Goals towards Reducing Monetary Loss

1. Develop mitigation strategies to get the payment right the first time.
   - Status: On-Track
   - ECD: Dec-24

2. Evaluate the ROI of the mitigation strategy.
   - Status: On-Track
   - ECD: Dec-24

3. Determine which strategies have the best ROI to prevent cash loss.
   - Status: On-Track
   - ECD: Dec-24

4. Implement new mitigation strategies to prevent cash loss.
   - Status: On-Track
   - ECD: Dec-24

5. Analyze results of implementing new strategies.
   - Status: On-Track
   - ECD: Dec-24

6. Achieved compliance with P2A.
   - Status: Completed
   - ECD: May-21

7. Identified any data needs for mitigation.
   - Status: On-Track
   - ECD: Dec-24

Accomplishments in Reducing Monetary Loss

1. The Common Origination and Disbursement (COD) School Relations Center will allow for COD School Testing. Provides organizations (schools, third-party servicers, and software providers) testing opportunity.
   - Date: Dec-21

2. FSA plans to implement COD System functionality that supports the Campus-Based programs and the processing of Pell Grant awards for the 2022–23 award year.
   - Date: Feb-22

   - Date: Mar-22

Mitigation Strategy

<table>
<thead>
<tr>
<th>Amt($)</th>
<th>Root Cause of Monetary Loss</th>
<th>Root Cause Description</th>
<th>Mitigation Strategy</th>
<th>Brief Description of Mitigation Strategy and Anticipated Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>$330M</td>
<td>Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.</td>
<td>Specific root causes include, but are not limited to, ineligibility for a Pell Grant and incorrect self-reporting of an applicant’s information that leads to incorrect awards based on Expected Family Contribution (Misreported Income).</td>
<td>Change Process – altering or updating a process or policy to prevent or correct error.</td>
<td>In aggregate, Federal Student Aid assumes that improved accuracy of income verification will reduce improper payments.</td>
</tr>
<tr>
<td>$36M</td>
<td>Overpayments outside the agency control that occurred because of a Failure to Access Data/Information Needed.</td>
<td>Incorrect processing of student data by institutions; student account data changes not properly processed correctly; satisfactory academic progress not achieved; incorrectly calculated return of student aid funds; and processing errors by servicers.</td>
<td>Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.</td>
<td>In aggregate, Federal Student Aid assumes that reduction in school and other third-party administrative errors will reduce improper payments.</td>
</tr>
</tbody>
</table>

Monetary Loss - Monetary loss to the Government includes amounts that should not have been paid and in theory should/could be recovered.