

**Upgrade Alaska Commission on Postsecondary Education**    **FY2005 Request:**    **\$101,100**  
**Due Diligence Autodialer**    **Reference No:**    **39008**

**AP/AL:** Appropriation    **Project Type:** Information Systems  
**Category:** Education  
**Location:** Statewide    **Contact:** Diane Barrans  
**House District:** Statewide (HD 1-40)    **Contact Phone:** (907)465-6740  
**Estimated Project Dates:** 07/01/2004 - 06/30/2006

**Brief Summary and Statement of Need:**

ACPE uses an autodialing system to place outbound calls, leave messages, and update loan servicing records in connection with performing due diligence on delinquent and defaulted borrower accounts. This project is to upgrade that system to 1) make it compatible with Windows software, 2) ensure compliance with federal regulations governing student loan collections, and 3) provide staff with the ability to record messages and do programming that currently must be contracted to a software development vendor.

<b>Funding:</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>Total</b>
P-Sec Rcpt	\$101,100						\$101,100
<b>Total:</b>	<b>\$101,100</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$101,100</b>

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	0
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

The Mosaix autodialer was originally purchased in 1997 at a cost of \$145,000. It has not been upgraded since that original purchase.

**Project Description/Justification:**

**DESCRIPTION**

Key Functionality

The Mosaix Predictive Autodialer is a primary, mission-critical tool used by ACPE to contact delinquent and defaulted borrowers. Before the Autodialer was purchased in 1997, the agents worked off manually dialed phone numbers and averaged 25 contacts per day. Now agents typically contact well over 50 borrowers per day. This allowed the agency to double calling results by collections agents with the advent of the Autodialer. It resulted in significant increases in collections and reduction in default rates. Absent system upgrades, the Autodialer software will no longer be secure and will continue its performance deterioration resulting in a return to the inadequate manual processes.

Requirements

- Upgrade Mosaix OS 9.3 to 11.3
- Mosaix Script Generator Software
- Windows XP Multimedia Workstation with sound recording platform
- Campaign Director Workstation
- Replace 12 Windows 95 workstations with Windows XP machines to use the features of the new Mosaix OS

Relationship to Department Service Delivery

This project is to upgrade the Autodialer system to 1) make it compatible with Windows software, 2) ensure our ability to comply with federal regulations governing student loan collections, and 3) provide staff with the ability to record messages and do programming that currently must be contracted to a software development vendor.

The current Autodialer is only compatible with PCs running Windows 95 and does not allow staff to program or modify scripts in-house. This means that the ACPE's Due Diligence staff must use obsolete PCs in order to use the Autodialer, and ACPE pays additional fees to have scripts updated. In FY03 ACPE paid approximately \$17,000 for script revisions and did so only when revisions were mission-critical rather than doing so in an ongoing fashion for optimal collections results.

The Mosaix upgrade will provide resource efficiencies by allowing ACPE to continue to use the Autodialer without chronic limitations (i.e. slow processing times, software that is increasingly incompatible with newer versions, susceptibility to viruses, etc.) associated with using Windows 95.

The script generator will allow Due Diligence staff to record and program new or modified scripts whenever needed, making the Autodialer a much more flexible, effective, and cost efficient tool. It will also eliminate the additional cost incurred with necessary script changes. In recent years, the increased frequency of script changes needed to accommodate changing federal laws has resulted in annual costs that are as much or more then the cost of the generator itself.

Alternatives considered / process employed to determine this recommendation.

This is an upgrade to existing software. Alternatives considered were:

Doing nothing. Not recommended as the current OS is no longer supported and ACPE incurs the risk of being without an autodialer, which would at least double the staffing needs. It would also reduce the agency cash flow receipts putting at risk the agency's ability to retain its self-sufficient status.

Look at other autodialers available. The cost of bringing in complete new technology exceeded the cost of the upgrade substantially in hardware, software, and staff programming resources. Additionally a learning curve associated with new software would likely result in at least a temporary diminution of software and staff efficacy.

**IMPACT**

On Customer service - service oriented

The customers impacted by this project include:

- Internal Due Diligence staff
- Delinquent Borrowers
- Schools
- Bond Holders
- State of Alaska

Operational excellence - Internal efficiency/effectiveness oriented

This software automates the dialing of delinquent borrower calls allowing for at least twice as many contacts being made than can be handled without automation.

Innovation leadership - First to market oriented

N/A

Leveraging Opportunity

Within the SOA system, this technology is specific to the Alaska Commission on Postsecondary Education and is used to contact borrowers based on the HELMS mainframe data.

Impact if not implemented

Without keeping the Autodialer software current, ACPE processes will no longer be secure. System performance will continue to deteriorate resulting in a return to the manual process, which will require a doubling of the staff allocated to federally-mandated due diligence activities. Additionally, ACPE will experience continued rising annual costs in excess of the cost of the script generator.

**COST**

Drivers

The cost factors on this project are a sole source as it is an upgrade to existing technology.

Estimates

Upgrade Mosaix OS 9.3 to 11.3 - \$54,000  
Mosaix Scrip Generator Software \$18,000  
Windows XP Multimedia Workstation with sound recording platform \$7,000  
Campaign Director Workstation - \$4,000  
Replace 12 Windows 95 workstations with Windows XP machines to use the features of the new Mosaix OS-  
\$9,000  
Full Life Cycle Cost Information \$101,076  
Project Initiation/Planning \$830  
Requirements Definition \$648  
Staff Resources Required 1 P/A and 1 B/A  
System Design \$830  
Software Acquisition \$72,000  
Software Installation / Programming \$1088  
Hardware / Infrastructure Acquisition \$20,000  
Hardware / Infrastructure Installation \$2,200  
Hardware / Infrastructure Testing \$640  
System Integration and Testing \$640  
Installation and Deployment \$2,200  
System Operation and Maintenance No additional cost  
Corrective and Adaptive Maintenance No additional cost