

**Fiscal Year 2004 Annual Reasonability Findings
Technical Update GA–2005–04**

June 6, 2005

This information is intended for the person in your organization who is responsible for working with NSLDS. If that is not you, please forward this update to the appropriate person.

NSLDS Data Comparison to the Guaranty Agency Financial Report (GAFR)

This technical update reports the findings of Annual Reasonability. Annual Reasonability is the comparison of selected annual GAFR items for fiscal year (FY) 2004 and NSLDS data at the time of calculation for each respective period.

This update includes the following attachments:

- **Attachment A: NSLDS Annual Reasonability Computation Worksheet**

This worksheet details NSLDS methods for calculating each line item. The first column provides the ED GAFR line item for the comparison report. The second and third columns provide NSLDS source attributes from the Data Provider Instructions (DPI) used in the calculation and a description of the computation logic for that line item.

- **Attachment B: GAFR Comparison to NSLDS Data for Fiscal Year 2004 (10/1/2003 to 9/30/2004)**

The Department of Education's (ED) Federal Student Aid (FSA), Financial Partners, provided NSLDS with the GAFR fiscal year reports, by agency. For easy reference, the GAFR line items are listed in this comparison report.

- **Attachment C: GAFR Comparison to NSLDS Data All GA Summary**

This is a compilation of GAFR and NSLDS totals for all active guaranty agencies. This comparison report also lists the guaranty agency-wide differences and percent differences for FY 2004.

Note: Attachments B and C will be e-mailed to Guaranty Agencies individually and will not be published with this GA Technical Update on www.ifap.ed.gov. If the appropriate individual at your agency did not receive Attachments B and C, please e-mail nslds@pearson.com.

Both reasonability reports, provided in Attachments B and C, include the following information:

- Amount from GAFR As Per ED – The ED calculated value for the line item
- Amount from NSLDS – The NSLDS-calculated value for the line item
- Amount Difference – The line item difference between the NSLDS-calculated value and the ED-calculated value based on GA reporting

- Percent Difference – A percentage value for the line item difference between ED values and NSLDS data
- Percent Difference All GA – The average line item difference for all active guaranty agencies, so that each agency will have a perspective on these differences

Note: If your agency is currently working with ED to modify or correct your financial reports, those changes may not be reflected in this comparison.

FY 2004 Reasonability Calculation Schedule

The schedule listed below provides the dates of quarterly and annual reasonability calculations for FY 2004. Data received prior to these dates were included in the reasonability calculations according to the logic provided in the computation worksheet.

Period	Frequency	NSLDS Run Date
10-01-2003 to 12-31-2003	Quarterly	12-03-2004
01-01-2004 to 03-31-2004	Quarterly	12-04-2004
04-01-2004 to 06-30-2004	Quarterly	12-07-2004
07-01-2004 to 09-30-2004	Quarterly	12-11-2004
10-01-2003 to 09-30-2004	Annual	05-04-2005

Accessing Back-Up Data and Corresponding File Layouts

The file layouts for both the quarterly and annually calculated items can be found on the IFAP Web site at www.ifap.ed.gov. From the Online References section, select NSLDS Reference Materials and then select NSLDS Guaranty Agency (GA) Technical Updates. The file layouts are provided in GA Technical Update GA-2002-02, Attachments F and G.

For quarterly calculated items (AR-1 – AR-11), you have the option of requesting all data or data from the following categories:

- Guarantees
- Cancellations
- Transfers In or Out
- Insurance Claim Payments
- Insurance Claim Refunds
- Repurchases

Note: The last three are all needed to get back-up detail for any claim type.

For the annually calculated items (AR-12 and AR-13), you can request Paid in Full and/or Interim Loan Activity.

If you would like to request back-up detail, please contact the NSLDS Customer Service Center at nslds@pearson.com with the appropriate line items that you are requesting.

NSLDS would also like to remind you that you now have the option to receive back-up detail via the Student Aid Internet Gateway (SAIG). Please refer to GA Technical Update GA-2004-08 for detailed instructions to sign up for this service.

Calculation Correction

It was discovered at the end of the FY 2004 Calculation Cycle that NSLDS was not including the **PM** Loan Status in the Paid in Full (AR-12) calculation. NSLDS has corrected the calculation starting with FY 2004.

All PM Loan Status amounts have been included in the AR-12 calculation of the FY 2004 Comparison Report. NSLDS has manually accounted for the inclusion of this loan status by subtracting all **PM** loan status amounts from the calculation that had an effective date prior to FY 2004. Because the calculation does a full database comparison to the prior-year calculation, back-up detail for this line item will include all **PM** Loan Status Dates in NSLDS history. To reconcile the detail to the summarized NSLDS figure for FY 2004, Guaranty Agencies will need to remove the loans in **PM** Loan Status with effective dates prior to FY 2004 from their back-up detail.

If you have any questions, or would like to order back-up data, please contact the NSLDS Customer Service Center at (800) 999-8219 or e-mail nslds@pearson.com.