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DIRECT LOAN REPORTS

CYNTHIA THORNTON: Good afternoon, everyone. Welcome to today's webinar, Direct Loan Reports. My name is Cynthia Thornton, and I'm a training officer in the Dallas Regional office. My co-presenter today is Virginia Hagins, and she's a training officer in the San Francisco office. Thank you again for joining us.

Today, we'll explore Direct Loan Reports that are available to assist you in the administration of the Direct Loan Program, but before we begin, let's cover some logistics.

Today's webinar is being conducted in lecture only mode. To ask a question, please type it into the Ask a Question box located at the bottom left corner of your screen, and then click the submit question button just below it. Your questions will be answered privately by our question manager today, who is Wood Mason. If you have technical questions about ON24 platform, please type them in to the Ask a Question box, and an ON24 representative will assist you.

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This is our agenda today. During this session, we'll cover The Lineup. This portion of the webinar covers Direct Loan Reports that are available primarily through COD, but also possibly generated out of your system's financial aid management system solution, and those that are available from our Direct Loan Servicing site. Just the Facts section will tell you how to set report options, such as formatting, scheduling of delivery, and how to access the reports. Searching for Clues will highlight some common issues and explain how various reports can assist in solving those issues. Then finally, we'll get to Mystery Solved, where we will summarize what we just learned today.

Now this session should be fairly comprehensive, but we do have a COD Technical Reference Manual. The 2010-11 version is now out and available, and it has a detailed description of all of the COD reports that we're going to be covering today. You can find them in Volume 6, Section 8. Now the COD Technical Reference Manual can be found several ways. I like to find it by easily going to the IFAP home page and clicking on publications, and then clicking on the COD Technical Reference Manual, but you'll hear throughout the presentation there are many ways to get to our COD Technical Reference Manual.

Now let's begin our review of the report by looking at The Lineup, the available reports for you in your administration of the Direct Loan Program. On this slide, you see The Lineup. You see a preview of some of the more frequently accessed reports. At the top of a list, you see one of the most important reports, our School Account Statement, which is kind of like your monthly bank

statement, and you'll use that frequently, especially in our reconciliation and our closeout process. You also see the 30 Day Warning report, and all of these reports that are listed on this slide we'll be covering in a little bit more detail throughout this presentation, and again, don't forget, there's lots of information in our COD Technical Reference Manual.

Here's what we'll learn today. When we've finished our Lineup review, you should have learned what Direct Loan Reports are available, when and how frequently the reports are available, you should learn where the reports are delivered and are available, and you'll learn why the report's data are useful in assisting you, the school, in processing. Before we move on, I want to mention that Direct Loan Reports are generated for each attended campus, in other words, separate reports are generated for each attended campus. So now let's go to our first report.

What? The monthly School Account Statement, again, the most important Direct Loan report. This report again is similar to a personal bank statement. This report summarizes your schools processing activity for each month and contains both cash and disbursement summary and detailed information. The sections of the SAS received by your school and the level of detail included will vary based on your schools options selected. The SAS is a year specific report, so a school, you may receive more than one SAS each month for separate award years, for example, you may be receiving the '09-'10 School Account Statement report, and the '10-'11 report simultaneously. When will you get them? Well, it's automatically generated each month on the first full weekend of the month, and it contains data through the last day of the prior month. Now you will receive your SAS report for a specific award year from the point at which you begin processing cash or actual disbursement information, and the COD through the end of the program year, as defined by our closeout deadline, or the last date to accept activity on a common record. Where will you get it? It's going to go to the SAIG mailbox only, okay? You'll learn that reports go different places, but this one is going to your SAIG mailbox only. Why do need this report? Well, Direct Loan Program regulations require monthly reconciliation. The SAS is the primary tool that you'll be using for these purposes, and it should be compared to both your financial aid office records, and the records that are available in your business office. The School Account Statement is one of your most important Direct Loan Reports.

The next report is the 30 Day Warning report. The 30 Day Warning report will help you identify unbooked loans. Unbooked loans are those for which the COD system has not received our required elements for booking a loan. Unbooked and booking, those are two terms that you'll hear a lot in the administration of a Direct Loan. The required elements for booking a loan are: COD must have an accepted award/origination record, or loan origination record; COD must have an accepted Direct Loan Master Promissory Note; COD must have accepted the first disbursement record; and in the case of PLUS loans, you must have an accepted credit decision. And we would like to point out that this element is required to book a loan, but it's not listed on this report. COD won't accept an actual disbursement record without an accepted credit decision. Once all of these elements are received, once you set up your award or origination record, there's an accepted MPN, there's a disbursement record, and in the case of a PLUS a credit decision, the loan is what we call booked.

Now, these required elements must be submitted to the department within 30 days of the initial actual disbursement date to avoid violation of the 30 day reporting requirement. For this report,

unbooked awards are listed if any activity occurred on the award during the report period, which is a 90 day period beginning 120 days prior to the report run date to allow for the 30 day reporting requirement. For example, if an award is accepted on 10/15/09 without a promissory note or a disbursement, it's not going to appear on the October 2009 30 day warning report. Why? Because 30 days have not passed since the award was accepted, but it will appear on the November, the December, and January reports if the award remains unbooked.

Unlinked promissory notes will appear on the report only if the promissory note was received within the required reporting period, which is a 30 day period beginning 30 days prior to the report run date. Promissory notes drop off after 30 days. Loan origination records remain on the report 90 days. PLUS loans will reject, with rejected credit, will not appear on this report. Again, that's PLUS loans with rejected credit, they are not going to appear on this 30 Day Warning report. When will you get this? This report is sent automatically to you on a monthly basis. Where is it coming? It's sent to your schools SAIG mailbox unless you, the school, unless you choose Do Not Distribute. Now we're going to be talking about that Do Not Distribute option that you have when you're setting up your schools profile.

This report is also available on the COD website, in our school's Newsbox, and we're going to see the school's Newsbox just a bit later, so you have some options here of where you'll get this report. Why do you need this report? Well, it can be used to identify missing pieces that are necessary for booking a loan. It'll help you identify MPN's that are awaiting awards. It'll help you reconcile your school's internal records of unbooked loans, and it will help you monitor compliance with the 30 Day Warning report, requirement, excuse me, so that's the 30 Day Warning report that's available to you. Please take advantage of that.

This next report is Inactive Loans. The Inactive Loans report lists all Direct Loan awards that have been cancelled or made inactive, that is, the award and any pending or actual disbursements have been adjusted to zero by the school for the reporting period, which is a 30 day period, the calendar month prior to the run date. When will you get it? The report is generated monthly, unless there's no data for the period. Where will you get this Inactive Loans report? It's sent to your schools SAIG mailbox, and again, it's available directly from the COD website in your school's Newsbox, where you can download it as often as you need it. Why do you need this report? Well, you can confirm that only the correct loans have been made inactive. It can also identify awards that may have dropped off the 30 Day Warning report, as loans drop off that report when inactivated. If you expect an award to be listed on the 30 Day Warning report and you don't see it there, you may want to research to see if it now appears there, or if it has been booked since the last report.

Now, we want you to put an asterisk by this report, the Pending Disbursement Listing. Please give this report, the Pending Disbursement Listing, your priority attention. Now, we want you to utilize this report frequently to maximize your administration of the program. This report shows all pending and our anticipated disbursements from your school for the reported period and award year. The reported period is a 45 day window into the future from the date of the report, or any date in the past, for a 45 day window. This means that if a pending disbursement has a disbursement date less than or equal to 45 days from the report, it will be included on the report.

When? It's sent weekly, provided there's data, so you're going to get this report, the Pending Disbursement Listing, weekly. Where are you going to get it? It's sent to your SAIG mailbox automatically, and just like a couple of the others, it's available on the COD website in the school's Newsbox. Why do you need this Pending Disbursement Listing? Well, this report can be used to identify anticipated disbursements that may need to be reported as actual disbursements. Okay? You have anticipated, and now you'll have learned you have to report them as actual disbursements, Or, the report can be used to identify awards of disbursements that need to be cancelled, or reduced to zero. This is also referred to as inactivating a loan in COD. If you need to cancel, you're not deleting the record out, you're just going to go and reduce the loan amount to zero. Proper utilization of this report can help you comply with cash management regulations and the 30 day reporting requirement.

Now let's talk about the Duplicate Borrower, or Duplicate Student Borrower report. This report lists borrowers for which the COD system has accepted multiple direct subsidized, or unsubsidized, awards, with all real acting academic years from multiple schools, and identifies schools that have sent those awards. This report helps identify subsequent award, or disbursement records, that may reject due to the borrower exceeding the annual limit. When will you get the Duplicate Student Borrower report? You're going to get it monthly, unless there's data, unless there's no data, excuse me, if there's data for it, you're going to get it on a monthly basis. Now where are you going to get it? It again is coming to your school's SAIG mailbox, and it's also available on the COD website in the school's Newsbox.

Why would you need the Duplicate Student Borrower report? This report helps identify potential over award situations. Now as noted, it can identify when multiple sub, or unsub awards, have been originated, typically by multiple schools with overlapping academic years. Now because it contains Direct Loan data only, this report does not relieve you, the school, of your responsibility to monitor all loan activity for a student through the NSLDS processes to avoid exceeding the annual loan limit. Duplicate Student Borrower report will help you identify those borrowers who may have loans at multiple schools.

We now move on to the SSN/Name/Date of Birth Change report. This report lists student borrowers who have identifier changes, including changes to the social security number, the name, and date of birth, during the reporting period, which is 90 days prior to the report end date. The change will be included if the student or borrower was associated with your school for any of the three most recent award years and whether the change was initiated by your school or by another school. When are you going to get this report? It's sent on a weekly basis, when a change is initiated. Where is it coming? It's coming to your school's SAIG mailbox, and it's also available in the school's Newsbox. Why do you need the SSN/Name/Date of Birth Change report? Well, this report can be used to confirm that identifier changes sent by your school have been accepted properly on COD. It can also be used to update your records to prevent future rejects based on the use of old identifiers and information. Now, since you might not have initiated the change, you should monitor the information and make certain that the changes are made to your records when appropriate. Now notice that we say when or where appropriate, because your school, you might have the most current and most accurate information, and if so, you should ensure that this information is properly documented and updated on COD.

This next report is the MPN Due To Expire report. This report contains data on MPN's that will expire or become inactivated within the next 60 days. Again, that's information, if that MPN will expire within the next 60 days, and they may expire, MPN's that is, due to any of the following reasons: your MPN will expire if there is no award linked within a year of the date of receipt, okay? If you have a policy where your borrowers go out and they just complete an MPN whenever they want to, and you don't ever link an award to it, it will expire; if there are no actual disbursements on a linked award within a year of the date of receipt; ten years have passed since the date of receipt. An MPN will appear on the reports of all the attended schools with linked loans to that MPN. The attended schools listed on the MPN's regardless of whether or not an award from that school was linked to the MPN. This report is generated monthly. Where? This report is sent to your SAIG mailbox, and the COD Newsbox where you're able to go out and run the report yourself ad hoc. Why do you need this report? Well, it can be used to identify when a new MPN may be needed for an award at your school. If an MPN is about to expire, and you know that your award will not be disbursed before the expiration date on that note, you must obtain a new MPN. Let me say that again. If your MPN is about to expire, and you know that an award will not be disbursed before the expiration date of that note, you must obtain a new MPN. Now, if an award is already linked to the note that is about to expire, any actual disbursements for that linked award will process normally.

And on this slide, we'd also just like to point out two versions of this report. On the top screen, you see a screen shot of a flat file with a fixed length format, and the bottom screen shows a flat file data displayed in an Excel spreadsheet, and when you're getting ready to generate these reports you'll be able to set up some options about how you want to view and display this data, so we've shown you how they might appear for you.

The last report was for MPN's due to expire. Notice that we have reports that tell you if an MPN has already expired or become inactive. The expired MPN report contains data on MPN's that have expired within the last 30 days due to any of the following reasons: it could have expired because there was no award linked within a year of the receipt date; it could expire, could have expired with no actual disbursements on the linked award within one year of the receipt; or 10 years could have passed since the receipt date. Now, a PLUS loan linked with an endorser, and remember a single loan MPN for a PLUS with an endorser is good for that award year only. It can't be used for additional awards, okay? So if the existing MPN was used to make prior loans, a new MPN will be needed for the endorsed loan before disbursement.

An MPN will appear on this report for all attended schools with loans linked to the MPN, and the attended schools listed on the MPN, regardless of whether or not an award for the school was linked to the MPN. When? This report will be generated weekly provided there's data for the report. Where? This report is coming to your schools SAIG mailbox, and, just as some of the others are available, it's available in your school's Newsbox. Why do you need the expired MPN report? Well, this report can be used to identify when a new MPN may be needed. Notice that you cannot use an expired MPN to link a new unlinked award at your school that will be disbursed after the expiration date. You must obtain a new signed MPN to disburse additional loans. However, disbursement on loans already associated with the MPN will process normally, even after the expiration date. And notice on this slide as well, we have two report samples. The top screen shot is a pipe delimited format for the flat file, and the bottom screen shows the flat

file as displayed on an Excel spreadsheet.

And now we get to the MPN Discharge report. The MPN Discharge report contains data on MPN's that have become inactive within the last 30 days due to discharge or death, unauthorized signature, or identity theft. When? You're going to get this report weekly, unless there is no data for the report. Where? It's coming to your schools SAIG mailbox, and it's available on the COD website via your school's Newsbox. Why do you need the MPN Discharge report? This report identifies if a new MPN is needed for an award at your school. An MPN that has been made inactive due to discharge cannot be used for additional awards, and will not be available for linking. Now, if you expect to award and disburse additional funds to the affected borrower or student, verify that the individual is still eligible, and obtain a new signed promissory note.

Direct Loan Reports are available as flat files, in up to four formats: comma delimited, pipe delimited, preformatted text, and fixed length files. The top screen shot shows a comma delimited flat file format. The data has been converted to an Excel file in the bottom screen. And again, when you're going out setting up your school options, you'll be able to say how you'd like to receive these. Now while we're here, I'd also want to mention that schools can query MPN information on the COD website and save the resulting data in an Excel compatible format.

Now I'll turn it over to Virginia, who will continue with the Direct Loan Rebuild report.
Virginia?

VIRGINIA HAGINS: Thank you, Cynthia

And we are going to be talking about Direct Loan Rebuild, and hopefully, as you will find out as I tell you about this particular report, hopefully you won't have to use this. The Direct Loan rebuild is an electronic file that schools can request via the COD website under Batch Rebuild Search and New Requests. The file issues to rebuild the schools lost or corrupted Direct Loan database, or to recreate specific student records. Direct Loan Tools is a federal student aid software product that can be used to help rebuild any type of Direct Loan database. It creates an ED Express database, which allows the school to reformat the data, or import into an external database, if necessary. Now when do you get this? It's produced upon your school's request, and it's sent to you via your schools SAIG mailbox. Why would you need this rebuild file? Well, it can help you rebuild or recover lost or corrupted data for an entire award year for a specific borrower student, data associated with an SSN, for an award ID, loan and disbursement information, or for loan disbursement information within a range of dates for a particular award year. We hope you can tuck this knowledge away and never need it, but it is good to know, just in case.

Now what we have here is the school monitoring email. The COD school relations center and federal student aid proactively monitor the processing and reporting of disbursements for the grant programs as well as Direct Loan. COD school relations contact schools via e-mail about potential processing problems identified during the monitoring process. If this is necessary, your communication will be received weekly. Where do you get it from? The department sends the e-mail to the financial aid administrator listed in the contact box on the COD website, and this is one reason that it's very important that schools keep the financial aid administrator contact

information current. Why would you need a school monitoring email? Most schools are not directly affected by school monitoring. The school monitoring process is proactive to improve the reporting performance of schools with potential processing problems, such as unsubstantiated cash balances. This e-mail is used for all COD related programs, and allows the department to partner with schools to promote program integrity, as well as fiscal responsibility. The COD school relations center and federal student aid proactively monitor, just as I mentioned, for grants and programs.

And as you can see from this particular screen shot, which you may need to enlarge in order to see it, you do have a list here that shows you where your unsubstantiated cash is throughout the year. The top portion is the Direct Loan unsubstantiated cash, and you'll see below it, we have examples of ACG, National SMART, as well as TEACH, unsubstantiated cash.

So we've taken a look at some of the reports available through COD. Now let's take a look at reports available through the Direct Loan Servicing center. You have several report options available to you. Today we're going to focus on entrance counseling, reports which list borrowers at your school who have completed entrance or exit counseling online, and we'll also take a look at delinquency reports.

Delinquency reports show delinquency information for borrowers at your school, including late stage delinquency information. The Delinquent Borrower Report is a scheduled report that is sent to the SAIG mailbox on a monthly schedule. The data from this report can be accessed via the website on an as needed basis, though they are all able to be scheduled deliveries to your schools TG mailbox. Portfolio reports provide summary level statistics on borrowers and loans at your school. For all of these reports, you'll obtain key information from Direct Loan Servicing regarding your schools borrowers. The reports can be generated as needed, daily, weekly, or monthly, at the frequency that you select. The reports can be sent to your SAIG and to receive them in your mailbox, you'll have to sign up on the school reports tab, and we'll see that in a moment. In addition, you will need to designate a mailbox in SAIG for these particular reports. These reports are going to help you manage and monitor borrower activity in an effort to prevent defaulted loans.

Now that we have had an overview of many of the types of reports available, let's show you how simple it is to set up Direct Loan Reports and access this information. Most Direct Loan Reports are available via the school's SAIG mailbox, the school's Newsbox on the COD website, e-mail, or generated real-time on the Direct Loan Servicing website. COD reports are sent to the schools SAIG mailbox unless the school chooses Do Not Distribute. If the school chooses not to receive a report, it may still be viewed on the COD website. If the school later chooses to resume the distribution, only new reports from that point on will be sent.

Reports sent to schools are sent as flat files. Format options for the flat files vary from report to report, and not all reports are offered in all formats. The formats include comma delimited, pipe delimited, preformatted text file, and a fixed length file. You should work with your software provider to determine what works best for your particular school.

Displayed in this screen shot is the lineup that we'll cover. As you can see, you have a lot of

assistance available in the form of reports. As we talked about earlier, the COD Technical Reference, Volume 6, Section 8, has a complete and thorough explanation of each report available via COD, reports which are the top two-thirds or so of this list or rather, make that Lineup. The last few reports currently are available from DL Servicing, but they will be available from other sources in the future, and you should, as we always tell you, keep an eye on IFAP for any change announcements when it comes to Direct Loans and in this case, Direct Loan Reports. Source is less important than availability and how to use them, however, so make sure you consistently check with IFAP for any updates.

Let's take a look now at how to change your COD report options. Report options may vary by report, and a full description of available report options is included in the COD Technical Reference, Volume 6, Section 8. Where do you find this particular option screen in COD? Well, once you log in, select the school tab to access the report selection option on the left navigation. You will notice the specific reports, such as the 30 Day Warning report, that are available, and on the left, the format of each report. The arrow that you see calls attention to the award year specific reports that are available, and on the left, the format of each report. The school has selected preformatted as its options, but remember that other choices exist.

Report options roll over from year to year for schools. The schools may set or change their options at any time. Schools new to the Direct Loan Program are set to the default values. The values from the most current year will roll over as future years are added, so '09-'10 values will roll over to '10-'11. In other words, you should only have to do this once for all years, unless your needs change, and this applies to all year specific reports. If you should choose Do Not Distribute for any report, you will not receive the report via your schools SAIG mailbox, but you will be able to view it online on the COD website. If you choose to resume the distribution, only new reports from that point on will be sent.

You also have some View SAS options. This hyperlink takes you to the School Account Statement options page to review and make any updates. Check with your software vendor, system programmers, or your third party servicer, if you are unsure which format of the SAS you need to receive. Let's take a look at setting the School Account Statement options on this next slide.

Here we have our screen shot of the School Account Statement, or SAS, report options. This is used as a monthly reconciliation tool. To assist schools in using the SAS, federal student aid provides a software product called Direct Loan Tools, which allows schools to compare their loan data with the data in the COD system. If you wish to use Direct Loan Tools for comparing the SAS to school data, and we do highly recommend you do that, you will need to set your options for each award year to a fixed length report format. This will allow you to select the format of the SAS report that is delivered to its SAIG mailbox. The report activity type, year-to-date, or both, you will need year-to-date file for comparison using the Direct Loan Tools software. This is an option that allows the school to select whether to receive monthly, year-to-date, or both, for both the cash and loan detail sections of the School Account Statement. Regardless of your choice, you will receive a monthly cash summary and year-to-date cash summary.

Disbursement detail - year-to-date. Although you can run a comparison in Direct Loan Tools if you only receive year-to-date loan detail, you have much more flexibility with the year-to-date disbursement level detail file. In order to use the Direct Loan Tools comparison function, you must receive the year-to-date loan level section and/or the year-to-date disbursement transaction details section in a fixed length format. The use of the SAS is covered in much more detail in the reconciliation webinar, and we recommend that you attend this session, along with members of your business office staff.

Now that we know how to set some report options, let's open up COD Reports. You can take a look at these reports as often as you need to do. How to get there from the services menu, you can choose to look at COD Reports. To open, you'll click the hyperlink in the middle of the screen as noted by the arrow. On our next slide, we're going to look at the various reports in our COD Direct Loan Newsbox.

So here we have the COD Direct Loan Newsbox where your COD reports are stored. Earlier in the presentation we took you through some of these reports, such as 30 Day Warning, Duplicate Student Borrower, and Inactive Loans. You also learned the frequency of each of these reports. Some are sent daily, weekly, and some monthly. All reports, except the School Account Statement, are available on the COD website, or you can have a copy sent to your SAIG mailbox. On the left-hand side of the screen, notice the arrow pointing to Direct Loan COD ID. If not sure about your schools COD ID, you want to hover over the little red eye next to any screen with your school's name on it. If you click on the name of the report, you will be taken to the current version of that report. If you click on the word actions right below the report, as noted by the arrow, you are taken to a screen that allows you to choose between current and previous versions, as well as the way you want the report to appear: comma delimited, .pdf, etc., and we're going to see that on the next slide.

If you're having trouble getting to this screen, you may have pop-up blockers turned on. Turn them off, and you will be able to access reports. If you still cannot access the reports, please call COD school relations for assistance. All these reports help you administer the Direct Loan Program effectively when used appropriately. Let's take a look at viewing and selection options for a sample report on this next slide.

You have several viewing options, and if for some reason you need to look at previous versions of a report, you can do so. The box on the left of your screen is a pop-up box once you click on the Actions button just below the specific report. Why would you want to do this? You may use this to view previous versions of a particular report. Note the last date modified, available format, delimited text listed here, and the user and user classes. Also note the sort-ascending button on the bottom left of the 30 Day Warning Versions box, 30 Warnings Versions box. This illustrates an ascending-sort for most recent to oldest.

You may access Direct Loan Servicing Reports through COD. Once you are logged in to COD, select Services, then click on Direct Loan Servicing, and click on the school login link. At that point, a second window opens taking you into the Direct Loan Servicing System. Notice the financial aid professionals in the second box? Again, pop-up blockers. They can often prevent a window from opening, so please be sure to turn off all pop-up blockers. If you're not

automatically logged in to the Direct Loan Servicing website, you should contact the COD school relations center. When would you want to access these reports? Well, as often as needed. You can access the report on the site or sign up to receive them in your SAIG mailbox, as we'll see in the next couple of slides. One note. Although you're logged in to the Direct Loan Servicing website, you can continue working in the COD website simultaneously. When you're ready to logoff, you will need to log off of both sites separately.

The School Reports tab provides access to four reports listed on this slide. The reports are Entrance Counseling, Exit Counseling, Delinquency Reports and Portfolio Reports, and we talked about them earlier. Click on the report selection link to sign up to receive these reports in your SAIG mailbox. For the next slide, and the next section on the Entrance Counseling Report, I'm going to hand this back over to Cynthia.

CYNTHIA THORNTON: Okay, thanks, Virginia.

We'll continue our discussion on accessing Direct Loan Servicing Reports, and here, before I flip to the next slide, you'll notice here, when you're on the Direct Loan Servicing website via COD here, that we have these reports that are available, Entrance Counseling, Exit Counseling, and on this next slide, you see an example, if you would have clicked on Entrance Counseling on that previous slide, this is where you would have been taken. It illustrates the Entrance Counseling reports that are currently available. Entrance Counseling reports, you know, inform you when students have completed online counseling via the Direct Loan Servicing website, and we don't want you to confuse it with the new Entrance Counseling that's now available out on our StudentLoans.gov website, okay? So don't confuse that here. This is counseling when our borrowers go out to our Direct Loan Servicing site, which again will be leaving. We'll be asking, and we have been asking you to transition your students to our new website at StudentLoans.gov, but if they go out to this www.DirectLoan.ed.gov, that data comes here to this website.

Now, you do have flexibility of when generating these reports online, you have flexibility in having them sent to your SAIG mailbox, or, as you see here by this slide, you can actually come out to the website and generate these reports, which can be exported in Excel or be obtained in a .pdf file format and imported into your schools software system. Again we would like to remind you that we're asking schools to start transitioning from our old DirectLoan.ed.gov website, and have your students complete entrance counseling on our StudentLoans.gov website, where you will be able to access it in our COD website, as opposed to coming into COD and then into the Direct Loan Servicing website. So don't be confused, just note it's a minor little change in information out on IFAP that addresses these issues.

Now, you can write online queries that will allow you to search for data by date range, or you can search by social security number, and again, since March, we have been offering our entrance counseling on our StudentLoans.gov website, and we again remind you of that information and that entrance counseling data and reports are available on COD. You get message classes telling you what information is available, so keep that in mind, and make yourself a note.

Now, we are taking a look at our Reports Subscription page. Once on the Reports Subscription

page, you'll be directed here to complete a three-step process, as is outlined on this screen. First, you'll need to select the service that you'd like, and on this page, we have previewed the exit counseling. Two subscription mechanisms are offered for most reports. The SAIG mailbox, and here, with these Direct Loan Servicing reports, they can actually, if you go in and set it up, they can be sent to your e-mail address. Now, you may receive one, or both of them. If you decide to receive exit summary information via your e-mail address, no borrower information will be sent in the report. Instead, you'll be given a link to the Direct Loan Servicing website to generate the detail associated with report.

You may also elect to receive detailed information from the SAIG network. Upon retrieving the selected reports, detailed borrower information will be presented in one of three formats: comma delimited, preformatted, and plain text. There is a link on the page to allow you to view or modify your services, or to be enrolled in any of the services.

Okay, we are moving on to another major section of our webinar, and that is Searching For Clues. We're on the case of the Direct Loan Reports. So here we start searching for clues and then some of the next slides will highlight some of the common Direct Loan issues that you may encounter during the processing cycle. We'll illustrate how you can use the various reports available to you via COD to assist you in resolving these concerns should you encounter them.

First is the case of Missing Identity. How can we determine if a student identifier has changed on COD? This is our first case. How do we determine if a student identifier has changed on COD? A school receives a reject edit number 11 or a 12 on an origination record. Changes to students identifiers such as social security number, name, or date of birth, can trigger, can be triggered by changes made by your school when you submit a common record to COD, or they can be as a result of a change sent in by another school, and we talked about that earlier. To view these changes, you can download the SSN/Name/Date of Birth Change report from COD. This report helps you identify changes made to student's demographic data. On the next slide, we will view a sample of this report. Now, keep in mind that students can also initiate changes when they transmit a correction on their student aid report. Now while this doesn't change the persons data in COD, the persons data on your record must match what is on the ISER that you're paying on, and you're probably already familiar with this process, if you are familiar with our PELL Grant Process, so it's kind a similar to that process.

We are still on the case of Mistaken Identity. To resolve reject edit codes 11 or 12, the Name/SSN/Date of Birth Change report will be used. You will see the school identifiers and then the name labels of those borrower fields that can potentially change. These labels will help you read what is old and what is new and what has occurred, what change has occurred. Now in this particular case, we have Joie, whose date of birth was changed from April 14th of 1985 to December 15th of 1985, and this change was accepted by COD on September 30th of 2007.

So, how do you use this information? Well, first of all, by printing this report, it helps you monitor identifiers that were changed by your school or other schools. Regardless of who initiated the change, you need to make sure it's correct and if you need to, you'll update your records in the system to prevent future or potential rejects when you submit a record to COD. In this case, our case is closed. We found out what was wrong in the case of the Mistaken Identity.

Our next case is the case of the Unbooked Loan. In this case, there are certain components that make up a loan record that are absolutely necessary to book a loan. A booked loan has three components. Do you remember them? We talked about them earlier. The first component is to have what? An accepted Direct Loan origination record. The second one is to have an accepted Master Promissory Note. And the third is to have at least one accepted actual disbursement record. COD will not accept an actual disbursement without an accepted and linked MPN. We'll demonstrate the various reports that are available for you to assist you in identifying MPN's that do not link.

Did you remember all of those? We hope you did and you certainly want to make note of those because they are very important.

So here we're still looking at the Unbooked Loan MPN issue. Where should I look? Well, let's try the 30 Day Warning report, and the MPN's report, as they assist you in identifying MPN issues that need further follow-up information in order to book the loan. You recall that the 30 Day Warning report highlights those critical elements that we just discussed earlier that are needed to book a loan. Those elements are again an accepted loan origination record, an accepted MPN, and at least one accepted actual disbursement record. There are three MPN reports. We have the MPN Discharge report, the MPN's Due To Expire report, and the Expired MPN report. The MPN Discharge report will list the MPN's that have been inactivated due to a discharge processed in COD after they received the notification from the servicer. Now we're going to focus our attention on the Due To Expire, or Expired, MPN report.

Here we have the 30 Day Warning report. This report is run by award year on a monthly basis. It contains loans processed for the award year that have not yet booked as of the day the report was generated by COD. The fact that the student appears on the report indicates that a loan record exists, but additional data is needed to book the loan. For an award to be listed on the 30 Day Warning Report, the award must be accepted on COD, therefore, you will never see a Y in the data needed column under loan fields listed on the report.

Now, again fields listed on this report indicate which pieces of data are still needed by the Department to book the loan. Any missing data will display a Y in the far funding data needed column. Promissory notes listed on the report are unlinked as of the date of the report. Unlinked promissory notes will appear on the report only if the promissory note was received within the reporting period, and remember that's the 30 day period beginning 30 days prior to the report run date. How do you get these records off? To remove these records from your 30 Day Warning report, you will either provide the information necessary to book the loan at COD, or inactivate the loan by reducing the loan amount approved to zero. Loans that display on this report without a promissory note accepted and an actual disbursement are removed from the report after 90 days.

Typically, expired MPN's are not available for linking except if an origination record is submitted and the initial disbursement date is before the expiration date on the MPN. Now, all of the MPN reports, if there is no last name, the first name is only shown as two characters, as indicated on the unlinked MPN. Now this could mean that there is either no origination record,

or there is a problem linking the promissory note to the origination record, or it could mean that there are identifier issues that need to be resolved, and we just talked about those identifier issues. Now, if a linked note is expired, this does not prevent further actual disbursements from being made on the linked loans and reported on the linked loans. The expiration date on a note still may be extended to 10 years from the date of receipt.

On this report, Unbooked Loan MPN Issues, MPN's Due To Expire, we have records that can still be linked to an origination record, but as you see here, these notes are about to expire. The MPN's will link to loans with at least one disbursement date before the expiration date. The MPN ID's will give you a clue as to what type of MPN this is. The N in the middle of the MPN ID denotes that this is a PLUS or a Grant PLUS loan. The M denotes the unsubsidized or subsidized note.

In summary, how do you use this information? The 30 Day Warning report will assist you in finding the pieces that are missing to book a loan, and those pieces, as we mentioned earlier, are, number one, to have an accepted loan origination record; two, to have an accepted MPN; and three, have at least one accepted actual disbursement. We also saw from the MPN reports that borrowers may have potential MPN linking issues, either because the MPN is expired, or perhaps the MPN is due to expire or it's about to expire. If the MPN is expired and no disbursements were made on loan's linked to the MPN, a new one will be required from the borrower. If the MPN is about to expire, and origination record is submitted and linked, the disbursement may be made on that loan that linked, and in some cases, if the origination record was already linked to the MPN, and the note is expired or about to expire due to no disbursement activity, submitting an actual disbursement record reactivates that MPN if the actual disbursement dates are due within the first 12 months of receipt of the promissory note. In all scenarios, once an MPN is accepted and linked to an origination record, disbursements can be transmitted to COD, and if accepted, the loan is considered booked, and we're considering this case closed.

And now I'm going to turn it back over to Virginia, who will continue with the case of the Cash Balance. Virginia?

VIRGINIA HAGINS: Thank you, Cynthia.

Another area that might cause some concern for you and the Department of Education is the case of the Ending Cash Balance. Why does your school have an ending cash balance? Why is your schools reported ending cash balance, what we call the ECB, different from what your school records show? Resolving discrepancies between school information and COD is very much like reconciling your personal checking account, so let's look at the tools that you have to assist you in this process within the Direct Loan Program.

Some of the tools that are at your disposal to assist you in figuring out why you have a discrepancy in your ending cash balance are shown here on this screen. Much like reconciling your checking account, like I just mentioned, you need to figure out how much cash came in, and how much was paid out. In most cases, timing issues account for the discrepancies in your reported ending cash balance and your school records. Very much like when you make a deposit, but it doesn't show up on your checking account statement, because the deposit was made after

the date the report was run. The same occurs for payments made, but for some reason, they don't make it to the report. We have a few reports to assist you in this process.

First off, you'll see the School Account Statement, commonly referred to as the SAS. We're also going to review the Pending Disbursement List, and lastly, we'll talk about your own school records. So let's have a look at the SAS.

COD will transmit to you every month the SAS report. The SAS report contains all the cash activity as reported to COD via G5, and it also contains all the disbursement activity you submitted to COD within a specific range of time. The SAS reports automatically default to monthly activity. You also have the option of receiving year-to-date activity. If you receive year-to-date data, you will also receive the month's activity with it. There is a setup option when you log on to COD to switch the SAS from monthly only to year-to-date, plus monthly. Now as you can see here, the beginning cash balance could represent your prior months ending cash balance. Or, if it's the start of the new awards year, the balance will be zero.

Next, we see your cash drawdown, and any returns that you might have made. We also provide a summary of total amount of loan disbursements and adjustments that were reported to COD, and how much of it is booked and unbooked. The cash greater than accepted and posted disbursements represents what the ending cash balance will be once the unbooked disbursements book. Unbooked data generally represents actual disbursements reported up to seven days before the disbursement date, and reported at the end of the month. So by looking at this particular report, it appears you have an ending cash balance of \$4,925, \$4,347 of which is unresolved. So what would be your next course of action? Is this a result of timing? Did you forget to report a disbursement? Did your school drawdown more money than was needed? It's time to dig around some more for some answers, so let's take a look at cash activity on the next slide.

This is the SAS Cash Detail Report. By the way, all these SAS reports were printed using the Direct Loan Tools software, which is the Department of Education software that's available through FSAdownload.ed.gov. Among other things, the Direct Loan Tools software allows you to import the SAS and compare the SAS data against your school data, or ED Express. Okay, getting back to the cash activity, here's a few questions to get you started. Does this cash activity match my school records? Are there any timing differences? Was cash drawn down or cash returned that does not appear on this report? Were any of these drawdowns reported under the wrong award year? And yes, this does happen. If so, your school should rectify the error on G5 so its accounted for in the correct award year. The premise here is to account for your cash activity, rectify any mistakes, or report new data. As a good business practice, recalculate your true ending cash balance as you would when you balance your checkbook. This way, you ensure that next month's SAS cash activities will be up to date.

Now let's look at the disbursement activity as it appears on the SAS report. This is a screen shot of the SAS loan and disbursement detail. Again, this report was printed using the Direct Loan Tools software. In the software, you can select to print all loans, or just the booked or unbooked loan records. For this particular report, we selected all loan records. When you select this option, you will see first the booked, and then as you scroll down, you'll see the unbooked loan records,

if there are any. You can report to COD an actual disbursement record up to seven days before the actual disbursement date. Now, the disbursement is not considered booked until the actual date of disbursement comes to pass, therefore creating the appearance that the disbursement is unbooked. As you look at this report, ask yourself, do these disbursements match my school records? Are there any missing disbursements or adjustments, or are there any timing issues with one or more of my disbursements? Once you figure out where the discrepancies lie, what's the bottom line? How does this new information impact your ending cash balance? Do the math. For those of us who would be interested in learning how to use Direct Loan Tools, we will be offering webinars on this subject. Training announcements are always posted to IFAP.

Now we have some other print options available to you, and we'll be looking at those on this next slide.

As mentioned earlier, COD generates the SAS reports. These reports can be sent with disbursement level detail in the message class DSDF, or with the loan level detail in the message class DSLF. An alternate way of viewing the contents of the report is to use, open the file in Notepad. To do so, open Notepad and then click file, then open, you'll find the file either DSDF or DSLF. From the text import wizard dialog under original data type, choose delimited. Click next. Under delimiters, click the check box next to the comma, and then click finish.

Now, let me remind you we're still working on resolving the case of the Ending Cash Balance. So with that in mind, here we have a different report, and that is your List of Your Pending Disbursements report. This report is available to all schools participating in the Direct Loan Program, and it can be accessed through the COD website as well. As the report name implies, here we have a list of loan records for which we have an anticipated disbursement record, but no actuals have been reported to COD. The report provides you the loan ID, the disbursement number, and the pending disbursement amount. Your task is to identify if the disbursement should be made actual, or if it should be reduced to zero.

In some instances, you may encounter, as you do your research, that a batch of disbursements that you thought was transmitted was not transmitted at all. Or, perhaps it was transmitted shortly after this report was run. On this slide, we have highlighted Aaron Spells. We haven't made a second disbursement of his subsidized loan in the amount of \$2,750. Do we need to make this disbursement? Is our student still eligible? Or, should we reduce it to zero? Once you've identified which ones need to be made or cancelled, what's the bottom line? Were there any new disbursements made as a result of this report that can reduce the ending cash balance? If so, you'll want to do the math.

Now let's move on to your school records to search for more clues.

Reconciling the ending cash balance is actually a three-way process. Not only do you have to look at the COD data, but as a matter of sound business practice, you should compare the business office data against financial aid data. Here we have some practical advice. Depending on the kind of system you may have, we can safely assume that many of you can run ad hoc reports. Some of the reports should be generated on a regular basis to help you identify such things as disbursements or adjustments that are on one system but not on the other, or funds that

were drawn for one year, for one award year but used for disbursements in another, and the same goes for returns of excess cash. Other issues, such as system failures for lost data that was not 100% restored, or crossover awards for clock hour and non-term schools that could potentially have been posted to the wrong year.

Balancing the Direct Loan cash is no different than trying to reconcile PELL or any other funds you award to students that are driven by certain eligibility criteria. You always need to reconcile differences, resolve rejects, and in the case of Direct Loans, deal with any MPN issues. You need to be able to justify an account for the ending cash balance. Use all the tools that are available to you, and soon you will find a method that works best for your school. Once you establish a method, it becomes a routine and you will be able to resolve all issues prior to the next run of the SAS. Again, reconciliation is discussed in more detail during the reconciliation webinar, and see IFAP for all of our training opportunities.

Congratulations! We hope that by looking at these reports, you are able to identify the clues missing to help you bring your ending cash balance to zero.

Now we have gone through a review of many of the reports that the Department of Education makes available to you. We showed you what the reports were, when they are generated, where to find them, and why they are so critical to help you manage the Direct Loan Program at your institution. We also stress the importance of looking at your school records, especially between the business and the financial aid offices, to ensure that all dollars have been accounted for appropriately.

We hope this session was fairly comprehensive, but we want to remind you that the COD Technical Reference has detailed descriptions of COD reports in Volume 6, Section 8. This COD Technical Reference is available on IFAP. You will want to click on Systems and Processing Links Application on the left bar of the home page, and then scroll down and click on Federal Student Aid Download, then Technical References and Guides. We have alluded to many reports and hope that you will use them to your fullest extent.

In addition to all the other resources we have talked about, COD, Direct Loan Servicing, and Direct Loan Consolidation, all have customer service representatives available to assist you. Once you begin participation in Direct Loan, a COD school relations representative will be assigned to your school.

Now we have concluded our presentation. You will see on this slide an e-mail address that should you have further questions, I am, as I continue talking, going to switch over to the survey that we have for you as an evaluation. If you click on the zoomerang link, it will take you to an evaluation program. Before we leave, I'd like to ask our question manager, Wood Mason, if there were any questions that might be value to the entire group. Wood?

WOOD MASON: Thank you, Virginia, I appreciate that. There weren't a whole lot of questions actually. It looks like everybody was kind of getting the gist of what you guys were talking about, course that's because you guys are terrific training officers, which kind of facilitated that imparting of knowledge.

The only thing I want to bring up, though, is we referred to the Newsbox several times, and I got two or three questions on what the Newsbox is, and generally speaking, the Newsbox is a term we use or a part of the website where your reports that are available on the COD website, which are virtually all of the reports, except the School Account Statement, are displayed for you and where they reside, and from where you can download them. You get to the Newsbox by going to the COD website and selecting the services tab, off of the blue menu bar across the top of the screen. That'll take you to the next page, that'll actually be titled COD reports, and below the short paragraph of explanatory information, you'll see a blue hyperlink, COD reports, that'll take you right to where you need to go to get to your Newsbox. Now keep in mind that this is actually opening a subdirectory of the database, which means you are actually in a secondary database, separate from each one of them, so when you're done looking at your reports or downloading your reports, you want to make sure that you close that particular open screen as you would normally close or logoff of any other screen while on the internet.

I hope that helps, and Virginia, I'm turning it back over to you.

VIRGINIA HAGINS: Okay, we will leave this site up for a few minutes to make sure everyone gets to the survey, and otherwise, we want to thank you for attending Unlocking the Potential of Direct Loan Reports. We appreciate your time and attention, and hopefully you will be able to join us on other Direct Loan Training Suite webinars. Make sure you've downloaded the presentation, if you haven't already done so, and thank you, and have a great rest of your day.