
NH	0	0	2	6	24	49	48	150	66
NJ	0	1	16	37	111	198	172	303	205
NM	0	0	7	39	71	161	87	187	170
NV	0	0	0	3	17	30	16	61	40
NY	0	11	186	364	1,140	1,885	1,216	2,262	1,500
OH	0	2	106	323	941	1,785	1,100	2,206	1,347
OK	0	1	19	46	123	301	140	280	230
OR	0	1	63	132	335	839	557	1,046	818
PA	0	0	20	49	122	256	148	239	151
PR	0	1	33	54	128	369	189	388	212
RI	0	0	0	3	5	8	2	6	1
SC	0	1	27	51	141	223	198	387	244
SD	0	1	8	18	55	133	89	174	83
TN	0	4	71	119	373	618	318	601	397
TX	1	3	75	234	781	1,734	795	2,182	1,713
UT	0	0	2	40	117	229	220	590	359
VA	0	0	25	62	149	362	180	500	373
VT	0	0	0	1	0	0	0	0	0
WA	0	3	24	89	176	413	266	441	353
WI	0	0	1	5	35	66	36	114	83
WV	0	0	7	14	51	90	51	138	113
WY	0	0	0	0	0	8	3	5	5

Total Loan Payments by Calendar Year of Payment						
State	2011	2012	2013	2014	2015	2016
AK	\$0.00	\$0.00	\$5,716.65	\$19,120.59	\$26,270.30	\$14,026.24
AL	\$0.00	\$125.72	\$32,765.05	\$111,815.32	\$111,070.53	\$103,603.35
AR	\$0.00	\$521.19	\$72,159.10	\$245,336.41	\$228,459.51	\$306,396.80
AZ	\$193.04	\$4,842.99	\$343,026.42	\$934,327.73	\$1,283,205.47	\$1,213,398.86
CA	\$664.43	\$1,983.40	\$393,758.29	\$874,817.49	\$1,088,390.78	\$1,055,910.92
CO	\$0.00	\$1,114.20	\$70,485.42	\$159,199.01	\$227,089.42	\$178,822.90
CT	\$0.00	\$0.00	\$20,176.67	\$25,933.20	\$44,262.21	\$48,973.46
DC	\$0.00	\$0.00	\$21,570.10	\$26,137.83	\$46,357.57	\$24,061.30
DE	\$0.00	\$0.00	\$5,060.94	\$17,911.05	\$34,079.30	\$51,861.29
FL	\$14.67	\$321.97	\$96,681.11	\$222,305.62	\$296,223.57	\$224,891.37
GA	\$0.00	\$4,814.84	\$106,661.44	\$332,227.40	\$411,224.81	\$410,774.99
GU	\$0.00	\$0.00	\$0.00	\$1,700.00	\$2,564.69	\$862.21
HI	\$0.00	\$0.00	\$6,931.92	\$27,026.89	\$48,749.60	\$43,451.58
IA	\$1,003.65	\$11,586.10	\$319,405.51	\$841,829.25	\$1,061,703.29	\$972,865.90
ID	\$0.00	\$0.00	\$24,011.16	\$50,150.65	\$52,019.81	\$36,165.73
IL	\$108.42	\$123.01	\$169,394.47	\$517,713.24	\$716,605.88	\$720,672.42
IN	\$0.00	\$129.97	\$39,042.64	\$179,805.93	\$164,702.82	\$153,215.70
KS	\$0.00	\$0.00	\$36,175.62	\$141,208.20	\$172,336.64	\$134,092.63
KY	\$0.00	\$0.00	\$56,022.83	\$147,781.36	\$190,049.73	\$168,992.14
LA	\$0.00	\$459.14	\$86,076.70	\$168,312.16	\$209,832.42	\$213,847.61
MA	\$400.00	\$369.80	\$112,722.72	\$363,031.19	\$576,802.15	\$533,149.05
MD	\$0.00	\$0.00	\$32,623.57	\$89,555.98	\$86,439.40	\$107,378.76
ME	\$0.00	\$0.00	\$7,634.35	\$2,871.60	\$8,199.81	\$12,176.69
MI	\$0.00	\$0.00	\$116,671.03	\$404,554.07	\$557,018.06	\$542,478.24
MN	\$256.78	\$1,487.20	\$203,123.09	\$464,379.84	\$824,188.22	\$673,433.06
MO	\$1,131.42	\$2,063.77	\$106,039.07	\$223,025.92	\$310,754.04	\$230,392.16
MP	\$0.00	\$0.00	\$0.00	\$114.39	\$1,664.19	\$5,745.00
MS	\$0.00	\$0.00	\$18,051.54	\$73,134.86	\$105,082.09	\$92,074.58
MT	\$0.00	\$0.00	\$738.27	\$3,380.31	\$10,895.60	\$10,431.90
NC	\$0.00	\$0.00	\$45,994.16	\$87,625.89	\$119,409.66	\$117,267.50
ND	\$0.00	\$0.00	\$10,267.23	\$91,940.76	\$109,918.62	\$167,753.14
NE	\$0.00	\$2,734.66	\$82,339.14	\$180,234.00	\$192,219.25	\$195,867.20
NH	\$0.00	\$0.00	\$4,615.63	\$29,425.89	\$96,962.40	\$50,163.53
NJ	\$563.20	\$614.40	\$42,107.15	\$143,575.78	\$191,418.80	\$133,328.57
NM	\$0.00	\$277.61	\$22,050.69	\$67,293.87	\$106,084.85	\$69,136.52
NV	\$0.00	\$0.00	\$2,619.34	\$28,130.88	\$26,683.33	\$33,558.55
NY	\$6,369.55	\$2,684.95	\$520,640.87	\$1,307,866.28	\$1,737,845.55	\$1,581,216.42
OH	\$429.44	\$618.77	\$376,632.20	\$1,080,467.36	\$1,509,352.23	\$1,465,358.39
OK	\$0.00	\$75.42	\$53,772.04	\$153,320.82	\$226,610.09	\$166,885.67
OR	\$0.00	\$207.19	\$197,131.19	\$505,892.83	\$612,955.35	\$573,700.16
PA	\$0.00	\$0.00	\$68,985.10	\$147,424.36	\$247,470.83	\$216,268.43
PR	\$0.00	\$390.18	\$31,216.90	\$60,867.83	\$61,883.15	\$78,518.15
RI	\$0.00	\$0.00	\$1,154.68	\$10,436.17	\$13,895.50	\$9,096.30
SC	\$0.00	\$50.37	\$44,144.74	\$131,886.16	\$212,693.95	\$186,754.10
SD	\$27.53	\$335.37	\$36,112.92	\$132,172.92	\$212,996.97	\$163,799.24
TN	\$88.66	\$1,422.35	\$136,854.10	\$352,690.39	\$388,396.99	\$333,702.16
TX	\$93.89	\$752.95	\$305,254.92	\$824,272.20	\$1,200,177.19	\$905,993.26
UT	\$0.00	\$100.00	\$38,523.35	\$116,798.80	\$201,024.24	\$177,339.17
VA	\$50.00	\$0.00	\$87,279.55	\$140,077.40	\$189,463.20	\$174,983.37
VT	\$0.00	\$0.00	\$0.00	\$10.35	\$26.12	\$6.53
WA	\$0.00	\$0.00	\$131,190.02	\$264,030.48	\$464,889.91	\$334,951.35
WI	\$0.00	\$0.00	\$24,127.74	\$31,447.05	\$82,574.23	\$81,921.97
WV	\$0.00	\$0.00	\$9,854.40	\$26,892.85	\$44,944.17	\$37,314.45
WY	\$0.00	\$0.00	\$500.00	\$9,968.20	\$3,965.27	\$8,419.93

School State	Recipient Programs by Subject Taught						
	Bilingual and English Acquisition	Foreign Language	Mathematics	Reading Specialist	Science	Special Education	Other
AK	5	1	25	6	22	54	13
AL	29	3	130	17	94	171	47
AP	0	0	0	0	0	1	0
AR	33	7	145	40	108	159	123
AZ	299	33	527	75	420	491	322
CA	482	94	900	126	716	1,102	234
CO	224	19	212	80	177	198	63
CT	17	6	33	6	25	46	22
DC	13	3	31	2	12	28	13
DE	18	3	46	7	26	63	24
FL	167	19	439	185	335	405	175
GA	262	40	1,019	151	757	748	504
GU	4	1	5	0	3	2	9
HI	17	7	68	12	45	72	16
IA	75	37	306	83	217	449	222
ID	42	5	151	48	112	65	141
IL	385	54	571	166	446	685	178
IN	39	8	117	54	96	83	67
KS	144	19	235	45	166	214	46
KY	54	23	262	35	159	302	120
LA	136	11	317	55	241	199	237
MA	174	29	317	78	249	365	118
MD	46	12	105	11	72	133	30
ME	0	0	9	5	6	20	1
MI	67	56	268	67	218	443	85
MN	139	29	235	89	133	386	65
MO	55	37	275	62	224	334	82
MP	10	0	11	1	11	6	2
MS	39	12	289	76	221	191	46
MT	1	2	29	12	17	25	7
NC	77	17	266	64	190	263	73
ND	5	1	25	6	18	40	13
NE	42	19	96	27	73	156	83
NH	2	1	10	0	7	11	3
NJ	80	13	143	16	92	184	35
NM	132	12	174	49	127	170	70
NV	24	2	55	13	38	93	50
NY	356	75	436	116	334	682	177

OH	172	40	734	243	491	999	292
OK	30	14	153	78	107	120	152
OR	164	33	212	45	176	238	73
PA	44	7	116	26	64	171	41
PR	54	17	42	11	39	180	16
RI	8	0	12	6	2	3	4
SC	67	23	196	30	154	176	120
SD	9	1	47	16	35	87	22
TN	142	29	428	90	265	317	105
TX	934	89	1,271	261	949	642	273
UT	26	4	60	10	43	73	12
VA	53	17	205	52	150	225	141
VT	0	2	14	3	7	6	6
WA	171	19	340	69	235	254	81
WI	80	10	85	14	48	65	30
WV	5	9	65	18	42	92	44
WY	5	2	19	11	13	30	15

Business Operations Change Request Form

As Of: 12/18/14 12:39:49PM

Administrative Information

CR: 2875

Drafted: 10/28/14 9:55:43AM

Submitted: 11/3/14 11:45:52AM

Title: TEACH Grants Incorrectly Converted - PHASE 1

Sponsor: Debbe Johnson

Business Analyst: Jose Gonzalez

Anticipated Implementation Date: 01/01/2015

Change Request Details

Reason (Business Need):

There is a population of TEACH Grant recipients where Xerox incorrectly converted their TEACH Grants to loans. The recipients suspected to have had their TEACH Grants incorrectly converted to loans for the reasons listed below should be contacted and provided the option to have their loan converted back to a grant.

Description (Requirements):

PHEAA shall onboard all existing, active TEACH Loans that are not already serviced by the TEACH Grant servicer except those being held by TPD or DMCS. As part of the transfer process, PHEAA will send the standard Welcome letter that it sends to all transferred borrowers to all on-boarded TEACH Loan borrowers.

Thereafter (or concurrently), FSA will provide PHEAA with the following NSLDS data elements for all TEACH Loans (including those not currently active and those still being held by TPD or DMCS) to evaluate for potential grant-to-loan conversions in error:

1. Award ID
2. Student Number
3. Student Sequence Number
4. Grant Date
5. Loan Date
6. Grant Amount
7. Disbursement Amount
8. School Code
9. Award Year
10. Grade Level
11. Current Grant Status
12. Current Grant Status Date
13. Current Servicer
14. Current Loan Status
15. Valid Grace Date
16. Invalid Grace Start Date
17. Graduation Effective Date
18. Withdrawal Date
19. Most Recent Enrollment Type
20. Most Recent Enrollment Effective Date

Following FSA's delivery of the appropriate data elements, PHEAA shall review all TEACH Loan data to identify grants suspected as converted in error for one the following reasons:

1. Converted within 1 year of Graduation from the school to which the TEACH Grant was received
2. Converted in advance of separation from the school for which the TEACH Grant was received
3. Converted within 120 days of their withdraw from the school for which the TEACH Grant was received
4. Converted within 120 days of their original withdraw date for withdrawn recipients who had another TEACH Grant disbursed to a different school (assumed same Program of Study for comparable grade levels)

ADDITIONAL INFORMATION:

After the completion of Phase I, Phase II (under separate CR cover) will consist of:

- A communication plan to contact the potentially affected TEACH Grant recipients/borrowers providing them an opportunity to have their grants reinstated if eligible.
- A rebuild process that will include but is not limited to:
 - o Converting loans back to grants
 - o Redistributing or refunding applicable payments
 - o Correcting credit bureau and NSLDS reporting

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? No

IST Anticipated/Post-Implementation Validation: No

FSA Service/System/Area Impacted

TEACH

Validation - Artifacts and Corresponding Requirement IDs (Required for Services)

Report listing borrowers suspected as converted incorrectly who will receive communications on FSA letterhead

Artifacts Due Date: 12/08/2014

Business Operations Change Request Form

As Of: 3/2/15 7:51:06AM

Administrative Information

CR: 3002 **Drafted:** 2/9/15 3:13:18PM **Submitted:** 2/23/15 2:51:54PM

Title: TEACH Grants Incorrectly Converted PHASE III -- QUICK PACE

Sponsor: Debbe Johnson **Business Analyst:** Jose Gonzalez

Anticipated Implementation Date: 04/13/2015 **QUICK PACE**

Change Request Details

Reason (Business Need):

There is a population of TEACH Grant recipients where Xerox incorrectly converted their TEACH Grants to loans. The recipients suspected to have had their TEACH Grants incorrectly converted to loans should be contacted and provided the option to have their loans converted back to grants.

For PHASE I, PHEAA has onboarded all existing active TEACH Loans that were not already serviced by the TEACH Grant servicer (except those being held by TPD or DMCS.) In addition, PHEAA has reviewed all TEACH Loan data to identify grants suspected as converted in error for one of the following reasons:

1. Converted within 1 year of Graduation from the school to which the TEACH Grant was received
2. Converted in advance of separation from the school for which the TEACH Grant was received
3. Converted within 120 days of their withdraw from the school for which the TEACH Grant was received
4. Converted within 120 days of their original withdraw date for withdrawn recipients who had another TEACH Grant disbursed to a different school (assumed same Program of Study for comparable grade levels)

For PHASE II, PHEAA is sending specific communication to the identified recipients to take further action. PHEAA is working with those recipients who respond to ensure eligible grants get re-converted.

Description (Requirements):

PHASE III:

PHEAA will continue to work with those recipients who respond to ensure eligible grants get re converted. PHEAA will re convert eligible TEACH Grants and rebuild grant history.

1. PHEAA will adequately provide staff and administer training for these staff members to complete this needed work.
2. PHEAA will create a tracking mechanism to track these re converts and report to FSA.
3. PHEAA shall perform the necessary steps to redistribute and/or refund applicable payments, correct credit reporting, reinstate each grant record and write off the appropriate TEACH Loans.
4. PHEAA will reinstate/rebuild grants for identified and responsive population.

Please see attached work plan for more detail for this CR.

Does this change require a new network connection (Secure File Transfer Protocol is mandatory for all new connections)? No

IST Anticipated/Post-Implementation Validation: No

FSA Service/System/Area Impacted

PHEAA

Validation - Artifacts and Corresponding Requirement IDs (Required for Services)

No artifacts are required.

Artifacts Due Date: 04/10/2015



CR 2875
TEACH Grant Conversions in Error Findings

Through FSA CR 2875, PHEAA on-boarded all existing, active TEACH Loans that were not already serviced by them as the TEACH Grant servicer (except those being held by TPD or DMCS).

FSA also provided PHEAA with NSLDS data elements for all TEACH Loans (including those not currently active and those still being held by TPD or DMCS) to evaluate for potential grant-to-loan conversions in error.

Following FSA’s delivery of the appropriate data elements, PHEAA began to review all TEACH Loan data to identify grants suspected as converted in error for one the reasons listed below:

1. Converted within 1 year of Graduation from the school to which the TEACH Grant was received
2. Converted in advance of separation from the school for which the TEACH Grant was received
3. Converted within 120 days of their withdraw from the school for which the TEACH Grant was received
4. Converted after their original withdraw date, but had another TEACH Grant disbursed within 120 days of that withdraw date

After analysis of the data, PHEAA finds that **15,927 TEACH Grants** for **10,776 TEACH Grant recipients** may have been converted in error (based on the above criteria) by the prior TEACH Grant Servicer (as detailed below).

Total Suspected TEACH Grant Conversions in Error

TEACH Grants Converted in Error	15,927
TEACH Grant Recipients with Grants Converted in Error	10,776

Detailed Findings

TEACH Grant Details		
Result	Total	%
Converted in Error – Converted within 120 Days of Withdraw Date	1,032	2.5%
No Identified Errors in Conversion	24,115	57.6%
Converted in Error – Converted after withdraw, but received a subsequent TEACH Grant disbursement before grant-to-loan conversion date	143	0.3%
Converted in Error – Converted while enrolled	5,982	14.3%
Converted in Error – Converted within 1 year of Graduation Date	8,770	21.0%
No Identified Errors, but Unknown Separation or Grant-to-Loan Conversion Date	1,793	4.3%
Total Grants Evaluated (Converted to Loans by Prior TEACH Grant Servicer):	41,835*	
Total TEACH Grants Converted to Loans in Error by Prior TEACH Grant Servicer	15,927	38%

*78,476 records containing student numbers were received for review. PHEAA determined the above population based on TEACH Grants converted to loans in advance of 10/04/13 (when PHEAA began performing grant-to-loan conversions). This population also excludes TEACH Grant-to-Loan conversions performed by the previous TEACH Grant Servicer that PHEAA has already reviewed through the dispute process.

TEACH Grant Recipient Details		
Result	Total	%
Converted in Error – Converted within 120 Days of Withdraw Date	753	2.6%
No Identified Errors in Conversion	16,554	57.5%
Converted in Error – Converted after withdraw, but received a subsequent TEACH Grant disbursement before grant-to-loan conversion date	56	0.2%
Converted in Error – Converted while enrolled	4,424	15.4%
Converted in Error – Converted within 1 year of Graduation Date	5,543	19.2%
No Identified Errors, but Unknown Separation or Grant-to-Loan Conversion Date	1,478	5.1%
Total Grants Evaluated (Converted to Loans by Prior TEACH Grant Servicer):	28,808	
Total TEACH Grants Converted to Loans in Error by Prior TEACH Grant Servicer	10,776	37%

Primary Data Limitations

Conflicting Data

PHEAA was unable to determine Grant-to-Loan Conversions using status (LN) and invalid grace start date as planned. FSA provided guidance to use student number as an indication that a TEACH Grant was converted to a loan, so PHEAA based the evaluated population on the 41,835 TEACH Grants records that 1) contained a student number, 2) were converted to TEACH Loans before 10/04/13, and 3) were not previously reviewed for error through by PHEAA through the dispute (or other) processes.

Missing and Incomplete Data

PHEAA notes several concerns with the received data, including 1,793 TEACH Grant records for which Separation Dates and Grant-to-Loan Conversion dates cannot be determined. Based on review of a small sample of these records, PHEAA does not believe that the records were converted in error, but instead believes that reporting was never completed before the records were subsequently paid in full. While we do not believe the grant-to-loan conversions were performed in error for these recipients, we do note the inability to confirm this definitely.

TEACH Grant Re-enrollment Scenarios

In some records, PHEAA found that the most recent Graduated or Withdraw date was provided for evaluation (rather than earliest). Please note that most recent enrollment type and effective date were requested, but Graduated and Withdraw Dates were not specifically noted as earliest or most recent in discussions related to data.

PHEAA believes that re-enrollment following a withdraw or graduation date alone is not enough to prevent the recipient's service obligation from beginning, so only subsequent disbursements should be considered when evaluating conversions in error (item 4 above), and enrollment following Graduation or Withdraw dates is irrelevant – but it is unclear if the prior TEACH Grant Servicer was operating under this guidance as PHEAA has only recently explored the concept with FSA.

If earliest Graduation or Withdraw date can be used, PHEAA believes that some of the suspected in error population can be reduced, but may need additional data/criteria for consideration (namely earliest Graduation or Effective Date). We are available to discuss or provide an example at your request.