Direct Loan Process
Training for New Participants
Benefits to Schools

- Funds obtained from a single source
- Integrated with other school financial processes
- Schools have control over:
  - Handling of Promissory Notes
  - Timing and amount of disbursements
  - Handling adjustments, refunds, and cancellations
What are the Loans?

- Stafford Subsidized
- Stafford Unsubsidized
- PLUS
- Grad PLUS
- Consolidation
- TEACH Conversion to Unsub
## What are the Interest Rates?

<table>
<thead>
<tr>
<th>First Disbursement of a DL Subsidized loan for Undergraduate borrowers:</th>
<th>Interest rate on the unpaid balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Made on or after</td>
<td>And Made before</td>
</tr>
<tr>
<td>July 1, 2008</td>
<td>July 1, 2009</td>
</tr>
<tr>
<td>July 1, 2009</td>
<td>July 1, 2010</td>
</tr>
<tr>
<td>July 1, 2010</td>
<td>July 1, 2011</td>
</tr>
<tr>
<td>July 1, 2011</td>
<td>July 1, 2012</td>
</tr>
</tbody>
</table>
What are the Interest Rates?

- Direct Subsidized Loans for Grad students:
  - 6.8% fixed interest rate

- Direct Unsubsidized Stafford Loans:
  - 6.8% fixed interest rate

- Direct PLUS and Grad PLUS:
  - 7.9% fixed interest rate
Fees to Borrower

- For Sub/Unsub loans first disbursed
  - on/after 7/1/2008 and before 7/1/2009
    - 2.0% with an upfront interest rebate of 1.5%
  - on/after 7/1/2009 and before 7/1/2010
    - 1.5% with an upfront interest rebate of 1.0%
- Plus fees remain 4.0% with an upfront interest rebate of 1.5%
What Are the Benefits for Borrowers?

- **Up Front Interest Rebate**
  - Increases net amount to borrower
  - To retain, must make initial 12 required payments timely

- **Electronic Debit Account incentive**
  - .25% interest reduction to use EDA for repayment
Welcome to the Common Origination & Disbursement Web Site

Welcome to the U.S. Department of Education's Common Origination and Disbursement (COD) web site. Financial Aid Administrators, Servicers, or other officials can use this site to perform a variety of functions related to student/award/disbursement data for Pell, Direct Loan, and Campus-Based programs.

If you are a student looking for information on Federal Student Financial Aid, please visit: http://studentaid.ed.gov/PORTALSWebApp/students/english/index.jsp.

To access this site, please login: Login

Click here if you are looking for more information on Common Origination and Disbursement.

If you experience any problems with the information presented on this page, please use the Contact Us feature.
Looking for More Information?

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<tr>
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<th>Date Modified</th>
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<td>COD Web Site Access for Third Party Servicers.doc</td>
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<td>School Online Change Authorization Instructions.pdf</td>
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<td>03/19/2007 08:58:26 AM</td>
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</table>
Quick Reference Guide, continued

COD School Relations & CPS/SAIG Quick Reference Guide

Applicant Services for Direct PLUS Loan Borrowers:

- Contact Information:
  - 800/557-7394
  - 877/481-7101
  - TDD/TTY

- Direct PLUS Borrowers (both parents and graduate/professional students) contact Applicant Services for:
  - Credit Appeal Overrides
  - Direct PLUS Loan Borrower Issues
  - Endorse Application Questions

- Please Note: Calls to applicant services for loan status and/or permanent address changes will be referred to schools for assistance.

The COD School Relations Center manages the credit decision appeal process. All credit decision appeal process documentation should be mailed to:

- U.S. Department of Education
- Attn: Credit Appeals Team
- P.O. Box 9002
- Niagara Falls, NY 14302

- Overnight Address:
- COD Applicant Services
- 2429 Military Road, Suite 200
- Niagara Falls, NY 14304

CPS/SAIG Technical Support

- Contact Information:
  - 800/330-5647
  - 844/511-3606
  - E-mail: cpssaig@ed.gov

Software, Documentation, and Related Links:

Direct Loan Processing Cycle

- Originate
- Promissory Note
- Disburse
- Reconcile
- Program Year Close-Out
Originate Loan

- School confirms eligibility, determines loan award and creates student record
- School *originates* a Direct Loan when it creates Direct Loan Award and Disbursement data on its system (equal to certifying a loan in FFEL terminology)
- School then sends this origination and disbursement data to the COD system
- School uses batch record process or COD Web site to create records
The Direct Loan Award ID

- 21 characters
  - Award year
    - Trailing (0910)
  - Sequence # of loan at this school for this borrower during award year

123456789S10G999999001

- Social Security Number
- Loan Type
  - Sub, Unsub, Plus
- Direct Loan School code

The Direct Loan Award ID
PLUS Loan Origination

- Includes credit check
  - GRAD PLUS borrower must complete FAFSA
  - PLUS MPN includes authorization for credit check by COD
  - Preliminary Credit check can be initiated by school at COD website, with signed authorization

- Denials can be overridden with a credit worthy Endorser or successful appeal through COD applicant services
Credit Check Decision

Credit Check Information

- SSN: Xxxxx1111
- Name: Barb Davis
- Date of Birth: 01/01/1972
- Request Date: 02/02/2009
- Original Decision: Accepted
- Decision Date: 02/02/2009

U.S. DEPARTMENT OF EDUCATION
COMMON ORIGINATION & DISBURSEMENT

Credit Check Decision
Direct Loan Processing Cycle

1. Originate
2. Disburse
3. Reconcile
4. Program Year Close-Out
5. Promissory Note
E - Master Promissory Note

- Electronic MPN
  - School sets up profile
  - Specify capability to file eMPN before origination
  - School specific message
  - May use eMPN from another school
eMPN Simulations

- IFAP/tools for Schools COD CBT
  - Completing a Sub/Unsub
  - Completing a Grad PLUS
  - Completing a Parent Plus
This website is for completing a Direct Loan Program electronic Master Promissory Note (MPN) for student Subsidized, Unsubsidized and/or Graduate PLUS loans that you take out to pay for your own education, or for parent PLUS loans that you take out to pay for your child's education. If you do not want to complete the MPN electronically, you may complete it using the paper process. If you would like to complete a paper MPN, please contact the school's financial aid office.

You will be required to use your U.S. Department of Education issued PIN to complete an electronic MPN. For additional information or to ask general PIN questions, you can visit the official PIN site or access the PIN customer service web page.

PLEASE NOTE: Before you continue, you should turn off any pop-up blockers in your browser.
Paper Master Promissory Note

- School print vs COD print options
  - COD prints MPN and sends to school or to borrower
  - School sends blank MPN to borrower
  - School sends MPN with preprinted data to borrower
  - School prints MPN to ED specifications and provides to borrower

- In all cases paper Promissory notes are sent to the loan processor either by borrower or school
  - 0910 COD Technical reference page II-1-116
Direct Loan Processing Cycle

- Originate
- Promissory Note
- Program Year Close-Out
- Reconcile
- Disburse
Funding and Disbursements

- Advance funding:
  - School draws funds from G5 based on their own calculation of immediate need
  - Normal cash management rules apply
  - Report disbursements to COD within 30 days
  - Disbursements can be submitted up to 7 calendar days prior to the actual disbursement date
Funding and Disbursements

- Schools use G5 System to
  - View current funding information
  - Request payments and adjust drawdowns
  - Return cash
- P268K101234
  - P268K
  - 10 (trailing year)
  - 1234 (Gaps ID)
Funding and Disbursements

- Accepted actual disbursements at COD:
  - Result in Current Funding Level (CFL) increase for Advance Funded schools
- COD screens provide 24/7 view of current funding and disbursement status
Funding and Disbursements

- “Booked” Loan:
  - Accepted Origination record
  - Accepted signed MPN
  - Accepted Actual Disbursement
  - Is now a binding obligation between borrower and ED

- 30-Day Warning Report
  - ID’s unbooked loans for school
Cod Technical Reference

https://www.fsadownload.ed.gov

DIRECT LOAN AWARD AND DISBURSEMENT PROCESS ........................................ 74
Utilizing Award Key for Subsidized and Unsubsidized Direct Loans ...................... 74
Disbursement Sequence Number Required on all Disbursements ...................... 79
Disbursement Release Indicator .......................................................................... 80
Establishing an Initial Direct Loan Award ....................................................... 80
Submitting Direct Loan Anticipated Disbursement Information ..................... 83
Generating Disclosure Statements ...................................................................... 83
Performing Annual Loan Limit Edits ................................................................. 88
Submitting Direct Loan Disbursement Information and Disbursement Release Indicator .......... 92
Reporting Pennies in the Award and Disbursement Amount Data Elements ............ 96
Calculating Direct Loan Disbursements ......................................................... 97
Disbursement Net Amount, Disbursement Fee Amount, and Interest Rebate Amount Calculations ................................................................. 100
Updating and Adjusting Direct Loan Disbursement Amounts and Dates .......... 105
Disbursement Requirements for Award Amount Updates .................................. 108
Inactivating a Direct Loan .................................................................................. 110
Generating Direct Loan Booking Notification Responses ............................... 110
Generating Payment to Servicing Responses .................................................... 113
Loan Discharge ................................................................................................. 117
DIRECT LOAN MASTER PROMISSORY NOTES ............................................... 120
Master Promissory Notes ................................................................................... 120
Master Promissory Note Features ..................................................................... 121
Multi-Year MPN Feature .................................................................................. 121
Schools Opting for Single-Year MPN Feature ................................................... 123
Single-Year MPN Feature .................................................................................. 123
Single-Loan MPN Feature (PLUS and Grad PLUS Only) ..................................... 123
Electronic Master Promissory Note (e-MPN) .................................................... 124

Cod Technical Reference https://www.fsadownload.ed.gov (software and technical ref)
Direct Loan Processing Cycle

- Originate
- Promissory Note
- Disburse
- Reconcile
- Program Year Close-Out

Direct Loan Processing Cycle
Reconcile

- Monthly basis
  - School reconciles internally, FAA and Business offices
  - School reconciles externally with COD

- Aids to Reconciliation:
  - School Account Statement (From COD)
  - Direct Loan Tools Software (FSA Download site)
  - COD screens and reports
  - COD Reconciliation specialists
School Summary Information

Enter the default selections here for Program and Award Year:

- Default Program: DIRECT LOAN
- Default Award Year: '09-10

Contacts

<table>
<thead>
<tr>
<th>Type</th>
<th>Name</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Loan</td>
<td>Lucy</td>
<td>222-2222</td>
</tr>
<tr>
<td>Financial Aid Officer</td>
<td>Amy</td>
<td>111-1111</td>
</tr>
<tr>
<td>Pell Financial Aid Officer</td>
<td>Chris</td>
<td>888-8888</td>
</tr>
</tbody>
</table>

Summary

- Program: DIRECT LOAN
- Award Year: '09-10
- Cash > Accepted & Posted Disbursements & older than 30 days: $0.00
- % of Cash > Accepted & Posted Disbursements: -0.15897%
- Cash > Accepted & Posted Disbursements: ($76,715.00)
- Current CFL: $94,141,676.00
School: Report Selection

Report Selection

Program: DIRECT LOAN
Award Year: '09-'10

Award Year Specific Reports
- 30 Day Warning:
- Funded Disbursement List
- Pending Disbursement List
- Non-Award Year Specific Reports
- Duplicate Student Borrower
- Inactive Loans
- SSN/Name/Date of Birth Change
- MPN Discharge
- Expired MPN
- MPNs Due to Expire

SUBMIT
Accessing DL Reports Online

COD Reports

Selecting the link will open a separate browser window. You will be automatically logged into the COD Reports with the username you provided to the COD Website. Pop-Up blockers may prevent the window from opening, please be sure to turn off all Pop-Up blockers. If you are not automatically logged into COD Reports website, please contact the COD Customer Service Call Center.

https://codreports.cod.ed.gov
Services: Direct Loan Newsbox
30 Day Warning

REPORT ID: U.S. DEPARTMENT OF EDUCATION PAGE 1 OF 1
RUN DATE: 04/03/2010 FEDERAL DIRECT LOAN PROGRAM RUN TIME: 01:05AM
30-Day Warning Report
AWARD YEAR: 2009-2010
FOR THE PERIOD ENDING 03/31/2010

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

SCHOOL NAME: SAMPLE UNIVERSITY
ADDRESS: 5 COLLEGE AVE
NEW YORK, NY 10038-2206
SCHOOL CODE: 001999

Loans Pending Booking Section:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>LOAN ID</th>
<th>BORR NAME</th>
<th>DATE</th>
<th>ACCOUNT</th>
<th>DISB</th>
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<tr>
<td>P</td>
<td>22134223H10001999001</td>
<td>MORGAN, JENNIFER</td>
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<td>P</td>
<td>45635433H10001999001</td>
<td>MILLER, JOHN</td>
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<td>Y</td>
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<td>P</td>
<td>78943212H10001999001</td>
<td>SUZUKI, KIM</td>
<td>02/08/2010</td>
<td>N</td>
<td>N</td>
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<td>P</td>
<td>56743212H10001999001</td>
<td>WILSON, DAVID</td>
<td>02/08/2010</td>
<td>N</td>
<td>N</td>
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</table>

TOTAL NUMBER PLUS: 10
TOTAL NUMBER SUBSIDIZED: 2
NUMBER UNSUBSIDIZED: 1

Grand Total: 12

Promissory Notes Without Origination Records Section:

<table>
<thead>
<tr>
<th>PROMISSORY NOTE ID</th>
<th>DATE RECEIVED</th>
<th>NOTE AMOUNT</th>
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<tbody>
<tr>
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<td>12/31/09</td>
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<td>987654321098765432</td>
<td>03/30/10</td>
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</tr>
<tr>
<td>87654321098765432</td>
<td>04/04/09</td>
<td></td>
</tr>
</tbody>
</table>

START HERE GO FURTHER FEDERAL STUDENT AID
School Monitoring Email Report

- What – Information on:
  - Unsubstantiated Cash (DL and Grants)
  - Pell Grant Potential Overpayment Process (POP)
  - 30 day disbursement reporting
- When – Weekly, as needed
- Where – Email from COD Customer Service
- Why – Alerts schools to potential processing issues
COD School Monitoring

School OPE ID: 00164300

As part of our proactive approach to assist schools with the financial aid disbursement process, the Common Origination and Disbursement (COD) School Relations Center would like to alert you to one or more of the following conditions at your school:

- Unsubstantiated Cash
- Pell Grant Potential Overaward Process (POP) Situations
- 30-Day Disbursement Reporting

Note: We understand that some of the information provided in this e-mail may be associated with outstanding COD System issues currently logged with the COD School Relations Center. However, the information will still help your school identify and resolve conditions that are not associated with COD System issues. If your school discovers additional COD System issues that have not yet been logged, please notify the COD School Relations Center.

Your school’s information is listed below and is current as of [December 30, 2008].

<table>
<thead>
<tr>
<th>Unsubstantiated Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulations require schools to submit disbursement and adjustment records within certain timeframes. (For Pell Grant, ACG, and National SMART Grant, the timeframe is published annually in the Federal Register.) Additionally, the cash management regulations require schools to return excess cash (i.e., refund of cash) within certain timeframes. You can find information related to the COD Web Site at the COD Website.)</td>
</tr>
</tbody>
</table>
School Monitoring: Unsubstantiated Cash

Unsubstantiated Cash

Regulations require schools to submit disbursement and adjustment records within certain timeframes. (For Pell Grant, ACG, and National SMART Grant, the timeframe is published annually in the Federal Register.) Additionally, the cash management regulations require schools to return excess cash (i.e., refund of cash) within certain timeframes. You can review your school’s cash balances on the COD Web site or the G5 Web site.

Issue: The COD System reflects that your school has received cash for one or more Title IV Programs; however, to date, we have not received a sufficient number of student actual disbursement records to substantiate these amounts. We call this unsubstantiated cash.

Action: To prevent delays in receiving additional cash, resolve your school’s unsubstantiated cash by submitting disbursement records to the COD System or returning cash to the Department of Education.

Regulatory References: Pell Grant, 34 CFR 690.83; ACG and National SMART Grant, 34 CFR 691.83; TEACH Grant, 34 CFR 686.37; Direct Loan, 34 CFR 685.301(e); all programs, 34 CFR 668.166.

Net Draws - Net Accepted and Posted Disbursements (NAPD) = Unsubstantiated Funds

<table>
<thead>
<tr>
<th></th>
<th>Net Draws</th>
<th>NAPD</th>
<th>Unsubstantiated Funds</th>
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<tbody>
<tr>
<td>Direct Loan</td>
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<td>Unsubstantiated</td>
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<td></td>
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<td>Cash</td>
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<tr>
<td>2005-2006</td>
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<tr>
<td>2008-2009</td>
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</table>
School Monitoring: 30 day disbursement reporting

30-Day Disbursement Reporting

Regulations require schools to submit disbursement and adjustment records within certain timeframes. (For Pell Grant, ACG and National SMART Grant, the timeframe is published annually in the Federal Register.)

Issue: COD System records reflect awards with funded disbursements that were not accepted within 30 days of the disbursement date. The summary below provides information accepted by the COD System within the past week where one or more funded disbursements were accepted more than 30 days after the actual disbursement date.

Action: Review the 30-day disbursement reporting requirements and make adjustments to your reporting processes for future disbursements.

Regulatory References: Pell Grant, 34 CFR 690.83; ACG and National SMART Grant, 34 CFR 691.83; TEACH Grant, 34 686.37; Direct Loan, 34 CFR 685.301(e).

<table>
<thead>
<tr>
<th>Program</th>
<th>Disbursements Accepted</th>
<th>Disbursements Accepted &gt; 30 Days</th>
<th>Percentage of Disbursements &gt; 30 Days</th>
<th>Net Amount Accepted</th>
<th>Net Amount Accepted &gt; 30 Days After Disbursement</th>
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<tbody>
<tr>
<td>Pell Grant</td>
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<tr>
<td>ACG</td>
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<tr>
<td>National SMART Grant</td>
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<tr>
<td>TEACH Grant</td>
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<tr>
<td>Direct Loan</td>
<td></td>
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</table>
Direct Loan Processing Cycle

Originating

Promissory Note

Reconcile

Program Year Close-Out

Disburse
Program Year Close-out

- Process is complete when:
  
  School and COD show a cash balance of $0
  and

  - All COD records match all school DL record
    and business office system transactions,
    and

  - School Account Statement (SAS) reflects a
    $0 unbooked balance.
Program Year Close-out

- Tools to assist with Close-out:
  - School Account Statement
  - Cash Activity Screens on COD
  - School Balance Confirmation
School Account Statement

- Cash Summary
- Cash Detail
- Loan Detail
- Disbursement Detail
- All either monthly and/or YTD
### SAS Cash Summary

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Beginning Cash Balance:</td>
<td>$0</td>
</tr>
<tr>
<td>Cash Receipts:</td>
<td>$198,262</td>
</tr>
<tr>
<td>Refunds of Cash:</td>
<td>$2,805</td>
</tr>
<tr>
<td>Net Drawdowns/Payments:</td>
<td>$195,457</td>
</tr>
<tr>
<td>Booked Disbursements:</td>
<td>$190,998</td>
</tr>
<tr>
<td>Booked Adjustments:</td>
<td>-$2,805</td>
</tr>
<tr>
<td>Total Net Booked Disbursements:</td>
<td>$188,193</td>
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<tr>
<td>Ending Cash Balance:</td>
<td>$7,264</td>
</tr>
<tr>
<td>Unbooked Disbursements:</td>
<td>$6,108</td>
</tr>
<tr>
<td>Unbooked Adjustments:</td>
<td>$0</td>
</tr>
<tr>
<td>Total Net Unbooked Disbursements:</td>
<td>$6,108</td>
</tr>
<tr>
<td>Cash &gt; Accepted and Posted Disbursements:</td>
<td>$1,156</td>
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</table>
SAS Disb Detail

Match School Records?

Missing Data?

SAS Disb Detail
School: Summary Financial

Summary Financial Information

<table>
<thead>
<tr>
<th>Program</th>
<th>Award Year</th>
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<tbody>
<tr>
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<table>
<thead>
<tr>
<th>Entity ID</th>
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<tr>
<td>Beginning Cash Balance</td>
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<tr>
<td>Cash Receipts</td>
<td>$32,538,837.00</td>
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<tr>
<td>Refunds of Cash</td>
<td>$0.00</td>
</tr>
<tr>
<td>Net Drawdowns/Payments</td>
<td>$32,538,837.00</td>
</tr>
</tbody>
</table>

| Booked Disbursements | $35,723,692.00 |
| Booked Adjustments  | ($590,563.00)  |
| Total Net Booked Disbursements | $35,133,131.00 |
| Ending Cash Balance  | ($2,594,294.00) |
| Unbooked Disbursements | $0.00 |
| Unbooked Adjustments  | $0.00 |
| Total Net Unbooked Disbursements | $0.00 |
| Cash > Accepted and Pledged Disbursements | ($2,594,294.00) |
**Direct Loan Balance Confirmation**

### 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
  - Balance Confirmation
  - Request Post
  - Deadline Processing
  - Correspondence
  - Report Selection

### Direct Loan Balance Confirmation

<table>
<thead>
<tr>
<th>Program</th>
<th>DIRECT LOAN</th>
<th>Award Year</th>
<th>07-08</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The main purpose of this screen is to allow you to submit your confirmation and to enter the School Ending Cash Balance and the End Date of the School Balance.

#### Date School Confirmed Program Year Closeout

<table>
<thead>
<tr>
<th>Date School Confirmed</th>
<th>Program Year Closeout</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/15/2008</td>
<td></td>
</tr>
</tbody>
</table>

#### Current Program Year Close Data

<table>
<thead>
<tr>
<th>Date</th>
<th>$37,377,521.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today's Date</td>
<td></td>
</tr>
<tr>
<td>Net Drawdowns/Payments</td>
<td></td>
</tr>
<tr>
<td>Total Net Booked Disbursements</td>
<td>$37,377,521.00</td>
</tr>
<tr>
<td>Current Ending Cash Balance</td>
<td>$0.00</td>
</tr>
<tr>
<td>Total Net Unbooked Disbursements</td>
<td>$0.00</td>
</tr>
<tr>
<td>Latest Award End Date</td>
<td>06/30/2008</td>
</tr>
</tbody>
</table>

#### Days past the Latest Reported Award End Date: 210

<table>
<thead>
<tr>
<th>Days past the Latest Reported Award End Date: 210</th>
</tr>
</thead>
<tbody>
<tr>
<td>210</td>
</tr>
</tbody>
</table>

#### Balance Confirmation Form

<table>
<thead>
<tr>
<th>Date</th>
<th>10/15/2008</th>
</tr>
</thead>
</table>

**Lifelong Learning University**

Barb Davis  
(502) 324-3553  
Barbara.davis@ed.gov

I am certifying that my school's internal cash balance is $0 for the Award Year referenced above. This is in agreement with the Department's official ending cash balance reflected in my school's most recent SASS report. My school has no outstanding issues for this program year. I understand that by submitting this request, I authorize the Department of Education to take the following actions for the Award Year listed above:

1. The Department will send a closeout letter to my school.
School Services Benefits

Delinquency Management

- Pre-Repayment Counseling
  - Calls made two months prior to entering repayment
  - Emails sent to assist with repayment options
- Delinquency Counseling
  - Calls begin at 31 days (22 calls)
  - Letters begin at 7 days delinquent (12)
- Call Campaigns
  - High balance calls (balance of 80K or greater)
School Services Online

Direct Loan Servicing School Site

School Reports

- Entrance Counseling
- Exit Counseling
- Delinquency Reports
- Portfolio Reports
- Report Subscription
Click here to see Repayment Estimates
School Services Online

Delinquency Reports

Choose cohort year and sort by days delinquent
Benefits to Borrowers

The Direct Loan Program offers online services to borrowers from start to finish.

*Universal single PIN access to all sites*

- FAFSA
- Promissory notes
- Entrance Counseling & Exit Counseling
- Repayment Servicing
- Loan Consolidation
Benefits to Borrowers

The Direct Loan Program offers borrowers flexibility.

- Repayment incentives
- Repayment options tailored to individual need (Standard, Extended, Graduated, Income Contingent)
- Payment due date selection by borrower
- Options for receiving bills and/or correspondence electronically
- Electronic Payments (EDA and on-line)
- Self-Service tools for borrowers (telephone voice response system, Web portals)
- Online form submission with electronic PIN signatures (forbearance, deferments, EDA, FAFSA)
- Loan Consolidation
Direct Loan Servicing Online

http://www.dl.ed.gov

**Your Account**
View live account data and manage loans online

**Question Center**
Online information resource for borrowers

**Spanish/English Options**
Entire site available in Spanish

**Download Forms**
Download loan-related forms directly, avoiding the time and expense of mailing

**Entrance or Exit Counseling Option**
**Borrower Web Site**

**Key Features**

**Tour This Site**

- This tour is an easy to follow graphical overview of the main features available to the borrower on the Web site.
- There are two options available for the borrower: a Flash version and a regular Web page version.

**Borrower Web Site Tour this Site**
Borrowers are provided with the amount of their total indebtedness (Direct Loans, FFEL, and Perkins) during Exit Counseling or from the Account Summary page.
Borrower Services Online

Repayment Options

Borrowers may select one of our four repayment plans:
- Standard
- Extended
- Graduated
- Income Contingent Repayment (ICR)

Borrowers may also select from any of the four available due dates:
- 7th, 14th, 21st, or 28th
Borrower Services Online

Bills and Payments

Direct Loan borrowers can receive their bills and make payments online; and they can choose to receive their Direct Loan correspondence electronically, all for free.
Borrower feedback:

I just wanted to congratulate you on providing an excellent way to manage my student loan account. It cannot tell you how much simpler it is for me, knowing I can do everything I need on-line. I don’t have to mail anything or call someone -- I just need to log in.

-Troy
Borrower Services Online

Online Form Submission

Borrowers can submit Unemployment Deferment and General Forbearance applications online.
Borrower Services Online

Entrance & Exit Counseling

Welcome to the U.S. Department of Education's Online Entrance Counseling Session

Check with your school to make sure this session will satisfy your school's requirements for Entrance Counseling.

Continuing your education, making responsible loan counseling public.

Federal Family Eq.

Exit Counseling

After you graduate, leave school, or drop below half-time enrollment, you have six months before you must begin repaying your loans. This six-month period is called the "grace period." If you have Direct Subsidized Loans, you won't be charged interest during your grace period. If you have Direct Unsubsidized Loans, you'll be responsible for the interest that accrues during the grace period. You may either pay this interest as it accrues or have it capitalized (added to the principal balance of your loan) when you start repaying your loan. Your repayment period begins the day after your grace period ends. Your first payment will be due within 60 days after your repayment period begins.

In most cases, a borrower will sign only one promissory note that is used for all of the borrower's Direct Loans, which is called a Master Promissory Note (MPN). The MPN allows your school to make multiple loans to you under a single promissory note. You have the right to "close" an MPN so that it cannot be used for additional loans. To do this you must send written notification to your school in the Direct Loan Servicing Center.
How to Get Started in DL

School Setup and Application

- **School Eligibility and Certification**
  - A school must be eligible and certified for the Direct Loan Program
  - The Eligibility and Certification Approval Report (ECAR) is the document that lists all of the Title IV Programs that a school is eligible to participate in.
  - If the Direct Loan Program is not listed on the ECAR, the school must apply via the E-APP. The E-APP for Schools’ website is [www.eligcert.ed.gov](http://www.eligcert.ed.gov)

- **Operational Review, Set-up & Connections**
  - School sends email with the subject heading, “Request to participate in the Direct Loan Program”:
    - Send email to CODSupport@acs-inc.com or dllops@ed.gov
    - Include the following information:
      - School name, city & state
      - 8-digit OPE ID
      - A unique Data Universal Number (DUNS)
      - School official/requestor’s name, phone number, and email address (person must be listed on the PPA).
How to Get Started in DL

School Setup and Application

School Setup

• Direct Loan Program Participation Acknowledgement
  – Direct Loan Operations (DLOps) will check the school’s ECAR, historical information and any actions that may affect operational capability.
  – DLOps allocates a Current Funding Level (CFL) for the school in COD.
  – Direct Loan Operations will send the school a welcome letter which will include a checklist for the school to follow.
    • G5
    • SAIG
    • eMPN
    • COD
Call Center Contacts for Borrowers

General Federal Student Aid Information
  http://www.studentaid.ed.gov  (800) 433-7327
COD School Relations-Applicant Services  (800) 557-7394
Direct Loan Servicing Center – Borrower Services
  http://www.dl.ed.gov  (800)848-0979
Direct Loan Consolidation Center
  http://www.loanconsolidation.ed.gov  (800) 557-7392
Federal Student Aid Ombudsman
  http://www.ombudsman.ed.gov  (877) 557-2575
Direct Loan Information
  http://www.ed.gov/offices/OSFAP/DirectLoan/index.html
Call Center Contacts for Schools

COD School Relations Center
http://www.cod.ed.gov
(800) 848-0978

School Services – Direct Loan Servicing
http://www.dl.ed.gov/schools
(888) 877-7658

Direct Loan Consolidation Center
http://www.loanconsolidation.ed.gov
(800) 557-7392
Direct Loan Resources

- Written Materials (IFAP)
  - 34 CFR 685
  - Direct Loan School Guide
  - COD Technical Reference
  - Direct Loan Bulletins

- Direct Loan Website

- National Direct Student Loan Coalition
  - http://www.directstudentloancoalition.org
Additional Direct Loan Resources

- Presentations from the Federal Student Aid Conference 2008
  - Getting Connected in the Direct Loan program
  - Unlocking the Potential of Direct Loan Reports
  - Direct Loan Fundamentals
  - Direct Loan Servicing Fundamentals
  - Title IV Funding to Schools – COD to G5
Direct Loan Training

- Suite of Direct Loan webinars this Fall began in October
- Repeated Spring of 2010
  - COD Systems Primer
  - Direct Loan program Primer
  - COD & Direct Loan Program
  - Reconciliation
Direct Loan Training

- Suite of Direct Loan webinars this Fall and again Spring of 2010
  - Reports
  - D/L Tools
  - Direct Loan Servicing
  - EdExpress for Direct Loans
Direct Loan Training

- “EDExpress 101”
  - Web based training module via IFAP
- COD Computer Based Training
  - Download via IFAP
  - Updated version this Fall
FSA Fall Conference Dec 1-4

- Direct Loan sessions
- Direct Loan Processing in COD for new Participants
- Direct Loan Processing for those new to COD and new to Direct Loans
- Direct Loan Programmatic and Systems Primers
- What’s new in COD for Direct Loans
- Direct Loan COD Hands On
- Direct Loan Funding and Cash Management
- Direct Loan Reconciliation
- Direct Loan Reports
- Direct Loan Tools
- Direct Loan Servicing
- More... Birds of Feather, EDExpress, PC lab
Direct Loan Website