

PSC-ED-FSA-TISD

Moderator: Angie Beatty
April 25, 2012
2:21 am CT

(Rosa White): Hello everyone and thank you for participating in our Delinquency and Default Management Webinar.

My name is (Rosa White) and I will be moderating this afternoon's session. I am with FSA's Default Prevention Team and our presenter Eric Hardy will lead the second NSLDS session of the day; NSLDS Delinquent Borrower Report.

We are pleased to offer you to days of training related to the key aspects of managing student loan delinquency and defaults. Many schools have provided feedback and request for help with managing their delinquency and default aversion activities. So, we've created these Webinars with a focus on (building defined work) for effective default prevention strategies.

Yesterday we conducted a day Webinar with Session One; Default Prevention, Everybody's Business. Session Two was Identifying Risk and Developing a Plan, and then we ended the day with Working with the Federal Loan Services.

If you missed any of yesterday's session, all of the sessions will be recorded and made available at the conclusion of the Webinar. We will notify you through our Posted Electronic Announcement.

This afternoon we have two remaining NSLDS sessions. This one that's getting ready to happen, which is Report NSLDS Delinquent Borrower, and at 3 o'clock we will end the day with Manipulating NSLDS Reports.

We know that this is a very busy time for our schools and we thank you for making the time to participate in our Webinar session. Again, for your convenience all of the sessions will be recorded for you to review at a later time.

Now, just for a little logistics for this Webinar, today's Webinar will be conducted in a listen-only mode. If you have questions during the Webinar, click on the Q&A button on the top menu bar at the top of your screen. Once you click on the Q&A section a new window will open. Click on the top blank field to type in your question, and then click on the work Ask. Please remember to include the slide number with your question. We have a question team that will address your questions and answer privately during the session. If additional research is needed we will respond that rapidly to you through email.

At the same time, if you experience any technical problems during the session, move into the right-hand corner of the screen you will see a blue circle with a question mark, and then immediately to the left of that the green square box. If you have any technical problems, please click on the down arrow next to that green box and change the color to red and we will open up a chat window with you to address the problem. Remember, this red box is only for technical questions or problems.

Lastly, you may download a copy of the slides by clicking on the Handouts icon at the top right corner. It's the three sheets of paper icon, or by clicking on the Download Slides icon, the printer on the bottom portion of the screen.

If there is a need for closed captioning, please select More at the top menu bar and a window will appear with the word.

If you would like to see a larger version of the slide, enlarge the screen by clicking on the Monitor icon and the four arrows pointing away from the corner or select the F5 key on your keyboard.

We also have a survey at the end of the Webinar event and we hope you'll stay throughout until the end of the Webinar and then participate in this survey, which you'll hear about as we move along.

Now, I'm going to turn the session over Eric and he will begin this afternoon.

Thank you.

Eric Hardy: Thanks, (Rosa), and hi everyone. Welcome to the NSLDS Delinquent Borrowers Report Session.

My name's Eric Hardy. I work on the National Student Loan Data System and I, to definitely reiterate what (Rosa) said, I - we know that your time is pretty valuable, and so we appreciate you carving some time out of your day to listen to us talk about NSLDS and the functionality it provides.

Before I get started, I do want to highlight that this particular session is going to focus in on the content - mainly the content and the fields that are used to

request the Delinquent Borrower Report, as well as what's provided on the Delinquent Borrower Report. Our next session will focus in on how to actually take the data, bring it into - how to download from SAIG, maybe manipulate it with various pieces of software, et cetera.

So, really we're going to be focused in on the content in this presentation and hopefully the next presentation will kind of assist you with the - with how to actually change, manipulate, import all of the data provided.

So, that's - the Delinquent Borrowers Report, basically NSLDS has three methods for getting to delinquency information. We're going to talk about two of those methods in this particular session.

The first method is we make the delinquency day associated with the loan available for individual lookup on the Loan Detail page. It's not very efficient if you're trying to look at a number of loans or a number of borrowers, but we do allow - or I should say, we do display that information via Loan Detail page, so that's always available for you on a loan lookup by loan lookup.

However, we do also make available the Delinquent Borrowers Report, which is an actual report that's available to be downloaded via SAIG, and then we also have an online version, the Delinquent Borrowers on the - on our Web site. And we're going to take a look at both of those during the session, so hopefully we'll be able to provide a little bit of information around those.

The Delinquent Borrowers Report, the report that's downloadable from SAIG is available on the Report tab on NSLDS. It's - the ID is DELQ01 is Delinquent Borrower Report, and you can see on the slide in front of you the report is school-specific and is available to any school user that is - that can access NSLDS or has access to NSLDS.

In terms of requesting the report, we do have several parameters that are required for - before NSLDS can actually generate the data for you. You can see up at the top the six-digit OP ID is prepopulated on the parameter screen for you, and this is based on the OP ID associated with your individual NSLDS user ID. We've prepop - the User IDs are assigned at the full eight-digit location level; however, we only prepopulate up to the six-digit OP ID level.

And from there you can see the next field is the School Branch ID. And for purposes of this conversation we're going to use the term School Branch and Location interchangeably. We populate the School Branch ID with an - or I should say we prepopulate the School Branch ID with an asterisk indicating that we will automatically return the information for all locations associated with that six-digit OP ID. If you only need information for one of your individual locations, it is possible for you to specify the individual location for which you would - you're requesting the data.

So for example, if I only needed the information Location 02 in the School Branch ID field, I could put an 02 and I would only retrieve loans for - that are associated with that individual location. If I leave the asterisk in place NSLDS will return loan information for all loans associated with all of the locations at the - associated with the six-digit level. So basically, for the School Branch you have one of two options, either leaving it asterisk to return all, or specifying an individual location for which you would like to receive the information.

Now, the - on the Federal Loan Servicer field we - it is - it's the same option. You can either leave it asterisk and we will return the data for all Federal

Loans Servicers, or you can specify if you're only looking for information from one particular Federal Loan Servicer.

And this leads me to a really, really important point, and that is that NSLDS only collects delinquency data from our Federal Loan Servicers. The Commercial Servicers and Guarantee agencies do not report delinquency information to NSLDS, so right now this report is only available through the Federally Serviced portfolio. So, in the Federal Loan Servicer field you have the option of specifying which of the Federal Loan Servicer or (facility welcome) to go ahead and request all of them.

You do have the option here, if you already know the three-digit code for the Servicer which you want to request, you can - you're certainly welcome to just enter that right in, or you can use the Org Search button to search for the Federal Loan Servicer which you're interested in retrieving the information, and we will present a list that makes it a little bit easier if you don't - if you're not sure of the three-digit code for which you would like to request the data.

We also allow schools to either retrieve information based on all cohort years or schools are allowed to request an individual cohort year. We know that some schools as they're working their delinquency list prefer to hone in on borrowers that are at later stage delinquency in a specific cohort year. So, we do allow you to pre-filter out any cohort year that you do not want to receive, and by doing that you just need to specify the cohort year for which you would like to receive the data.

Just as a reminder, that cohort year is based on October 1 of a given year through September 30 of the end year. So, if I wanted data for cohort year 2010 that would be October 1, 2009 through September 30, 2010. However, the cohort year parameter you only need to enter the four-digit year, which is

the ending of the ranges that you're looking for. So for example, for the 2010 cohort you just need to enter 2010 in the cohort year and NSLDS will return borrowers that are going into repayment in the 2010 cohort year, or I should say they're going to enter repayment or they have entered repayment. Of course, if a borrower is delinquent they should have certainly entered repayment before being delinquent.

The next couple fields are - specify the various delinquency buckets, if you will, that NSLDS makes the data available for. (Unintelligible) certainly eligible are allowed to request any one or any combination of these buckets, which they are interested in receiving the data for. Our idea here is know that some schools prefer to focus in on, let's say, later stage delinquencies, as opposed to earlier stage delinquencies for different activities. So, made the (reports) available to actually allow schools to request what's most important to them and (whatever) (unintelligible) whatever your end game is with using the data.

I will point out at hand one or two things here. Currently, the - our - the loans in the Federal Portfolio that eligible - the borrowers are eligible to cure their delinquency up until day 360 of delinquency, after day 360 the borrower is required to rehabilitate their loan, as opposed to a cure on the delinquency. So, you can - you'll notice we do have a bucket of the report for borrowers that are 360 days plus delinquent, and these specifically are borrowers where they have gone beyond the 359th day of delinquency and are no longer eligible for cure. However, we do allow them to still be populated through this report and these borrowers are not required - or I should say, these borrowers may still be on individual non-default Federal Loans Servicers portfolio.

So, for instance if the loan is being serviced at Sallie Mae and were to move to 360 days delinquent, it may take a day or two for that loan to make it over

DMCS for collection. So, if the loan was at 360 - if the loan was after day 360 and in those couple days before they go into - over to DMCS, the borrower - the loan would still show up on this report until the loan moves over to DMCS. After the loan is at DMCS the borrower will no longer show up on this report. So, we do allow for that to display that bucket beyond day 360, so you can see that here; although, that borrower is not necessarily eligible to be shared.

Also for the Extract Type, we do allow for one of two report formats. We will send this out and comments are limited. For the (Techy) folks out there, from - this is a format that's more easily used with Excel. If - and by standard our other option is a fixed width format that's not comma delimited. Again, in our next session we're going to talk a little bit more about what those formats mean and how to import and sort the types of data, so hopefully that'll be useful for you in the next session; however, it is required that you select an Extract Type for this report. We will - we do default the selection to the standard fixed width, so if you are interested in receiving comma delimited you will have to actually change the Extract Type from Standard to Comma Delimited.

Lastly, we do require a Sort to be selected, whether that's be SSN or Last Name and First Name, that's - certainly either is available to the school user, but one must be selected. We find that most of the schools that are using the data in extract are usually either going to important the information into another piece of software, which will allow them to do various sort types. So, this isn't always that big a deal to many of our schools to have the sort in one - by - the Sort By set to one selection or the other, but we do require one of the two to be selected.

That Report Parameter Selection screen for receiving the actual data report, for the next couple of slides we're going to talk about the Web view, and then we're going to go back and we're going to talk about the data that's outputted from the actual report. So, you can see now we are actually looking at the (A) tab on NSLDS at the Delinquent Borrowers link, which before for the Web report - or for the report listing we were looking at the report tab. So, I want to make sure, first of all, that we point that out, but now we're looking at the (A) tab on the Delinquent Borrowers list.

And you can see based on the information in front of you we - the display selection for the Delinquent Borrowers Web view are - is very, very, very similar to the selection that's available on the Report Parameter Selection screen, so there is a lot of commonality between the two. And so, the functionality of all of the filters there are exactly the same that we just talked about for the prior Report Parameter screen. So, as are choosing to display on the Web a Delinquent Borrowers list, you can select in a very similar way the display criteria for the Web view as well.

So, after you select your parameters for the Web view, we actually - this is an example of what we would display on the Web page that produces it produces before you. I kind of wanted walk through a little bit of what's being displayed. If you look to the far left, well, we can tell that we're looking at two separate borrowers. We know that because the far left column has a 1 for the first borrower and a 2 for the second borrower.

So our first borrower has three loans which are delinquent, and that fall within the delinquency category, which we've selected above. So, here we selected loans that are 278 to 259 days delinquent, so these are our most delinquent borrowers. And you can see this first borrower has three loans, two SS loans, one SU, those are Stafford Subsidized and Stafford Unsubsidized that are all

290 days delinquent. We also display the cohort year that their loans are associated to, the days delinquent, the Servicer associated to all of those loans, and the current outstanding principal balance of those loans on the far right.

Now, I want to share a couple things here. If a borrower had loans that were being serviced by multiple Federal Loan Servicers, we would display the individual Federal Loan Servicer that is associated to that particular loan in Federal Loan Servicers column. So, we do display the Federal Loan Servicer at the loan level, not at the borrower level.

Now, the Department does recognize that we have borrowers split currently amongst several servicers. We are trying to resolve those split borrowers as rapidly as possible to make those borrowers whole so that they are all at the same borrower. But, for the purpose of the Delinquent Borrowers Report, we did want to make sure that we can account for that. So, you can see (unintelligible) borrower is at multiple servicers.

The other thing that I think is important to understand here is that if for whatever reason if different loans were at different stages of delinquency, let's say this first borrower had three loans that were 292 days delinquent, but hadn't one loan that for whatever reason was 140 days delinquent. We would still display the 140 day delinquency with these loans that are 292 days delinquent as a matter of courtesy.

Again, I'm going to bring us up to the top in our filter, we have specified that only want to see borrowers with loans that are 270 days or more delinquent, but because this borrower may, and of course the example doesn't show this, but if this borrower did also have another loan that was less delinquent we would still display that less loan, the loan with less delinquency more as a matter of a convenience, so as you're out there working with your borrowers

you have a complete picture of all the delinquency, (as I show) with the given borrower. So, I just wanted to point that out. I thought that might be a helpful thing to know.

Also, looking above the individual loans associated with the borrower, you'll see we do display the borrowers name for - so the example on this slide we've blanked out the borrower's Social Security Number for privacy reasons, and these borrowers are not real borrowers. But then, we often do display the address and email address associated with that borrower and those are the physical address and the email address that's been provided to NSLDS by the Federal Loan Servicer. If that information has not been provided to NSLDS by the Federal Loan Servicer we will display blank information for the physical address as well as the email address.

If you look over to the right you can see we have a column labeled for Phones, but we're not displaying any phone numbers associated with these two borrowers. It's because on the NSLDS database these two borrowers do not have phone numbers, so we were unable to display the information. If the borrowers did have a work, a home, or a cellular phone number, we would display those - all three numbers or any combination of the way it's been reported to NSLDS and make those available for your use. So the phone numbers technically if they've been reported to NSLDS are available out there.

I think it was just in the last week or two we took a look to see what our volume of phone numbers are on the federal loan service portfolio and they're up to about 90% of our borrowers have had a phone number reported. So we are confident that our federal services are giving us good phone number and contact information.

So that - the delinquent borrower Web view is available for you to use. A couple other notes, the page from here is not downloadable. There's no machine-readable format available from the Web view. However, if there's something that you need a printout for, you certainly can print your borrower or your Web browser screen and see the information.

So that is available if you need to print the information. However, probably in terms of a machine-readable format, this page is not downloadable. So in order to download the screen you would use the report parameter functionality that we looked at a moment ago.

And we produce several types of reports, three types of reports. This is a copy provided for you on our format agent report. You can see it's a mainframe pre-formatted report that is not necessarily very pretty to look at but it is very functional in terms of the information it provides.

And it's similar to - in a similar way to our Web view we do display at the top of the pre-formatted report the criteria that was selected in the original report parameters so that the user of the report can actually see the information that was selected to ensure that the criteria that they're reviewing in the report is what they are expecting to be reviewing.

So we do this in the school code, the branch code, the servicer, the covert year as well as the various - whether or not the various delinquency buckets were selected up at the top and then underneath that is where we begin to display the individual borrower and federal loan servicer information.

And you can see this is almost exactly a - the same read out as the prior Web view. The main difference here on this view of the information is only display

the phone number associated with the federal loan servicer associated with the loan.

And this is so if you are, you know, actually calling the borrower, you can easily provide the customer service contact number for the federal loan servicer to the borrower in an attempt to help them get in contact with their servicer to actually get the delinquency resolved.

Also the need - each - the total number of - the total loans displayed are the individual loans displayed. We also display the total monthly payment amount. And this is an aggregation of the payment amount that is reported at the loan level.

So basically the servicer's report to NSLDS the individual monthly payments amounts associated at each individual level. This total monthly payment amount though is an aggregation of all three or in this case, excuse me, all four of those loans - of the payment amount that sit behind those loans. And so we've concluded that borrower - I guess we've made our borrower test - has a monthly payment amount of \$193.

Our thought here again is that your counseling a specific borrower is we should hopefully be able to assist you actually in a conversation with how much is currently due on those delinquent loans in terms of a monthly payment. Now this may not be what is due to bring the borrower current but it does indicate how much the borrower's monthly payment is set at.

And then lastly you'll notice at the bottom we have a note and we put this at the bottom of all of the pages associated with the delinquent borrowers. And that's the days delinquent value is only as of the one day on the - this report.

If you look up at the top right hand corner, you see the date and the timestamp associated with when the report was generated. So what we use on the date timestamp is to indicate that as of the date this report was generated. So in this case on April 17, 2012 this borrower was 305 days delinquent on the loan and 301 days delinquent on three loans.

So that is as of April 17. Since today is - I think it's April 25, now we're eight days later. So here now the borrower probably initially took less because (unintelligible) is in 13 days and 309 days as appropriate on those various loans. So basically you took less eight days later.

But we always want to make sure that days delinquent is recognized to be as of the date on which the report is run. So we would encourage you that if you are going to reach out to these borrowers in some way or another that you run the report as closely to the date of which you're going to be reaching out to the borrowers as possible.

So basically helping (your delay) working with a later (stale) data of that might be outdated. So in this (check and file) we just want to relay it's important to know (as of date) associated with the individual delinquency or I should say with the date it's delinquent associated on the loans. So just important to remember that as of date when reviewing your delinquent borrower's list.

Okay. So we've looked at accessing the Web view. We've looked at accessing a pre-formatted report. And now we're going to talk about the report layout. And again, I'm going to plug our next session where we talk about how to use the fixed width and comma delimited record layouts.

But from here I'm going to talk about the fields that are available in those two record layouts. The first two fields that we're seeing are the position and the fixed width layout with which the field we're discussing wise.

So the borrower's social security number is in positions two through positions 10 of the fixed width layout. And that field after the position is going to be the title of the field and then the last column should indicate the definition for the field.

I will say as I was putting together this presentation I reviewed some of the definitions. I think that we probably have a little bit of work that we need to take back and maybe make these definitions a little more robust and a little more descriptive for you.

So I will commit that we are going to take a look at better defining some of the definitions in the record layouts for future publications. So I do apologize that some of these are not as descriptive as I think they should be. But that said, we are going to go ahead and still proceed with reviewing some of the individual fields that are available in the fixed width layout.

In our very first position we have the record type. And so we're going to hone in specifically on the detail record type of the fixed width layout. Again, (Jim) will talk a little bit about what record types are and how those play into fixed width import.

But for now we are going to focus in on ones which are represented detailed records. So we're looking specifically at the details that support the delinquent borrowers layout.

So our first couple of fields are the borrower identification field. So we're talking borrower SSN, borrower date of birth, borrower last name and borrower first name.

We talked a little bit in the school portfolio reports session and we'll talk a little bit now about how NSLDS identifies unique borrowers for tracking purposes.

On the NSLDS database we use the combination of the social security number, date of birth and first name to determine if the borrower we're reviewing is a unique borrower or not.

So as you might be looking at the delinquent borrower report over a course of time, you may want to keep those three fields in mind as you're tracking individual borrowers to continue to ensure that you are reviewing the same unique borrower in a report over a given amount of time.

The next couple fields are the OPB and OIB that's the - outstanding personal balance and outstanding interest balance currently owed on the loan. So again the delinquent borrower's report is only available on the federal service portfolio.

We also have a field available for the fees. However, our federal loan servicers do not currently add fees to any loans that are in the non-default portfolio. So for the federally serviced loans, which are the only loans available on this report, the fee should always be zero.

Now the current outstanding principle balance and outstanding interest balance, the combination of those two fields indicates the current amount due on the loan with the OPB being the amount of the principle that's owned on

the loan and the interest being the amount - or excuse me, the OIB being the amount of interest that's owed on the loan.

As these are current - as these are the amounts that are currently owed on the loan, (unintelligible) to run this report one month and then run it again the next month and the borrower's still delinquent; I may have seen the OPB and OIB change if the borrower had made a payment or even if the borrower hadn't made a payment and other activities occurred that could include that those balances on the individual loans.

So the OPB and OIB combined should indicate the total amount due on a given loan. If in the future the department ever chooses to charge fees on the loans that we service, we would begin to populate in the fee balance field.

And I want to make it perfectly clear that I'm not saying that the department ever intends to but if we ever were to choose to do that, they went ahead and built a placeholder into this particular report to allow that to occur.

The next field, the days delinquent, this is simply the number of days delinquent that in a (unintelligible) is calculated on the report. Again, just like the pre-formatted report, the days delinquent is calculated based on the delinquent date and it's only as good as of the report run date.

So you want to make sure again that you going to utilize this report (layout). That you're running the duration as closely to the time in which you're going to use the data for whatever it is that you might be doing to reach out to the borrower.

Now in addition to the calculated days delinquent, NSLDS does also include the delinquent date. And this is the first day of delinquency or the day - or the first day after the first missed payment.

So, you know, there's - if you were to run this report and use it at a later date, you could certainly recalculate the number days that the borrower might be delinquent by using the delinquent date - the delinquency date also. So that field is in there available for your use if you choose to use the report to do other activities.

Again, I - in the school portfolio report such as - I did point out that we do track and display the delinquency date in the school portfolio report as well. So if a school was looking to do multiple things with the same report, it is - there is some benefit to using the school portfolio report to potentially maybe say just the delinquent borrower's report. But of course we still make both available for your use.

The next field is the amount field. And this is the loan amount field. And again, this is one of our (steps) that probably could stand to have a little better definition.

The loan amount for a direct loan is equal to the loan amount that's been reported to COD. On a (sub) loan, the loan amount is the guarantee amount that's been guaranteed by the guaranteeing agency. The loan date again is the award date that's been reported to COD by the school on a (sub) loan that's not as - on a (sub) loan it is the loan that date, excuse me, the date on which the guarantee agency guaranteed the loan.

Next is the loan type and this would be to indicate whether it was a (federal) or direct, sub or unsub. We do also include plus loans and consolidation loans

on this report. So the loan type will indicate all the various types of loans. It might be partly individual loan that's being reported on in the report layout.

If schools are unsure of what those codes mean, I would refer you to the NSLDS help text on the NSLDS Web site for a definition of what all of the loan types, how they're all defined. And that should be a good resource for you to determine what type of loan it is that you're doing here.

Again though I am going to remind you that all of the loans that populate the delinquent borrower report are loans that are serviced by the department. However, a purchased loan or a direct loan may be included here. So just wanted to reiterate that.

So the last field on this particular slide is the monthly payment amount. And this is the scheduled payment amount due. So I do want to remind you that we're looking at a loan level report and NSLDS does collect a monthly payment amount at the loan level.

So if the borrower has multiple loans that are delinquent, you (only can sum) the scheduled payment amount for all of the loans associated with that borrower to determine the monthly payment amount for that borrower.

So again, just kind of want to remind you that we're looking at loan level detail so the monthly payment amount is for the amount that is due on the loan each month, not the amount due for the borrower. So just important to remember what level of detail we're looking at on this particular report.

All right. After some of that - the high level information or the information upload, we also have some more demographic data about the borrower. We include the borrower's physical address that's been reported to NSLDS by the

loan servicer as well as with that physical address we also have the address condition field.

And the address condition field indicates if the physical address is the - if the servicer has been able to - well it basically indicates that the services has not received return mail from the borrower. If the servicer has been unsuccessful in reaching the borrower at the physical address displayed, the address condition would be switched to an N instead of a Y.

If the services has not or has had no problems getting mail through to the borrower or has at least not gotten returned mail, the good address would be indicated by a Y in the address condition field.

So you do - as you're looking at that address information, you do want to make sure that you're noting the address condition field to make sure that the most recent address in the report - or being reported whether or not it is a good address or not.

One of the tip offs - one of the things we might want to pay attention to is that if you have a better address than what the servicer has reported to NSLDS, that may be a piece of data that you want to share with the federal loan servicer.

You know, the federal loan servicer is just as concerned at resolving the delinquency as you might be in resolving the delinquency. So we're certainly interested in hearing back from you on if you have a better address than they do. And a good way of telling that is by looking at the address condition field and seeing if that has flipped to an N.

In addition to the address data, we also display the current home, business and cell phone number associated with the borrower. And of course again, you know, the same phone numbers are reported to NSLDS by the federal loan servicer. So this we don't store condition on those phone numbers but we do - are passing along the information so the phone numbers that has been shared with NSLDS.

In addition to the phone number and physical address we also populate this particular report with the email address. So that data is made available to you in position 360 to 487.

So the borrower's email address, which has been reported via the servicer is also available in the (report layout). And we can then - we also have the maturity date.

We talked about in the report parameter section about choosing the cohort year in which you would like to receive the data. And the maturity date also referred to as the date entered repayment is the date that's used to determine this cohort year the borrower of the loan is include in.

If you specify a specific cohort year, you'd only expect to see a maturity date within a particular timeframe. If you did not specify a specific cohort year, the maturity date out here might be any maturity date and not just restricted to the cohort year selected. Excuse me.

After the maturity date, we also display the date of default for loan status. And then after that we display the date of default for the cohort default rate calculation.

And I want to take a minute to talk about what these two fields mean, how they're different and why they're important for you to know as you're working your delinquency information.

On NSLDS the date of default from loan status, this is the date that a (DF) is effective on the loan. For federal loan reporting - federal loan servicer reporting the (DF) loan status should be reported effective on day 270 of delinquency.

It is the 270th day of delinquency is the borrower loses eligibility for additional aid. So in position 496 you should see - if the borrower's reached the 270th day of delinquency, you should see the 270th day displayed here, which is equal to the date that the loan went to a (DF) loan status.

So on day 270 of delinquency, the borrower is not yet considered and the numerator of the calculation. For consideration in the CDR, the borrower has to reach day 360 of delinquency. That is noted on the date of default for CDR. The date of default loan status is day 270 of delinquency which is when the borrow loses eligibility for additional aid. The day of default is day 360 which is when the borrow is not eligible to be included in the numerator of the default calculation.

Also, on day 360 of delinquency, the borrow is currently not eligible to cure the delinquencies that is required to rehabilitate their loan. It's kind of the understanding of how and why those fields might be reported in the record layouts. That's pretty important to understand as you're reading the information.

It also includes the repayment plan type with the delinquent borrower's report. Our thought here is that if you're talking to the borrower and helping them

cure their delinquency, we think it might be helpful for you guys to understand which repayment plan the borrower is currently repaying under so that you can help talk through their options. If the borrower is currently on the standard repayment plan, there may be some benefits for the borrower exploring being on a different repayment plan.

Our thought here is that knowing what the borrower is currently on, it will be helpful as you're counseling the borrower. This is more of an informational piece for you and that's the thing with that.

Also as a layout, we do provide the current servicer codes. All of the servicers do provide electronic announcements by providing the name of the servicer, the contact information, so you can certainly rephrase the electronic announcements or you can do a search on the added servicer organization type if you need to define what the individual codes are for each of the federal loan services.

In addition to the codes, we do go ahead and display the servicer's name as well as the servicer's contact information on NSLDS for the borrower. That information is included right here on the loan level report. I'm going to talk a little bit more in a couple minutes about why we specifically include the name and contact information here.

After the servicer information, we do also include the award ID/data provider ID. Since the delinquent borrower's report is specific to loan service by the department, all loans in the department are required to have a loan ID. We talked about those in the school portfolio report session, but the award ID should not change once it's been assigned to a loan. Again, for loans, the award ID is originally created by the school and passed to POD and the

origination and displacement data flow. POD passes the information onto the federal loan servicer, which is then passed to NSLDS.

The award ID should be useful in tracking an individual loan over a course of time. Once that award ID is assigned to a loan, it should not normally change. In an (Ann Fuller) situation misreporting data collection type issues where it is possible that the award ID may need to be changed by the federal loan servicer manually and we do see it happen on rare occasions. It is not the norm by any means that the award ID should be changing consistency.

That award ID hopefully should be very unique in tracking an individual loan over a period of time. Following the award ID, we do include the original school code and the original school branch code associated with the loan. One of the things that we do on the delinquent borrower's report is we do include schools that have been merged to a new school code. We do include borrowers that are delinquent under the old school code and the new school code delinquent borrower report.

The original school code fields here hopefully will be helpful in assisting you to identify if you are a merged school and which of those loans that populated the report came from the prior school code and which are associated with your current school code. The original school code should always pretty much remain the same once recorded to NSLDS, regardless whether or not the school has been merged to a new school code.

Our next fields are the consolidation indicator and the consolidation loan identifier. I do want to take a second to talk about consolidation loans and how they are tied into the delinquent borrower's report. Of course we identify a borrower that is eligible to be on the report if a borrower is delinquent. On consolidation loans, we certainly attract the delinquency with the

consolidation loan, however; we're going to tie that consolidation loan to your individual school and we have to tie back that consolidation loan to its appropriate underlying loans on the report.

In order to populate a consolidation loan, on the delinquent borrower's report, we not only populate the delinquent consolidation loan, but we also populate the paid in full underlying loan so that the link is made between the equation of the consolidation loan being associated and tied back to your individual school codes. We made that link based on the original school code that we saw on the prior slide.

As part of the record layout, if we are looking at a delinquent consolidation loan and the loan which we're looking at is the actual consolidation loan, will include a one as an indicator that the actual loan is a consolidation loan and a two is the loan being displayed in the report and it's a paid in full underlying loan.

The consolidation loan identifier is a unique identifier that we populate on the consolidation loan which should tie back to a unique identifier also populated on the underlying loans. If you look at an individual borrower with both paid in full underlying loan and an open delinquent consolidation loan, the consolidation loan identifier should be a 21 character identifier that links those two loans together.

I do want to note that the linking of a consolidation loan to its underlying loan is contingent upon the data reporting by the data provider. NSLDS does look with the data provider and told us that a consolidation loan is linked specifically to its individual underlying loans. If the data providers are unable to make that solid link, NSLDS does look at the loan date associated to the

consolidation loan within 210 days of the paid in full date of the underlying loan.

If those dates are within those specified ranges, NSLDS will create the link between the consolidation loan and the underlying loan without the data provider actually reporting the definitive link directly to NSLDS. I know sometimes linking the consolidation loans to the underlying loans can be a little bit confusing in the logic that we have out there. We have several NSLDS newsletters that describe how that linking logic is created. I think that is something that we'll probably look at over the course of the next couple months making it a little bit clearer for schools. When we make those assumptions and link those loans together, we do indicate that linkage data consolidation indicator and the consolidation loan identifier.

Our last set of fields are the student social security numbers, student date of birth and the student's first name. These fields only produce when we populate a delinquent loan to the delinquent borrower's report. Our thoughts here - we do include PLUS loans, Parent PLUS loans specifically, on this report. We want to help you as a school tie back that Parent PLUS loan to the student beneficiary of the funds. We do include the student's social security number, date of birth and first name associated with the beneficiary of the Parent PLUS fund.

If you are choosing to reach out to your PLUS borrowers, we do give you the beneficiary's information. We've heard from other schools that they use this to tie back to the actual student information on their proprietary databases to combine the delinquency data from this report to the information on their individual school databases.

That is all of the individual fields that are output of the delinquent borrower's report. The next couple of slides, there are two things to remember that are important. Again, the delinquent borrower's report is only available on the federal server portfolio. None of the loans that are held by guarantee agencies or that are in commercial servicing know that delinquency data is reported to NSLDS. This report is only applicable to the federal portfolio.

The one thing that's a little different from the delinquent borrower's report as opposed to the school portfolio report is that the delinquent borrower's report does contain the contact information. We've looked at the physical address, as well as phone number and E-mail address for the borrower. That information, as it's been reported to NSLDS by the federal loan servicer, is available on the delinquent borrower's report, however; at this time, it's not available on the school portfolio report.

Also being taken away is that the delinquent borrower's report is driven the number of days that a borrower's loan is delinquent. That delinquency is rolling and it does change, so we want to make sure that you are running the report as close to the time as you want to utilize the data as possible. Again, if you're interested in identifying the borrowers that are delinquent, but you're also interested in identifying other aspects about the portfolio at the same time, the school portfolio report is available to not only identify the delinquent borrowers, but also the other borrowers.

All right guys, I appreciate your time. I'll hand it over to (Lisa).

(Lisa): For some additional questions.

Man: Great.

(Lisa): A couple of folks have asked what the difference is between types of reports - extracts or report - if you can explain and clarify that.

Man: Sure. That actually, I believe, takes us back to slide three. I did not cover this specifically in this presentation only because we're going to talk about it a little bit more in the technical session. I'm trying to flip back here in the presentation itself and of course I went one too far. There we go.

If you'll notice up at the top right hand corner next to the report ID, we have the type and a selection drop down. Here, we allow the user to select extract or report. The extract version is fixed with or comment limited. The report layout that we mainly focused on - if the school user chooses to select the report formatted, that is the selection criteria that drives and produces the pre-formatted report, which I am now displaying on the screen. That very top box that drives whether or not the school receives this pre-formatted report or an actual extract. We'll talk about that a little bit more at the next technical session.

(Lisa): Next, we also have - the school asks, once we've requested the report, how long will it take before we can download it?

Man: That's a good question. Generally, we - and once the report parameters have been entered - we generally produce the delinquent borrowers report overnight or options that we did not explore in this presentation and it is my forgetfulness. We should have included a couple of things. We do allow the school to have a schedule for which they do it automatically to have the delinquent borrower report sent to them on a set schedule that is, I believe, weekly or monthly. If you don't mind, I will definitely make sure to get that information out for the schools and we'll talk about that.

(Lisa): Great. While we're on slide 12, we received another clarification point. For this slide, is this from the report tab or the AID tab and what is the specific that you use to retrieve this report?

Man: This actually goes right back to where we were just talking about - the report verses the extract format. So we see this pre-formatted report from the report tab when you select report and the type. That's when this pre-formatted report is generated. On the web view, it is only available under the A tab on the delinquent borrower's link. I hope that's clear. We can provide some more clarification in the Q and A as well.

(Lisa): Next, just going back to slide seven. Okay. We received a question - what does rehabilitate the loan mean from this slide?

Man: Okay. I can kind of see how they may have been a little bit confused. We're focused in on this particular report on borrowers that are delinquent and that the borrower has an opportunity to make a payment or some sort of collection that would bring the borrower current or at least more current on their due date. Once the borrowers hit 360 days of delinquency, unfortunately a payment no longer satisfies bringing the borrower current on their delinquency and they are required to rehabilitate their loan.

Rehabilitation is a specific activity for the federal portfolio; it is a collection activity that occurs by the default management collection system. It requires the borrower to make a certain number of on-time payments within a certain time frame. I won't quote that number of payments or a timeframe for our session now. I'll leave that to the DMCS experts. Because borrowers that reach 360 at delinquency, they may not transfer to DMCS until a couple days after the 360 of delinquency. We do go ahead and make those borrowers

available for display on this report, even though that delinquency is no longer curable by the borrower just making a payment.

(Lisa): Okay, thank you. Next question we have is how can the institution update new address and phone numbers to pass along to NSLDS?

Man: I am really excited that someone asked that question.

(Lisa): A couple of people asked that question.

Man: Actually, NSLDS is preparing to roll out brand new functionality that will allow our school users to update our borrower's address and NSLDS either via the web. If a borrower is currently enrolled, which would probably not be applicable to a delinquent borrower, but if a borrower is currently enrolled, we'll also begin to accept address information via the enrollment reporting functionality, which schools use to report enrollment data tests. We are working on making this a web entry. Then of course our next steps from that will be creating a functionality that would then distribute that updated address to the federal loan servicers as well. That piece is a little further down the road.

(Lisa): Oh, very good. The last question we have is what is the difference between DF versus the DU status code? This is pertaining to slide 17 because it only discusses the DF.

Man: It only does discuss the DF, you're right. There is reason for that. That's on position 496 if I were to read the data default loan status. The DF status code is used by the federal loan servicers to educate that the borrower is no longer eligible for additional aid. That is day 270. The DU loan status code, which stands for default unresolved, is only utilized by the default management

collection system and the DMCS which is short for default management collection system, reports the DU status at the time of which the DMCS begins to report on the loan.

Essentially, the DF and the DU both indicate that borrower is no longer eligible for additional aid, but the DU tells us that the default has progressed to the point where now DMCS has begun servicing the loan and the non-default federal loan servicer is no longer.

(Lisa): Okay. Thank you very much. We're going to go ahead and move to the survey. We just want to thank you all for participating and attending this session, delinquent borrower report for NSLDS. If you have any additional questions, please feel free to E-mail myself and I'm actually on the announcement for this training. We'll get those questions with an NSLDS expert.

The survey is now up and we would appreciate if you could just go in and let us know and provide feedback. Thank you again for attending and we look forward to you joining us for our next session, manipulating NSLDS reports. Have a good day.

END