

**Gainful Employment**  
**Documentation for Challenges to Draft D/E Rates**  
**October 2016**

It is important that schools carefully review the GE Debt-to-Earnings (D/E) backup data prior to preparing or initiating challenges to the data. Challenges can only be made to specific underlying data that is used to calculate the median debt for the students in a GE program. Remember that student name, Social Security number, and date of birth are contained in the GE Program Student record. These students are tied to the underlying loan records using school code, CIP code, credential level, student ID, and GE record ID. For definitions of items with position numbers, see Appendix D of the [National Student Loan Data System \(NSLDS\) Gainful Employment User Guide](#).

The specific fields in the backup data that can be challenged are located in the GE Debt Measures Backup Data Program Loan record. Fields in that record (and their starting and ending positions) that should be reviewed carefully are:

**Loan Identifiers:**

**Direct Loans** - The Award ID is the unique identifier for the loan in the Common Origination and Disbursement (COD) System and in NSLDS.

**Federally-serviced FFEL Loans** are identified by current GA/ED Servicer field being between “500” and “583” (position 274-276). The Award ID is the unique identifier for the loan on NSLDS.

**Commercially-serviced FFEL Loans** are identified by current GA/ED Servicer field being between “700” and “951” (position 274-276).

Unique loans are identified by the combination of all of the Loan Identifiers fields. These identifiers are:

- School Location Code (position 51-58)
- Loan Date (position 59-66)
- Loan Type (position 67-68)
- Indicator of Separate Loan (position 69)
- Loan Period Begin Date (position 70-77)
- Loan Period End Date (position 78-85)
- Data Provider External ID/Award ID (position 277-297)

**Note:** The Data Provider External ID is an identifier used by the Guaranty Agency to identify information within their system. The Data Provider External ID may not be unique for a loan. It is the combination of all of the fields above that uniquely identify the loan.

**Determining a loan's Loan Debt (Position 209-214) that is used to calculate GE program medians:**

Loan Debt is the loan's "Loan Amount" less the sum of the "Loan Cancellation Amount" and the "Loan Refund Amount".

While "Loan Debt" cannot be directly challenged, one or more of its components can be. Institutions that believe that the Loan Debt is incorrect must review each of the components of "Loan Debt".

- Loan Amount (position 191-196)
- Loan Cancellation Amount (position 197-202)
- Loan Refund Amount (position 203-208)

There are a number of ways to get the information needed to document a challenge. An institution should look at NSLDS and/or COD first. If unable to document the challenge request, the institution contacts the loan's servicer to obtain documentation to support the challenge.

**To Search for an Award ID on COD:**

- Log into COD then click on the Award tab at the top blue navigation bar and enter the Award ID.
- COD data will only be available from the 2011-2012 award year to the present.

**To Search for a borrower on NSLDS:**

- Log into NSLDSFAP then type in the borrower's first name, date of birth (DOB) and social security number (SSN) and click the Loan History link to view a complete history of the student's Title IV loan portfolio.

The following table includes (1) the specific data elements that an institution may submit a challenge for and the basis upon which an institution may submit a challenge to a GE Program’s Draft D/E rates; (2) the information that must be provided in the comment box by the institution to support its challenges; and (3) examples of acceptable and unacceptable documentation to support institutions’ challenges. Position numbers refer to the field position in the back-up detail to the Draft D/E rates provided to institutions. There may be instances where an institution is unable to obtain documentation from a Department of Education system or from the loan holder/servicer. In these cases, please provide an email from the servicer stating that the documentation is unavailable and provide documentation from your institutions systems to support the challenge.

Challengeable Data and Reason for Challenge by Institution	Note	Institution’s Comment Must Include	Examples of Documentation
<p><b>Reason:</b> Loan does not belong to the student or institution</p>		<ul style="list-style-type: none"> <li>• Brief explanation as to why the institution asserts that this loan is not associated to the student</li> <li>• Type of documentation institution will submit to support request</li> </ul> <p><b>Examples of Acceptable Comment</b></p> <ul style="list-style-type: none"> <li>• “Institution has no record that this student received this loan. Supporting Documentation will be a COD screenshot and e-mails from the loan servicer to confirm this.”</li> <li>• “Institution has evidence that this loan with the same Award ID and SSN went to Paul Smith, not Mary Jones as indicated in NSLDS. Documentation: Screenshot from institution system.</li> </ul> <p><b>Example of Unacceptable Comment</b></p> <ul style="list-style-type: none"> <li>• “Loan originally assigned to the wrong student”</li> </ul>	<p><b>Direct Loans</b></p> <ul style="list-style-type: none"> <li>• Screenshot or other documentation from NSLDS, COD or loan servicer for the specific Award ID showing different borrower identifiers</li> <li>• Screenshot from NSLDS listing all of the student’s loans.</li> <li>• E-mails from loan servicer, specifically confirming that the servicer does not have this loan for the student.</li> </ul> <p><b>Federally-serviced FFEL Loans:</b></p> <ul style="list-style-type: none"> <li>• Screenshot or other documentation from either NSLDS or the federal loan servicer that displays the Award ID and the borrower identifiers.</li> <li>• Screenshot from NSLDS listing all of the student’s loans.</li> <li>• E-mails the loan servicer, specifically confirming that the servicer does not have this loan for the student.</li> </ul> <p><b>Commercially-serviced FFEL Loans:</b></p> <ul style="list-style-type: none"> <li>• Screenshot or other documentation from either NSLDS or a commercial loan servicer that displays the loan identifiers.</li> <li>• Screenshot from NSLDS listing all of the student’s loans.</li> <li>• E-mails from Loan Servicer, specifically confirming that the servicer does not have this loan for the student.</li> </ul> <p><b>Unacceptable documentation</b></p> <ul style="list-style-type: none"> <li>• Documents that do not clearly indicate that the loan belongs to a different student or school.</li> </ul>

Challengeable Data and Reason for Challenge by Institution	Note	Institution's Comment Must Include	Examples of Documentation
<p><b>Reason:</b> Incorrect loan period dates</p> <ul style="list-style-type: none"> <li>Loan beginning and/or ending dates are inaccurate.</li> </ul> <p><b>Data Element</b> (<i>GE Debt Measures Backup Data Program Loan Record</i>):</p> <ul style="list-style-type: none"> <li>Loan Period Begin Date (<i>position 70</i>)</li> <li>Loan Period End Date (<i>position 78</i>)</li> </ul>		<ul style="list-style-type: none"> <li>Correct beginning and ending dates of the Title IV loan's loan period</li> <li>Type of documentation institution will submit to support request</li> </ul> <p><b>Example of Acceptable Comment</b></p> <ul style="list-style-type: none"> <li>"Loan period was inaccurate. Correct beginning date is 08/01/2012. Correct ending date is 06/15/2014. Supporting Documentation: COD screenshot with correct Award ID and Loan Period."</li> </ul> <p><b>Example of Unacceptable Comment</b></p> <ul style="list-style-type: none"> <li>"Loan period dates were inaccurate."</li> </ul>	<p><b>Direct Loans</b></p> <ul style="list-style-type: none"> <li>Screenshot or other documentation from NSLDS, COD or loan servicer that displays the Award ID and the correct loan period dates</li> </ul> <p><b>Federally-serviced FFEL Loans:</b></p> <ul style="list-style-type: none"> <li>Screenshot or other documentation from either NSLDS or a federal loan servicer that displays the Award ID and the correct loan period dates</li> </ul> <p><b>Commercially-serviced FFEL Loans:</b></p> <ul style="list-style-type: none"> <li>Screenshot or other documentation from either NSLDS or the commercial loan servicer that displays the loan identifiers and the correct loan period dates</li> </ul> <p><b>Unacceptable documentation</b></p> <ul style="list-style-type: none"> <li>Institutional records that indicate enrollment dates or academic year instead of loan period dates</li> </ul>

Challengeable Data and Reason for Challenge by Institution	Note	Institution's Comment Must Include	Examples of Documentation
<p><b>Reason</b> Loan Debt is incorrect</p> <p><b>Data Elements</b> (<i>GE Debt Measures Backup Data Program Loan</i>):</p> <ul style="list-style-type: none"> <li>• Loan Amount (position 191)</li> <li>• Loan Cancellation Amount (position 197)</li> <li>• Loan Refund Amount (position 203)</li> </ul>	<p>“Loan Debt (Pre-Attribution)” (position 209) is the loan’s “Loan Amount” less the sum of the “Loan Cancellation Amount” and the “Loan Refund Amount”.</p> <p>For “Loan Debt” to be challenged, the institution must review each of the three above components of “Loan Debt”</p> <p><u>Loan Amount:</u></p> <p>For Direct Loans, the Loan Amount is the highest “Award Amount Approved” on COD, before any refunds and cancellations. It is not necessarily the current amount approved.</p> <p>For FFEL, the “Loan Amount” is the guaranteed amount, before any refunds and cancellations</p> <p>For both Direct Loans and FFEL, the Loan Amount is not the current amount owed by the student.</p> <p><u>Cancellation Amount:</u></p> <p>For Direct Loans the Cancellation Amount is the portion of the Loan Amount that has been cancelled. It is often the result of a reduction of a disbursement but might also reflect cancellation of the entire loan. The cancellation amount represents the difference between the highest reported “Award Amount Approved” and the “Award Amount Disbursed.” The Cancellation Amount will also include any “Payment to Servicer” amounts, including amounts returned to the lender/servicer by the institution within 120 days of the disbursement date.</p> <p>For FFEL, the Cancellation Amount is the total Loan Amount (guarantee amount) that either was not disbursed or was disbursed and then returned to the FFEL lender.</p> <p><u>Refund Amount:</u></p> <p>The Refund Amount is the total amount of all disbursements that were returned to the lender/servicer by the institution more than 120 days after the disbursement date.</p> <p>A refund is not a reduction in the disbursement amount nor is it a cancellation of all or a portion of the loan.</p>	<ul style="list-style-type: none"> <li>• The correct amount for Loan Amount, Cancellation Amount, and/or Refund Amount.</li> <li>• Concise explanation of why the amount or amounts are incorrect</li> <li>• Type of documentation institution has to support request</li> </ul> <p><b>Examples of Acceptable Comments</b></p> <ul style="list-style-type: none"> <li>• “The Loan Amount on the GE backup detail is \$5,000 when the highest origination amount is \$4,600. We’ve confirmed this through accepted and posted COD disbursement records. Supporting Documentation: COD batch search records.”</li> <li>• “There were two separate loan cancellations. The first was for \$1,500 issued on July 20, 2010. The second was for \$1,000 issued on September 13, 2010. The new loan cancellation amount of \$2,500 should be the amount of Loan Cancellation for this loan. Supporting Documentation: Screenshots from NSLDS.”</li> <li>• “During reconciliation processing an additional refund occurred 10/15/11 for an amount of \$500 that is not included in the current Refund Amount. Supporting Documentation: screenshot from loan servicer confirming the updated amount.”</li> </ul> <p><b>Example of Unacceptable Comment</b></p> <ul style="list-style-type: none"> <li>• “Loan amount is incorrect because part of the loan was cancelled.”</li> </ul>	<p><b>Direct Loans:</b></p> <ul style="list-style-type: none"> <li>• Screenshots or other documentation from COD that display the Approved Amount, Total Gross Disbursement and Payments to Servicers.</li> <li>• Screenshots from NSLDS that display the Loan Amount, Loan Cancellation Amount, Disbursements, and Loan Refund Amount, or if the loan was fully cancelled, screenshot from NSLDS that shows the loan in a Cancelled (CA) loan status.</li> <li>• Cancelled checks from school to servicer</li> </ul> <p><b>Federally-serviced FFEL loans:</b></p> <ul style="list-style-type: none"> <li>• Screenshots or other documentation from the federal loan servicer or NSLDS that display the Guarantee Amount, Total Gross Disbursement Amount, Loan Cancellation Amount, and Loan Refund Amount.</li> <li>• If the loan was fully cancelled, screenshot from NSLDS that shows the loan in a Cancelled (CA) loan status.</li> <li>• Email from servicer that needed documentation no longer exists</li> </ul> <p><b>Commercially-serviced FFEL loans:</b></p> <ul style="list-style-type: none"> <li>• Screenshots or other documentation from the commercial loan servicer or NSLDS that display the Guarantee Amount, Total Gross Disbursement Amount, Loan Cancellation Amount, and Loan Refund Amount.</li> <li>• If the loan was fully cancelled, screenshot from NSLDS that shows the loan in a Cancelled (CA) loan status.</li> </ul> <p><b>Unacceptable documentation</b></p> <ul style="list-style-type: none"> <li>• Master promissory Notes</li> <li>• Award Letters</li> <li>• Institutional documents that do not clearly indicate the total amount disbursed.</li> </ul>