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The Art of the Deal: eProcurement

Meteor: student aid information soon to

By Maryln McAdam

T he Meteor project debuts in January, 2001. Its proponents want it to grow into a student aid information service that will allow students to obtain the status and history of their student financial aid from a variety of sources as easily as they now click on YAHOO.

Those information sources will include guaranty agencies, lenders, and secondary markets, as well as ED's Central Processing System, the Pell RFMS, and the National Student Loan Data System. A connection to the National Student Clearinghouse is also planned. The project's main sponsors are 18 members of the National Council of Higher Education Loan Programs, and the resulting products will be available to all NCHELP members.

Setting the standard

Student use of the internet for higher education purposes is not new. Electronic applications for admission and student financial aid are in common use. Over the past decade, higher education institutions, lenders, guaranty agencies, and the Department of Education have populated a wide array of consumer web pages. 'Highway 1,' an ED initiative that displays various federal student aid data, began operation in September. ELM Resources has been providing information on student loans for lenders, guarantors, and schools for several years. However, each of the current systems has its own standards, and they are not necessarily compatible.

According to Meteor's project leader Justin Tilton, the real difference to be made by the Meteor project will be common data standards that will

- Provide financial aid data to students from all sources, including ED
- Deliver web-based services in real-time
- Establish Meteor's various portals as preferred sources of information

Justin Tilton

To accomplish those objectives, the Meteor Project is trying to provide technical leadership for the development of a prototype. Then, if Meteor's backers are able to convince the student loan community to implement the project, Project Meteor could change the face of how student aid is delivered nationally.

How it will work

Meteor web sites will be established by its participants. A student could initiate a request through any participating web site. A query made on that site would trigger a request to the data source, such as ED or the National Student Loan Clearinghouse. When the information is located, it would be displayed for the student, who could then ask for additional information which would also be searched out and displayed in similar fashion. Only students would have access to the data. Meteor would create no single large national database. Interconnect technology is at the heart of the project's design.

Looking for partners and sponsors

The backers of the Meteor project

have planned a vigorous outreach effort. More than fifteen briefings for potential Meteor partners have already taken place, many of which have shown promising results. As a result of Meteor, the IFX Forum, which is looking at standards for the loan industry, has decided to begin its standardization process with student loans.

Tilton has met with a majority of potential participants for the program. ED's student financial aid CIO Steve Hawald opened a recent conference on changes for the 2001-2002 financial aid award year with a positive signal, reaffirming the department's commitment to "open, collaborative partnerships."

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JA-SIG, a coalition of colleges and universities, is working with the Meteor project on, among other topics, how to meet the needs of organizations that want to download information but have no web site of their own.

Neil Combs, general counsel for the Texas Guaranteed Student Loan Corporation, said recently, "TGSLC has always supported cooperative efforts of this nature. We are very pleased somebody is moving forward with it." The corporation's president, Milton Wright, had attempted to bring student loan participants together two years ago in a similar endeavor. Currently, the Texas agency is one of 18 sponsors of the Meteor projects. (See

be in orbit on the web

sidebar.) Sponsors fund the project and advise during the development of the prototype.

Dissension — the price of progress

Not everyone is embracing Meteor with open arms. Fears and questions are surfacing, especially about open information. Neither the Consumer Bankers Association nor the Education Finance Council have endorsed the project, although they have engaged in conversations with Tilton. Even Al Lord, CEO of Sallie Mae, a Meteor sponsor, has publicly stated his reservations about open information in the student loan industry.

When asked about the reluctance of some entities to provide open information, Tilton responded, "That is a policy issue, not a technology issue." He further said that limitations could be put on access to certain data, though the project is currently promoting 100 percent open data.

Others criticize Meteor for competing with existing databases. Tilton says that entities with existing data systems are welcome to participate in Meteor. He said that at the project's beginning, they were not in a "research mode" to learn what was already in existence.

Additional problems are the development and interconnection costs for a no-revenue system. No Meteor transaction charges are anticipated. Yet the costs of developing a system that can adequately integrate with Meteor and meet its stringent security requirements will be significant. One state agency that is interested in participation has not yet signed up because of integration issues, and some conflicting prohibitions in state law regarding changes that would be required.

The future

After the Meteor Project is tested and released in January, what's next? State scholarship programs are in Meteor's orbit. Initial discussions with the National Association of State

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Scholarship and Grant Aid Programs (NASSGAP) have begun. Success in those discussions will likely expand the common standards incorporated within Meteor.

When asked, Tilton said he thought it unlikely that any election-related changes at ED might affect Meteor. According to Tilton, the PBO (the office within ED that manages Title IV student aid) "is stable, and the interfaces are available." ■

Project Meteor's Sponsors

www.immagic.com/meteorproject

American Student Assistance
Boston, MA

College Foundation, Inc.
Raleigh, NC

Education Assistance Corporation
Aberdeen, SD

Great Lakes Higher Education Guaranty Corporation
Madison, WI

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Higher Education Student Assistance Authority
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Montana Guaranteed Student Loan Program
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