

Answering the call for customers and partners

The Next Gen FSA Business Process Operations (BPO) vendors

As the personnel component of Next Gen FSA, Business Process Operations (BPO) vendors will provide customers and partners across all Federal Student Aid (FSA) programs and operations with support via contact centers and manual processing.

Consolidating contact center activities

Currently, there is little coordination among the nine contact centers operated by FSA, the nine pre-default loan servicers, and the 13 private collection agencies. This fragmented approach has created several issues for FSA and our customers and partners. BPO is a key part of FSA’s effort to provide customers and partners with clear information in order to resolve requests, questions, and issues quickly and accurately.

Before BPO:	After BPO:
Customers and partners receive inconsistent support and experiences due to the lack of standardized practices across contact centers.	Contact centers receive standardized training from FSA and have consistent hours of operation, providing standardized support for customers and partners.
Contact centers have different brands, causing confusion among customers and partners and creating opportunities for scammers.	Contact centers operate under the FSA brand, making it clear to customers and partners that they are connected to the right entity.
Contact centers do not communicate with one another, creating an environment where customers and partners may need to work with multiple agents and provide redundant information to get the help they need.	Contact center agents have access to consolidated records for customers and partners, allowing the latter groups to see the full history of their interactions with FSA. This ensures that customers and partners can receive answers with just one call, email, or chat.
FSA has a decentralized oversight and monitoring model for current contact centers, which can lead to challenges with operational efficiency.	A centralized command center oversees all contact center activity, shifting work when necessary and managing outbound contact campaigns.

Promoting accountability through performance metrics

The BPO contracts contain 41 service-level agreements that require vendors to meet specific, measurable performance targets related to response times, issue resolution rates, and timely form processing. BPO vendors will receive accounts based on their performance, and any vendor that consistently misses performance targets may lose accounts or their contract.

Frequently asked questions

What does “manual processing” mean?

Although there are many automated processes built into FSA’s systems—and planned future automation in Next Gen FSA, , such as *Free Application for Federal Student Aid (FAFSA®)* processing and payment and interest calculations—there are many processes that require manual intervention or support, such as reviewing verification documents, processing handwritten applications, and determining eligibility for certain programs. Manual processing takes significant time, knowledge, and attention to detail to ensure documents are appropriately reviewed, logged, and resolved.

Who are the BPO vendors?

The BPO awards were announced in a [press release](#) on June 24, 2020.

Are the BPO vendors loan servicers?

No, the BPO vendors will serve customers and institutional and financial partners across the entire student aid lifecycle. They will assist customers with some servicing-related activities, such as answering questions about deferments or processing applications for income-driven repayment plans, but FSA will ultimately be responsible for the coordination of outbound contact campaigns, the construction of customer communications, and the performance of the federal student loan portfolio.

When will the BPO vendors be fully operational?

The BPO awards are currently under protests that have been filed with the Government Accountability Office (GAO). FSA cannot onboard the BPO vendors until the protests are resolved. Meanwhile, FSA is preparing training materials and onboarding plans to ensure the BPO vendors can begin working as soon as possible when all protests are resolved.