

NSLDS Aggregate Calculation

Participant's Guide

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NSLDS Aggregate Calculation

Objectives

After completing this course you will be able to:

- Understand aggregate loan terms
- Identify loan types that impact aggregate limit calculations
- Calculate aggregate limits using NSLDS methodology
- Apply aggregate information to eligibility decisions

Key Terms

Aggregate Loan Information

NSLDS values that are displayed by loan type, the cumulative Outstanding Principal Balance, Pending Disbursements, and totals that are calculated at the loan level. The total amount counts against the student's overall loan limits.

Combined Loan

The total loan amounts of all Subsidized and Unsubsidized loans for which the borrower is directly responsible. The Combined Loan Total amount is used when considering whether a borrower is "Close or Equal to" or "Exceeding" aggregate limits.

Consolidation Loan

The process of combining one or more eligible educational loans into a single new loan. The Direct Loan Program offers Direct Consolidation Loans and the Federal Family Education Loan Program (FFEL Program) offers FFEL Consolidation Loans for those borrowers who are interested in consolidating their eligible educational loans.

Direct Loan

The Federal program that provides loans to eligible student and parent borrowers under Title IV of the Higher Education Act. The loan programs include Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans (for parents), Direct Graduate PLUS Loans, and Direct Consolidation Loans (for students and parents). Funds are provided directly by the Federal government to eligible borrowers through participating schools.

Federal Family Education Loan (FFEL)

A federal loan program under which commercial lenders provide education loans to student and parent borrowers. The program offers four types of loans: Federal Stafford Loan (subsidized, for students), Federal Unsubsidized Stafford Loan (for students), Federal PLUS Loan (for parents), Graduate PLUS Loan, and Federal Consolidation Loan (for students and parents). All of these are long-term loans insured by state or private nonprofit guaranty agencies that are reimbursed by the Federal government for all or part of any insurance claims paid to lenders.

Loan Date

For FFEL, the date the loan was originally guaranteed; for Direct Loan and Perkins loans, the date the loan was originally originated/approved.

Loan Level Aggregate OPB (Agg. OPB)

The loan level amount that is added to the student's aggregate Outstanding Principal Balance. How this value is calculated by NSLDS depends on the loan type and when the loan was issued.

National Student Loan Data System (NSLDS)

The first comprehensive national database of information about the Federal financial aid history of recipients of student financial assistance authorized under Title IV of the Higher Education Act of 1965, as amended. As the central database for all Title IV student financial aid, NSLDS stores information about loans, grants, overpayments, students, borrowers, lenders, guaranty agencies (GAs), schools, and loan servicers. It provides an integrated view of Title IV loans and grants during all stages of their life cycle—from aid approval through disbursement, repayment, delinquency, and closure.

Outstanding Principal Balance (OPB)

The total principal amount outstanding on a borrower's Loan as reported by a loan data provider. OPB includes the original amount disbursed for the loan, any adjustments made to the loan disbursement amount, and any interest capitalized on the account.

Pending Disbursement

The net loan amount that is awaiting disbursement to the borrower for the loan type in question.

Recent Loan

A category that represents where a loan fits in the stages of its life cycle. NSLDS considers a loan to be a “recent loan” when it is reported by data providers with NSLDS loan status IA, IG, IM or ID, and the loan period end date is less than 90 days

old. A recent loan's NSLDS Aggregate OPB (Agg. OPB) is calculated differently than older loans. Loan Status Codes are detailed in the ISIR Guide, Appendix C.

Unallocated Amounts

The resulting amount reported by NSLDS as “unallocated” when NSLDS is unable to determine all of the underlying loans of a Consolidation Loan appropriately to allocate the Consolidation Loan to its Subsidized/Unsubsidized portions.

Underlying Loan

A loan associated with a Consolidation Loan. The underlying loan has loan status PC, PN, DN, DP, or PF, and a loan status date within 210 days (before or after) of the consolidated loan date. Loan Status Codes are detailed in the ISIR Guide, Appendix C.

NSLDS Aggregate Loan Information

The National Student Loan Data System (NSLDS) continually receives and processes data updates from reports and real-time changes on the Web. The results of NSLDS processing are viewable through the NSLDS Financial Aid Professional Access (NSLDSFAP) Web interface at www.nslsdfap.ed.gov.

You can use the Student Inquiry function through FAA Access to CPS Online (<http://www.fafsa.ed.gov/faa/faa.html>) which displays a student's financial aid history on the NSLDS tab, and also provides a direct link to the NSLDSFAP system that has more detailed history and relevant information.

Suppose Micky Jones has been awarded multiple subsidized and unsubsidized loans over the course of a few years. The NSLDS tracks Micky's financial aid history and maintains both detail and a running total of outstanding loan balances. A limitation to Micky's continued eligibility for aid is the total combined (or aggregate) loan amounts received.

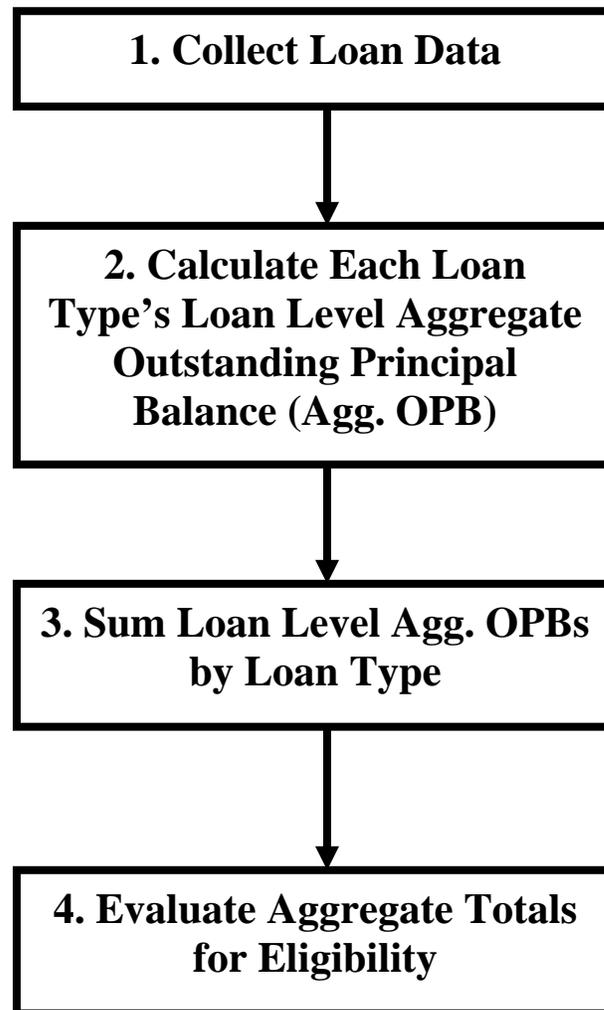
As a financial aid administrator (FAA) continues to consider financial aid packages for Micky, the FAA reviews Micky's financial aid history through NSLDSFAP to ensure that a new award or disbursement avoids putting Micky into an aggregate loan limit situation.

This course covers some terms and definitions about aggregates, classifies which loan types impact which aggregate loan limits, walks through an example of the NSLDS methodology for calculating aggregate amounts, and discusses applications for how the aggregate amounts are used by FAAs.

NSLDS Aggregate Totals Calculation Process

FAAs review NSLDS loan aggregate information to determine a student's remaining eligibility. Seeing a student's overall loan picture helps the FAA determine the maximum loan amounts that a student could receive without exceeding aggregate loan totals. This course discusses and demonstrates the basic aggregate calculation that is used for each loan type and where the resulting information resides on a student's NSLDSFAP financial aid history screens.

An overall picture of NSLDS's process for collecting and processing loan information follows the general process in the following chart.



High level descriptions for each of these four process pieces are on the following two pages.

1. Collect Loan Data

NSLDS collects and displays information about each loan in a student's NSLDSFAP financial aid history Loan Summary section.

Loan Summary

2		SU - FFEL STAFFORD UNSUB		Status: IA as of 11/02/2008		Loan Detail	
		SCHOOL OF SOUTHERN MAINE - 00205400					
Guaranteed Amt:	\$4,000	Disbursed Amt:	\$1,333	OPB:	\$0	Agg. OPB:	\$1,333
Loan Date:	08/01/2008	Sep. Loan Ind:	A	Loan Period:	08/15/2008 - 05/ 5/2009		
Last Disb. Date:	08/18/2008	Last Disb. Amt:	\$1,333	Acad. Lv:	4		
GA:	GA FUNDS, INC. - 800						
Lender:	MAINE SAVINGS BANK - 305738						

2. Calculate Each Loan Type's Loan Level Aggregate Outstanding Principal Balance (Agg. OPB)

Next, NSLDS calculates and displays each Loan Type's Agg. OPB in the Loan Summary section. This calculation varies depending on:

- Loan type (Subsidized, Unsubsidized, Combined, Consolidation, Perkins, PLUS, and Grad PLUS loans), and/or
- Age of loan (recent or older loans)

3. Sum the Loan Level Agg. OPBs by Loan Type

Each loan level's Agg. OPB rolls into the appropriate Loan Type's Aggregate OPB. The NSLDS Loan History screens contain this rolled-up (or aggregate) information in the Aggregate Loan Information Totals section. The following Loan History picture shows an example of the Aggregate Loan Information section of the Loan History and highlights the calculated Aggregate OPBs for different loan types.

Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Subsidized Loans	\$17,125	\$8,500	\$25,625
Unsubsidized Loans	\$0	\$10,000	\$10,000
Combined Loans	\$17,125	\$18,500	\$35,625
Combine Loans, Unallocated	N/A		N/A
Perkins Loans	\$2,000		\$2,000
PLUS Loans	\$1,250		\$1,250
PLUS Graduate Loans	\$12,500		\$12,500
Direct Unsubsidized Loans (Teach)	\$2,000		\$2,000

The Aggregate Loan Information section displays PLUS, Grad PLUS and converted TEACH to Direct Unsubsidized Loan rows only if the student has those loans. For example, if a student has only a PLUS loan, then only a PLUS Loan row appears. In

the figure above, the sample student has PLUS Loans, Grad Plus Loans and a converted TEACH to Unsubsidized Loan, so all three rows are displayed.

4. Evaluate Aggregate Totals for Eligibility

Typically, Total amounts (aggregate OPB plus pending disbursements) are reviewed for each loan type and compared to preset loan limits.

- For example, Subsidized Loans Aggregate OPB is added to Subsidized Pending Disbursements to end up with the Subsidized Loans Total. This total is then compared to the Subsidized Aggregate Loan Limit (e.g., \$23,000 for undergraduate students) to help monitor awards.
- Similarly, Combined Loans Aggregate OPB (the sum of Subsidized Loans Aggregate OPB and Unsubsidized Loans Aggregate OPB) is added to Combined Pending Disbursements to result in a Combined Loans Total. This total is then compared to the Combined Aggregate Loan Limit to further help monitor awards.

Warning icons identify when a student’s aggregate loan amounts are close to or are exceeding loan limits, helping an FAA determine the best course of action for that student’s aid or award package. FAAs see warning icons that are similar to the following.

Icons	Notes
	<p>An “exceeds” warning icon appears when the borrower currently has loans in excess of the Subsidized or Combined aggregate loan limit.</p>
	<p>A “close or equal” warning icon appears when a borrower’s aggregate loan balance is within one annual loan amount of the Subsidized or Combined aggregate loan limit.</p>

The warning icons appear on the Aid tab pages of the NSLDSFAP Web site – Loan History, Overpayment History, and Grant History pages.

The next part of the course delves into the details involved in process step 2: *Calculate Each Loan Type’s Loan Level Agg. OPB.*

2. Calculate Each Loan Type's Loan Level Agg. OPB

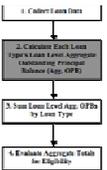
This middle part of the process involves some decision-making on the part of NSLDS.

For each student, NSLDS's goal is to review all the loans in a student's financial aid history and categorize each loan into its respective loan type (e.g., buckets). Appendix C

of this Participant Workbook contains a job aid, Loan Level and Aggregate OPB Considerations, which represents how NSLDS categorizes loans for the aggregate calculations.

When categorizing the loans, NSLDS considers three main groupings:

- Recent loans – Totaled in their respective loan level Agg. OPBs after other components are considered. When a recent loan is not fully disbursed, the difference amount is included, by loan type, in the aggregate totals as Pending Disbursements
- Older loans – Totaled into their respective loan level Agg. OPBs
- Consolidation Loans (CL) – More rigorously examined to correctly categorize each underlying loan. Consolidation Loans can be FFEL, CLs, Direct Subsidized CLs, or Direct Unsubsidized CLs. The examination and related calculations are the same for all three.



Recent versus Older Loans

To correctly determine each loan type's aggregate loan amounts, the loans must be identified as recent loans or older loans. This ensures that all disbursed funds are accounted for in the NSLDS calculation. Recent loans may have adjustments that have not yet posted or additional disbursements or adjustments not yet reported to NSLDS.

Recent loans are characterized by two situations: the loan period end date plus 90 days has not yet passed (e.g. a "newer loan"); and has an NSLDS Loan Status of IA, ID, IG, or IM (e.g. "in-school" loan status's). When a Pending Disbursement amount (e.g. the loan hasn't been fully disbursed) exists, NSLDS includes the remaining amount yet to be disbursed from the recent loan(s) as Pending Disbursements at the end of the calculation. The following table describes the differences between recent and older loans and how the loan level Agg. OPB determined.

	If Loan Period End Date is...	And NSLDS Loan Status is...	Then Agg. OPB equals...
Recent Loans	Less than 90 days old (i.e., Loan Period End Date plus 90 days has not yet passed)	<ul style="list-style-type: none"> • IA (Loan Originated) • ID (In School or Grace Period) • IG (In Grace Period) • IM (In Military Grace) 	The greater of: <ul style="list-style-type: none"> • OPB -- OR -- • Disbursed Amount Not to exceed Net Loan Amount <i>Note: If both OPB and Disbursed Amount equal zero, use zero in the calculation.</i>
Older Loans	90 days or older		The lesser of: <ul style="list-style-type: none"> • Net Loan Amount -- OR -- • Disbursed Amount -- OR -- • OPB If all are greater than zero



Activity – You Make the Call

Part 1

Review the FFEL Stafford Subsidized loan (#1) detail in the following figure. Because of the time sensitivity of the data and for purposes of this training, assume you are reviewing this financial aid history in early December 2008.

1		SF - FFEL STAFFORD SUB		Status: IA as of 11/02/2008		Loan Detail
<u>SCHOOL OF SOUTHERN MAINE - 00205400</u>						
Guaranteed Amt:	\$4,500	Disbursed Amt:	\$1,500	OPB:	\$0	Agg. OPB:
Loan Date:	08/01/2008	Sep. Loan Ind:	A	Loan Period:	08/15/2008 - 05/15/2009	

- Is the loan a Recent or Older Loan? _____
- What is the loan's Agg. OPB? _____

Part 2

Using the answers from Part 1, review the following Loan History figure. Again, assume you are reviewing this information in early December 2008.

Loan History



Aggregate Loan Information

Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Subsidized Loans	\$20,225	<input type="text"/>	\$23,225

- What is the loan level Pending Disbursement? _____



Activity – You Make the Call

Part 3

Review the FFEL Stafford Unsubsidized loan (#2) detail and the Loan History in the following figures. Assume that you are reviewing this financial aid history in early December 2008.

2		SU - FFEL STAFFORD UNSUB		Status: IA as of 11/02/2008		Loan Detail	
SCHOOL OF SOUTHERN MAINE - 00205400							
Guaranteed Amt:	\$4,000	Disbursed Amt:	\$1,333	OPB:	\$0	Agg. OPB:	
Loan Date:	08/01/2008	Sep. Loan Ind:	A	Loan Period:	08/15/2008 - 05/15/2009		

Loan History



Aggregate Loan Information

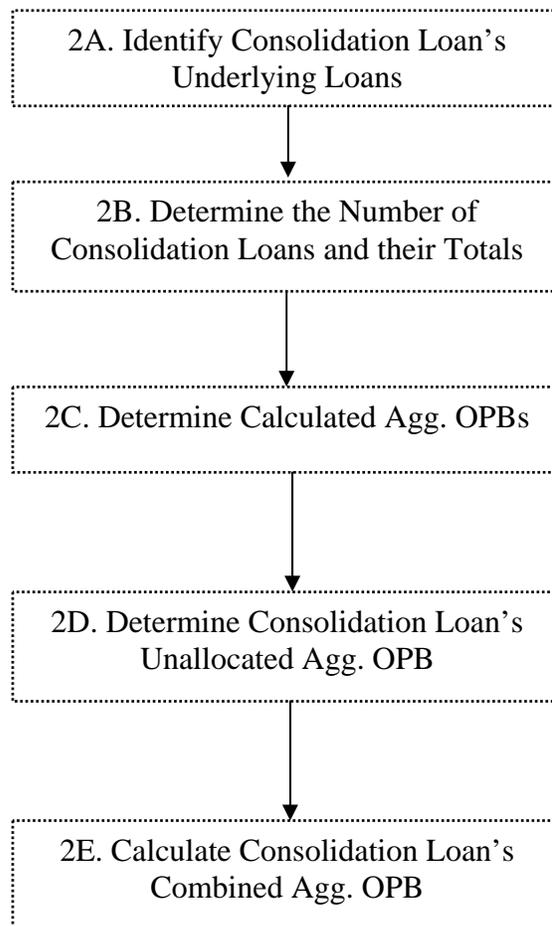
Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Subsidized Loans	\$20,225	\$3,000	\$23,225
Unsubsidized Loans	\$15,033		\$17,700

Is the following statement true or false? Why?

This FFEL Stafford Unsubsidized loan is an older loan with a loan level Agg. OPB of \$1,333 and a loan level Pending Disbursement of \$2,000.

Consolidation Loans

The process NSLDS uses to determine the impact of Consolidation Loans on Aggregate OPB, and in turn on student aid eligibility, is outlined briefly here. Since this is a sub-process under 2. *Calculate Each Loan Type's Loan Level Agg. OPB*, the steps are identified as 2A, 2B, and so on.



The next pages (through page 18) present an example of how NSLDS uses these calculations to determine the effect of Consolidation Loans on the overall Aggregate OPB totals.

2A. Identify Consolidation Loan's Underlying Loans

The first step in determining the impact of Consolidation Loans on the Aggregate OPB is to establish which loans are underlying loans. Underlying loans are loans that are included in a Consolidation Loan.

To qualify as an underlying loan, a loan has one of these status codes:

- PC – Paid in Full through Consolidation Loan
- PN – Non-defaulted, Paid in Full through Consolidation Loan
- DN – Defaulted, then Paid in Full through Consolidation Loan
- DP – Defaulted, then Paid in Full through Consolidation Loan (for older loans reported/paid off by a consolidation loan)
- PF – Paid in Full (for older loans reported/paid off by a consolidation loan)

The details about NSLDS Loan Status codes can be found in Appendix E of these training materials (copied from the ISIR Guide, Appendix C – Loan Status Codes and Eligibility Charts, available on ifap.ed.gov).

In addition, an underlying loan's Loan Status Date is within 210 days (before or after) of the Consolidation Loan date.

A quick guide for determining whether a loan is an underlying loan is presented here.

#	Step	Action
1	Determine Loan Status: Loan Status is one of the following codes.	Select one: <input type="checkbox"/> PC (Paid in Full through Consolidation Loan) <input type="checkbox"/> PN (Non-defaulted, Paid in Full through Consolidation Loan) <input type="checkbox"/> DN (Defaulted, then Paid in Full through Consolidation Loan) <input type="checkbox"/> DP (Defaulted, then Paid in Full) <input type="checkbox"/> PF (Paid in Full)
2	Determine Loan Status Date	Write Loan Status Date: _____ Is Loan Status Date within 210 days (before or after) Consolidation Loan Date? <input type="checkbox"/> Yes <input type="checkbox"/> No
3	Is loan an underlying loan?	If a Loan Status is selected in Step 1 and the answer to Step 2 is Yes, then loan is an underlying loan.



Activity - You Make the Call

Part 4

Identify the underlying loans for Consolidations Loans #4 and #5 and determine into which loan type Aggregate OPB they will be included. Which are included in the Aggregate OPB Totals for comparing to loan limits and why?

Subsidized	Unsubsidized	Perkins	PLUS

4		CL - FFEL CONSOLIDATED		Status: RP as of 11/02/2008		Loan Detail	
Guaranteed Amt:	\$17,200	Disbursed Amt:	\$17,200	OPB:	\$21,000	Agg. OPB:	\$13,522
Loan Date:	01/15/2003	Sep. Loan Ind:	A	Loan Period:	N/A - N/A		
Last Disb. Date:	01/15/2003	Last Disb. Amt:	\$17,200	Acad. Lv:	N/A		

5		CL - FFEL CONSOLIDATED		Status: RP as of 11/02/2008		Loan Detail	
Guaranteed Amt:	\$21,500	Disbursed Amt:	\$21,500	OPB:	\$25,000	Agg. OPB:	\$16,903
Loan Date:	01/15/2003	Sep. Loan Ind:	B	Loan Period:	N/A - N/A		
Last Disb. Date:	01/15/2003	Last Disb. Amt:	\$21,500	Acad. Lv:	N/A		

6		D1 - DIRECT STAFFORD SUB		Status: PC as of 02/15/2003		Loan Detail	
NEW YORK AUTOMOTIVE & DIESEL INSTITUTE - 03537300							
Approved Amt:	\$7,100	Disbursed Amt:	\$7,100	OPB:	\$0	Agg. OPB:	\$0

7		NU - NDSL		Status: PE as of 03/02/2003		Loan Detail	
SAN DIEGO STATE UNIVERSITY - 00115100							
Approved Amt:	\$4,000	Disbursed Amt:	\$4,000	OPB:	\$0	Agg. OPB:	\$0

8		D2 - DIRECT STAFFORD UNSUB		Status: PN as of 02/15/2003		Loan Detail	
SAN DIEGO STATE UNIVERSITY - 00115100							
Approved Amt:	\$4,200	Disbursed Amt:	\$4,200	OPB:	\$0	Agg. OPB:	\$0

9		D1 - DIRECT STAFFORD SUB		Status: PN as of 02/15/2003		Loan Detail	
SAN DIEGO STATE UNIVERSITY - 00115100							
Approved Amt:	\$5,500	Disbursed Amt:	\$5,500	OPB:	\$0	Agg. OPB:	\$0

10		SU - FFEL STAFFORD UNSUB		Status: PN as of 01/10/2003		Loan Detail	
SCHOOL OF SOUTHERN MAINE - 00205400							
Guaranteed Amt:	\$3,500	Disbursed Amt:	\$3,500	OPB:	\$0	Agg. OPB:	\$0

11		SF - FFEL STAFFORD SUB		Status: PN as of 01/10/2003		Loan Detail	
SCHOOL OF SOUTHERN MAINE - 00205400							
Guaranteed Amt:	\$3,500	Disbursed Amt:	\$3,500	OPB:	\$0	Agg. OPB:	\$0

12		SF - FFEL STAFFORD SUB		Status: PN as of 01/10/2003		Loan Detail	
SCHOOL OF SOUTHERN MAINE - 00205400							
Guaranteed Amt:	\$2,625	Disbursed Amt:	\$2,625	OPB:	\$0	Agg. OPB:	\$0

13		SU - FFEL STAFFORD UNSUB		Status: PN as of 01/10/2003		Loan Detail	
SCHOOL OF SOUTHERN MAINE - 00205400							
Guaranteed Amt:	\$4,000	Disbursed Amt:	\$4,000	OPB:	\$0	Agg. OPB:	\$0

2B. Determine Number of Consolidation Loans and Their Totals

Knowing the number and totals of the Consolidation Loans is important as you get further into the calculation. For this part of the process:

- First, identify the number of Consolidation Loans.
- Total the Disbursed Amount (Disbursed Amt) values for the Consolidation Loans. Total the Disbursed Amount values for each of the loan types.
- Finally, identify loan types that are not factored into the Aggregate OPB loan limits (meaning PLUS loans, D8 Unsubsidized Stafford loans and Perkins loans).

If multiple Consolidation Loans have the same loan date, each underlying loan's Disbursed Amounts and Agg. OPBs are added and used in the calculation, then applied and distributed proportionately to each consolidated loan.

At this point, NSLDS knows: the number of Consolidation Loans; and the totals for each Consolidation Loan's disbursed amounts, Subsidized disbursed amounts, Unsubsidized disbursed amounts, Combined disbursed amounts, and other disbursed amounts.

Note:



If a student has two or more open Consolidation Loans with different loan dates, each underlying loan is associated with the Consolidation Loan that has the closest loan date.

2C. Determine Calculated Agg. OPBs

In the next part of the calculation process, NSLDS calculates the Agg. OPBs. First the Disbursed Amounts for each loan type's underlying loans are summed. Then, NSLDS divides this sum by the sum of the Consolidation Loan's Disbursement Amounts. This division results in each loan type's ratio, or the percentage of the Consolidation Loan that makes up each loan type (Subsidized, Unsubsidized, etc.).

$$\text{Ratio for Loan Type} = \frac{\text{Sum of Underlying Loans' Disbursement Amounts}}{\text{Sum of Consolidation Loan's Disbursement Amounts}}$$

As a result, ratios are calculated for each loan type (Subsidized, Unsubsidized, etc.).

Then NSLDS determines each loan type's Calculated Agg. OPB amount for each Consolidation Loan by multiplying the ratios determined above by the Consolidation Loan's Guaranteed Amount.

After completing this part of the process, NSLDS knows the ratios and calculated aggregates for each loan type (Subsidized, Unsubsidized, Unallocated Amounts, Perkins, D8 Unsubsidized Loans, and PLUS loan portions).



Activity – Determine Calculated Unsubsidized Aggregate OPB

Calculate the Unsubsidized Aggregate OPB for Consolidation Loan #5 using the NSLDS methodology. Use both the data provided on Participant Workbook page 12 and the Loan Level and Aggregate OPB Considerations job aid in Appendix C. Record your answers in the following table to perform part of the NSLDS calculation. Assume that the Total of the Consolidation Loans' Disbursement Amounts is \$38,700.

Step	Action	Work Area
1	Identify all underlying loans' Disbursement Amounts for the Unsubsidized portion of Consolidation Loan (#5, page 14).	
2	What is the total of the underlying loans' Disbursement Amounts?	
3	What is the overall percentage of Consolidation Loan #5 that we can attribute to Unsubsidized loans?	
4	What is the Calculated Unsubsidized Aggregate OPB for Consolidation Loan #5?	

2D. Determine Consolidation Loan's Unallocated Agg. OPB

NSLDS cannot always account for all of the outstanding balance of a Consolidation Loan. NSLDS reports such amounts as “unallocated” on the NSLDS Web screens and on ISIRs.

The Unallocated Amount is the portion of Consolidation Loans that cannot be attributed to underlying Subsidized or Unsubsidized loans. The following formula is used to calculate the Unallocated Amounts. The example for Consolidation Loan #4 in this course is identified in the Example column.

Formula		Example (CL #4)
	Guaranteed Amount	\$ 17,200
-	Total Perkins share	- 1,778
-	Total PLUS share	- 0
-	Calculated Subsidized Aggregate OPB	- 8,322
-	Calculated Unsubsidized Aggregate OPB	- 5,200
=	Calculated Consolidation, Unallocated Aggregate OPB	\$ 1,900

Note that both the Perkins and PLUS shares of Consolidation Loan #4 are determined, then subtracted in the above formula. If a Perkins or PLUS loan is an underlying loan to a Consolidation Loan, then NSLDS ensures that Perkins and PLUS portions of Consolidation Loans are removed from the Aggregate Total (remember that PLUS, D8 Unsubsidized Stafford, and Perkins loans are not part of the Aggregate Total for comparison to loan limits).

When viewing NSLDS, an Unallocated Amount can be unusually large. One or more of the following reasons may account for the large number:

- Interest/fees – The Consolidation Loan included a high amount of interest or fees.
- Misreported underlying loans – Errors are always possible. Contact NSLDS for assistance in working with the data provider.
- Title VII Loans (HEAL)
- Spousal Consolidations – A student might have previously consolidated with a spouse and this new Consolidation Loan does not account for that amount.
- Timely reporting – NSLDS is merely the keeper of the data. If the reporting of changes to loans or loan status has not been timely, data will be missing.

2E. Calculate Consolidation Loan's Combined Agg. OPB

Finally, NSLDS calculates the CL's Calculated Combined Agg. OPB, which is the sum of the CL's Subsidized Agg. OPB and Unsubsidized Agg. OPB. Since pending disbursements are not part of the consolidation calculation, NSLDS ensures their inclusion in the aggregate by adding recent loans.

The NSLDS methodology for Consolidation Loans described to this point results in Consolidation Loan information that resembles the following figure.

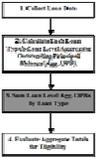
Details



Amounts for Loan 5

	Date	Amount
Loan:	01/15/2003	\$21,500
Outstanding Principal Balance:	11/02/2008	\$25,000
Outstanding Interest Balance:	11/02/2008	\$0
Calculated Subsidized Agg. OPB:		\$10,403
Calculated Unsubsidized Agg. OPB:		\$6,500
Calculated Combined Agg. OPB:		\$16,903
Consolidation, Unallocated Agg. OPB:		\$2,375
Other Fees:		\$0

3. Sum Loan Level Agg. OPBs by Loan Type



At this point, NSLDS:

- Collects the categorized and totaled loan level Agg. OPBs,
- Rolls the individual calculated numbers into their respective loan types (or buckets),
- Adds the respective loan type's pending disbursements, and
- Displays each loan type's Aggregate OPB Totals in the Aggregate Loan Information section.

The student in the course example had one recent FFEL Subsidized loan, two recent FFEL Unsubsidized loans, two Consolidation Loans (each with Subsidized, Unsubsidized, Unallocated, Perkins, and PLUS portions), one Perkins, and one PLUS Loan. Note that this student had no older loans or Perkins/PLUS/Grad PLUS loans outside the CLs. The final numbers FAAs use for comparing to loan limits are calculated as follows (see final figure on next page):

- **Subsidized Aggregate OPB Total** = (FFEL Subsidized Recent Loan #1 + CL #4 Calculated Subsidized Agg. OPB + CL #5 Calculated Subsidized Agg. OPB) + Subsidized Pending Disbursements

1	SF - FFEL STAFFORD SUB		Status: IA as of 11/02/2008		Loan Detail
	SCHOOL OF SOUTHERN MAINE - 00205400				
Guaranteed Amt:	\$4,500	Disbursed Amt:	\$1,500	OPB:	\$0
Loan Date:	08/01/2008	Sep. Loan Ind:	A	Loan Period:	08/15/2008 - 05/15/2009
				Agg. OPB:	

Details	
CL - FFEL CONSOLIDATED	
4	Calculated Subsidized Agg. OPB: \$8,322
5	Calculated Subsidized Agg. OPB: \$10,403

Loan History



Aggregate Loan Information



Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Subsidized Loans	\$20,225	\$3,000	\$23,225
Unsubsidized Loans	\$15,033	\$2,667	\$17,700
Combined Loans	\$35,258	\$5,667	\$40,925
Consolidation Loans, Unallocated	\$4,275		\$4,275
Perkins Loans	N/A		N/A

- **Unsubsidized Aggregate OPB Total** = (FFEL Unsubsidized Recent Loan #2 + FFEL Unsubsidized Recent Loan #3 + CL #4 Calculated Unsubsidized Agg. OPB + CL #5 Calculated Unsubsidized Agg. OPB) + Unsubsidized Pending Disbursements
- **Consolidation Loans, Unallocated Aggregate OPB Total** = (CL#4 Consolidation, Unallocated Agg. OPB) + (CL #5 Consolidation, Unallocated Agg. OPB)
- **Combined Loans Aggregate OPB Total** = Subsidized Aggregate OPB Total + Unsubsidized Aggregate OPB Total + Subsidized Pending Disbursements + Unsubsidized Pending Disbursements



4. Evaluate Totals for Eligibility

Now that NSLDS has completed all the calculations, and you know where the information comes from, what do you do with the information?

Typically, you look at the Total column of the Aggregate Loan Information section, particularly for Subsidized Loans Total and Combined Loans Total. Note that the Subsidized Loans and Combined Loans Total amounts are highlighted below on the Loan History figure. Comparing these totals with loan limits (loan limit information can be found in the Calculating Awards chapter of the Federal Student Aid Handbook available on ifap.ed.gov), you can see how close this student is to a loan limit or by how much the limit is exceeded. In some circumstances, you can tell the Pending Disbursement may cause an aggregate loan limit situation, which you can avoid by not disbursing the Pending Disbursement amount in full.

Loan History



Aggregate Loan Information



Close or Equal
to Undergrad
Comb Limit



Exceeds
Undergrad
Sub Limit

Loan Type	Outstanding Principal Balance	Pending Disbursements	Total
Subsidized Loans	\$20,225	\$3,000	\$23,225
Unsubsidized Loans	\$15,033	\$2,667	\$17,700
Combined Loans	\$35,258	\$5,667	\$40,925
Consolidation Loans, Unallocated	\$4,275		\$4,275
Perkins Loans	N/A		N/A

Understanding how NSLDS calculates the Aggregate Outstanding Principal Balances for Aggregate Loan Information helps FAAs with eligibility decisions and the award process.

Appendix A

Glossary

Aggregate Loan Information

NSLDS values that are displayed by loan type, the cumulative Outstanding Principal Balance, Pending Disbursements, and totals that are calculated at the loan level. The total amount counts against the student's overall loan limits.

Combined Loan

The total loan amounts of all Subsidized and Unsubsidized loans for which the borrower is directly responsible. The Combined Loan Total amount is used when considering whether a borrower is "Close or Equal to" or "Exceeding" aggregate limits.

Consolidation Loan

The process of combining one or more eligible educational loans into a single new loan. The Direct Loan Program offers Direct Consolidation Loans and the Federal Family Education Loan Program (FFEL Program) offers FFEL Consolidation Loans for those borrowers who are interested in consolidating their eligible educational loans.

Direct Loan

The Federal program that provides loans to eligible student and parent borrowers under Title IV of the Higher Education Act. The loan programs include Direct Subsidized Loans, Direct Unsubsidized Loans, Direct PLUS Loans (for parents), Direct Graduate PLUS Loans, and Direct Consolidation Loans (for students and parents). Funds are provided directly by the Federal government to eligible borrowers through participating schools.

Federal Family Education Loan (FFEL)

A federal loan program under which commercial lenders provide education loans to student and parent borrowers. The program offers four types of loans: Federal Stafford Loan (subsidized, for students), Federal Unsubsidized Stafford Loan (for students), Federal PLUS Loan (for parents), Graduate PLUS Loan, and Federal Consolidation Loan (for students and parents). All of these are long-term loans insured by state or private nonprofit guaranty agencies that are reimbursed by the Federal government for all or part of any insurance claims paid to lenders.

Loan Date

For FFEL, the date the loan was originally guaranteed; for Direct Loan and Perkins loans, the date the loan was originally originated/approved.

Loan Level Aggregate OPB (Agg. OPB)

The loan level amount that is added to the student's aggregate Outstanding Principal Balance. How this value is calculated by NSLDS depends on the loan type and when the loan was issued.

National Student Loan Data System (NSLDS)

The first comprehensive national database of information about the Federal financial aid history of recipients of student financial assistance authorized under Title IV of the Higher Education Act of 1965, as amended. As the central database for all Title IV student financial aid, NSLDS stores information about loans, grants, overpayments, students, borrowers, lenders, guaranty agencies (GAs), schools, and loan servicers. It provides an integrated view of Title IV loans and grants during all stages of their life cycle—from aid approval through disbursement, repayment, delinquency, and closure.

Outstanding Principal Balance (OPB)

The total principal amount outstanding on a borrower's Loan as reported by a loan data provider. OPB includes the original amount disbursed for the loan, any adjustments made to the loan disbursement amount, and any interest capitalized on the account.

Pending Disbursement

The net loan amount that is awaiting disbursement to the borrower for the loan type in question.

Recent Loan

A category that represents where a loan fits in the stages of its life cycle. NSLDS considers a loan to be a “recent loan” when it is reported by data providers with NSLDS loan status IA, IG, IM or ID, and the loan period end date is less than 90 days old. A recent loan’s NSLDS Aggregate OPB (Agg. OPB) is calculated differently than older loans. Loan Status Codes are detailed in the ISIR Guide, Appendix C.

Unallocated Amounts

The resulting amount reported by NSLDS as “unallocated” when NSLDS is unable to determine all of the underlying loans of a Consolidation Loan appropriately to allocate the Consolidation Loan to its Subsidized/Unsubsidized portions.

Underlying Loan

A loan associated with a Consolidation Loan. The underlying loan has loan status PC, PN, DN, DP, or PF, and a loan status date within 210 days (before or after) of the consolidated loan date. Loan Status Codes are detailed in the ISIR Guide, Appendix C.

Appendix B

Resources

NSLDS Resources

FSA Download

<http://www.fsadownload.ed.gov>

ISIR Guide

- NSLDS Financial Aid History section (starting on page 29)
- Appendix C – Loan Status Codes and Eligibility Charts

Information for Financial Aid Professionals (IFAP)

<http://www.ifap.ed.gov>

Dear Partner/Colleague Letters

- Dear Colleague Letter GEN-96-13
- Dear Partner Letter GEN-03-12

NSLDS Reference Materials – NSLDS Newsletters

- Newsletter #6: Additional Student Eligibility Changes for Award Year 2003-2004
- Newsletter #7: Revised Calculation for Direct Loan PLUS Denials
- Newsletter #8: Determining Aggregate Loan Limits for Undergraduate Students with Graduate level Loans
- Newsletter #9: Certain NSLDS changes implemented in January 2005 for the 2005-2006 processing year to help the financial aid community better monitor the eligibility of Federal student aid applicants.
- Newsletter #11: Consolidation Loans and Aggregate Calculations
- Newsletter #13: PLUS Graduate Borrower
- Newsletter #14: NSLDS Changes Implemented due to HERA
- Newsletter #18: Rules and Responsibilities of Schools and Servicers
- Newsletter #19: NSLDS Changes Implemented due to CCRAA

FAA Access to CPS Online

<http://www.fafsa.ed.gov/FOTWebApp/faa/faa.jsp>

You must have prior authorization and provide your PIN to access this site. Enroll through the Enroll FAA Users for Online Services section of the Enrollment Web site: <https://www.fsawebenroll.ed.gov/PMEnroll/index.jsp>

NSLDSFAP

<http://nsldsfap.ed.gov>

Appendix C

Loan Level and Aggregate Outstanding Principal Balance (OPB) Considerations

Loan Types / Buckets:					
	Subsidized	Unsubsidized	Perkins	PLUS	Consolidation (breakdown rules)
L o a n L e v e l / A g g O P B C o n s i d e r a t i o n s	<p><i>SF</i> – FFEL Sub</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans <p><i>D1</i> – Direct Stafford Subsidized</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans 	<p><i>SU</i> – FFEL Unsub.</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans <p><i>D2</i> - Direct Stafford Unsubsidized</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans <p><i>D8</i> – Direct Stafford Unsubsidized (TEACH)</p>	<p><i>PU</i> - Federal Perkins Loan</p>	<p><i>PL</i> – FFEL PLUS</p> <p><i>D4</i> – Direct PLUS</p> <p><i>D3</i> – Direct PLUS Graduate/ Professional</p> <p><i>GB</i> – FFEL PLUS Graduate/ Professional</p>	<p><i>CL</i> – FFEL Consolidation Loan</p> <ul style="list-style-type: none"> 60 day rule (if no underlying loans then \$ 0 Aggr. OPB calculated) If over 60 days old, and no identified underlying loans, then all is treated/Calc'd as Subsidized Loan Category: Older loans NSLDS Methodology / Algorithms <ul style="list-style-type: none"> ➢ Calc'd Subsidized ➢ + <u>Calc'd Unsubsidized</u> ➢ = Calc'd Combined ➢ Calc'd Unallocated (ignore) <ul style="list-style-type: none"> • Perkins Share factored out • PLUS Share factored out Underlying Loans <ul style="list-style-type: none"> ➢ Loan Status date 210 days +/- of CL's Loan Date ➢ Loan Status Codes: PN, PC, DN, PF, DP 'Agg OPB' displays Calc'd Combined Agg. OPB If "Paid through Consolidation" status codes but no Consolidation loan in NSLDS, Paid through Consolidation loans will continue to calculate Agg. OPB for 60 days or until CL loan is reported to NSLDS Inherits underlying CL loan's underlying loans
		<p><i>SL</i> - Supplemental Loan (SLS)</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans <p><i>FI</i> – Federally Insured (FISL)</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans <p><i>RF</i> – FFEL Refinanced Loan</p> <ul style="list-style-type: none"> Loan Category: Recent or Older Loans 	<p><i>NU</i> – National Direct Student Loans</p> <p><i>DU</i> - National Defense Loan</p> <p><i>EU</i> - Perkins Expanded Lending</p> <p><i>IC</i> - Income Contingent (ICL)</p>	<p><i>D7</i> – Direct PLUS Consolidation</p>	<p><i>D6</i> – Direct Consolidation Subsidized</p> <ul style="list-style-type: none"> 60 day rule (if no underlying Sub/Perkins then \$ 0 Agg OPB calculate) Loan Category: Older loans Reported by Direct Loans; NSLDS Methodology / Algorithms <ul style="list-style-type: none"> ➢ Calc'd Subsidized ➢ Calc'd Unallocated (ignore) <ul style="list-style-type: none"> • Perkins Share factored out Underlying Loans (Subsidized: D1, SF, D6 & CL's Sub portion) <ul style="list-style-type: none"> ➢ Loan Status date 210 days +/- of D6's Loan Date ➢ Loan Status Codes: PN, PC, DN, PF, DP 'Agg OPB' displays Calc'd Subsidized Amount
		<p><i>D6</i> – Direct Consolidation Subsidized (Calc'd Sub)</p> <p><i>CL</i> – FFEL Consol. Calc'd Sub Aggr. OPB amount(s)</p>	<p><i>D5</i> – Direct Consolidation Unsubsidized (Calc'd Unsub)</p> <p><i>CL</i> – FFEL Consol. Calc'd Unsub Aggr. OPB amount(s)</p>		