Loan Servicer Performance

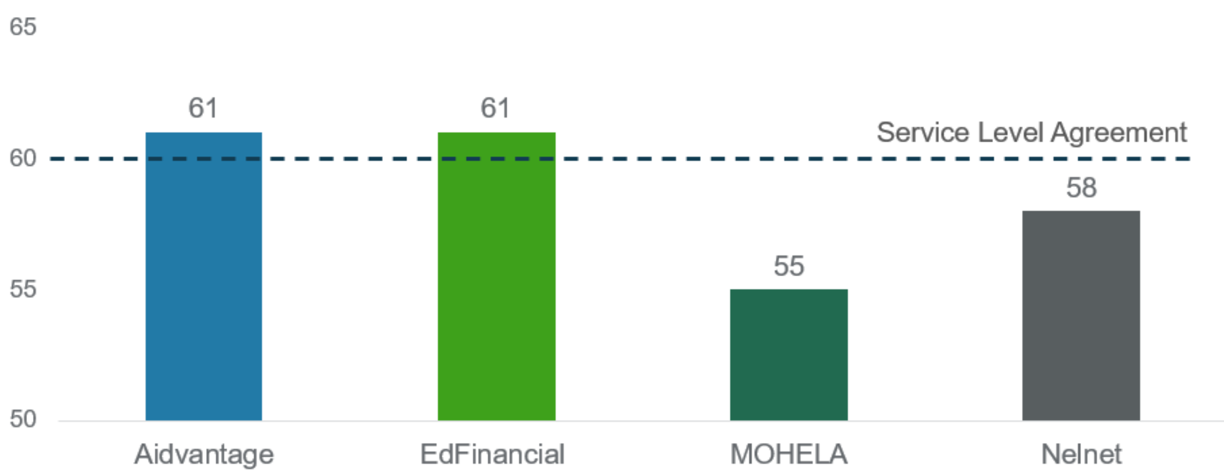
Fiscal Year 2024, Quarter 3

Federal Student Aid (FSA) is committed to serving its customers. We know your time matters, your options matter, and most importantly, your experience managing your loans matters. The following information is a snapshot of the data FSA uses to uphold strong loan servicing standards across its vendors. In future publications, we will add more data to this report as we work to improve the delivery of federal student aid. Find more information about servicing and repayment at **StudentAid.gov/data-center/student**.

Your Experience Matters

FSA is committed to excellent customer service to help borrowers understand their options and repay their loans on a plan that meets their needs. We closely monitor vendor data that contribute to a borrower's customer service experience. We score servicers' interactions with borrowers and leverage customer satisfaction surveys to identify opportunities to improve service delivery.

FIGURE 1 Customer Satisfaction Scores by Servicer[1]



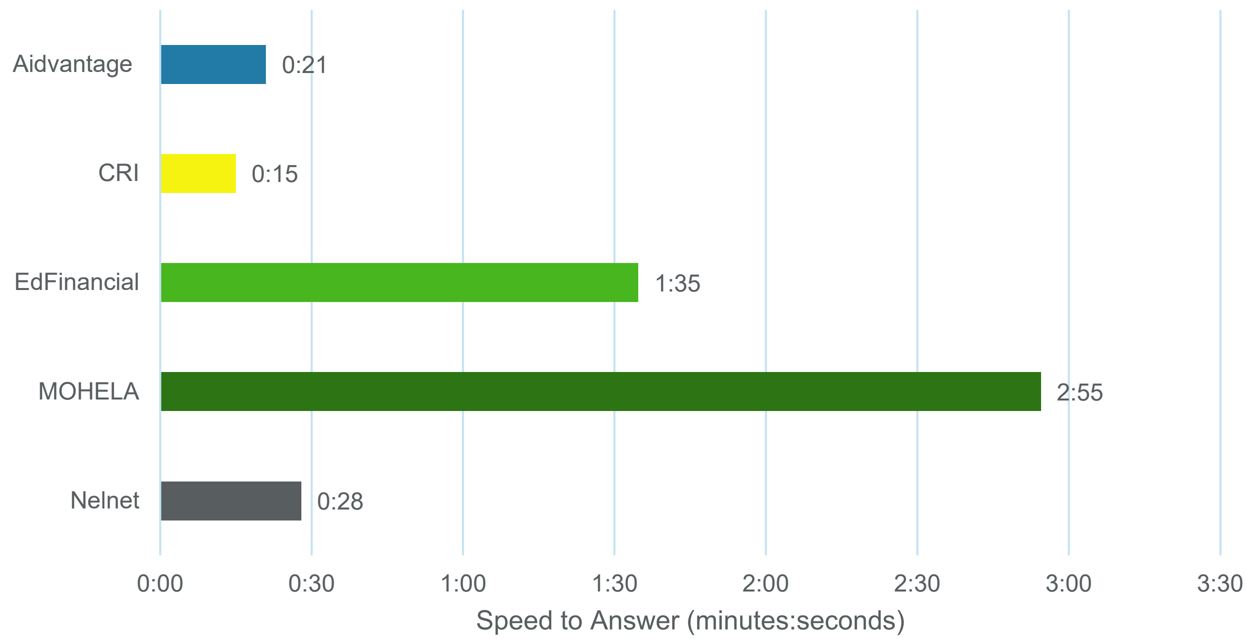
Customer satisfaction results were not measured for CRI during FY24 Q3 as CRI did not have any borrowers to survey as they were a new servicer. MOHELA's customer satisfaction survey results were modified to only include results from borrowers already on its new servicing system and covered by the USDS contract. The methodology used to assess this data is included in the appendix.[2]

Your Time Matters

We know it takes time to manage your loans, and your time is valuable. Each month, our servicers collectively receive millions of calls from borrowers with questions about their loans. FSA holds its servicers accountable for answering your calls in a timely manner and resolving your concerns quickly.

> **FY24 Q3 CALL CENTER VOLUME**
>
> **4.08 million total calls received across all servicer call centers combined.**

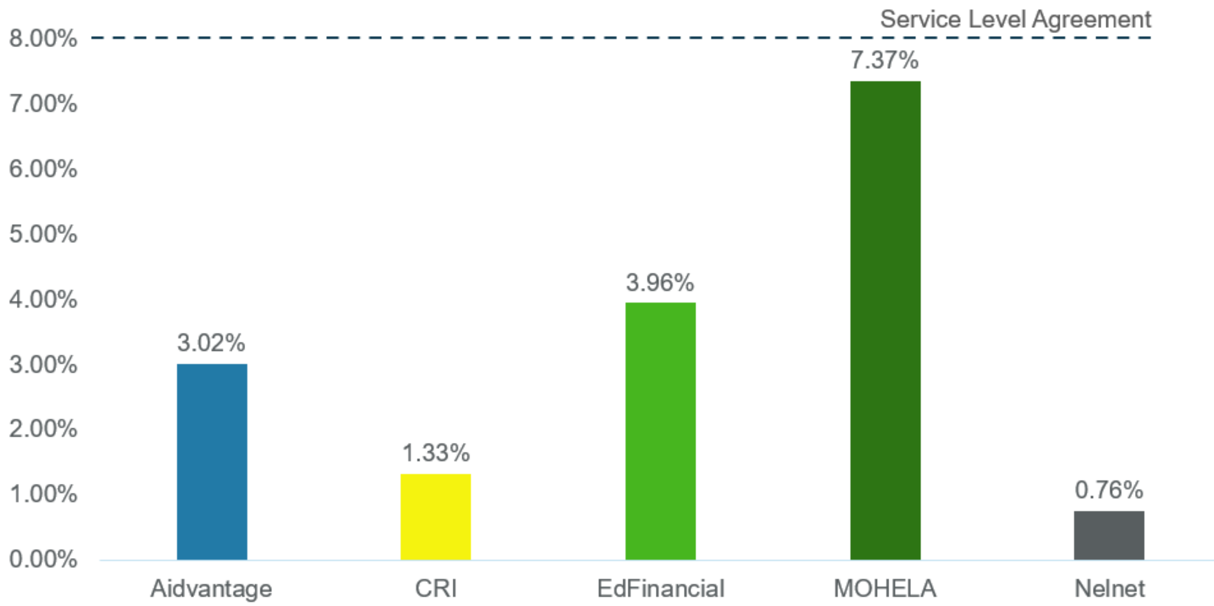
FIGURE 2 **Average speed to answer by servicer**



Speed to answer is measured beginning when the customer selects the option to speak to a representative during the interactive voice response prompt.

FSA's contracts with servicers establish levels of performance called service-level agreements. If a servicer fails to meet a service-level agreement, it receives a negative performance incentive (NPI).

FIGURE 3 Average abandon rate by servicer



Abandon rate is defined as the percentage of borrowers who ask to speak with a customer service representative but hang up before being connected with a representative.

FIGURE 1 Negative Performance Incentives (NPI) for Timeliness

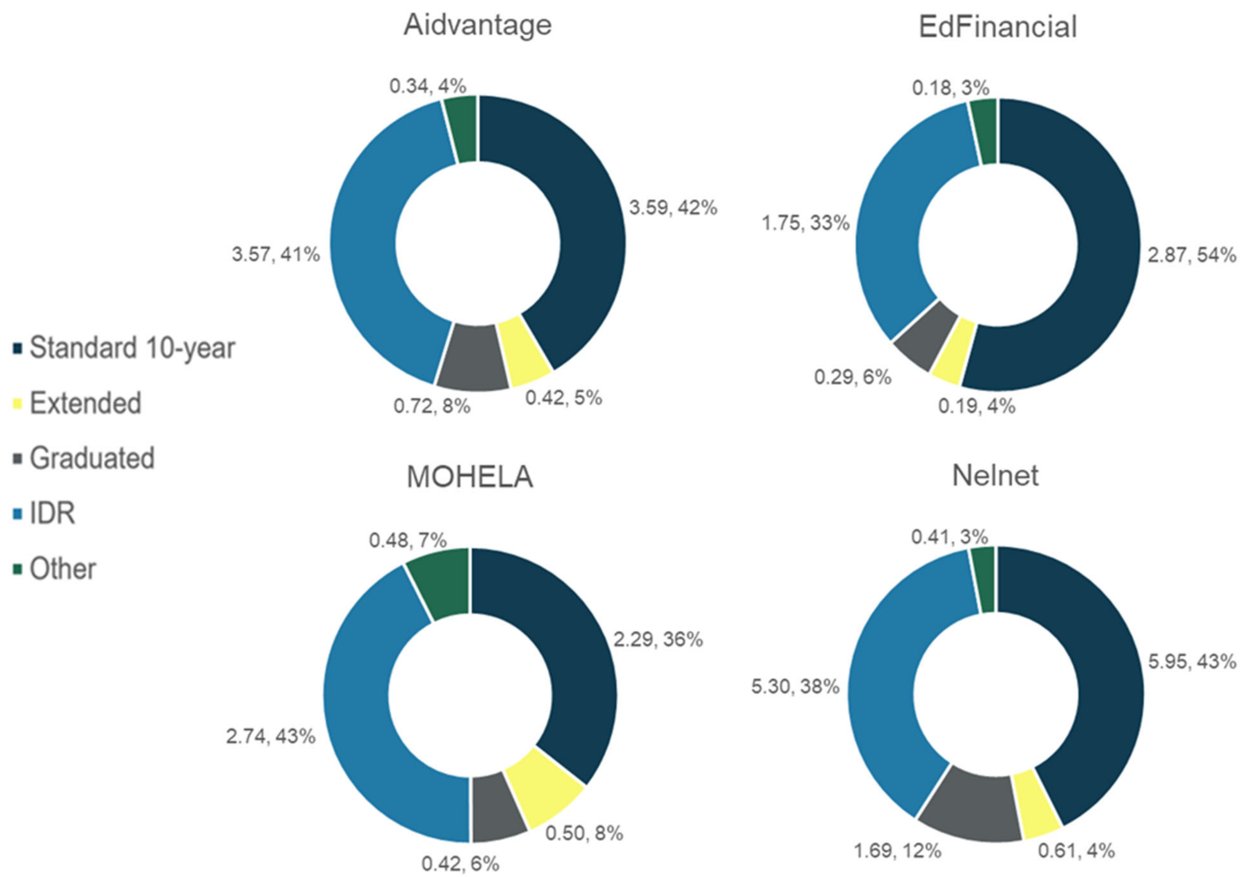
Servicer	NPI
Aidvantage	0.00%
CRI	3.29%
EdFinancial	0.29%
MOHELA	5.00%
Nelnet	5.00%

FSA defines "timeliness" in its service level agreements as a combination of various factors that affect the customer experience, including how long it takes to process certain discharges, repayment plan applications, and other account status changes.

Your Options Matter

We know you rely on your servicer to help you enroll in repayment plans that meet your needs. Programs like income-driven repayment (IDR) plans make student loan repayment affordable over the long term. That's why we incentivize servicers to help you stay on track repaying your loans. For more information on IDR, visit StudentAid.gov/idr/.

FIGURE 5 Servicer portfolio by repayment plan (borrowers in millions)



Note: As of June 2024, CRI serviced about 2,500 loans in repayment, deferment, or forbearance loan statuses. Due to this small number of loans, CRI is not included in the above reporting.

[1] FSA's Multiple Servicer Satisfaction Survey measures borrowers' experiences and levels of satisfaction with their respective servicers. Using the American Customer Satisfaction Index (ACSI) methodology, where a sample of borrowers is surveyed each quarter, to provide feedback on key aspects of the borrowers' experiences, including servicers' contact centers, websites, communications, and other loan management activities. The results are used to create action plans for servicers, providing data-driven insights about which areas of the borrower experience drive overall levels of satisfaction.

[2] FSA surveys a random sample of borrowers from each servicer, asking each borrower about their experience with the servicer. The methodology is consistent with the ACSI and asks the following three questions:

1. How satisfied are you with [servicer] overall?
2. To what extent has [servicer] fallen short of or exceeded your expectations?
3. Imagine an ideal customer experience with a student loan servicer. How well do you think [servicer's] customer experience compares with that ideal?

FSA weights the results based on the servicer's portfolio by loan status to determine a customer satisfaction score that is representative of each servicer's borrower population.