



## ***Session 20***

# ***What's New for Direct Loan Processing in 2004-2005***



## In this session....

- Operations Update
- Processing Changes for 2004-2005
- Customer Service Update
- Processing Issues



# Operations Update

# Direct Loan Processing

YTD – as of October 21, 2003

**TOTALS**

	2002-2003	2003-2004
Originations (#)	3.4 million	2.4 million
Originations (\$)	\$12.0 billion	\$10.5 billion
Actual Disbursements (#)	5.9 million	1.9 million
Actual Disbursements (\$)	\$11.3 billion	\$4.4 billion
% Substantiated	99.64%	98.01%



# DLOS Archive and Shutdown

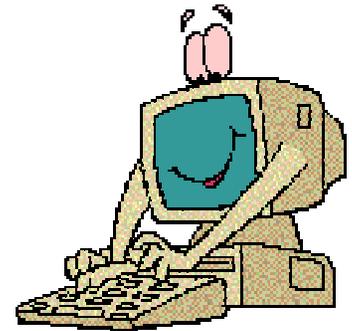
- DLOS award years 99-00, 00-01, 01-02 were archived at the end of September.
- The DLOS System and DLOS web site have been retired.
- The Direct Loan program will continue to process these award years on an exception basis through the COD web site.



# Direct Loan Closeout

- Program year closeout for the 2002-2003 award year is July 31, 2004.
- Balance verification letters and emails were sent to schools beginning on October 6, 2003.
- Schools should continue to work with COD School Relations throughout the closeout process to resolve any balance discrepancies.

# Promissory Notes



- The eMPN is a success!!

<b>MPNs</b>	<b>2002-2003</b>	<b>2003-2004</b>
Stafford (Paper)	687,465	366,515
Stafford (Electronic)	175,467	366,761
PLUS (Paper)	225,321	136,812
PLUS (Electronic)*	N/A	52,906

- The eMPN presently accounts for 45% of the promissory note processing for the 2003-2004 award year.

\*The PLUS eMPN was implemented in April 2003



# Promissory Notes On-line Setup for eMPN

- School set-up for use of the eMPN is available online.
  - <http://lo-online.ed.gov>
- Schools can choose to allow the student to sign an eMPN either before or after the award origination.
- Schools cannot *require* a student to complete an eMPN and must continue to support the paper option.



# Promissory Notes eMPN Issue Resolution

- An eMPN may not complete processing if either of the following web sites go down:
  - eMPN web site
  - COD web site
  
- Schools should check the status of an eMPN and the eMPN system by accessing:
  - Web messages
  - Direct Loan processing updates
  - COD School Relations



# Processing Changes for 2004-2005



# Establishing a Direct Loan Award

- Anticipated Disbursement information is required on initial submission of all Direct Loan awards.
  - All anticipated and actual disbursements must be reported when establishing an award.
  - The sum of the anticipated and actual disbursements must be equal to the Award Amount.
- The COD web site will allow the creation of multiple disbursements when establishing a Direct Loan award online.
- New for Full Participants only.



# Recalculation of Anticipated Disbursements

- COD will automatically recalculate the anticipated disbursements when a change to the Direct Loan Award Amount is received.
- Recalculation of anticipated disbursements occurs when:
  - A school submits a decrease to an Award Amount.  
*AND*
  - The new award amount is less than the sum of the anticipated disbursements.  
*AND*
  - No actual disbursements exist on the COD System.
- Recalculation will begin with the highest disbursement number.
- Applies to both Full and Phase-In Participants.



# Loan Inactivation

- The COD System will automatically reduce anticipated disbursements to \$0 to allow loan inactivation if:
  - the Award Amount is changed to \$0
  - AND*
  - the sum of the actual disbursements is \$0
  
- Applies to both Full and Phase-In Participants.



# Pennies will not be Processed

- The Direct Loan Program will continue to **not** process pennies.
- If pennies are submitted in the Award Amount, COD will truncate the cents to the right of the decimal.
- COD will accept the award amount and will not store or edit on the included pennies.



# Reports

- Schools will be able to define sort options, delivery options, and format options on the web site for the following reports:
  - 30-Day Warning Report
  - Duplicate Student Borrower Report
  - Funded Disbursement Listing
  - Inactive Loan Report
  - Pending Disbursement Listing
  - SSN/Name/Date of Birth Change Report
  - School Account Statement (SAS)
- Specific options will vary based on report.
- More information on specific report options is available in the Technical Reference Appendices published in November 2003.



# Reports

- The Direct Loan Rebuild file will include additional Common Record elements in order to provide necessary information to Full Participants.
- Common Record elements include:
  - <DisbursementReleaseIndicator>
  - <PreviousSequenceNumber>
  - <CPSTransactionNumber>
  - <EndorserAmount>
  - <DisbursementDate>



# Message Class Options

- Full Participants will be able to choose the message class in which they send and receive documents to and from the COD System.
- Message class options will include the following:
  - Non-program specific and non-award year specific
  - Non-program specific and award year specific
  - Program specific and non-award year specific
  - Program specific and award year specific
- Message class options apply to the 2004-2005 award year only.



# Message Class Options

**Non-program Specific  
and Non-award Year  
Specific**

**Award Year Specific**

**Program Specific**

**Program and Award  
Year Specific**

**Inbound  
to COD**

**Outbound  
from COD**

**Receipts**

COMRECIN	COMRECOP	COMRECOP
CRAA05IN	CRAA05OP	CRRC05OP
CRDLMYIN	CRDLMYOP	COMRECOP
CRDL05IN	CRDL05OP	CRRC05OP



# Message Class Options

- The outgoing message class for the COD batch response will correspond to the incoming message class the school used to send the batch to COD.
- The COD System will ***not*** validate the document content with the incoming message class used for submission.
- Each System Generated document type will be assigned its own message class for Full Participants.
- The 2004-2005 COD Technical Reference published in November contains more information.



# SAIG Transmission Header

- SAIG has increased the variable BAT= field on the SAIG Transmission Header (N\*05/N\*95) from 26 to 50 characters.
- Beginning in March 2004, COD will reserve the first 20 characters of this field for school use and populate the last 30 characters with the Batch/Document ID on response/acknowledgements for ***all*** award years.
- If a school uses the last 30 characters for other data on the incoming record, COD will overwrite this data with the Document ID or the Batch ID.
- EDConnect users must upgrade to EDConnect version 5.3 or higher in order for their records not to reject.



# Campus-Based

- COD will accept and process Full Participant Campus-Based award and disbursement data for the 03-04 and 04-05 award years and forward.
  - Federal Work Study
  - Perkins Loans
  - FSEOG
- Full Participants can submit student level Campus-Based data to COD via the COD web site and the Common Record.
- Campus-Based award and disbursement data will be viewable on the COD web site.
- COD will **not** generate reports for Campus-Based data.
- COD will **not** populate the FISAP using Campus-Based data.



# Extended Full Participant Deadline

- COD will accept Phase-In Participant records in 2004-2005.
- All schools must be Full Participants using the XML Common Record in 2005-2006.

***Reminder:** If you would like to be a Full Participant for the 2004-2005 award year and were not a Full Participant for a prior award year, you **must** register with COD School Relations prior to submitting records.*



# COD Web Site

- Batch Search Results List
  - Batch Search screens will contain Award Type and Doc Type fields and permit filtering by these fields
  - Date Received and Date Response field will be separated into two individual fields.
    - Date Received - will indicate the date the batch was received by COD
    - Date Response - will indicate the date COD sent a response to the school

# Batch Search Results

COD Online - Microsoft Internet Explorer provided by TSYS Network Services

File Edit View Favorites Tools Help



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**COMMON ORIGATION & DISBURSEMENT**



Person School **Batch** Award Reports User Program

- ▼ Batch Search
- ▶ Action Queue
- ▶ Interface Rejects
- ▶ Pell Data Requests
- ▶ Direct Loan Rebuild
- ▶ Archived Prog Search

## Batch Detail Information

[? HELP](#)

Enter filter criteria here to narrow down your search.

Batch Type:

Status:

Document ID	Record Type	Doc Type	Date Received	Date Response Sent	Entity	Award Year	Name	SSN	Award No	Disb No
<a href="#">2003-04-19T16:21:27.0044888666</a>	Common	RS	04/19/2003	04/19/2003	12345678	'03-'04	JOHN H. DOE	123456789 -Accepted	000 - Accepted	01 - Rejected
<a href="#">2003-05-11T16:20:34.0044888666</a>	PL	RS	05/11/2003	05/11/2003	23456789	'03-'04	JOHN H. DOE	123456789 -Accepted	000 - Accepted	01 - Accepted
<a href="#">2004-04-19T16:02:45.0031456782</a>	Common	RS	04/19/2004	04/19/2004	12345678	'02-'03	JOHN DOE	123456789 -Accepted	000 - Accepted	01 - Accepted

Records 1 to 3 of 3



# COD Web Site

- Batch Record Detail

- Batch Record Detail will be split into two portions.

- The upper portion will contain the batch information sent by the school.
- The lower portion will contain the data sent out by COD in the batch response and in system generated responses.

# Batch Award Detail

School Reported Data		
<b>Document ID</b>	<b>Status</b>	<b>Total Students</b>
2003-07-11T14:10:33.282	Accepted	3
<b>Total Number of Awards</b>	<b>Award Amount</b>	
3	\$3,000.00	
<b>Total Number of Disbursements</b>	<b>Disbursement Amount</b>	
3	\$1,500.00	
Batch Statistics		
<b>Total Number of Awards Accepted</b>	<b>Award Amount Accepted</b>	<b>Total Students</b>
0	\$0.00	3
<b>Total Number of Awards Rejected</b>	<b>Award Amount Rejected</b>	
0	\$0.00	
<b>Total Funded Disbursement Accepted</b>	<b>Total Non Funded Disbursement Accepted</b>	
\$3000.00	\$1,500.00	
\$1000.00	\$500.00	

Enter filter criteria here to narrow down your search.

SSN:  Status:

Award Type:

Award Year	Name	SSN	Award Type	Award No	Disb No
'04-'05	Student, Sample	123456789 - Accepted	PEL	001 - Accepted	01 - Accepted
'03-'04	Dentsample, Imastu	345678901 - Accepted	DLU	005 - Accepted	04 - Accepted
'02-'03	Toschool, Eyegoh	678901234 - Accepted	DLS	002 - Accepted	02 - Accepted



# COD Web Site

- Search for Promissory Notes by Name, SSN, MPN ID, or First Name and DOB.
- Promissory Note status added to search results page.

# MPN Search Results

▶ **Person Search**

▼ **Pnote Search**

▶ **Credit Check Search**

## Search Results



Click on a Name from the list below to search for Promissory Notes for the selected individual.

Records 1 to 7 of 7

SSN	Name	MPN ID	DOB	MPN/LINK STATUS
123-456-789	Doe, John Q	123456789M03G12345002	04/15/1972	Accepted/Linked
123-456-789	Doe, John Q	123456789M04G12345003	04/15/1972	Closed/Unlinked
123-456-789	Doe, John Q	123456789M04G12345001	04/15/1972	Inactive/Unlinked
123-456-789	Doe, John Q	123456789M04G12345004	04/15/1972	Accepted/Unlinked
123-456-789	Doe, John Q	123456789M04G12345004	04/15/1972	Pending/Unlinked
123-456-789	Doe, John Q	123456789M04G12345004	04/15/1972	Rejected/Unlinked
123-456-789	Doe, John Q	123456789M04G12345004	04/15/1972	Rejected/Unlinked

7 individuals found matching the search criteria.



# COD Web Site

- New web page will display student data from CPS applicant system.
  - User will have the ability to search applicant data by SSN, or SSN and award year.

# Applicant Search



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[Home](#)   [School](#)   [Batch](#)   [Award](#)   [Reports](#)   [User](#)   [Program](#)

- ▶ [Person Search](#)
- ▶ [Pnote Search](#)
- ▶ [Credit Check Search](#)
- ▶ [Archived Prog Year](#)
- ▼ [Applicant Search](#)

## Applicant Search

[? HELP](#)

SSN	Award Year
<input type="text"/>	ALL <input type="button" value="v"/>
<input type="button" value="Search"/>	

- Please enter full SSN and select an award year or *ALL* to view applicant data for all years.

# Applicant Detail



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Person

School

Batch

Award

Reports

User

Program

- ▶ **Person Search**
- ▶ **Pnote Search**
- ▶ **Credit Check Search**
- ▶ **Archived Prog Year**
- ▼ **Applicant Search**

Return to: [Applicant Search](#)

## Applicant Detail

**HELP**

999999999

Award Year  ▼

### CPS Detail

Award Year	CPS Transaction Number	Date of Birth	Name	Pell Eligibility
2004-2005	<a href="#">01</a>	04/11/1981	Smith, John	Y
2004-2005	<a href="#">02</a>	04/11/1981	Smith, John	Y
2003-2004	<a href="#">01</a>	09/03/1976	Smith, Jane	
2003-2004	<a href="#">02</a>	09/03/1976	Smith, Jane	
2001-2002	<a href="#">01</a>	04/11/1981	Smith, John	

# Applicant Detail

- ▶ **Note Search**
- ▶ **Credit Check Search**
- ▶ **Archived Prog Year**
- ▼ **Applicant Search**

## Applicant Information

 **HELP**

Sample Person  
[265601710](#)  
11/11/1975

CPS Detail	CPS Transaction 02	Award Year '00 - '01
Original SSN		
Original Name Code		
EFC		
Date of Birth		
First Name		
Middle Initial		
Last Name <small>EFC</small>		
Current SSN		
Secondary EFT		
Address		
City		
State		
Zip		
Pell Eligible Flag		
Verification Selection Indicator		
SSN Match Indicator		
NSLDS Match		
Correction Type		
Duplicate SSN		



# COD Web Site

- School Summary Financial Information Screen on the COD web site will reflect information provided in the Direct Loan School Account Statement.
- The following fields will be removed from the screen:
  - Disbursement Amount
  - Disbursement Adjustment Amount
  - Disbursement Amount for Disbursements with Missing P-Note Status
  - Number of Disbursements with Missing P-Note Status



# COD Web Site

- The following fields will be added to the screen:
  - Net Drawdowns / Payments
  - Booked Disbursements
  - Booked Adjustments
  - Total Net Booked Disbursements
  - Unbooked Disbursements
  - Unbooked Adjustments
  - Total Net Unbooked Disbursements
  - Cash > Accepted and Posted Disbursements

# School Summary Financial Information



- ▶ School Search
- ▼ School Information
  - School Summary
  - Financial Aid Contact
  - Eligibility
  - General
  - Options
  - Funding Info
  - Summary Financial Info
  - Refunds of Cash
  - Cash Activity
  - Events
  - Memos
  - Message List
  - Yearly Totals
  - Relationships
  - Correspondence

Financial Information ? HELP

SWEET BRIAR COLLEGE i

Program  Award Year

Summary Financial Information		
Entity ID		12345678
Beginning Cash Balance		\$0
Cash Receipts	\$9,999,999,999.00	
Refunds of Cash	(\$9,999,999,999.00)	
<b>Net Drawdowns/Payments</b>		<b>\$99,999,999,999.00</b>
Booked Disbursements	\$9,999,999,999.00	
Booked Adjustments	(\$9,999,999,999.00)	
<b>Total Net Booked Disbursements</b>		<b>\$99,999,999,999.00</b>
Ending Cash Balance		\$99,999,999,999.00
Unbooked Disbursements	\$9,999,999,999.00	
Unbooked Adjustments	(\$9,999,999,999.00)	
<b>Total Net Unbooked Disbursements</b>		<b>\$99,999,999,999.00</b>
<b>Cash &gt; Accepted and Posted Disbursements</b>		<b>\$99,999,999,999.00</b>



# COD Timeline

- 2004 – 2005 Development Schedule:

- Requirements Complete June 2003
- Design Complete August 2003
- Development Complete November 2003
- Testing Complete February 2004
- School/Vendor Testing Phase 1 January 2004
- School/Vendor Testing Phase 2 March 2004
- System Start Up March 2004



# Customer Service Statistics



# COD Customer Service Statistics

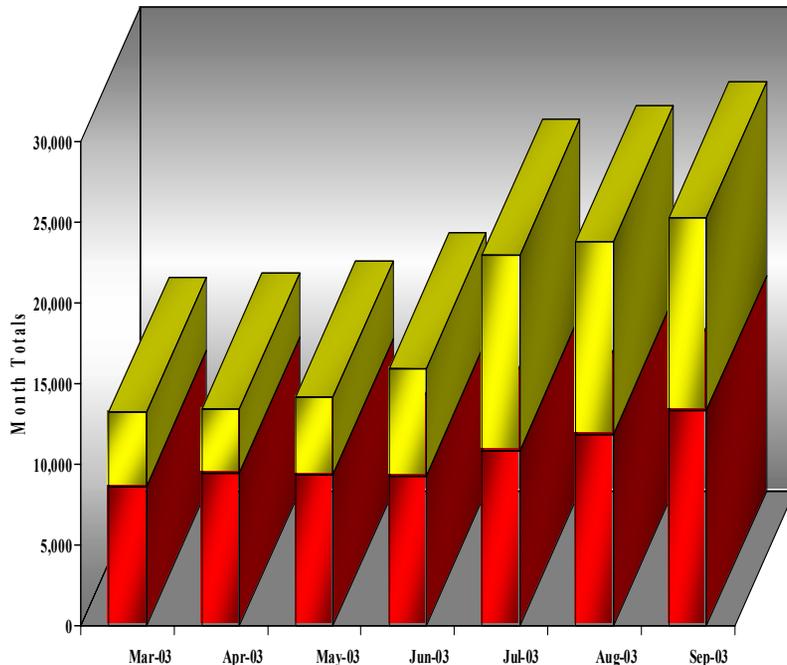
As of October 21, 2003

- Since the COD School Relations Center opened in April 2002....

<b>Inbound Calls to COD School Relations</b>	<b>150,211</b>
<b>Inbound Calls to Applicant Services</b> <i>(Since March 2003)</i>	<b>63,288</b>
<b>Outreach Calls to Schools</b>	<b>14,888</b>
<b>Inbound Emails</b>	<b>57,741</b>
<b>Number of COD Web Site Users</b>	<b>4,588</b>

# COD Customer Service

- Beginning in July 2003, call volume exceeded the COD School Relations Center's projections
- This resulted in increased hold times and a higher call abandon rate
- Increased call volume represented a 94% increase of total calls in the COD School Relations Center from last year to this year



	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03
 App Services Calls	4,599	4,012	4,815	6,647	12,112	11,941	12,019
 School Relations Calls	8,643	9,467	9,432	9,332	10,893	11,927	12,330
<b>Total Calls</b>	<b>13,242</b>	<b>13,479</b>	<b>14,247</b>	<b>15,979</b>	<b>23,005</b>	<b>23,868</b>	<b>24,349</b>



# COD Customer Service

- Many Applicant Services calls are being misdirected to the COD School Relations Center.
- Applicant Services provides information concerning:
  - Credit Status
  - Denied Credit Decision Appeals
  - PLUS Endorser Obligations/Responsibilities
- Over 50% of calls to Applicant Services were for other reasons (ex: Questions about loan status, loan terms, expected disbursement date).



# COD Customer Service

- How has COD School Relations adjusted to the increased call volume?:
  - Assistance from FSA staff with answering Applicant Services calls from August 25<sup>th</sup> through September 19<sup>th</sup>.
  - Pulled in 10 additional resources (Team Leads, Support Specialists) to answer COD School Relations calls.
  - Overtime worked by CSRs.
  - Hired 16 new CSRs.
  - Released Direct Loan Bulletin 03-36 and IFAP announcement providing guidance on when schools should direct students to call Applicant Services.
  - New Applicant Services IVR.
  - Applicant Services calls from the PLUS Borrowers and eMPN web site IVR options are answered before calls from other inquiries option.



# How do I contact the COD School Relations Center?

- Email [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com)
- Call the COD School Relations Center
  - 1-800-4-PGRANT for Pell Grants
  - 1-800-848-0978 for Direct Loans
- COD Web Site ([www.cod.ed.gov](http://www.cod.ed.gov))





## Where Can I Get More Information?

- IFAP Web Site ([www.IFAP.ed.gov](http://www.IFAP.ed.gov))
  - Common Origination and Disbursement page
  - Electronic Announcements, FAQs, COD Technical Reference
  
- COD Web Site ([www.cod.ed.gov](http://www.cod.ed.gov))
  - Daily COD Processing Updates
  - School Funding and Processing Information
  
- Contact COD School Relations



# Processing Updates



# Current COD Issues

## Stuck Batches and Missing Acknowledgements

### ■ Description:

- Batches not being processed/responded to within 48 hours of submission.
- Stuck batches and missing acknowledgements impact schools' ability to disburse funds to students.
- Stuck batches are caused when the processing of the batch is halted in COD by a code or data issue that the system cannot handle.
- Missing acknowledgements are typically caused in transmission from COD to the school.

### ■ Status:

- COD operations continuously monitors the COD system for stuck batches. A dedicated team has been established to work these issues until they have been resolved.
- COD School Relations emails the school with the Batch ID when a batch has not been processed/responded to within 48 hours.
- During peak processing, COD processes an average of 9,000 records a week with 200 stuck/missing acknowledgement batches. During normal processing, COD processes an average of 6,500 records a week with 40-60 stuck/missing acknowledgements batches.



# Current COD Issues

## Edit 58 – Duplicate Records Edit Incorrectly Being Hit

### ■ Description:

- COD has experienced a high volume of edit 58 rejects.
- In some instances, COD incorrectly sends this edit on a record within a stuck batch that has just recently been unstuck/processed by COD, despite the fact that the school only submitted the record once.
- Edit 58 is also returned when a school resubmits a record which was previously submitted in a stuck or missing batch.
- Additionally, EExpress Software was resubmitting records rejected with edit 58.

### ■ Status:

- COD is incorrectly identifying the records as a duplicate in the process of releasing a stuck batch. Software development for this issue is underway.
- Schools resubmit records previously submitted in a stuck or missing batch.
- EExpress is releasing a patch in November that will treat a record rejected with edit 58 instead of a rejected record.



# Current COD Issues

## School Account Statement (SAS)

- Description:
  - Disbursements are booked in COD and Servicing but are appearing as unbooked on the SAS report.
  - Beginning Cash Balance does not always equal Ending Cash Balance from previous month.
  
- Status:
  - System enhancements are currently being tested for SAS booked date.
  - Discrepancy between Ending Cash Balance and Beginning Cash Balance may still occur due to ongoing data clean ups.
  - COD is reviewing options to include past dated transactions in the current month's SAS.



# Current COD Issues

## Direct Loan Rebuild File

- Description:
  - While the Direct Loan Rebuild file is now available, some schools are experiencing difficulty importing the file from SAIG.
  
- Status:
  - The Direct Loan Rebuild file is now being created correctly and can be requested via the web.
  - COD and SAIG are currently investigating the reason why some schools are unable to import the file.



# Current COD Issues

## MPN Expiration Date

- Description:
  - MPNs with expirations dates of 10 years appear on the COD web site with a 1 year expiration date.
  
- Status:
  - All MPNs have been cleaned up (149,000+) in the COD System. COD is currently researching 8 MPNs to validate the appropriate expiration date.
  - COD is verifying that all of the updated MPN expiration dates have been passed on to Servicing and NSLDS.



# Resolved COD Issues

## Inactive MPN Responses

- **Description:**
  - MPN Status of 'Inactive' is incorrectly returned on PLUS acknowledgements that require an endorser. A valid promissory note is linked to the award; however, the promissory note status is not updated to 'Accepted'.
  
- **Status:**
  - Corrected software in October and sent updated acknowledgements to schools.



# Resolved COD Issues

## Blank MPN Responses

- Description:
  - Blank MPN Status being returned to schools when a Common Record change record is submitted.
  
- Status:
  - When a Full Participant school submits a change record to an existing award, MPN status = blank is incorrectly returned on the response. This prevented some schools from being able to process disbursements.
  - Software updated at the beginning of September.
  - Unsolicited p-note acknowledgements with correct status have been sent to the affected schools.



# Resolved COD Issues

## Edit 12 – Name/DOB/SSN Verification Edit

- Description:

- COD incorrectly sent edit 12 when a school submitted an origination for a student that has existing award on COD, where the student identifier information on the origination differed from that on the existing award. COD incorrectly recognized the new origination as an identifier change and used the existing award identifier information when attempting to match CPS. COD rejected the identifier change for no CPS match.

- Status:

- Software updated in September.
- Schools are now able to resubmit records.



# Resolved COD Issues

## 02/03 Funding and Payment Issues

- Description:
  - COD software issues for the 02/03 Award Year caused funding and payment levels to be incorrect.
  
- Status:
  - Software has been corrected.
  - Financial data for the 02/03 Award Year has been corrected for Direct Loan schools.



## Other COD Sessions

- **Session 17:** COD 101 - The Big Picture
- **Session 18:** COD Open Forum
- **Session 19:** Navigating the COD Web Site
- **Session 21:** COD - What's New for Pell Processing in 2004-2005

*COD School Relations Staff is available in the PC Lab!!*