Loan Record Detail Report

What is a loan record detail report?

A loan record detail report, formerly referred to as backup data or BUD, is a report sent to postsecondary schools (schools) by the U.S. Department of Education (Department). The report contains information on Federal Family Education Loan (FFEL) Program and/or William D. Ford Federal Direct Loan (Direct Loan) Program loans which were used to calculate a school's cohort default rate. The loan record detail report provides loan information about specific borrowers who entered repayment during a specified period. The loan record detail report lists a school's loan activity, including but not limited to:

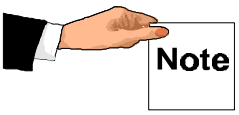
- the number of borrowers that entered repayment during a given fiscal year;
- the loan status of those borrowers;

  AND
- the school's cohort default rate.

Which schools receive draft loan record detail reports?

The Department is required to send draft loan record detail reports to schools with draft cohort default rates equal to or greater than 20.0 percent.[1] However, the Department has chosen to expand this group and will send fiscal year (FY) 1997 draft loan record detail reports to **all** postsecondary schools for which a draft cohort default rate is calculated.

[1] 34 CFR § 668.17(j)(1)(ii)



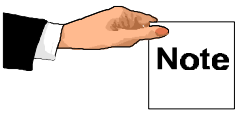
It is important that schools maintain a copy of all loan record detail reports received from the Department. These reports will be useful if a school files an appeal at a later date.

Why should a school review its draft loan record detail report?

Q . If a school's draft cohort default rate is only 3.2%, may the school submit a draft data challenge?

A . Yes. All schools may submit a written challenge, including those schools whose cohort default rates are less than 25.0%. It is important to take advantage of this opportunity since this is the only time schools may review and challenge draft cohort default rate data.

After the release of the draft cohort default rates, a school should review its **draft** loan record detail report to verify the accuracy of the loan information that will ultimately be used to calculate its **official** cohort default rate. Because the official cohort default rate is used to determine if the school may be subject to sanctions, it is important for the school to verify the accuracy of its draft data before the official cohort default rates are calculated and released to the public. Only by submitting a draft data challenge will a school preserve its right to submit an erroneous data appeal based on **disputed data** if a school becomes subject to sanctions after the release of the official cohort default rates.



A school must submit a draft data challenge to preserve its right to submit an erroneous data appeal after the release of the official cohort default rates. If a school DOES NOT submit a draft data challenge, then the school will forfeit its right to challenge certain errors after the release of the official cohort default rates.[2]

What should a school review in its draft loan record detail report?

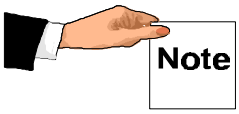
In reviewing the loan record detail report, a school should verify that:

- the student loans **included** in the draft loan record detail report are correctly reported (i.e., the date entered repayment and default dates are correct);

  AND/OR

[2] 34 CFR § 668.17(j)(7)

- no student loans that **should have been included** were omitted from the draft loan record detail report.



If a school finds what it believes to be errors in the loan record detail report, the school must submit a written challenge to the relevant entity identified by the guarantor/servicer code listed on the loan record detail report within **thirty (30) calendar days**[3] of receiving the draft loan record detail report.

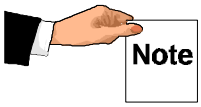
Please refer to the "Challenging Draft Data" section beginning on page 37 for additional information on challenging the draft cohort default rate data.

How does the Department produce loan record detail reports?

The Department produces loan record detail reports using student loan information that has been electronically submitted to the National Student Loan Data System (NSLDS) by guaranty agencies and various offices within the Department.

Will a school's draft cohort default rate data and official cohort default rate data be the same?

Not necessarily. Since NSLDS is regularly updated; a school's **draft** data might differ from its **official** data, even if a school does not challenge its draft cohort default rate.



If incorrect new data appears in a school's official cohort default rate calculation, the school may be eligible to challenge its cohort default rate based on allegations of erroneous data after the official cohort default rates are released.

Please refer to the "Erroneous Data" Appeal section in the *Official Cohort Default Rate Guide*, which will be mailed with a school's official cohort default rate, for additional information on appealing an official cohort default rate based on allegations of incorrect new data.

[3] 34 CFR § 668.17(j)(3)

Will a school get a revised loan record detail report prior to receiving an official cohort default rate?

No. Any corrected data resulting from the draft data challenge will be submitted electronically to NSLDS by the entity that responded to the school's draft data challenge. These reported changes should be reflected in a school's official loan record detail report which will be sent to the school with the school's official cohort default rate notification letter.

If a school **timely** challenged its draft data and the appropriate entity correctly agreed to make changes to the cohort default rate data **but** these changes are not reflected in the official loan record detail report, then the school may be eligible to request an adjustment to its official cohort default rate.

Please refer to the *Official Cohort Default Rate Guide*, which will be mailed with the school's official cohort default rate, for a detailed discussion on which schools qualify to request an adjustment.

Are the loan record detail reports subject to the Privacy Act?

Yes, the Privacy Act of 1974 and the Family Educational Rights and Privacy Act (FERPA) apply to all cohort default rate related loan record detail reports, since these reports contain personally identifying information about students who received FFEL Program and/or Direct Loan Program loans. The use of this material may also be governed by state and local laws and regulations. Recipients should take appropriate steps to safeguard this material, guarantee that it is used appropriately, and ensure that it is discarded properly.

How does a school read a loan record detail report?

There are three sections to a loan record detail report. The sections are the title, body, and summary. Each section is explained in depth below. In addition, a full page sample of the loan record detail report is shown on page 35.

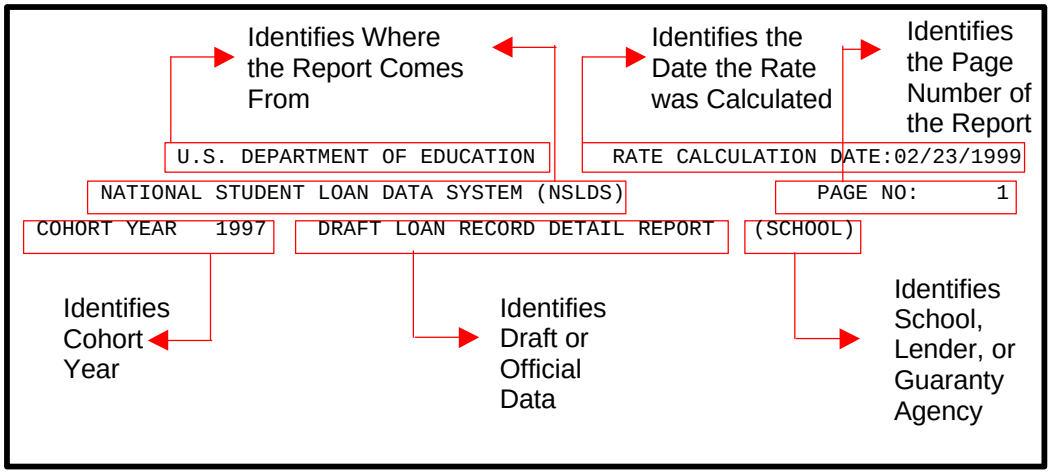
TITLE

The title section is located at the top of each page of the loan record detail report. This section provides information about the report.

The first line of the title section identifies that the loan record detail report is produced by the **U.S. Department of Education**. The first line also identifies the **Rate Calculation Date**. This is the date that the cohort default rate reflected on the loan record detail report was calculated. The Rate Calculation date is also known as the run date.

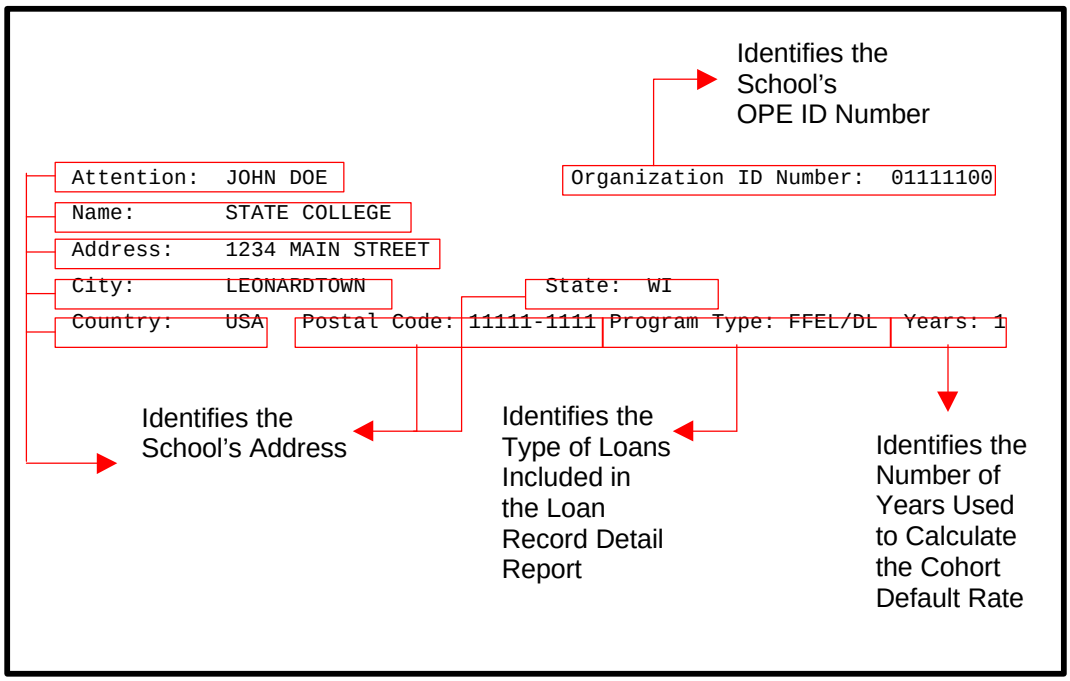
The second line of the title section identifies that the data on the loan record detail report is generated from the National Student Loan Data System (**NSLDS**). It also identifies the **Page Number**.

The third line of the title section identifies the **Cohort Year** associated with the loan record detail report. It also identifies whether the loan record detail report represents draft or official cohort default rate data **(Draft Loan Record Detail Report** or **Official Loan Record Detail Report)**. The third line of the title section also identifies that the loan record detail report contains information related to a school's **(School)** cohort default rate rather than a lender or guaranty agency's cohort default rate.



The title section also provides specific information about the school associated with the data contained in the report.

The fourth line of the title section identifies, if applicable, whose **Attention** the loan record detail report should be directed to at the school. This line also identifies the school's **Organization ID Number**, which is the same as the OPE (Office of Postsecondary Education) ID Number. The next four lines listed on the loan record detail report contain the school's **Name**, **Address**, **City**, **State, Country,** and **Postal Code.** The last line also lists the **Program Type**. The Program Type identifies the type of loans included in the loan record detail report. Finally, the last line provides the number of **Years** used to calculate the school's cohort default rate. All draft cohort default rates are based on one year of data since the Department does not calculate average draft cohort default rates.



Please refer to page 35 for a composite representation of the title section of the loan record detail report.

BODY

Following the title section, there are two horizontal rows set off by hashed lines. These rows contain headers for the data contained in the body of the report. The headers are shown below.

Header Representing
First Row of Data Elements

```
----------------------------- STUDENT --------------------------  Original  -------- CLASS ------ Academic
 SSN          Last name                  First/M.I.     D.O.B      School    Begin Date  End Date   Level
-----------------------------------------------------------------------------------------------------------
LENDER/SERVICER/HOLDER  Loan   Claim Rsn/ DEFAULT/                Guarantor/ Guaranty Enrollment Stat/ Usage
 Originating  Current Type Stat Code     NegAm Date Repay Date Amount Servicer Loan/Date  Code Date      1  2
-----------------------------------------------------------------------------------------------------------
```

Header Representing Second
Row of Data Elements

The data listed under the headers is information on the student loans used to calculate the school's cohort default rate. The headers correspond to the various data elements provided for each student loan. **Each student loan has two rows of information.**

```
----------------------------- STUDENT --------------------------  Original  -------- CLASS ------ Academic
 SSN          Last name                  First/M.I.     D.O.B      School    Begin Date  End Date   Level
-----------------------------------------------------------------------------------------------------------
LENDER/SERVICER/HOLDER  Loan   Claim Rsn/ DEFAULT/                Guarantor/ Guaranty Enrollment Stat/ Usage
 Originating  Current Type Stat Code     NegAm Date Repay Date Amount Servicer Loan/Date  Code Date      1  2
-----------------------------------------------------------------------------------------------------------
0222-22-2222  SMITH                      ALICE       10/21/1951   01111100  08/25/1995  05/11/1996       2

8000040000 8000040000  SL DU   DF      02/20/1998 10/01/1996  $4,000   111   08/25/1995  G  12/15/1997  B FB
```

First Row of
Student Loan Data

Second Row of Student
Loan Data

Each of the data elements listed on the loan record detail report is described in detail on the following pages.

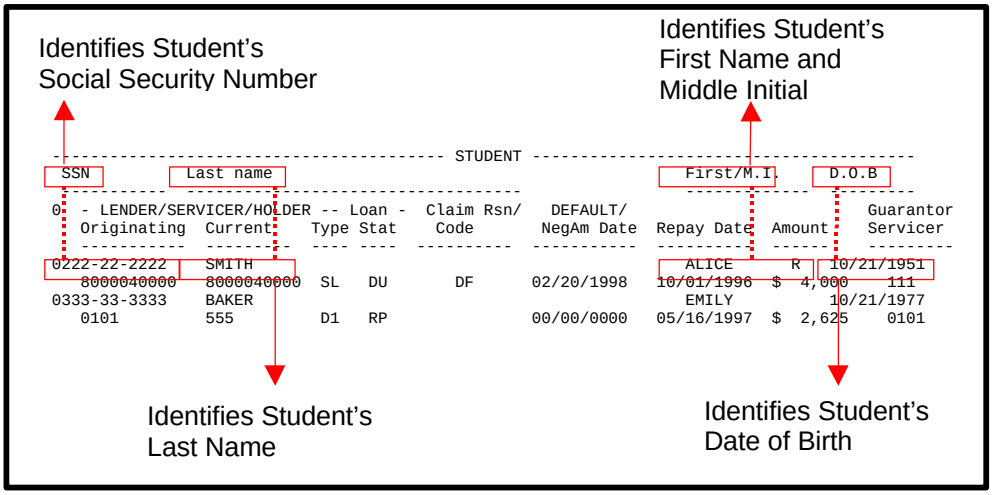
The first row of student loan data contains eight elements.

The first four elements in the first row of student loan data identify the student associated with the loan. These elements are the student's:

- **SSN** (Social Security Number);
- **Last Name**;
- **First/M.I.** (First Name and Middle Initial);

  AND

- **D.O.B.** (Date of Birth).

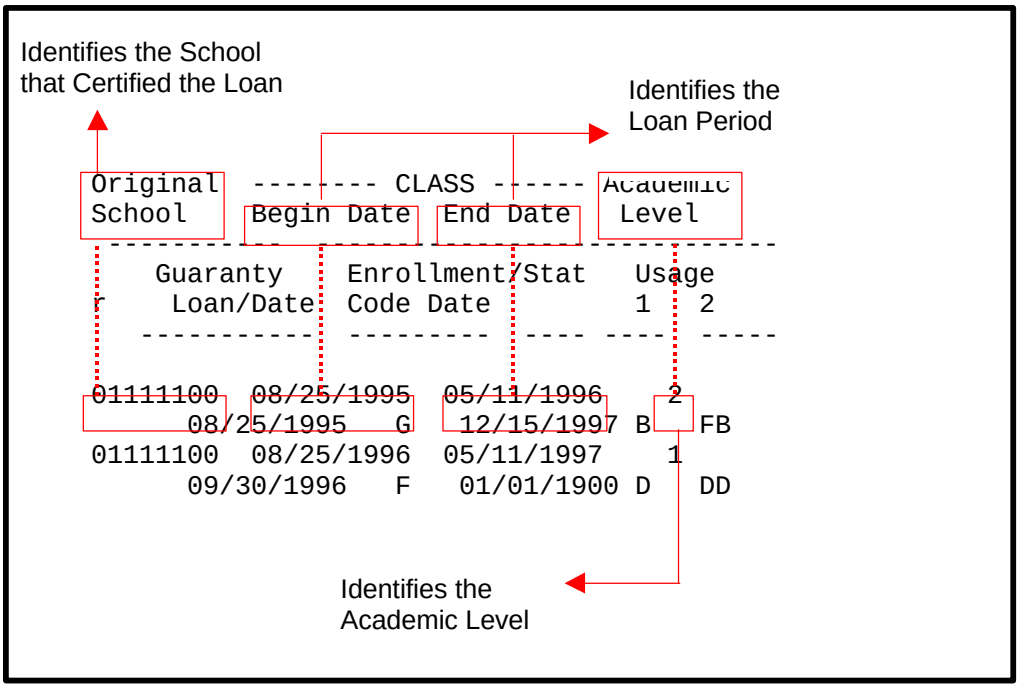


The next four elements in the first row of student loan data identify:

- the **Original School**, which is the OPE ID number of the school that certified the student loan;
- the **Class Begin Date** and **Class End Date**, which reflect the loan period of the loan;

  AND

- the **Academic Level,** which reflects the grade level of the student when the loan was obtained.



Academic Level

Code	Description
1	Freshman/First Year
2	Sophomore/ Second Year
3	Junior/Third Year
4	Senior/Fourth Year
5	Fifth Year/Other
A	First Year Graduate/ Professional
B	Second Year Graduate/ Professional
C	Third Year Graduate/ Professional
D	Beyond Third Year Graduate/ Professional
G	Graduate/ Professional
N	Not Available

Loan Type Codes	
Code	**Description**
D1	Direct Loan Subsidized Stafford Loan
D2	Direct Loan Unsubsidized Stafford Loan
SF	FFEL Subsidized Stafford Loan
SU	FFEL Unsubsidized Stafford Loan
SL	FFEL Supplemental Loans for Students

Loan Status Codes	
Code	**Description**
AE	Assigned to the U.S. Department of Education
BC	Bankruptcy Claim, Discharged
BK	Bankruptcy Claim, Active
CA	Cancelled
DA	Deferred
DB	Defaulted, then Bankrupt, Active, Chapter 13
DC	Defaulted, Compromise
DD	Defaulted, then Died
DE	Death
DI	Disability
DK	Defaulted, then Bankrupt, Discharged, Chapter 13
DL	Defaulted, in Litigation
DO	Defaulted, then Bankrupt, Active, Other
DP	Defaulted, Paid-In-Full
DS	Defaulted, then Disabled
DT	Defaulted, Collection Terminated
DU	Defaulted, Unresolved
DW	Defaulted, Write-Off
DX	Defaulted, Six Consecutive Payments
FB	Forbearance
ID	In School or Grace Period
OD	Defaulted, then Bankrupt, Discharged, Other
PC	Paid-In-Full through Consolidation Loan
PF	Paid-In-Full
RF	Refinanced
RP	In Repayment
UI	Uninsured

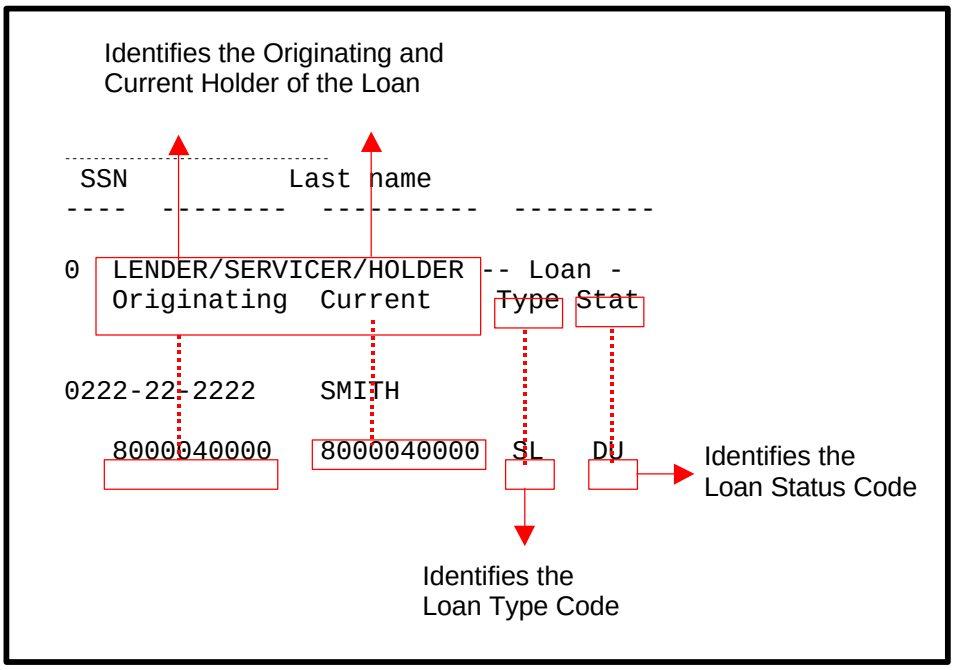
The second row of student loan data contains 14 elements.

The first four elements in the second row of the student loan data identify:

- the **Originating Lender/Servicer** which represents the entity that provided the loan to the student;
- the **Current Lender/Servicer** which represents the entity that was responsible for the loan at the time the cohort default rate was calculated;
- the **Loan Type**, which identifies whether the loan is a Direct Loan or FFEL Program loan and whether or not the loan is subsidized;

  AND

- the **Loan Stat**, which identifies the repayment/default status of the loan at the time the cohort default rate was calculated.



The next three elements in the second row of student loan data identify:

- the **Claim Reason code**, which identifies why a claim was paid on an FFEL Program loan or if a Direct Loan Program loan has entered into an income contingent repayment plan that has resulted in negative amortization;

- the **Default/NegAm Date**, which identifies the date a default claim was paid on an FFEL Program loan or the 271st day of delinquency for a Direct Loan Program loan or the 271st day of an income contingent repayment plan with payments of less than fifteen dollars per month that result in negative amortization for certain Direct Loan Program loans;

Note The Default/NegAm Date determines if a loan is included in the numerator of the cohort default rate calculation.

AND

- the **Repay Date**, which identifies the date the student entered into repayment on the loan.

Note The Repay Date determines if a loan is included in the denominator of the cohort default rate calculation.

Identifies the Claim Paid Date or the 271st Day of Delinquency or 271st Day of Certain Income Contingent Repayment Plans (Numerator)

```
--- STUDENT  -------------------
                        First/M.
----------------        ---------
Claim Rsn/   DEFAULT/
Code        NegAm Date  Repay Date
-------------------------------------
                        ALICE
DF       02/20/1998   10/01/1996
```

Identifies the Claim Reason Code

Identifies the Date the Loan Entered Repayment (Denominator)

Claim Reason Codes

Code	Status
BC	FFEL Bankruptcy, Chapter 13
BO	FFEL Bankruptcy, Other
CS	FFEL Closed School
DE	FFEL Death
DF	FFEL Default
DI	FFEL Disability
EX	FFEL Exempt
FC	FFEL False Certification
IN	Direct Loan, Income Contingent Negative Amortization
IX	Direct Loan, Defaulted Income Contingent Negative Amortization (with the Department)

The next three elements in the second row of student loan data identify:

- the **Amount**, which identifies the original amount of the loan;

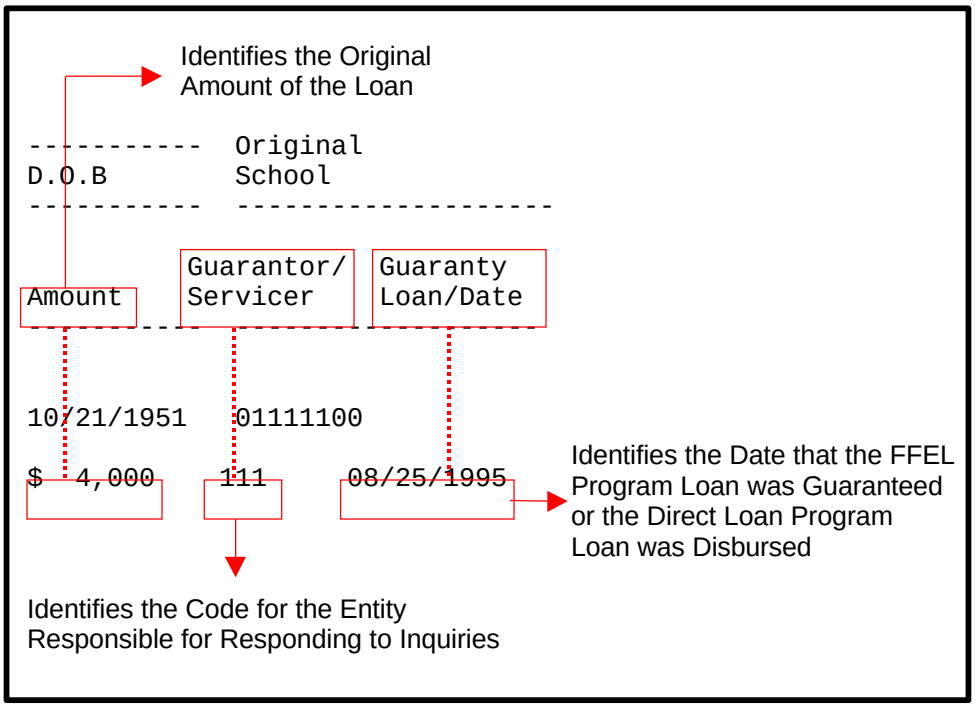
- the **Guarantor/Servicer**, which identifies the entity that is responsible for responding to a school's inquiry about the status of the loan;

Note

The entities responsible for responding to a school's inquiries during the draft data challenge are:
1) guaranty agencies;
2) the Department's Default Management Division; AND
3) the Department's Direct Loan Servicing Center.

A school should submit draft data challenges to these organizations at the addresses provided on page 3 of "Appendix A" for FFEL Program Loans and page 1 of "Appendix B" for Direct Loan Program Loans.

- the **Guaranty Loan/Date**, which identifies the date that the guaranty agency insured an FFEL Program loan or the first date of disbursement for a Direct Loan Program loan.



The final four elements in the second row of student loan data identify:

- the **Enrollment Status Code**, which identifies the student's enrollment status at the time the cohort default rate was calculated;

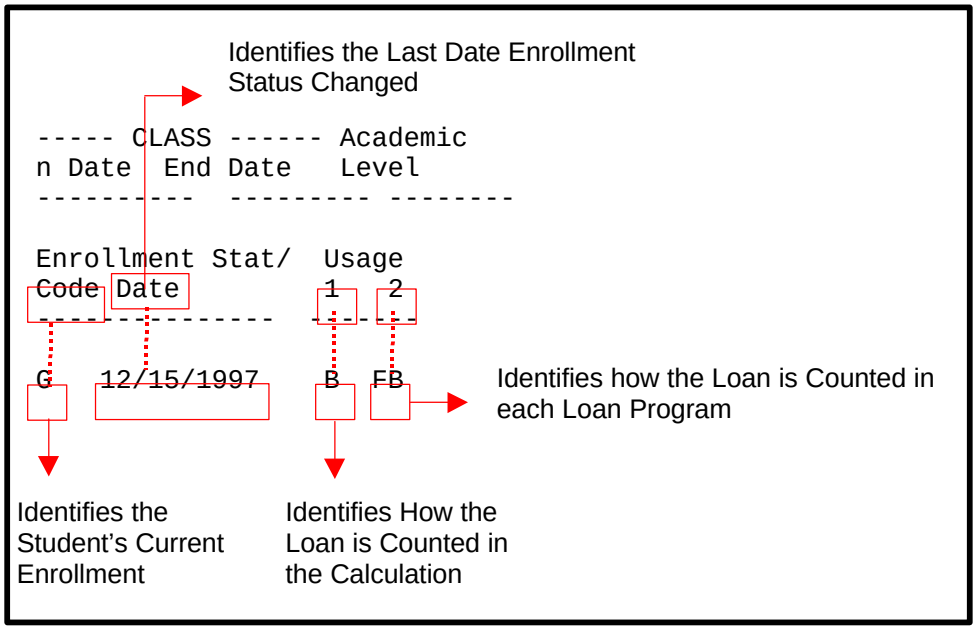
- the **Enrollment Status Date**, which indicates the last date the student's enrollment status changed. If no data is available, the guaranty agency or Direct Loan servicer may use 01/01/1900.

Note The enrollment status code and date do not necessarily reflect the student's enrollment at the school reported on the loan record detail report. The enrollment status code and date may reflect subsequent enrollment by the student at a different school.

- the **Usage code 1**, which identifies how the loan is used in the school's cohort default rate calculation;

  AND

- the **Usage code 2**, which identifies how the loan is counted in each individual loan program (i.e. the FFEL Program and/or the Direct Loan Program); the individual loan program count is summarized on the final page of the report.



Enrollment Status Code

Code	Description
A	Approved leave of absence
D	Deceased
F	Full time
G	Graduated
H	Half time or more, but less than full time
L	Less than half time
N	Not available
W	Withdrawn
X	Never attended
Z	No record found

Usage Code 1 Cohort Default Rate Usage

Code	Description
D	Denominator only
B	Both Numerator and Denominator
N	Not Used
E	Eligible, but not counted

Usage Code 2 FFEL Program and/or Direct Loan Program Usage

Code	Description
FD	FFEL Program Denominator only
FB	FFEL Program Numerator and Denominator
DD	Direct Loan Program Denominator only
DB	Direct Loan Program Numerator and Denominator
IC	Direct Loan Program ICR (Negative Amortization)
N	Not Used (FFEL Program and/or Direct Loan Program)
E	Eligible, but not counted (FFEL Program and/or Direct Loan Program)

Please refer to page 35 for a composite representation of the body section of the loan record detail report.

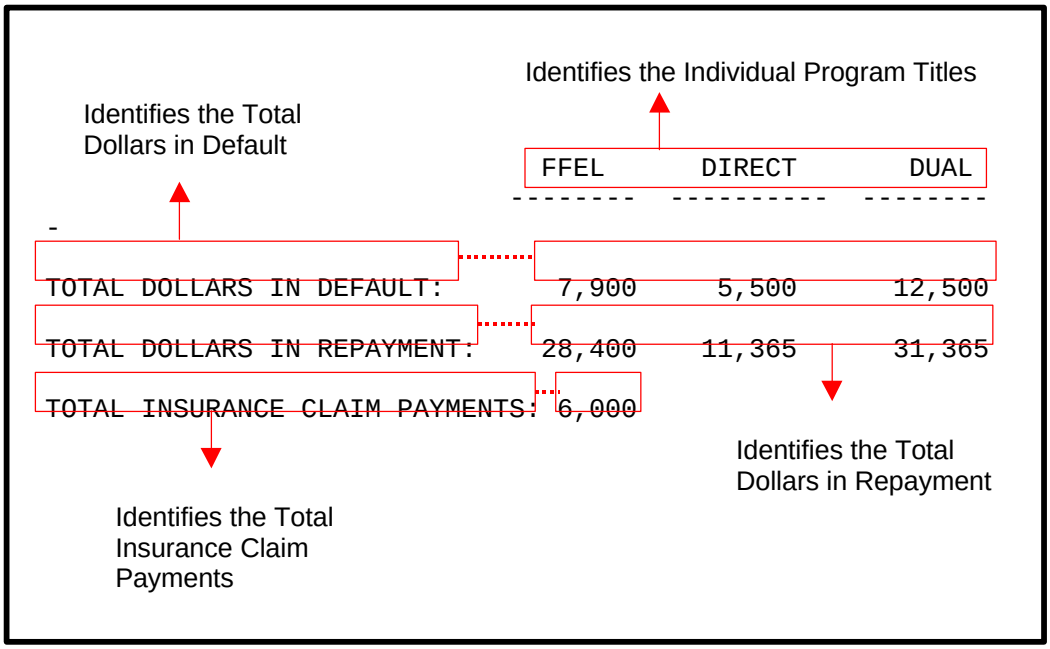
SUMMARY

On the last page of the loan record detail report is a summary of the data contained in the report.

The first line of the summary provides the **Total Dollars in Default**. The FFEL Program and Direct Loan Program entries within this field indicate the total dollar volume of defaulted loans included in the cohort default rate calculation. The Dual Program entry represents the dollars in default for only one loan for each student included in the cohort default rate calculation.

The second line of the summary provides the **Total Dollars in Repayment**. The FFEL Program and Direct Loan Program entries within this field indicate the total dollar volume for loans that have entered repayment during the cohort period in question. The Dual Program entry represents the dollars in repayment for only one loan for each student included in the cohort default rate calculation.

The third line of the summary provides the **Total Insurance Claim Payments** for FFEL Program loans. The Total Insurance Claim Payments for FFEL Program loans indicate the total amount of insurance claims that were paid during the cohort period in question. This amount may not equal the Total Dollars in Default for FFEL Program loans since some loans may have defaulted during the cohort period in question, but an insurance claim was not paid during the same cohort period.

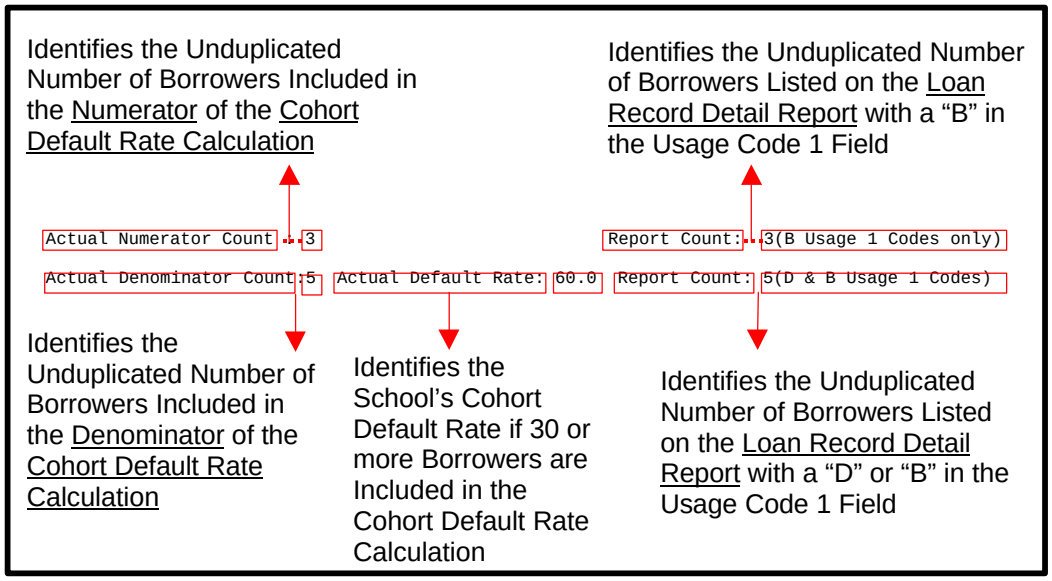


The fourth line of the summary provides the **Actual Numerator Count** and the **Report Count** for the numerator of the cohort default rate calculation. The Actual Numerator Count is the total number of unduplicated borrowers included in the numerator of the cohort default rate calculation. The Report Count for the numerator represents the unduplicated borrowers listed on the loan record detail report with a "B" in the Usage Code 1 field.

The fifth line of the summary provides the **Actual Denominator Count** and the **Report Count** for the denominator of the cohort default rate calculation. The Actual Denominator Count is the total number of unduplicated borrowers included in the denominator of the cohort default rate calculation. The Report Count for the denominator represents the unduplicated borrowers listed on the loan record detail report with a "D" or "B" in the Usage Code 1 field.

Note The Actual Counts will be the same as the Report Counts on a school's **draft** loan record detail report. However, the counts may differ on the official loan record detail report if the school's official cohort default rate was changed due to a cohort default rate appeal. The changes resulting from the cohort default rate appeal are reflected in the actual counts BUT not in the report counts.

The fifth line of the summary also provides the **Actual Default Rate**. The Actual Default Rate is, in most cases, the school's cohort default rate. However, if a school has less than 30 borrowers entering repayment in the cohort period in question or if the school is involved in a combination, substitution or merger, the Actual Default Rate will not reflect the school's cohort default rate.



Q. How does a school determine what its cohort default rate is if the school has less than 30 borrowers entering repayment?

A. For details on how to calculate a school's average cohort default rate, please refer to the "Cohort Default Rates" section beginning on page 3. A school will need its FY 1995, FY 1996, and FY 1997 actual cohort default rates to determine its FY 1997 average cohort default rate.

Q. How does a school determine what its cohort default rate is if the school was involved in a combination, substitution or merger?

A. A school should refer to its **official** cohort default rate notification letter for details regarding its combined, substituted, and/or merged cohort default rate.

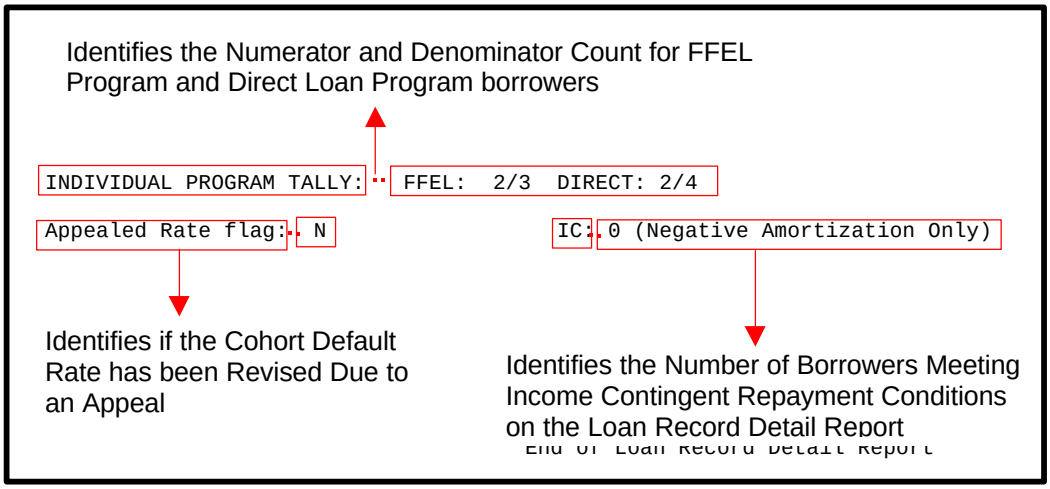
The sixth line of the summary provides the **Individual Program Tally**. The Individual Program Tally is NOT a school's cohort default rate—it is purely informational to tell the school the number of loans identified with each loan program. A numerator and denominator count is provided for both FFEL Program and Direct Loan Program borrowers if a school has loans entering repayment from each loan program.

A school does not select whether it has an FFEL Program cohort default rate, a Direct Loan Program cohort rate, or a dual-program cohort rate. The rate is determined on the basis of the types of loans that enter repayment in a given cohort period.

The seventh line of the summary provides the **Appealed Rate Flag**. The Appealed Rate Flag indicates whether the cohort default rate has been changed due to a cohort default rate appeal. This flag will be an "N" for all **draft** cohort default rates since schools do not have the opportunity to appeal the cohort default rates prior to receiving the draft cohort default rate loan record detail report.

The seventh line of the summary also provides the **IC** field. The IC field identifies the number of Direct Loan Program borrowers in the cohort period in question who attended a *proprietary non-degree granting school* and have been under an income contingent repayment plan for 271 days with scheduled monthly payments that are less than fifteen dollars and less than the interest accruing on the loan resulting in negative amortization. If the school is NOT a proprietary non-degree-granting school, OR if it does not have any students meeting these criteria, this field will be zero.

Appealed Rate Flag	
Code	**Description**
D	Direct – School altered cohort default rate due to its own appeal
I	Indirect – School cohort default rate altered due to an appeal filed by a different school in a combination/ substitution/merger
N	No appeal – School cohort default rate not altered by an appeal
U	Unknown – Appeal status unknown for cohort default rate prior to FY 1993



Please refer to page 35 for a composite representation of the summary section of the loan record detail report.

Sample Loan Record Detail Report

```
                                                                                                  -  Original  -------- CLASS ----- Academic
SSN          Last name                                                First/M.I.      D.O.B        School   Begin Date  End Date  Level

                                   -  Claim Rsn/   DEFAULT/                          Guarantor/  Guaranty    Enrollment  Stat/ Usage
  Originating  Current    Type Stat    Code       NegAm Date  Repay Date  Amount     Servicer    Loan/Date  Code Date        1   2


      2222     SMITH                                            ALICE          10/21/1951  01111100  08/25/1995  05/11/1996  2
  8000040000   8000040000  SL   DU       DF      02/20/1998  10/01/1996  $  4,000    111       08/25/1995   G   12/15/1997   B   FB
      3333     BAKER                                            EMILY          10/21/1977  01111100  08/25/1996  05/11/1997  1
  0101         555         D1   RP              00/00/0000  05/16/1997  $  2,625    0101      09/30/1996   F   01/01/1900   D   DD


                                                                                  Report Count  :        3(B Usage 1 Codes only)
```