



## Technical Update GA-2009-01

January 28, 2009

### Lender Code Reporting for PUT Loans

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

#### Introduction

The purpose of this Technical Update is to clarify the loan guaranty transfer process for loans purchased by the US Department of Education (ED) under the Loan Purchase Commitment Program (LPCP) and the Short Term Purchase Program (STPP).

#### Lender Code Reporting

Technical Update GA-2008-13 instructed Guaranty Agencies (GAs) to report loans sold to ED using one of two methods. These two methods involved reporting the following combinations of fields.

Method 1 – The NSLDS standard method for guaranty transfers uses AE in the Code for Loan Status field as the designated transfer code.

“AE” as the Code for Loan Status (063), the date that the loan was sold to ED as the Date for Loan Status (062) and “577” as the Code for Servicer (088). Optionally, GAs are permitted, but are not required, to report “899577” as the Code for Current Holder Lender (134) and the date that the loan was sold to ED as the Date Loan Sold (141).

Method 2 – NSLDS created a second method to simplify reporting of guaranty transfers to the ED Servicer for GA systems not programmed to use the AE transfer code for non-defaulted loans.

The date that the loan was sold to ED as the Date Loan Sold (141) and “899577” as the Code for Current Holder Lender (134).

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Either method will update the loan on NSLDS to display “577 US Department of Education” as the current GA for the loan, “899577 US Department of Education/LPCP” as the current Lender for the loan and “700577 US Department of Education” as the current Lender Servicer for the loan.

Technical Update 2008-13 also notified GAs that loans purchased by ED under the STPP will be designated by Lender Code 898577. NSLDS did not create a simplified method for transferring loans under the STPP given the temporary nature of the program. Method 1 is the only way to report the loan as transferred to 898577; however, NSLDS will only display the loan has held by 899577 until the ED Servicer reports to NSLDS on that loan. If a GA needs to use the simplified process in Method 2, the only lender code that will work is 899577. Like the first method, NSLDS will rely on the ED servicer to report the correct lender code of 898577.

NSLDS encourages GAs to utilize Method 1, which will accommodate reporting of either lender code.

The chart below clarifies the proper reporting of guaranty transfers for the Short Term Purchase Program which ends in February 2009.

<b>Short Term Purchase Program (STPP) Reporting</b>		
<b>GA Reports the following fields:</b>	<b>Result on NSLDS:</b>	<b>Results after ED Servicer Reports:</b>
<i>Method #1</i>  Code for Loan Status = AE; Date for Loan Status = date loan sold to ED Code for Servicer = 577	Current GA = 577 Current Lender = 899577 Current Servicer = 700577	Current GA = 577 Current Lender = 898577 Current Servicer = 700577
<i>Method #1</i>  Code for Loan Status = AE; Date for Loan Status = date loan sold to ED Code for Servicer = 577; Code for Current Holder Lender = 899577 Date Loan Sold = date loan sold to ED	Current GA = 577 Current Lender = 899577 Current Servicer = 700577	Current GA = 577 Current Lender = 898577 Current Servicer = 700577
<i>Method #1</i>  Code for Loan Status = AE Date for Loan Status = date loan sold to ED Code for Servicer = 577 Code for Current Holder Lender = 898577 Date Loan Sold = date loan sold to ED	Current GA = 577 Current Lender = 899577 Current Servicer = 700577	Current GA = 577 Current Lender = 898577 Current Servicer = 700577

### Short Term Purchase Program (STPP) Reporting

GA Reports the following fields:	Result on NSLDS:	Results after ED Servicer Reports:
<p><i>Method #1</i></p> <p>Code for Loan Status = AE  Date for Loan Status = date loan sold to ED  Code for Servicer = 577  Code for Current Holder Lender = previous lender  Date Loan Sold = spaces or date loan sold to ED</p>	<p>Current GA = 577  Current Lender = 899577  Current Servicer = 700577</p>	<p>Current GA = 577  Current Lender = 898577  Current Servicer = 700577</p>
<p><i>Method #2</i></p> <p>Code for Current Holder Lender = 899577  Date Loan Sold = date loan sold to ED</p>	<p>Current GA = 577  Current Lender = 899577  Current Servicer = 700577</p>	<p>Current GA = 577  Current Lender = 898577  Current Servicer = 700577</p>
<p><i>Method #2</i></p> <p>Code for Current Holder Lender = 898577  Date Loan Sold = date loan sold to ED</p>	<p>Current GA = no change  Current Lender = 898577  Current Servicer = no change</p>	<p>Current GA = 577  Current Lender = 898577  Current Servicer = 700577</p>

*If you have any questions, please contact the NSLDS Customer Service Center at (800) 999-8219, or e-mail [NSLDS@ed.gov](mailto:NSLDS@ed.gov).*