

Custom System Requirements

Processing Direct Loan Data

Direct Loan Processing Cycles

Direct Loan processing relies on Electronic Data Exchange (EDE). Schools exchange loan information with the Loan Origination Center (LOC) routinely. Schools should develop data production and transmission schedules around the various Direct Loan processing cycles. Batch processing of Direct Loan data occurs by data type. The major processing cycles are:

1. Full Origination Records
2. Change Records
3. Promissory Notes and Electronic Manifests
4. Request and Receipt of Cash
5. Disbursement Records
6. Reconciliation

The Direct Loan program affords schools maximum flexibility in the timing and content of their transmissions. However, certain rules apply. The LOC processes school data from your Title IV WAN mailbox, daily, in the following order:

1. Full Origination Records
2. Change Records
3. Promissory Note Manifests
4. Requested Receipt of Cash
5. Disbursement Records
6. Reconciliation

Generally, the LOC retrieves data from your Title IV WAN mailbox at approximately 8 p.m. (EST). Depending on required turnaround, the LOC will return processed data to your mailbox at approximately 8 a.m. (EST).

1. Schools are not required to submit all batch types to the LOC at once. However, proper processing order must be considered when developing a transmission schedule. Upon acceptance of full origination records, the LOC establishes the loan ID and student loan information for individual records on its database. At this time, the LOC will send acknowledgment records accepting/rejecting your submission. If an origination record is rejected by the LOC, no student loan origination record *will be* stored on the LOC's database.
2. With the exception of promissory notes, if a school sends any record for a Loan ID, such as change, disbursement or loan detail records without first transmitting acceptable full origination records, the LOC will not process or retain the submitted records.
3. However, the LOC will retrieve and maintain *a* promissory note and return the prom note manifest acknowledgment with a pending note status. When the loan origination record has been accepted the LOC will return an acknowledgment for the pending promissory note.
4. Schools should not submit loan cancellations on records with outstanding disbursement activity.

~~Details on the batch process, Batch ID #, and Message Classes are listed below.~~

What is a Booked Loan?

The goal of all Direct Loan processing is to book loans with the Loan Origination Center (LOC). A “booked” loan implies there is a binding obligation between the borrower and the U.S. Department of Education to repay. A loan is considered “booked” when the LOC has accepted the full origination record, promissory note and the first actual disbursement record for a particular loan ID. Subsequent disbursement records are additionally booked as they are accepted by the LOC.

Each promissory note acknowledgment (DEPA99OP) and disbursement acknowledgment (DIOD99OP) returns the Total Net Amount booked by the LOC and a booked status code. Total net amount booked is made up of disbursements with booked status.

School Reconciliation for 98-99; Direct Loan School Account Statement (DLSAS)

Background

In 1997-98 and prior years, Institutions were required to initiate the reconciliation process. This was a method of verifying a school's transactions with the LOC at a detailed level on a monthly basis. In this process a school determined their cash position based on which transactions (cash detail, and loan detail) were successfully confirmed. This meant matching cash detail transactions (cash receipts and return of excess cash) and loan detail transactions (actual disbursements, actual adjustments and cancellations to actual disbursements) with the LOC. When the match was successful the LOC would return a "Reconciled" status flag for each item.

Loan detail transactions would be considered reconciled or matched if the promissory note or disbursement acknowledgment came back from the LOC with an accepted flag. It was not necessary to resend these items in the monthly reconciliation process. If the loan was booked, any accepted disbursement was also considered reconciled.

New for 1998-99

For 1998-99 several enhancements have been made to the process. The most important enhancement is that the LOC will initiate the process. On a monthly basis, the LOC will send a Direct Loan School Account Statement (DLSAS) to each institution (designated by school code) in the Direct Loan program. This electronic file may be imported and formatted for printing to look similar to a bank statement. The School Account Statement will report on the LOC data on cash balances, cash details, booked loans, and booked or unbooked transactions. This data is similar to the three types of reconciliation data sent from the schools each month in the 1997-98 cycle year: Cash Summary, Cash Detail, and Loan Detail. Each institution will be responsible for reviewing and comparing the monthly statement to ensure the accuracy of the data on both the school's system and that of the LOC.

School Options

A school may elect to receive only the Cash Summary and Cash Detail sections on the monthly School Account Statement, omitting the Loan Detail records. **At the beginning of the 1998-99 cycle, all schools will receive the full report; contact the LOC if you want to receive the report without the Loan Detail records.**

Additionally, a school may elect to send the LOC an electronic file with Year-to-Date (YTD) unbooked transactions OR booked transactions for a particular month. The LOC will compare the school's data sent in this file with that of the LOC and return a preformatted report where there are discrepancies or exceptions to be resolved. This process is called "Loan Detail Matching" and will assist the schools in resolving discrepancies found while reviewing the monthly DLSAS. A school will initiate this process simply by sending the Loan Detail Export file to the LOC.

Resolving Discrepancies

These two processes, DLSAS and the optional Loan Detail Matching, will help the schools reconcile their data with the data at the LOC. When discrepancies are found they can be resolved by going back and ensuring that all origination, promissory notes and disbursements processing has been completed.

- The LOC cash balances only report on “Booked” data for the month in the DLSAS. Booked status on the school system can only be updated by the promissory note acknowledgment or the disbursement acknowledgment
- Export all pending data batches for origination records, promissory notes, and disbursements.
- Import all pending data batches to update the accepted status and booked status flags on your school’s system.
- EDEExpress and Combination schools will find it helpful to use the Booked Status Measurement *Tool Report* and the Cash Summary List to resolve discrepancies on the DLSAS. Custom schools and software vendors may develop similar reports; sample reports and descriptions are provided in the Appendix section.

Implementation Details

- Reconciliation Status and Reconciliation Date fields have been **renamed** Booked Status and Booked Date.
- The LOC will have the capability of reporting manual adjustments on the DLSAS file. These adjustments will be marked in the Booked Status field as “M” for booked transactions or loans and “V” for unbooked transactions or loans.
- Schools are no longer required to submit cash detail records to the Loan Origination Center, but will continue to be responsible for reconciling their cash balances with that record at the Loan Origination Center.
- Custom schools and software **vendors should store and update two status flags for each disbursement transaction (loan detail) submitted to the LOC.** The **first** is the Disbursement Status and the **second** is the Booked Status. The Disbursement Status indicates whether the LOC has accepted the transaction as submitted. The Booked Status indicates whether the LOC considers the Loan Booked and therefore the accepted disbursement as also booked. The LOC considers a loan “booked” when there is an accepted origination record, and accepted promissory note and ~~an~~ accepted first actual disbursement. Subsequent disbursements are considered booked once they are accepted by the LOC.

- Custom Schools and software vendors should also store acknowledgment dates and booked dates for disbursement transactions and promissory notes. These dates will be used to match the monthly report period used by the LOC in the DLSAS report and the optional Loan Detail Matching process.
- Custom Schools and software vendors programming their systems to use the optional loan Detail Matching process, must create the export file by selecting booked transactions based on the booked dates that fall within a single month. The LOC also requests that a school only send data for a previous month and not the current month. A second separate file must be created for all transactions that are stored as unbooked YTD as of the date the file is created.

Full Origination Records

The Direct Loan Program requires schools to store loan data and submit loan records to the LOC. Participating Direct Loan schools can establish a Stafford subsidized loan and a Stafford unsubsidized loan based on the student's eligibility. Participating institutions may include a Direct PLUS Application for signature and Promissory Note (one document) in award packages for the parents or guardians of eligible students. Once the PLUS loan origination records are transmitted to the LOC, a credit check is performed on the parent or guardian borrower.

Schools will create one loan record and loan ID for each new loan. For example, if a borrower has one Subsidized Stafford and one Unsubsidized Stafford loan, then the school will maintain two loan IDs. The full origination record (DESF99IN/DEPF99PI) is created from borrower demographic data and anticipated disbursement data. All fields on the Full Origination Export record are required except where blanks are acceptable as indicated in the valid field content description of the *Data Dictionary*.

Submitting Full Origination Records

The school transmits a full origination record to the LOC for every loan it originates whether the institution chooses to print the loan's promissory note or have the LOC print the promissory note.

If the school requests that the LOC print promissory notes, the request is transmitted in the full origination record. If the school prints the promissory note, the loan origination record can be transmitted before or after the student signs the note.

Stafford full origination records are transmitted under the message class name DESF99IN. PLUS full origination records are transmitted under the message class name DEPF99IN. There are two message classes because of the difference in turnaround time. Stafford acknowledgments are returned within three days of the LOC receiving the records. PLUS acknowledgments are returned within five days of the LOC receiving the records.

Receiving Full Origination Acknowledgments

The LOC edits the Loan Origination record to ensure it passes the editing requirements. The LOC then returns either a rejection or acceptance for each record. The acknowledgment file (DISF99OP/DIPF99OP) is transmitted to the institution indicating the status of each record (field A) and up to 5 reject reasons, if any (field #5), for each record.

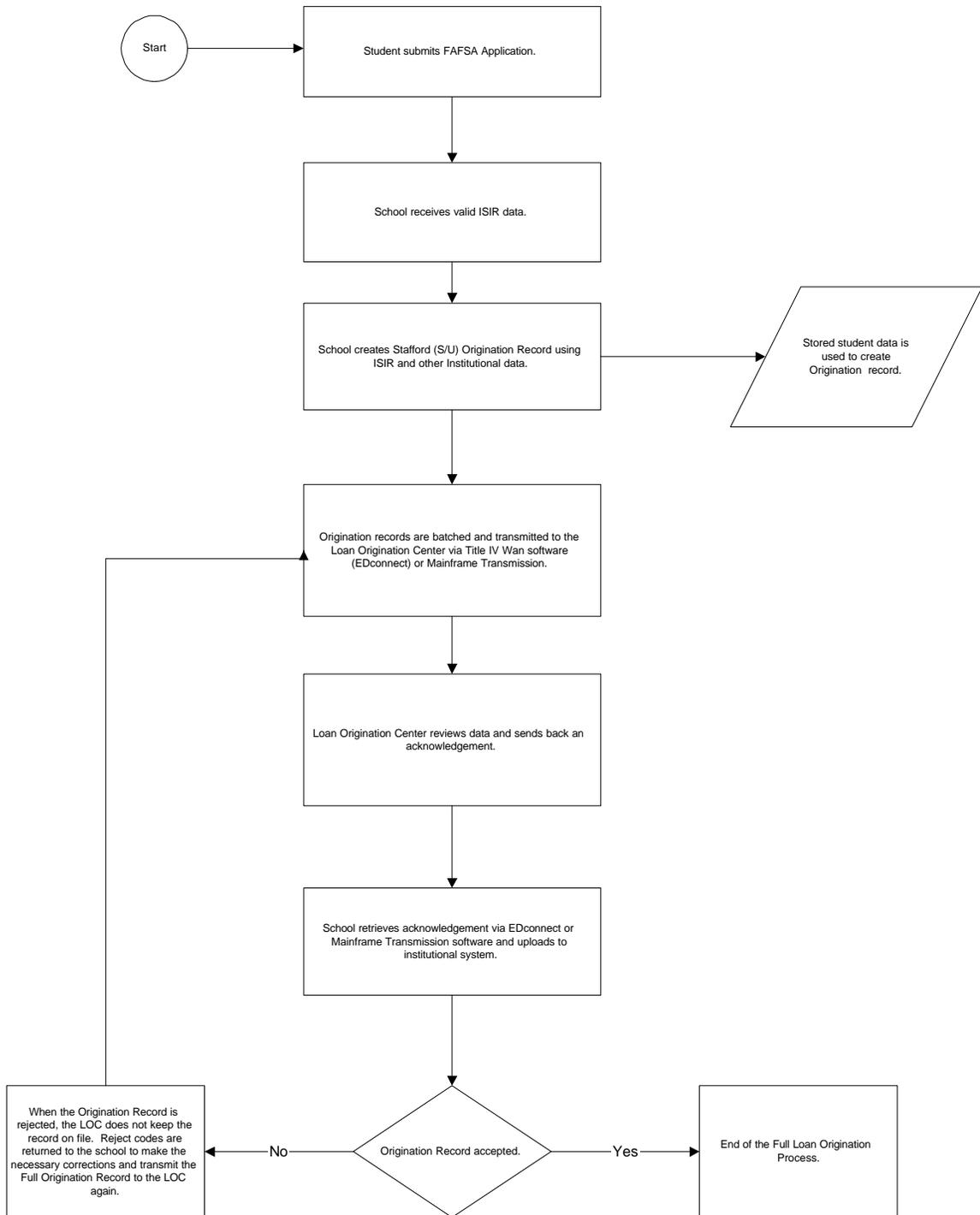
Receiving Loan Origination Acknowledgments from the LOC

The LOC returns one acknowledgment record for each Full Loan Origination Record it receives. Batch integrity is maintained; the school receives acknowledgment records for all transmitted records in the batch.

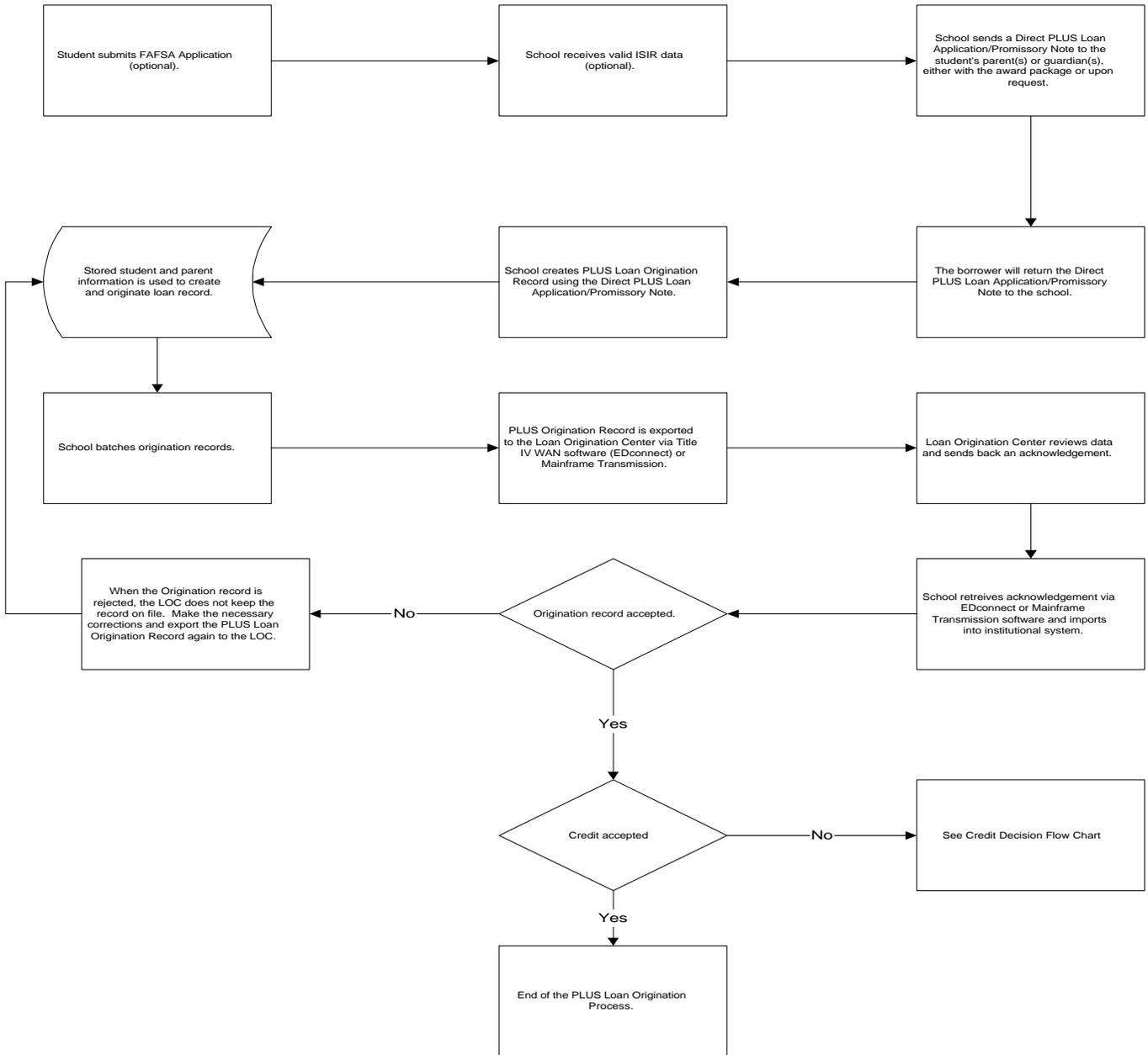
These records are received in message class of DISF99OP for Stafford records and DIPF99OP for PLUS records. These records indicate whether the record has been rejected or accepted. For PLUS records, the Full Loan Origination Acknowledgment Record indicates whether the credit check has been accepted or denied. For PLUS records where the credit decision has been overridden (modified), a separate record is created and transmitted to the school indicating the reason for the credit decision. The PLUS Credit Decision Record is received in message class DIPC99OP. The PLUS Credit Decision records can be transmitted to the institution at any time after the initial decision has been received.

After the Full Loan Origination record has been accepted by the LOC, it should not be sent to the LOC again. If changes need to be sent to update information on the record, a change record ~~described below~~ must be sent to the LOC. When a Full Loan Origination record is rejected by the LOC, it is not kept on file. The record errors need to be corrected and the Full Loan Origination Record transmitted to the LOC with the message class DESF99IN.

Loan Origination Process Stafford (Sub/Unsub)



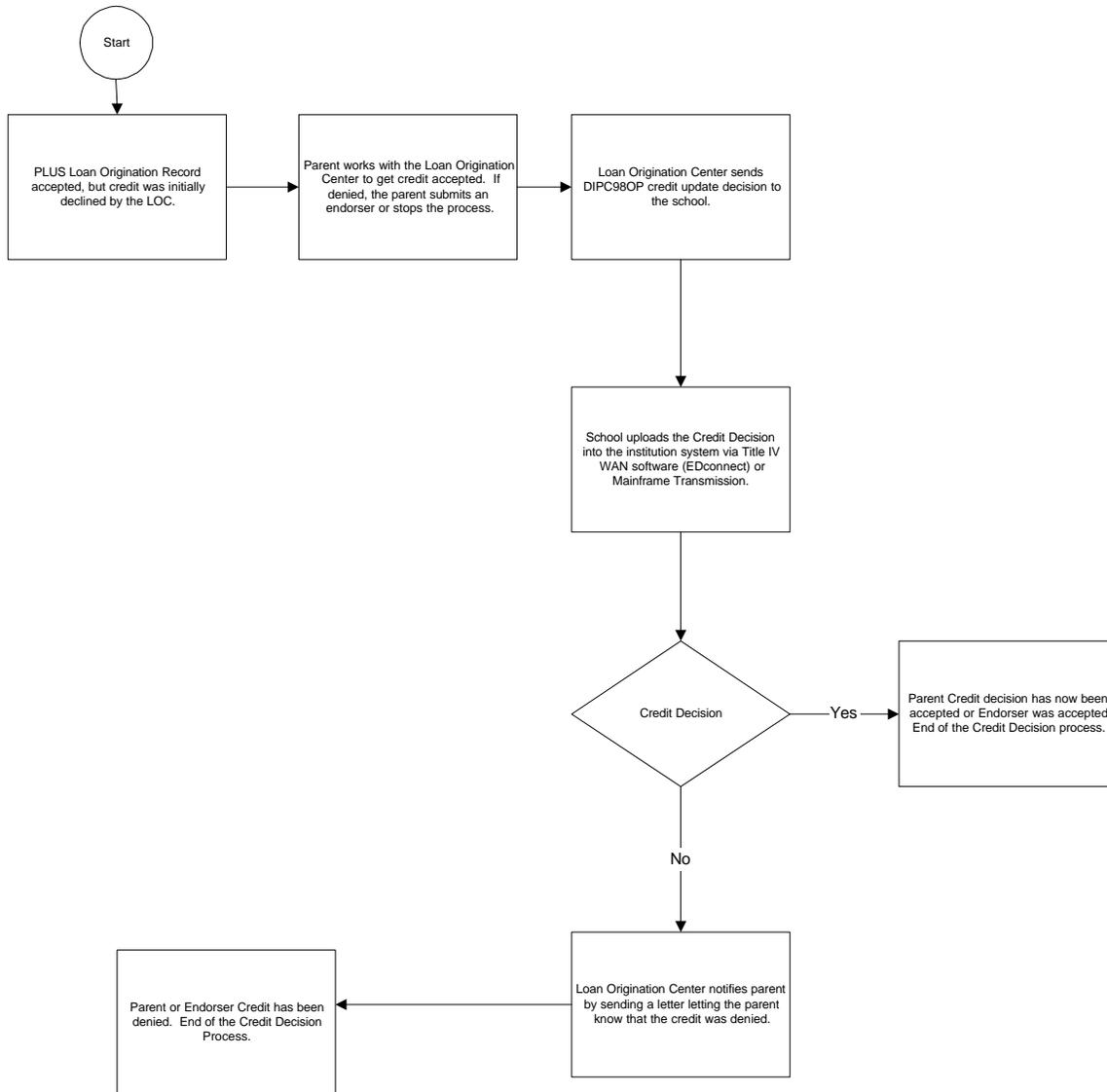
Loan Origination Process (PLUS)



Processing PLUS Credit Decisions Update (Override)

The Loan Origination Center only returns a DIPC99OP if the credit was originally denied. The Credit Decision indicates the results of PLUS loan credit checks on the parent borrower *or endorser*. For approved applicants, the institution can proceed in disbursing funds to the student's account. The LOC sends further information and instructions directly to those applicants not approved for a PLUS loan on the basis of credit checks. The LOC has the option to override the credit decision after an initial denial. The PLUS credit checks can be updated at any time on the basis of the borrower submitting supporting documentation to the LOC or credit reporting agency. Therefore, schools processing PLUS loans should expect to receive updated credit decisions in this acknowledgment file at any time from the LOC.

PLUS Credit Decision Update (Override) Process



Loan Origination Change Record

Submitting Change Records

After the full loan origination record has been accepted by the LOC, modifications to the loan record are transmitted to the LOC via a change record (DESC99IN). Loan Origination Change records only apply to origination data. Loan Origination Change records are not used to change actual disbursement data (see Disbursement Records ~~below~~.) A list of the fields that can be changed and their change field numbers are provided in the Record Layouts section of this guide (Export Change Table Values for Field Transmit Numbers). Loan Origination Change records are submitted to the LOC by Loan ID. Each record must contain the Loan ID, a sequence number, the change field number and the new value the field is to contain. The process is similar to electronic corrections in the Electronic Data Exchange (EDE).

The change field number consists of three positions for the field number and a prefix to indicate whether the field is on the Loan Origination Database (prefix is S), the PLUS Loan Database (prefix is P). For example, "P004" indicates a change to the student's last name on the PLUS Loan Database; "S007" indicates a change to the borrower's last name on the Loan Origination Database.

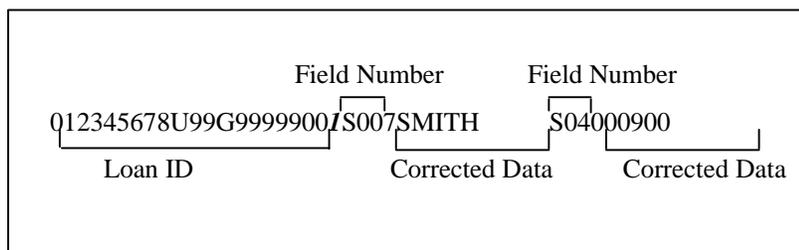
Corrected values must be left justified within the 28-byte change value field. Numeric fields are left justified and blank filled up to the maximum number of positions for that field.

Example:

Two changes are submitted to a loan record whose ID is 012345678U99G99999001: a change in the borrower's last name to SMITH, and a change in the 1st disbursement anticipated gross amount to \$900. The following would be the contents of the change record excluding the create time, batch number, and User ID fields at the end of the record:

Example: (Continued)

Each change record is limited to 10 data element changes. For records with more than 10 changes, you should submit another change record for the Loan ID and increment the sequence number. For example, to submit 13 change fields for one Loan ID:



Loan ID:999999999S99G99999001 Sequence Number: 1 Contains first 10 changes.

Loan ID:999999999S99G99999001 Sequence Number: 2 Contains next 3 changes.

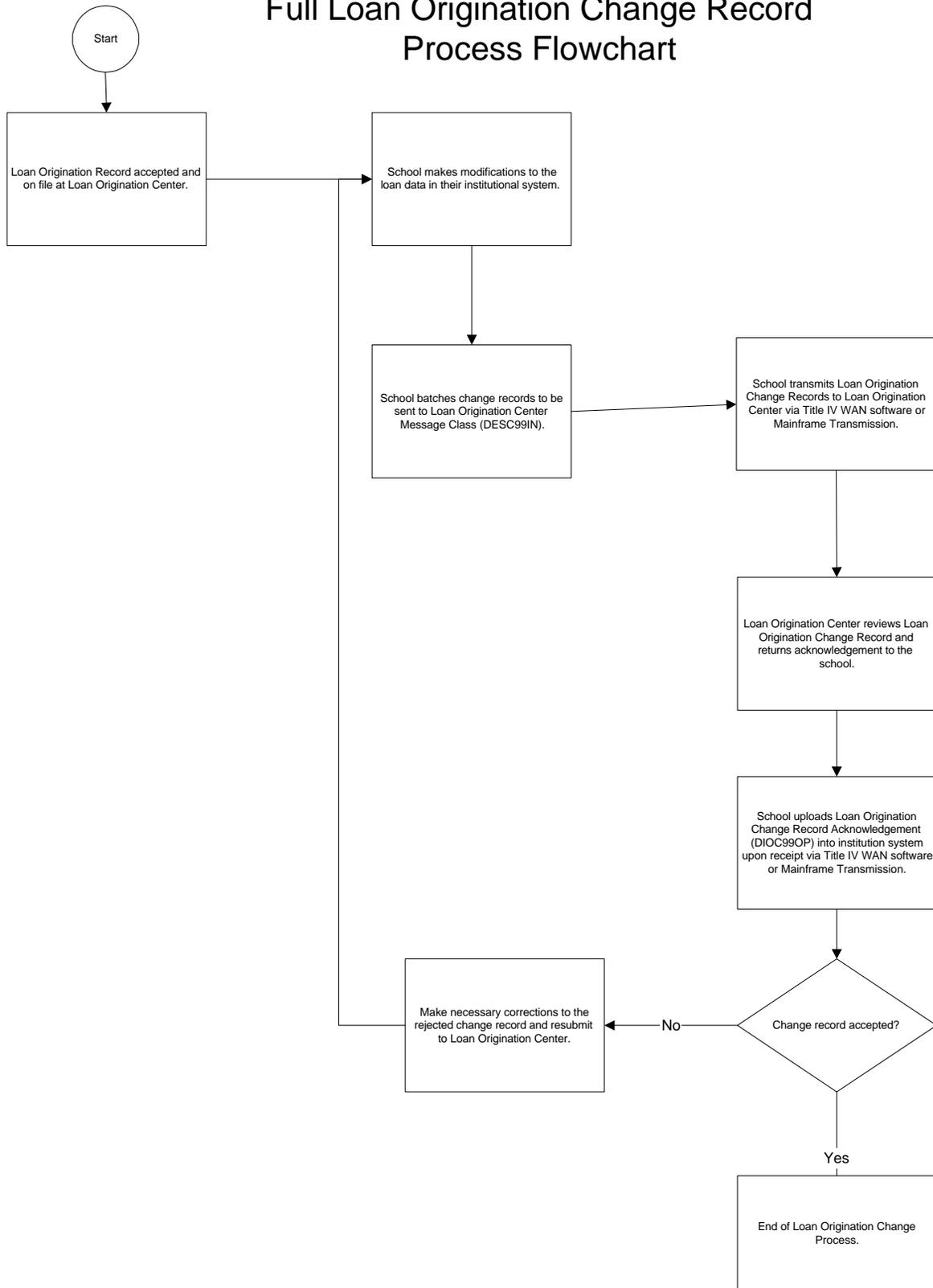
Important: All changes should be submitted in field number order, i.e. the order the change fields appear on the Change Field Number Table in this guide. Multiple change records for one Loan ID must appear in the export file together in sequence number order.

Receiving Loan Origination Change Acknowledgments

The LOC edits the change records with the same requirements as full origination data elements. The LOC returns an acknowledgment file (DIOC99OP) containing codes accepting or rejecting the change (Error Values 1-10). The school should resolve rejected fields and resubmit another change record batch to the LOC. Refer to the Record Layouts section for a list of the reject codes.

If the change was accepted no reject codes are returned (blank). Only the fields that are in error need to be corrected and resubmitted to the LOC. The fields in error will be returned in error fields 01-10 in the DIOC99OP file.

Full Loan Origination Change Record Process Flowchart



Printing the Direct Stafford Loan Promissory Note and Disclosure

A Promissory Note and Disclosure document must be printed by the school and signed by the student borrower before disbursement of a Federal Direct Subsidized Stafford Loan or Federal Direct Unsubsidized Stafford Loan. The promissory note is a legal document requiring the borrower to repay the funds borrowed under the Direct Loan Program.

Schools have two general Options for processing promissory notes:

Preprint available borrower and school information on the note and provide the document to the borrower for review, completion, and signature or send a request to the LOC for printing of the note.

The U.S. Department of Education provides copies of a standard, approved promissory note to participating schools. A copy of the Federal Direct Stafford Note can be found in Appendix-Promissory Notes. However, the school may create their own form as long as it is identical in format and wording to the one provided by the Department. The form must be approved by the U.S. Department of Education Direct Loan Task Force. (See Sources of Assistance in the Introduction Section.)

A minimum of two copies must be printed. On one, print **BORROWER COPY** in the lower right corner; on the other, print **SERVICER COPY**. Print **SCHOOL COPY** if additional copies of the promissory note are printed.

Use the following specifications to develop your own printing system. The specifications are similar to those used to develop the EExpress Direct Loan Software.

Direct Stafford Loan Promissory Note and Disclosure Print Specifications

The following are the specifications for printing the variable data (record type = S/U) on the Stafford Promissory Note.

Note: Correspond to numbered data elements on the preprinted paper promissory note form located in the Appendix.

Form Label/Position	Field	Print Instructions
1. Name and Address/ Line 1	Borrower's Last Name, First Name, Middle Initial	From left to right, print the Borrower's Last Name , First Name and Middle Initial. Print a comma and space following Last Name and a space after First Name. Left justify within each print field.
1. Name and Address/ Line 2	Borrower's Permanent Address or Borrower's Local Address	From left to right, print the Borrower's Street Address.
1. Name and Address/ Line 3	Borrower's Permanent City, State and Zip Code or Borrower's Local City, State and Zip Code	From left to right, print the Borrower's City, Mailing State and ZIP Code. Separate each field with a space and follow city with a comma. Right justify within each field.
2. Social Security Number	Borrower's Current SSN	Print in 999-99-9999 format.
3. Date of Birth	Borrower's Date of Birth	Print in MM/DD/YYYY format.
4. Area Code/Phone Number	Borrower's Permanent Phone Number	Print in (999) 999-9999 format.
5. Driver's License Number	Borrower's Driver's License State & Number	Print Borrower's Driver's License State and Number separating them by a dash and right justifying each.
7. School Name	School Name	Print the Institution Name associated with the School Code on the record. Left Justify.
8. Loan Period	Loan Period Start Date & Loan Period End Date	Print Loan Period Start and End Dates separated by two spaces in MM/DD/YYYY format.
9. School Address	School Address	From left to right, print the School's Street Address, City, State and ZIP Code associated with the School code above. Separate each field with a space and follow address and city with a comma. Right justify within each field.
10. School Code/Branch	Direct Loan School Code	Print the DL School code on the Loan Record.
Direct Subsidized Loan/ Line 1, Col 1	1st Anticipated Disbursement Date	Print 1st <i>Anticipated</i> Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 1, Col 2	1st Anticipated Gross Amount	Print 1st <i>Anticipated</i> Gross Amt in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 1, Col 3	1st <i>Disbursement</i> Loan Fee Rate	Print the Loan Fee Rate in 99.99 format. Right Justify.
Direct Subsidized Loan/ Line 1, Col 4	1st Anticipated <i>Disbursement</i> Loan Fee Amount	Print 1st Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 1, Col 5	1st Anticipated Net Amount	Print 1st Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 2, Col 1	2nd Anticipated Disbursement Date	Print 2nd <i>Anticipated Disbursement</i> Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 2, Col 2	2nd Anticipated Gross Amount	Print 2nd Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 2, Col 3	2nd <i>Disbursement</i> Loan Fee Rate	If 2nd Anticipated Disbursement Date is <= Loan Period End Date, print the Loan Fee Rate in 99.99 format. Right justify. Otherwise, leave blank

Direct Stafford Loan Promissory Note and Disclosure Print Specifications (Continued)

Form Label/Position	Field	Print Instructions
Direct Subsidized Loan/ Line 2, Col 4	2nd Anticipated Disbursement Loan Fee Amount	Print 2nd Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 2, Col 5	2nd Anticipated Net Amount	Print 2nd Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 3, Col 1	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 3, Col 2	3rd Anticipated Gross Amount	Print 3rd Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 3, Col 3	3rd Disbursement Loan Fee Rate	If 3rd Anticipated Disbursement Date is <= Loan Period End Date, print the Loan Fee in 99.99 format. Right Justify. Otherwise, leave blank.
Direct Subsidized Loan/ Line 3, Col 4	3rd Anticipated Disbursement Loan Fee Amount	Print 3rd Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 3, Col 5	3rd Anticipated Net Amount	Print 3rd Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 4, Col 1	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 4, Col 2	4th Anticipated Gross Amount	Print 4th Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 4, Col 3	4th Disbursement Loan Fee Rate	If ADISDTE4 is <= LOANENDDAT, print the Loan Fee Rate in 99.99 format. Right Justify. Otherwise, leave blank.
Direct Subsidized Loan/ Line 4, Col 4	4th Anticipated Disbursement Loan Fee Amount	Print 4th Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 4, Col 5	4th Anticipated Net Amount	Print 4th Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 5, Col 2	Total Loan Amount Approved (Gross)	Print in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 5, Col 4	Total Loan Fee Amount	Print Total Anticipated Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Subsidized Loan/ Line 5, Col 5	Total Net Disbursement Amount	Print Total Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type S record.
Direct Unsubsidized Loan/ Line 1, Col 1	1st Anticipated Disbursement Date	Print 1st Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 1, Col 2	1st Anticipated Gross Amount	Print 1st Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 1, Col 3	1st Disbursement Loan Fee Rate	Print the Loan Fee Rate in 99.99 format. Right Justify.
Direct Unsubsidized Loan/ Line 1, Col 4	1st Anticipated Disbursement Loan Fee Amount	Print 1st Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 1, Col 5	1st Anticipated Net Amount	Print 1st Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 2, Col 1	2nd Anticipated Disbursement Date	Print 2nd Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type U record.

Direct Stafford Loan Promissory Note and Disclosure Print Specifications (Continued)

Form Label/Position	Field	Print Instructions
Direct Unsubsidized Loan/ Line 2, Col 2	2nd Anticipated Gross Amount	Print 2nd Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 2, Col 3	2nd <i>Disbursement</i> Loan Fee Rate	If 2nd Anticipated Disbursement Date is <= Loan Period End Date, print the Loan Fee Rate in 99.99 format. Right Justify. Otherwise, leave blank.
Direct Unsubsidized Loan/ Line 2, Col 4	2nd Anticipated <i>Disbursement</i> Loan Fee Amount	Print 2nd Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 2, Col 5	2nd Anticipated Net Amount	Print 2nd Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 3, Col 1	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 3, Col 2	3rd Anticipated Gross Amount	Print 3rd Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 3, Col 3	3rd <i>Disbursement</i> Loan Fee Rate	If 3rd Anticipated Disbursement Date is <= Loan Period End Date, print the Loan Fee Rate in 99.99 format. Right Justify. Otherwise, leave blank.
Direct Unsubsidized Loan/ Line 3, Col 4	3rd Anticipated <i>Disbursement</i> Loan Fee Amount	Print 3rd Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 3, Col 5	3rd Anticipated Net Amount	Print 3rd Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 4, Col 1	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 4, Col 2	4th Anticipated Gross Amount	Print 4th Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 4, Col 3	4th <i>Disbursement</i> Loan Fee Rate	If 4th Anticipated Disbursement Date is <= Loan Period End Date, print the Loan Fee Rate in 99.99 format. Right Justify. Otherwise, leave blank.
Direct Unsubsidized Loan/ Line 4, Col 4	4th Anticipated <i>Disbursement</i> Loan Fee Amount	Print 4th Anticipated Disbursement Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 4, Col 5	4th Anticipated Net Amount	Print 4th Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 5, Col 2	Total (Gross) Loan Amount Approved	Print Total Anticipated Gross Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
Direct Unsubsidized Loan/ Line 5, Col 4	Total Loan Fee Amount	Print Total Anticipated Loan Fee Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.

Direct Stafford Loan Promissory Note and Disclosure Print Specifications (Continued)

Form Label/Position	Field	Print Instructions
Direct Unsubsidized Loan/ Line 5, Col 5	Total Net Amount	Print Total Anticipated Net Amount in \$99999 format. Right Justify. Retrieve data from the Loan Type U record.
11. Identification Number(s)/ Line 1 a	Loan ID	Print Loan ID of S type Loan record in 999999999-X-99-X99999-9-99 format.
11. Identification Number(s)/ Line 1 b	Promissory Note Print Sequence #	Print Promissory Note Sequence # of S type Loan record in 99 format.
11. Identification Number(s)/ Line 2 a	Loan ID	Print Loan ID of U type Loan record in 999999999-X-99-X99999-9-99 format.
11. Identification Number(s)/ Line 2 b	Promissory Note Print Sequence #	Print Promissory Note Sequence # of U type Loan record in 99 format.
Last Line	**Date Time Stamp & Copy Message	Print the System Date, System Time and COPY message below the boarder. Print "BORROWER COPY" on first copy and "SERVICER COPY" on second copy. On additional copies print "SCHOOL COPY."

**** Note:** Date and Time Stamp are optional and not required on the Promissory Note. When the Promissory Note prints from Express, it will automatically print the Date and Time Stamp on each Promissory Note.

Printing the PLUS Loan Application and Promissory Note

The Federal Direct PLUS Loan Application and Promissory Note requests demographic information from the student's parent borrower, as well as references for the collection cycle. Also, it includes a request for information from the student and school.

Once a loan origination record is established, schools may either print a Federal Direct PLUS Loan Application and Promissory Note with the pre-supplied information or hand the student a form which is blank except for the presence of the Loan ID number in the bottom right corner.

The institution provides the Direct Loan PLUS Loan Application and Promissory Notes to its students/parents for review, completion, and signatures.

Processing PLUS Loan Applications and Promissory Notes

As you receive completed Direct PLUS Loan Application and Promissory Notes from your students/parents, enter the application data into the Direct Loan System and continue with the process explained above.

Direct PLUS Loan Application and Promissory Note Print Specifications

The following are the specifications for printing the variable data on the PLUS Application/Promissory Note (record type=P). If specific data is not present, then leave field blank. Fields listed below correspond to numbered data elements on the paper promissory note.

Form Label/Position	Field Name	Print Instructions
1. Name and Address/ Line 1	Borrower's Last Name, First Name, Middle Initial	From left to right, print the Borrower's Last Name, First Name and Middle Initial Print a comma and space following Last Name and a space after First Name. Left justify within each print field.
1. Name and Address/ Line 2	Borrower's Permanent Address or Student's Local Address	From left to right, print the Borrower's Street Address.
1. Name and Address/ Line 3	Borrower's Permanent City, State and Zip Code or Borrower's Local City, State and Zip Code	From left to right, print the Borrower's City, Mailing State and ZIP Code. Separate each field with a space and follow city with a comma. Right justify within each field.
2. Social Security Number	Borrower's Current SSN	Print the Borrower's SSN in 999-99-9999 format.
3. Date of Birth	Borrower's Date of Birth	Print in MM/DD/YYYY format.
4. Area Code/Phone Number	Borrower's Permanent Phone Number	Print in (999) 999-9999 format.
5. Driver's License Number	Borrower's Driver's License state & Number	Print Borrower's Driver's License State and Number separating them by a dash and right justifying each.
6. U.S. Citizenship Status	Citizenship Status & Alien Registration Number	If 1, print X in the Yes (left) box; if 2, print X in Eligible Alien (middle) box and print Alien Registration Number field to the right of box 2 in A999999999 format; if 3, Promissory Note will not print.
7. Loan Amount Requested	Loan Amount Requested	Print in \$99999 format. Right Justify.
8. Loan Period Requested	Loan Period Start Date & Loan Period End Date	Print Loan Period Start and End Dates separated by two spaces in MM/DD/YYYY format.
14. Are currently in default on a federal education loan....	Borrower Default Loan/Owe Repayment	If DEFAULT is N, print an X on the No box. If DEFAULT=Y, print an X on the Yes box and print X on the Satisfactory Repayment No box. If DEFAULT=Z, print an X on the Yes box and print X on the Satisfactory Repayment Yes box.
16. Name	Student's Last Name, First Name and Middle Initial	From left to right, print the Student's Last Name, First Name and Middle Initial. Print a comma and space following Last Name and a space after First Name. Left justify within each print field.
17. Date of Birth	Student's Date of Birth	Print in MM/DD/YYYY format.
18. Social Security Number	Student's Current SSN	Print in 999-99-9999 format.

PLUS Application Promissory Note Print Specifications (Continued)

Form Label/Position	Field Name	Print Instructions
19. U.S. Citizenship Status	Student's Citizenship Status/Alien Registration Number	If CITIZEN=1, print X in the Yes (left) box; if CITIZEN=2, print X in Eligible Alien (middle) box and print Alien Registration Number field to the right of box 2 in A999999999 format; if CITIZEN=3, Promissory Note will not print.
20. Are you currently in default on a federal education loan...	Student Default Loan/Owe Repayment	If DEFAULT is N, print an X on the No box. If DEFAULT=Y, print an X on the Yes box and print X on the Satisfactory Repayment No box. If DEFAULT=Z, print an X on the Yes box and print X on the Satisfactory Repayment Yes box.
23. School Name	School Name	Print the Institution Name associated with the School Code on the record. Left Justify.
24. School Code/Branch	Direct Loan School Code	Print the School code.
25. Address	School Address	From left to right, print the School's Street Address, City, State and ZIP Code associated with the School code above. Separate each field with a space and follow address and city with a comma. Right justify within each field.
26. Loan Period Approved	Loan Period Start Date & Loan Period End Date	Print Loan Period Start and End Dates separated by two spaces in MM/DD/YYYY format.
27. Certified Loan Amount	Loan Amount Approved	Print in \$99999 format. Right Justify.
28. Recommended Disbursement Dates/ 1st	1st Anticipated Disbursement Date	Print 1st Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank.
28. Recommended Disbursement Dates/ 2nd	2nd Anticipated Disbursement Date	Print 2nd Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank.
28. Recommended Disbursement Dates/ 3rd	3rd Anticipated Disbursement Date	Print 3rd Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank.
28. Recommended Disbursement Dates/ 4th	4th Anticipated Disbursement Date	Print 4th Anticipated Disbursement Date in MM/DD/YYYY format if disbursement cancellation code is blank.
29. Identification Number(s) a	Loan ID	Print Loan ID of P type Loan record in 999999999-X-99-X99999-9-99 format.
29. Identification Number(s) b	Promissory Note Print Sequence #	Print Promissory Note Sequence # of P type Loan record in 99 format.
Last Line	**Date Time Stamp & Copy Message	Print the System Date, System Time and COPY message below the boarder. Print "BORROWER COPY" on first copy and "SERVICER COPY" on second copy. On additional copies print "SCHOOL COPY."

**** Note:** Date and Time Stamp are optional and not required on the Promissory Note. When the Promissory Note prints from Express, it will automatically print the Date and Time Stamp on each Promissory Note.

Promissory Note Manifests

Creating Promissory Note Manifests

All promissory notes must be mailed to the LOC and accepted before the loan is “booked.” The hardcopy promissory notes must be accompanied by a shipping manifest that identifies the borrower’s name and Loan ID for each promissory note in the shipment. Also the manifest provides a certification to be signed by an official at the institution. In addition, an electronic manifest must be sent to the LOC.

Stafford and PLUS Promissory Notes must be batched separately and a separate manifest created for each. Additionally, separate batches (manifests) must be created for each school code. The format for the Stafford manifest and the PLUS manifest are provided in the Appendix.

Software developers must adhere to these formats. Additionally, the following guidelines must be followed:

The Report Date (in MM/DD/YY format) and the Report Time (in HH:MM:SS format) indicate when the manifest was produced.

A page number starting with 1, incremented by 1 for each subsequent page printed

The 17-digit Promissory Note Shipping Batch Number consists of the following elements which are the same for both Stafford and PLUS:

- #A Constant
- G99999 School code
- 999999 Date in MMDDYY format that manifest was created
- 999 Sequence number with the first manifest created on a given date for a given school being 001, the second 002, etc.

Records are printed in last name alphabetical order or in Loan ID numeric order. The borrower’s name is printed in last name, first name, and middle initial order. The Loan ID associated with the borrower’s name is printed.

The Number of Notes for Shipping indicates the number of Promissory Notes covered by the manifest. It is only printed on the final page of the manifest.

The certification statement, school code, school name, signature block, and FAA name are only printed on the last page.

Once the hardcopy Promissory Notes have been mailed to the LOC, the electronic manifest (DEPM99IN), including header and trailer, should be transmitted to the LOC. The electronic promissory note manifest includes the same information contained on the hardcopy manifest.

Receiving Promissory Note Manifest Acknowledgments

The LOC returns an electronic file (DIPA99OP) containing the acknowledgment of the promissory notes included on the manifest. All notes, Stafford and PLUS, return in the DIPA99OP message class. Unlike other batch types, batch integrity is not maintained by the LOC for promissory notes. Acknowledgments may not match one-to-one with manifests sent by the institution. If the LOC is unable to accept or reject a promissory note a pending status is returned in the acknowledgment. Notes that are subsequently accepted are returned in subsequent acknowledgment batches.

Promissory Note Reject Codes

The DIPA99OP file contains a code in field A (Paper Promissory Note Status) that returns one of three values: A (Accepted), R (Rejected), or X (Pending). If Field #4 contains "R," then Field #5 contains *up to 5* reject reason codes (see Custom Edit Section for Promissory Note Reject Reasons).

The three categories of reason codes are associated with the actions the school is required to take to resolve the rejected notes.

Promissory Note Reject Reasons

These codes indicate why the promissory note was rejected. A new promissory note must be printed with corrected data. The note must be resubmitted to the LOC and included in a subsequent manifest batch.

Promissory Note Incomplete Reasons

This code indicates the note is rejected because of missing an incomplete data element. Corrections need to be made to the promissory note according to the reject code. The promissory note can be reprinted or transmitted corrections can be made and initialed on the original promissory note. The note must be resubmitted to the LOC in a subsequent manifest batch.

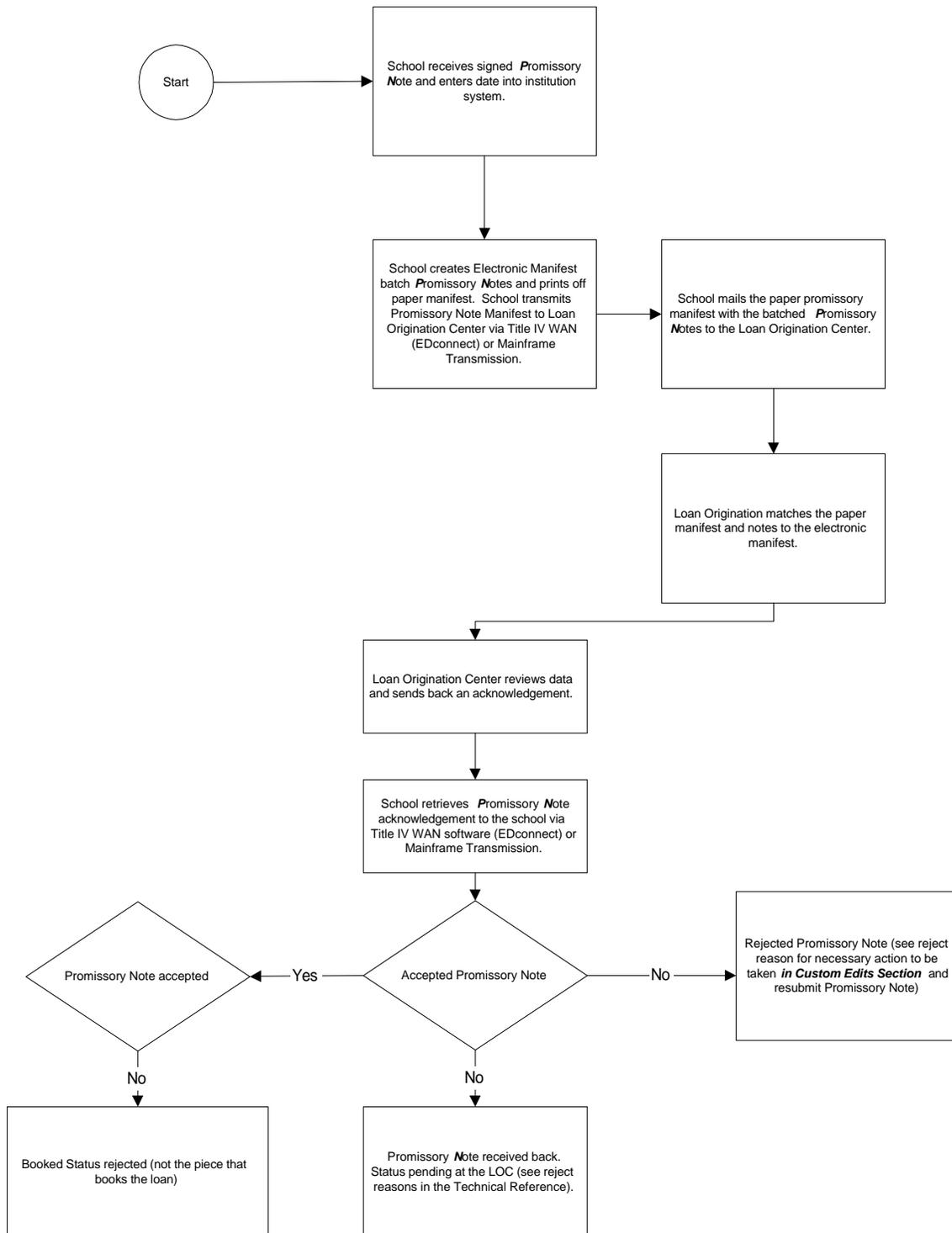
Promissory Note Pending Codes

No action is required on the promissory note. The LOC will retain the promissory note until an accept or reject determination is made. The LOC will then acknowledge the promissory note in a subsequent batch.

Reprinting and the Promissory Note Sequence Number

Schools **must** store the print sequence number (DEPM99IN, field #3 and DIPA99OP, field #6) for all promissory notes. Each time a promissory note is reprinted the sequence number should increment accordingly. The sequence number is included on the promissory note manifest. The sequence number on the electronic manifest should match the sequence number on the hard copy note mailed to the LOC. For Standard Origination Schools and schools for whom the LOC prints the promissory note, the sequence number **is** returned in the acknowledgment.

Promissory Note Manifest Export Promissory Note Acknowledgement



Promissory Note Anticipated Disbursement Values

Promissory note anticipated disbursement values (DIPA99OP, fields 7-10) are returned only to Standard Origination schools. When a borrower adjusts the anticipated amounts on the paper promissory note and returns the note to the LOC, the LOC will recalculate the anticipated disbursements. If amounts are unchanged, these fields are returned blank.

Option 2 and Option 1 schools should recalculate and store amounts changed on the promissory note before submitting the note to the LOC.

Funds Drawdown

Request and Receipt of Cash

Note: See Custom Introduction Section for definitions of school options 1, 2 and standard.

Submitting a Drawdown Request

Option 2 schools can request fund drawdowns through EDPMS. The drawdowns can be made at any time, but funds requested must be delivered to students according to the immediate need guidelines as established by federal regulations and policy.

Note: New for 1998-1999 is the 2-byte year indicator (always 99).

If you receive funds through the Automated Clearing House, the request can be made electronically via the Title IV WAN network. Each request consists of a header record followed by a detail record. These records must be included in a message class titled DEDD99IN for transmission via the network.

Receiving Drawdown Request Acknowledgments

EDPMS returns a Drawdown Request Acknowledgment Record (DIDD99OP) for each request submitted by the school acknowledging the request was received correctly. This record is in the same layout as the request record. An error code is returned on either the header or detail record if the request was rejected. If the request was accepted, the reject code fields are blank and a confirmation code is provided in the detail record; the header record will have an acknowledgment code of "00."

Upon acceptance of the Promissory Note, the LOC will send back a Booked Status and Booked Status Date. The Booked Status indicates whether the individual loan has been booked. The Loan becomes booked with the last piece of the booking process, whichever is the last piece: Promissory Note or Disbursement.

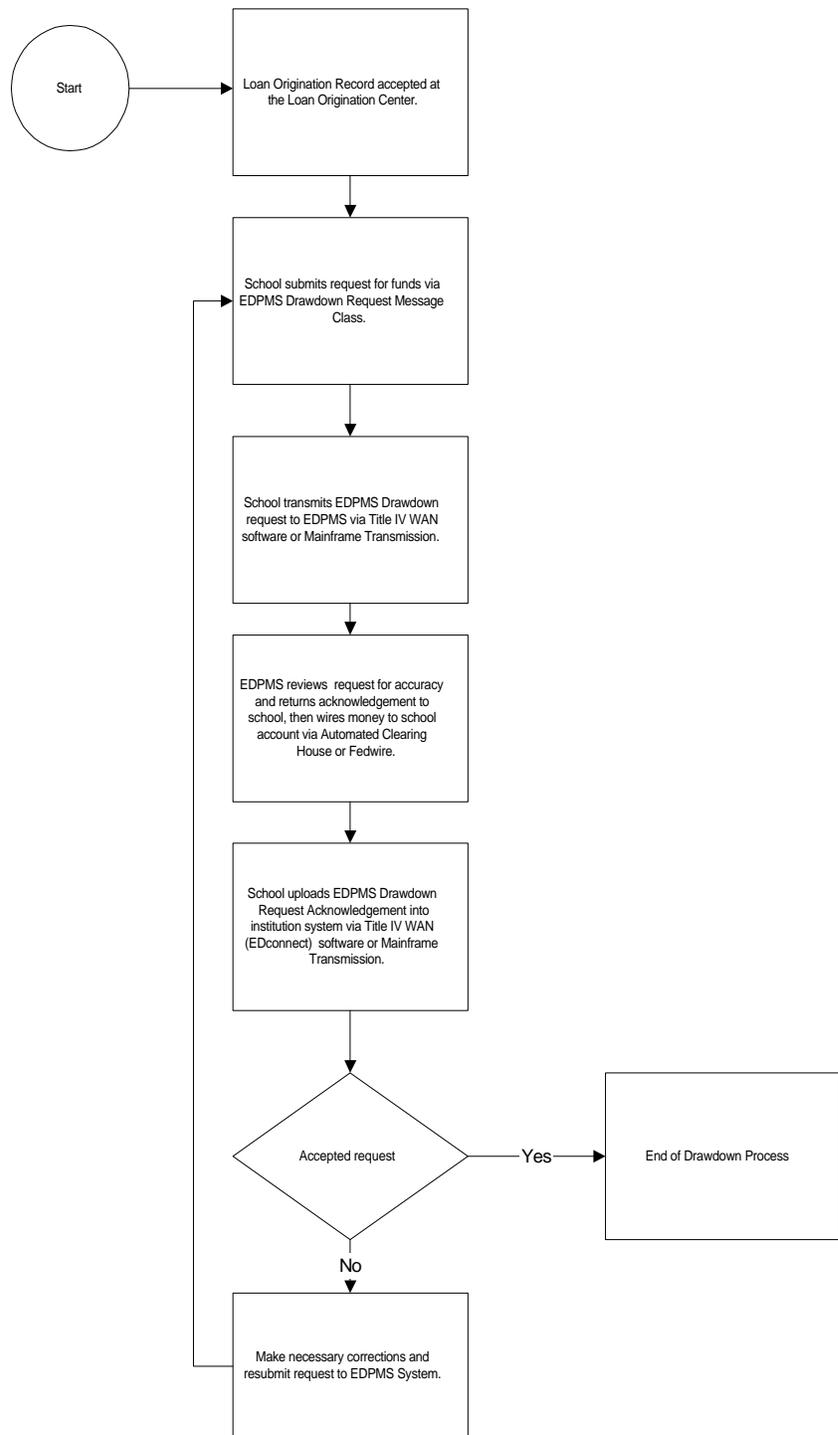
Tracking Cash

Schools must maintain an accurate cash balance record by tracking fund drawdowns and return of excess cash transactions. A Receipt of Cash transaction is a result of Direct Loan funds being transferred to the schools' account from EDPMS. The year indicator will always be 99. An Excess Cash transaction is a result of funds being returned to the LOC as directed by cash management regulations. Each transaction should be stored as a unique record. Several transactions should not be considered in the aggregate.

Receipt of Cash

As the funds are received, the school needs to track the receipts of cash. The institution must create one cash receipt record for each drawdown received from the EDPMS. Cash receipts (drawdown) cannot be combined even if received on the same day.

EDPMS Drawdown Request



Return of Excess Cash (Return of Undisbursed Drawdown Funds)

A school must return undisbursed drawdown funds to the Department. The school can either return undisbursed funds by check to the ED's LOC or transmit them by wire through the Federal Reserve Bank ***but must assign a year indicator***. The institution must create one return of excess cash record for each check or wire transfer returned. Return of excess cash transactions can be combined if returned on the same day.

Allocation/Reallocation Statement

Institutions who drawdown funds for ***more*** than one campus must send a Allocation/Reallocation Statement to the LOC. The Allocation/Reallocation Statement tells the LOC how much of the total drawdown amount to attribute to each campus. The record layout for the Allocation/Reallocation Statement (DERS991N/DIRA99OP) can be found in the Custom Records Layouts section of this Technical Reference.

Disbursement

Once the school has verified a completed and signed promissory note is on file as well as other eligibility verification required by regulations (i.e., student enrolled at least half-time), it can make a loan disbursement to the student or parent (either by check or by crediting the student's account).

Schools will submit a file (DESD99IN) containing disbursement activity by Loan ID. Each actual disbursement transaction is considered by the LOC to be a unique transaction and is treated as such for reconciliation purposes. For example, once a disbursement has been submitted to the LOC any modification to the disbursement amount would require another disbursement record. Schools should store each transaction submitted to the LOC on their database.

The LOC edits the information against the loan origination record data stored on its system. See the Disbursement Edits table in this guide for a list of LOC edits.

The LOC returns an acknowledgment (DIOD99OP) to the school indicating whether or not each disbursement record has been accepted. This acknowledgment is the same record layout as the disbursement export file. The school may receive a record from the LOC indicating the disbursement record has been rejected. The school needs to resolve the reject and retransmit it to the LOC.

Disbursement Record Types

There are three kinds of Disbursement Records:

1. Actual Disbursement = record type D
2. Actual Adjusted Disbursement = record type A
3. Actual Canceled Disbursement = record type C

An Actual Disbursement record contains data for the initial disbursement for a given disbursement number.

Disbursement Record Types (Continued)

An Actual Adjusted Disbursement record is transmitted to the LOC when the amount of a disbursement has been increased or decreased.

An Actual Canceled Disbursement record is transmitted when an actual disbursement has already been transmitted and the school wants to cancel the principal and fees as if they were never committed.

Process Loan and Disbursement Cancellations

Cancellations occur when, for a variety of reasons, the student or parent no longer wants, or is entitled to, the entire loan or a specific loan disbursement. The most common reasons for cancellation are the student *is* not attending school, or the student or parent *decides* not to borrow after a loan has been originated.

Note: If you are canceling an entire loan and an actual disbursement has already been made, you must first cancel the actual disbursement and send the actual canceled disbursement record. Once this is acknowledged, the loan origination change record containing the anticipated disbursement cancellation and loan cancellation can be transmitted. If you cancel an individual disbursement, you need to send the actual canceled disbursement record followed by a loan origination change record.

When an entire loan cancellation occurs and actual disbursement(s) have already been made, all principal and fees are eliminated as if they were never committed. Likewise, when a disbursement is canceled, the principal and fees for that disbursement are eliminated. If you are canceling an entire loan, you do not need to also cancel the individual disbursements; this occurs automatically. A loan cancellation must be sent to the LOC as a Loan Origination Change record. If actual disbursements have already occurred, a canceled disbursement record is automatically created by EDEExpress and must also be sent to the LOC.

If you cancel an individual disbursement, that change is sent as a disbursement record.

Timing

Disbursement records should be sent after the school has received a signed valid promissory note from the borrower. Schools should take care to ensure that the disbursement record cycle is complete at a record level before transmitting change records for cancellations. Schools should allow time to receive the outstanding disbursement acknowledgment before canceling the entire loan or individual disbursement. Once a loan or disbursement has been canceled the LOC will reject any subsequent disbursement activity.

Sequence of Disbursement Records

Disbursement records should occur in the file grouped by Loan ID. The records must be sorted within Loan ID by Disbursement Number and Sequence Number. For example, for a particular Loan ID with one actual disbursement, two adjustments and a cancellation transaction, record type D should precede record type A. The two adjustments should be in ascending date order and precede the cancellation.

Remember, disbursement activity should be submitted to the LOC within 30 days of the transaction date.

Disbursement Acknowledgments from the LOC

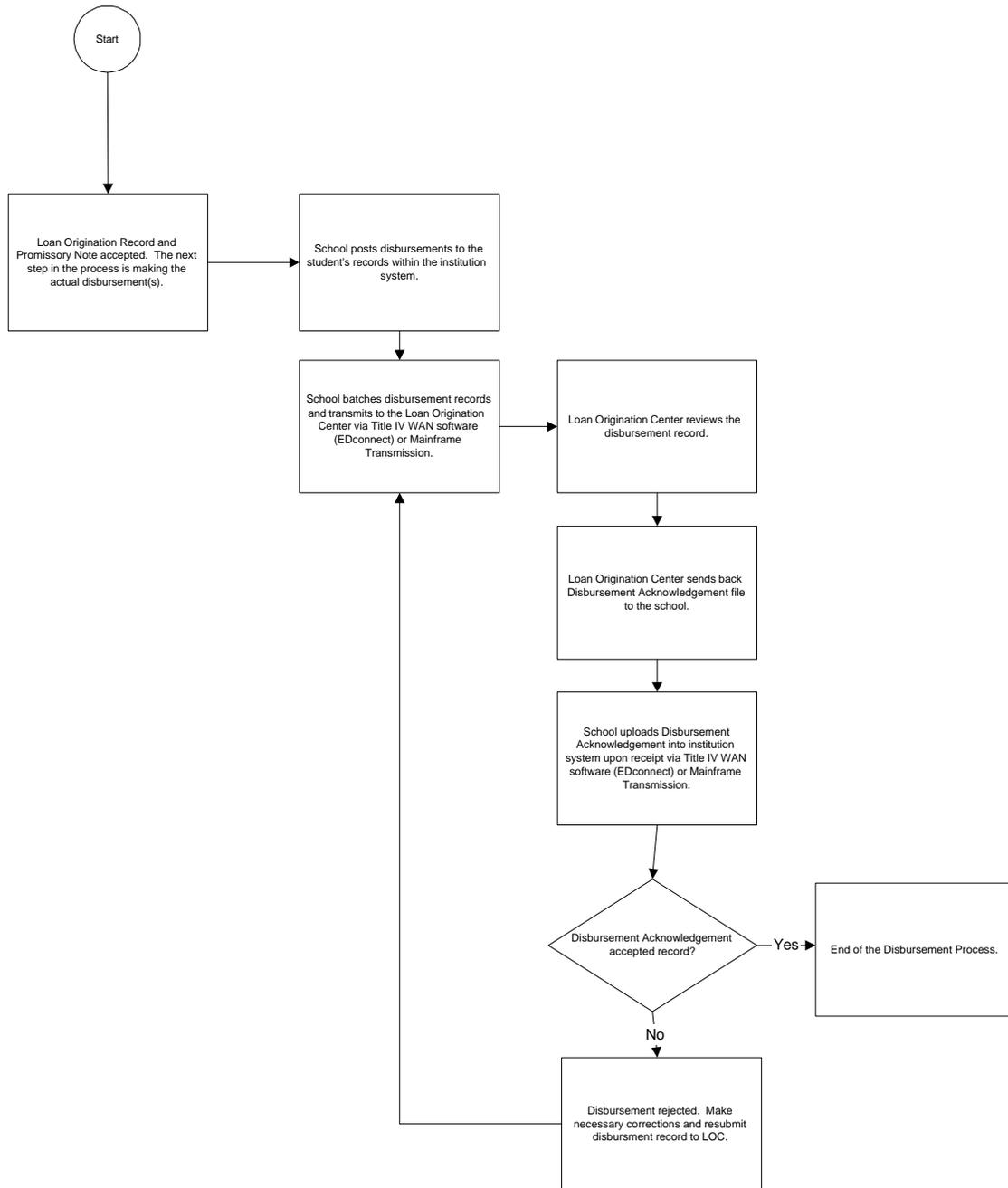
The LOC returns one acknowledgment record for each Disbursement Record submitted by the school. All records in the export file will be acknowledged in the import file. The import file header will contain the batch ID of the export file. The acknowledgment record is in the same format as the Disbursement Record. If the LOC calculates different amounts than reported by the school, these amounts will be returned in the acknowledgment. If there is no change to the amounts, these fields are returned blank, in the DIOD99OP file.

Upon acceptance of the Promissory Note, the LOC will send back a Booked Status and Booked Status Date. The Booked Status indicates whether the individual loan has been booked. The Loan becomes booked with the last piece of the booking process, whichever is the last piece: Promissory Note or Disbursement.

Note: Disbursement acknowledgment date will always be blank on the disbursement record (DESD99IN). Please do not zero fill.

The disbursement acknowledgment date will be provided by the LOC in the disbursement acknowledgment (DIOD99OP).

Disbursement Process



Management Files from the LOC

The LOC will routinely return certain reports to your Title IV WAN mailbox. These reports are preformatted in ASCII text and have their own message class names.

The 30-Day Warning Report

The 30-Day Warning Report is a file reporting unbooked loans (DIWR99OP) *for which the LOC has not received the three required elements to “book” a loan within 30 days of the first activity*. The report **lists** the loan ID and the data that is required to book the loan. Canceled loans do not appear on the 30 Day Warning. This file is generated weekly by the LOC.

The Anticipated Disbursement List

The Anticipated Disbursement List file (DIAA99OP) is transmitted to Option 1 and Standard Option schools only. This file lists all pending anticipated disbursements scheduled 30 to 45 days in the future. The LOC generates this file based on accepted full origination records and accepted promissory notes for your school. Schools should submit full origination records, changes, and promissory notes to the LOC for anticipated disbursements not included on the list but the school intends to make. The report contains at a minimum the following data elements:

- Direct Loan School Code for Borrowers on Report
- LOAN ID
- Borrower’s Name
- Loan Type
- Disbursement Number (1, 2, 3, or 4)
- Anticipated Gross Disbursement Amount
- Anticipated Net Disbursement Amount
- Anticipated Loan Fee Amount
- Number of Borrowers on the Listing

The Actual Disbursement Roster

The Actual Disbursement Roster file (DIAO99OP) is transmitted to Option 1 and Standard Option school only. The Actual Disbursement Roster is transmitted to schools five business days prior to the anticipated disbursement date. This file lists all the Loan IDs and disbursement data on which the LOC has requested funds. Funds transferred to the school from EDPMS must be disbursed to the borrowers based on the Actual Disbursement Roster. The LOC includes borrowers on this report based on anticipated disbursements on accepted loan origination records submitted to the LOC at least 10 business days prior to the anticipated disbursement date. This report will also list disbursements on which the LOC was not able to draw down funds and provides a reason code. The report contains at a minimum the following data elements:

- Direct Loan School Code for Borrowers on Report
- LOAN ID
- Borrower's Name
- Loan Type
- Disbursement Number (1, 2, 3, or 4)
- Actual Gross Disbursement Amount
- Actual Net Disbursement Amount
- Actual Loan Fee Amount
- Number of Borrowers on the Roster
- Total Net Disbursement for the Roster
- Actual Disbursement Date

Batch Processing and Batch IDs

All data exchanged between schools and the LOC must be in the required record layout format. Data must be submitted to the LOC in groups of like types. Each data type has a specific record layout i.e., full origination, disbursements, etc. Therefore each record set is considered a separate batch. Every batch must contain a header and trailer record (see Custom Layouts). The batch header contains a batch identifier that is unique to the export batch.

The Batch Integrity Rule

The LOC returns an acknowledgment record for every record the school submits. If a school submits a full origination batch of 1000 records, the LOC will return an acknowledgment file responding to only those 1000 records. The acknowledgment file always contains the Batch ID of the corresponding submission. This rule applies for full origination records, change records, *and* disbursement records. However it does not apply to promissory note manifest records and acknowledgments. In order to expedite school processing, the LOC acknowledges promissory notes as they are accepted rather than holding the entire batch until all notes are accepted.

Tracking Batches

Schools should track Batch IDs on their system. It is helpful to store the Batch ID at a record level and at a batch level for each submission.

All Batch *IDs* through the Direct Loan System have the same format. Each Batch ID is 17 characters long. The first two characters are the batch identifier which represent the type of batch. The next six characters are the school code. The next six characters are the date the batch was created, followed by the literal value 9, followed by the 2-digit batch sequence number for the day it was created. Listed below are all the batch identifiers.

Batch Identifier	Type of Batch
#I	Export: <i>Drawdown Request</i>
CE	Export: <i>Cash External</i>
#F	Export: <i>Origination External</i>
PF	Export: <i>Origination LOC Full PLUS</i>
#A	Export: <i>Manifest Stafford/PLUS</i>
#L	Export: <i>Loan Detail</i>
#K	Export: <i>Drawdown Statement</i>
#E	Export: <i>Origination LOC Change</i>
#H	Export: <i>Origination LOC Disbursement</i>
#D	Export: <i>Origination LOC Full Stafford</i>
#R	Import: <i>Anticipated Listing</i>
#Q	Import: <i>Actual Roster</i>
#O	Import: <i>External Add</i>
#P	Import: <i>External Change</i>
#J	Import: <i>Acknowledgments - Drawdown Request</i>
#E	Import: <i>Acknowledgments - Change Origination</i>
#H	Import: <i>Acknowledgments - Disbursement Origination</i>
#A	Import: <i>Acknowledgments - Promissory Note Confirmation</i>
#C	Import: <i>PLUS Credit Decision</i>
PF	Import: <i>Full Summary PLUS Origination</i>
#D	Import: <i>Acknowledgments - Full Summary Stafford Origination</i>
#W	Import: <i>30-Day Warning Report</i>
AS	Import: <i>Direct Loan School Account Statement</i>
#K	Import: <i>Acknowledgments - Allocation/Reallocation</i>
SV	Import: <i>Loan Servicer</i>
SV	Loan Servicer <i>Record Layout</i>

Rounding Logic

The following fields need to be calculated when disbursements are entered or changed:

Field Name	Description
Loan Amount Approved	From loan record
1st Gross Disbursement Amount	Loan Amount Approved (PLUS) X 1st Disbursement Percentage Loan Amount Requested (Stafford) X 1st Disbursement Percentage
1st Fee Amount	1st Gross Amount X Loan Fee Rate (4%)
1st Net Disbursement Amount	1st Gross Amount - 1st Fee Amount
2nd Gross Disbursement Amount	Loan Amount Approved X 2nd Disbursement Percentage
2nd Fee Amount	2nd Gross Amount X Loan Fee Rate (4%)
2nd Net Disbursement Amount	2nd Gross Amount - 2nd Fee Amount
Optional:	
3rd/4th Gross Disbursements	Loan Amount Approved X 3/4th Disbursement Percentage
3rd/4th Fee Amount	3/4th Gross Amount X Loan Fee Rate (4%)
3rd/4th Net Disbursements	3/4th Gross Amount - 3/4th Fee Amount
Total Gross Disbursements	Sum of all gross disbursements
Total Fee Amount	Sum of all fee amounts
Total Net Disbursements	Sum of all net disbursements

Gross Disbursement Calculations

Dollar figures are rounded to the nearest dollar. When computing dollar figures (either through multiplication or division), use the following specification for 2 or 4 (or three unequal) disbursements only:

- If necessary, first truncate any positions that exist past two decimal places. Rounding occurs at the first and second decimal places.
- If the first and second decimal places are 50 or greater, increment the first digit to the left of the decimal sign by one.
- If the first and second decimal places are less than 50, do not change the first digit to the left of the decimal sign.
- If the sum of the gross disbursement amounts is different from the loan amount approved, adjust the last disbursement accordingly.

Example 1: Calculate for two disbursements

Loan Amount Approved: \$2625

Step 1: 1st Gross Disbursement Amount = $2625 \times .50 = 1312.5$

Step 2: 1st Gross Disbursement = 1313 (.5 >= .50 so round up)

Step 3: 2nd Gross Disbursement Amount = $2625 \times .50 = 1312.5$

Step 4: 2nd Gross Disbursement Amount = 1313 (.5 >= .50 so round up)

Step 5: Sum Gross Disbursements - $1313 + 1313 = 2626$

Step 6: Total amount is more than loan amount approved ($2626 > 2625$)

Step 7: 2nd Gross Disbursement Amount = $1313 - 1 = 1312$

Final Results: 1st Gross Disbursement Amount = 1313
 2nd Gross Disbursement Amount = 1312

Example 2: Calculate for four disbursements

Loan Amount Approved: \$2625

Step 1: 1st Gross Disbursement Amount = $2625 \times .25 = 656.25$

Step 2: 1st Gross Disbursement = 656 (.25 < .50 so round down)

Step 3: 2nd, 3rd, 4th Gross Disbursements = $2625 \times .25 = 656.25$

Step 4: 2nd, 3rd, 4th Gross Disbursements = 656 (.25 < .50 so round down)

Example 2: (Continued)

Step 5: Sum Gross Disbursements = $656 + 656 + 656 + 656 = 2624$

Step 6: Total amount is less than loan amount approved ($2624 < 2625$)

Step 7: 4th Gross Disbursement Amount = $656 + 1 = 657$

Final Results: 1st Gross Disbursement Amount = 656

2nd Gross Disbursement Amount = 656

3rd Gross Disbursement Amount = 656

4th Gross Disbursement Amount = 657

When computing dollar figures (either through multiplication or division), use the following specifications for 3 disbursements when the percentages being used are 33%, 33% and 34%. For 3 disbursements with other percentages, refer to rounding above:

Use .3333, .3333 and .3334 as the percentages to calculate with.

If necessary, first truncate any positions that exist past two decimals.

Rounding occurs at the first and second decimal places.

If the first and second decimal places are .50 or greater, increment the first digit to the left of the decimal sign by one.

If the first and second decimal places less than .50, do not change the first digit to the left of the decimal sign.

If the sum of the three disbursements is greater than or less than the loan amount approved, adjust the last disbursement accordingly.

Example 3: Calculate for three equal disbursements

Loan Amount Approved = \$2000

Disbursement percentages: (33.33%, 33.33%, 33.34%)

Step 1: 1st Gross Disbursement = $2000 \times .3333 = 666.6000$

Step 2: 1st Gross Disbursement = 666.6000 (truncate past two decimals)

Step 3: 1st Gross Disbursement = 667 (.60 \geq .50, so round up)

Step 4: 2nd Gross Disbursement = $2000 \times .3333 = 666.6000$

Step 5: 2nd Gross Disbursement = 666.6000 (truncate past two decimals)

Step 6: 2nd Gross Disbursement = 667 (.60 \geq .50, so round up)

Step 7: 3rd Gross Disbursement = $2000 \times .3334 = 666.8000$

Step 8: 3rd Gross Disbursement = 666.8000 (truncate past two decimals)

Example 3: (Continued)

Step 9: 3rd Gross Disbursement = 667 (.80 >= .50, so round up)

Step 10: Sum of disbursements: \$667 + \$667 + \$667 = \$2001

Step 11: Total amount is greater than loan amount approved (2001 > 2000)

Step 12: 3rd Gross Disbursement = 667 - 1 = 666

Final Results: 1st Gross Disbursement Amount = 667
 2nd Gross Disbursement Amount = 667
 3rd Gross Disbursements Amount = 666

Loan Fees and Net Disbursement Calculations

When calculating loan fee amounts and net disbursements amounts, use the following specifications for all number of disbursements:

Loan Fees are truncated to the nearest dollar.

Net disbursements are calculated by subtracting the loan fee from the gross disbursement.

If the sum of the loan fee amounts is less than the calculated Total Loan Fee, do not adjust any loan fee amounts.

If the sum of the net disbursement amounts is greater than the calculated Total Net Disbursement, do not adjust any net disbursement amounts.

Example (4): Loan Fee Calculation

Total Gross Disbursement Amount = \$3500

Loan Fee Rate = 4%

Three Gross Disbursement Amounts = \$1167, \$1167 and \$1166

Step 1: 1st Loan Fee Amount: $1167 \times .04 = 46.68$, truncate to 46

Step 2: 2nd Loan Fee Amount: $1167 \times .04 = 46.68$, truncate to 46

Step 3: 3rd Loan Fee Amount: $1166 \times .04 = 46.64$, truncate to 46

Step 4: Total Loan Fee Amount = $46 + 46 + 46 = 138$

Step 5: 1st Net Disbursement Amount = $1167 - 46 = 1121$

Step 6: 2nd Net Disbursement Amount = $1167 - 46 = 1121$

Step 7: 3rd Net Disbursement Amount = $1166 - 46 = 1120$

Step 8: Total Net Disbursement Amount = $1121 + 1121 + 1120 = 3362$

Final Results:

	Disbursement	Disbursement	Disbursement	Totals
	#1	#2	#3	
Gross Disbursements	1167	1167	1166	3500
Loan Fees	46	46	46	138
Net Disbursements	1121	1121	1120	3362

Leap Year Logic

EDEExpress uses the following date format and leap year logic in the date fields on its data bases:

- The date field format is CCYY/MM/DD.
- For (CC), the date field must contain only: 19
- For (YY), the date field must contain only: 00 - 99
- For month (MM), the date field must contain only: 01 - 12
- For day (DD), valid range depends upon month as follows:

<u>Month</u>	<u>Valid Day Range</u>
01	01-31
02	01 - 28 (unless year is divisible by 4 when 01 - 29 is valid)
03	01-31
04	01-30
05	01-31
06	01-30
07	01-31
08	01-31
09	01-30
10	01-31
11	01-30
12	01-31

Direct Loan Message Classes

Batch Type	Message Class	Data Description	Data Sent or Received by User	98/99 Record Length	98/99 Paid By	User ID for LOC
#J	DEDD##IN	Export Drawdown Requests	Sent	80	ED	N/A
PF	DEPF##IN	Export PLUS Full Origination Records	Sent	520 537	ED	TG50005
#L	DERC##IN	Export Loan Detail	Sent	220	ED	TG50005
#A	DEPM##IN	Export Stafford/PLUS Promissory Note Manifest	Sent	80	ED	TG50005
(#)AS	DSAS##OP	Import Direct Loan School Account Statement Cash Summary Section Cash Detail Section Loan Detail Section	Received	220	ED	TG50005
#E	DESC##IN	Export LOC Changes	Sent	394	ED	TG50005
#H	DESD##IN	Export LOC Disbursement	Sent	137	ED	TG50005
#D	DESF##IN	Export Stafford Full	Sent	520 537	ED	TG50005
#R	DIAA##OP	Import Alternate Originator Anticipated Listing	Received	80	ED	TG50005
#Q	DIAO##OP	Import Alternate Originator Actual Roster	Received	80	ED	TG50005
#O	DIEA##OP	External Add	Received	326	N/A	N/A
#P	DIEC##OP	External Change	Received	360	N/A	N/A
#J	DIDD##OP	Import Drawdown Request	Received	80	ED	N/A
#E	DIOC##OP	Import Origination Change	Received	394	ED	TG50005
#H	DIOD##OP	Import Origination Disbursement	Received	137	ED	TG50005
#A	DIPA##OP	Import PN Acknowledgement	Received	95	ED	TG50005
#C	DIPC##OP	Import PLUS Credit Decision	Received	80	ED	TG50005
PF	DIPF##OP	Import PLUS Full Origination	Received	80	ED	TG50005
#K	DERS##OP	Export Allocation/Reallocation	Sent	80	ED	TG50005
#K	DIRA##IN	Import Allocation/Reallocation Acknowledgement	Received	80	ED	TG50005
SV	DISV##OP	Loan Servicer Record Layout	Received	80	ED	TG50005
#D	DISF##OP	Import Full Origination Stafford	Received	80	ED	TG50005
#W	DIWR##OP	Import 30 Day Warning Report	Received	80	ED	TG50005

Notes: (1) All message classes are referenced from the user perspective.
(2) Use account number NCS5 for these Direct Loan message classes.
= Year Indicator, 99 is used for 98-99 data; for example, DESF for 98-99 in the table above look for DESF##IN.
IN = Input to the Title IV Contractor.
OP = Output from the Title IV Contractor.