[VALERIE SHERRER:] Good morning. My name is Valerie Sherrer and this is Ron Bennet. We're from Federal Student Aid Business Operations, and one of our responsibilities is NSLDS. This is our annual NSLDS update. In this session, Ron and I will first review all of the enhancements we've made in 2009. Ron is going tell you about the exciting things we have coming up in 2010 and cover some of the new projects that we have in the works. I'm going to start off by recapping security, as it's a very important issue to NSLDS, and I'm just going to recap some of the significant enhancements we did in 2009 that we hope that all of you are aware of. I'm going to tell you a little bit how to look at our new ED Servicers on NSLDS and give you some ideas of the kind of reports that you can get to track your borrowers who are now at the servicers. Ron is going to talk to you about some really great enhancements were doing in 2010 in January that really will help you analyze, especially aggregate, loan informations on your students. He is going to tell you about the progress we've made on re-engineering and other projects, and then were going to have time for questions at the end.

As you know, security is a big issue for NSLDS. We have some 68 million students in the database. You, as a financial aid professional, have information on the student's names, date of birth, and social security number. So, it is our goal to always protect the privacy of our students, parents, and parent borrowers in the system. Our first way of doing that, last year we enhanced the security by giving you CAPTCHA, which forced you put in numbers that you read back. We put some numbers up, and you had to type them in. That was to ensure that only live people were looking at data on NSLDS and not machines. This past year, we instituted the Rules of Behavior, and the purpose of the Rules of Behavior was simply a reminder every day for all of our users never to share their password, whenever you print out data from NSLDS, that you protect the privacy of the data. We no longer show the full social security number for borrowers. You only see the last four digits, and you have to use your icon to roll over it. So, when you print out data about borrowers, you're only printing out the last four digits of their social security number, but we still want you treat the printouts of student's data and protect their privacy. So, we try to remind you of all of these things in the Rules Behavior. So, every morning or every day when you log onto NSLDS, you see this screen. At the top of the screen, you'll see that we have your name, and then right there before you hit the "I Agree" button, you're saying that you "agree" to our Rules of Behavior.

I'm going to tell you, the number one violation we have for those who've gotten in trouble on NSLDS is sharing passwords, where they've written down a password and somebody else in the office has used it and made a mistake. And they'll try to call to get the password reset and realize that they do not know the person's their using mother's maiden name or a date of birth. And we find that out, and what we do is we cut them off then and there. That means that person won't have access to NSLDS no matter if they change institutions. Because we track violators and their social security number, so they can't even change from school to school. And to reinstate your NSLDS ID after you've been turned off is a very complicated process. So, we just want to encourage you to always remember to follow the rules of behavior.

Last year, we also instituted Annual Security Training. We started it in January 2009, so that means that all of you have who have NSLDS access and did the security training in 2009, you're going to be approaching that annual requirement to do the security training again. You're going to start receiving these warning icons 10 days before your training is up, and I'll just warn you, please complete your annual security training. You're going to keep getting that until you complete the security training. We have four different major kinds of security training. We set the security training up for our primary destination point administrators, because all of them are responsible for getting the NSLDS IDs for users at their institutions. We have training for the Guarantee Agencies and lenders, because they're restricted to looking at only students that they have a relationship with, meaning that they have a signed application. State agencies also have the ability to look at NSLDS, we have specialized security training for them just to remind them of the limitations they have as state agencies. So, we've tailored our security training to whoever the users are to make sure that they follow the Rules of Behavior. So, again, Security Training and Rules of Behavior are just means that we're using to remind you how important it is to protect the privacy data of students in the database.

Another feature along the security lines is that we're also requiring, under the SAIG enrollment that you do annual verifications. So, you're Primary Destination Point Administrators are responsible for annually verifying all of your users are to have access to NSLDS. That annual verification must be done by December 10. If your Primary Destination Point Administrator has not done your security or your annual verification, your institution will lose access to NSLDS online, all of the users will lose their online abilities to view data; enrollment reporting, Perkins Reporting, Transfer Student Monitoring, batch Processes will be eliminated. So it's very important that you ensure that your Primary Destination Point Administrators complete the annual verification. If you're not sure your Primary Destination Point Administrator has done that at your institution, please go to the SAIG booth in our PC Lab. Also, today, if I cover something and you still have questions after the end of the session, please see the NSLDS booth and the PC Lab. They will be glad to help you with any individual questions you might have about your specific institution.

Another enhancement that we made in 2009 was that we upped our annual loan limits for the warning icons. If you'll recall, in July of 2008, the Ensuring Continued Access to Student Loans Act was passed, and it raised the loan limits for the Direct and FFEL Loan Programs. NSLDS was not able to change our warning icons at the same time we raised the loan limits, so many times you are awarding a student or looking students on the web, and you were seeing that they were near the annual loan limits. But in January of 2009, we changed the icons to match the loan limits, so you shouldn't be seeing those icons unless they're valid anymore.

Another fix that we've done on NSLDS is that we heard from a number of institutions and schools that, previously, NSLDS tries to calculate when an undergraduate student gets additional aid because of a PLUS loan denial. Were not informed about the PLUS loan denials, so we try to calculate when we see additional unsub being granted to a student, we determine that that must be because of PLUS loan denial. Before our enhancement, that indicator would disappear after the academic year was over. It would cause institutions to look, especially when they were doing a graduate level award, to possibly see that the student might have been over-awarded as an undergrad student. We have fixed the system so that now when we calculate that a borrower will receive additional unsub because of a PLUS denial, we are leaving that indicator on NSLDS so you'll understand why the additional aid was given to the student.

Another feature on NSLDS that we enhanced was our Transfer Student Monitoring Process. The first thing we always like to make sure that all our schools realize that they need to set up a profile for Transfer Student Monitoring, and that's to tell us the person at your institution who will be responsible for Transfer Student Monitoring. Again, Transfer Student Monitoring is used to replace the old Financial Aid Transcript Process, so that when you had students who transferred at midyear, you're able to track any changes in their financial aid history. We set the profile up so anybody at your institution who is on the profile will receive warnings about students who've they put on the list. So, what you'll do at your institution, again, is you'll put the students on for us to monitor. When any changes in their financial aid happen, we will alert you through email, and that's to the person who's on the profile. And you can also review the student's actual changes in their financial aid by looking online at your Transfer Student Monitoring list or by receiving batch processes, and those file layouts are, of course, on IFAP. But, what we did this year to enhance the Transfer Student Monitoring Process was to give you the ability to track how long you wanted to monitor the list. Our default value is 90 days, but now we will allow you to monitor students from 30 to 120 days. We also gave you the ability to repopulate the list a little bit more easier. We heard from schools that, after their 90-day monitoring period was up and they wanted to continue to track students who had said they were coming to the institution but maybe did not come in, they wanted to continue to leave those students on the list; how painful it was to repopulate a list manually. So, what we did on NSLDS was to give you a feature so that you can automatically repopulate your list from previous lists that you've had on NSLDS. This allows you to either check the entire list by checking a box, check all at the top, or to sort the list by saying you only want to track students for a ceratin beginning and ending period of their enrollment period. So, you have different ways to repopulate the list without doing a manual typing in all the names again on NSLDS.

Another enhancement this year, and it's an enhancement that this caused a number of questions to our Customer Service Center is that we're now telling you more information about the Pell grants. Were telling you about their lifetime eligibility, and we started tracking lifetime eligibility in July of 2008. It only started at that point. So, if you had a senior who already had Pell grants, we didn't start counting their eligibility for the 18 semesters of eligibility until July of 2008. So, now you're seeing percentages that are a little bit confusing. You're seeing 125% or 115% or 150%. Those percentages are based on 18 semesters of eligibility. When you've used two semesters of eligibility, you're at a 100%. If you are now in the third semester of eligibility, you will see, and you use a full amount, you'll see 150%. So, that's how those percentages are granted. It's based on semesters, but clock hours and quarter schools are prorated according to COD, and that information is fed to us directly by COD. So, if you have specific questions on how a quarter school or a semester school's eligibility above 100% is calculated, I would encourage you to talk to COD and the PC Lab.

We also have an indicator now on NSLDS for Pell grants for those students who are receiving a Pell for the first time. So, you'll see a first-time Pell indicator by having a Y shown on NSLDS. There's also the eligibility for students who can receive two grants in an award year; some students are eligible now. You'll also see that under Additional Eligibility Indicator. That means that student is eligible for two Pell's in a single award year. We also have an indicator on NSLDS for those students who are eligible for Pell because of a deceased parent of 9/11. At that's just an indicator to say that that student is now eligible for Pell.

We tell students about their Pell grant eligibility on the student website, which is NSLDS.ed.gov. Students can see that same question, and I'm sure they might come into your institution to understand what is a lifetime eligibility? For example, in this one its 132%, what does that mean? So that's where a lot of the questions come from, but they're also able to see their lifetime eligibility. They're also able to see their first time awards and if they are eligible for two Pell's in an award year. We do not show them their eligibility if they are eligible for the 9/11 Pell grant.

NSLDS recently posted a newsletter, Newsletter 25, and in that newsletter, we are trying to explain to you how to view the Title IV Servicers who are now servicing the FFEL loans that have been PUT or sold to the Department of Education. We now have, (in addition to ACS who was the first Servicing Title IV Loan for us) we now have four additional servicers. In addition to the servicers, the Department has developed lender codes for those specific portfolios that were sold to the Department of Education. So, when you see these lender codes that start with 899, that indicates that that borrower's loans were sold to the Department, and the rest of the 899, 898 and ending in 577, all of those codes indicate that the loans have been sold the Department of Education, but we also tried to explain to you in the Newsletter 25 what those lender codes meant. For example, the first lender code on here you'll see is 899577. That meant the Department purchased that loan under the 2008-09 Loan Participation Purchase Program, in which the Department was able to purchase loans under the Ensuring Continued Access to Student Loan Act. That Act was extended in 2009 and 10, so you'll see that we have the 897577 lender code. All of these lender codes were set up to explain internally and externally to our customers why these borrowers' loans were sold the Department of Education. In addition to the lender codes, you're now going to see the additional Title IV Servicer codes out there. And what we did on NSLDS, and this is just to follow the logic of the way NSLDS is currently set up, is we set up each of our Title IV Servicers with a Guarantee Agency Code, and they are now five including ACS. ACS is 577, and the four additional new servicer's codes are Sallie Mae 578; Federal Loan Servicing 579, which was PHEAA Loan Servicing; NelNet 580; and Great Lakes 581. Also, you'll see that their servicer codes start with 700. So when you see, you want to tell a student where their loans are at, you will normally tell them who is servicing their loans, and that would be the lender servicer codes to 700, 578, 579, etc. That is just to indicate the Title IV Servicer who is now servicing the loans. It might be a little confusing for students in the beginning, because they borrowed from their same lender for a number of years, and now they're seeing these new lender codes, and what does that mean? It means that their loans have been sold to the Department of Education.

So, when you look at NSLDS and you go into Loan History, you'll be able to see where the borrowers' loans started at and originated at under the Guarantee Agency and Lender Code. You'll know the guarantor who guaranteed the loan, and then you'll see that the Department of Education now has their servicer codes listed and a Guarantee Agency. In addition, you'll see the new lender codes, the 89577's, and you'll see the servicing codes. So you can track for a borrower if you're trying to explain what's happened to my loan? Where are my loans? Go into NSLDS, go to Loan History, and use that page to look up where a borrowers loans have gone. Students will see where their loans are on the NSLDS.ed.gov site, too, and it will show their servicers name, their current lender, which they will not understand, since that's not where they borrow it from. And you'll have to explain to them that their loans have now been sold to the Department of Education, and their Guarantee Agency Code, which really doesn't have a lot of meaning to the students.

If you want to contact one of the EDC servicers, all of our servicers have set up their contact information in NSLDS. You'll see the contact information for you. You'll see a Customer Service number that you can give to your student borrowers, and the student borrowers have that information on the NSLDS.ed website. The student borrowers also can link directly to their servicers from the NSLDS.ed.gov website. I encourage you to encourage your students to go to that site so they'll know exactly where their loans are and who is servicing their loans. A number of schools at last year's FSA conference asked about, since you're going to have these new servicers – we knew they were coming – how can we know and tell our students easily where their loans are? Can you give us a report? So NSLDS developed this report that you can get to from our Report site that will allow you to tell us if you want to find specific students by putting in their social security number. You can put in up to 19 social security numbers at a time if you want to look for specific students, or you can put in question marks when it asks for the social security number. What we'll do is give you a comprehensive complete report of all of your students who are now being serviced or held by Department of Education lender code. If you put in 19 social security numbers, and that's maximum, if you want to see this report on the left. You put in 19 social security numbers, and you're able to get a pop-back PDF report that will show you where your students are at. We also have a batch layout that you can get the layout on IFAP, and you can get this report delivered to your TG mailbox listing all of the students in a batch process of exactly where your students are serviced.

Now, Ron's going to give you an update about what's coming. At the end, hopefully, if you have any questions about what I covered or anything that Ron covered, we'll have time to answer some of your questions.

[RON BENNET:] Good afternoon everyone, or good morning, I guess. I've been working in the room this morning, and everything is still in Eastern Time there.

We have a number of different things that I wanted to share with you, some that are actually very near term coming in January, some in the upcoming year, and then others that are actually on our horizon over the next couple of years. But the first thing that I wanted to talk to you about, and this is actually something that we have gotten feedback on for several years that schools have been requesting that we enhance the aggregate information, most specifically how we break it down by undergraduate versus graduate borrowing level limits. So, I think you'll be pleased with what it is that we are in the process of building right now that you will see actually effective on the website beginning on January the 4th.

Another thing that we are going to provide to you in there as well is we've always had some behind-the-scene variables that I think have caused some confusion for folks in the past, as it relates to dependency status and award year that is used to help us determine this aggregate information. You'll see that those are now going to be exposed, and I'm going to walk you through some examples from our website then of where you'll see that information. Basically, beginning on January 4th when you actually up a student's loan history, you're going to see that that aggregate loan information box is much more extensive now than it had been previously, and that's so we could actually break it down, as you see highlighted here, that there's a box specifically for the undergraduate level that then tells you to subsidize, unsubsidized, and combined limits that are associated just with the undergraduate. Then, if you look in the right corner of that particular box, you will notice that it says Award Year 2008 and then a little circle icon with a D in it that indicates that that particular FAFSA award year that the aggregate limit is based on is 2008 and that the status that we are using to determine the aggregate limit is actually dependent status. Then, if you see the one below it, graduate, you see that it is actually independent, as you would expect for a graduate student. But this is something that has been requested, I think, for a while now from folks that that they would like to see it broken out more discreetly by undergraduate and graduate and know more about the variables that are used that help set those flags that we are looking for in the eligibility process.

In addition to that, we had, in recent years, we had actually expanded the icons that we use on the website that was actually telling you whether or not the student was exceeding the sub or combined limits for both graduate and undergraduate. But, that still didn't actually provide you the details that you were generally looking for as a result of what were the underlying loans, then, that were substantiating that flag being set. So, another new feature that we're putting on this is that those "Exceed" icons now will be linkable to the underlying detail. So, if you actually click on the "Exceeds" icon, it will actually bring up for you, then, the filtered loans that were actually used to substantiate the reason that that flag is set. So, all four of them will have that capability, the two exceeds, the sublimit, and the two for the combined limit, but all four of them will have that capability. So, if you want to see specifically what underlying loans were used to set that flag, you'll be able to easily do that.

So, in addition to what is changing on the website as a result of this, we have carried that same information forward, then, into the Transfer Student Monitoring and Financial Aid History Reports capability. So, we have added the information by the academic grade levels to those reports and data extract file layouts. So you'll begin seeing that information as well as on those. We've also added to those reports, Valerie had mentioned on the website the lifetime eligibility use for Pell, but you'll also begin seeing that information on those reports as well.

Similar to how you're seeing it on the website, as I had just shown a couple slides before, the information is basically going to be provided in the same similar format on the preformatted report, breaking it down by the grade level, showing you the award year that was being used for that information and what dependency status that we used. These layouts were actually recently posted on November 5 to the IFAP website under the NSLDS reference materials. So if you use these particular reports or batched layouts, you'll want to make sure that you have the most recent information because of the expanded fields that have been added.

The data has actually expanded to a size of 500, as I mentioned, to allow for the new data elements. It essentially only affected the Record Type 1, which is where you find the Aggregate, Perkins, and Flag Records, and there have been 27 new fields that have been added. One of the things that you'll want to make sure of is, depending on how the programming is done in your shop, is that the prior 300-byte one, if you haven't programmed for this additional data, you may only continue to see the data that is in the first 300 positions as you would have in the past, or in some cases, it will actually cause your import programs not to work correctly. So, you'll want to make sure that your IT folks are in the process of setting you up with these new expansions to these file layouts. Once again, that's all supposed to take effect with the outbound files that you'll begin receiving on January the 4th. And it only affected, by the way, the outbound files. So, none of the inbound files that you send to us for either transfer monitoring or financial aid history, have actually changed from prior year.

In addition to those changes, another thing that we are working on is adding to the student website an Exit Counseling capability. One of the feedback comments that we receive at NASFAA over the summer, as a result of the four additional servicers that Valarie was speaking to, is making sure that schools have the option to use a capability for sending their borrowers to a consistent place for getting Exit Counseling. It's not a requirement to use this feature when it comes out, because we know some folks have their own things that they use or they may be using services provided by others, etc., but we needed to make sure that we had something that folks could actually use if they needed to send their students to. This is actually an interim step in which we are taking. I can explain a little bit about why we chose this option as well, but we chose to actually put it on the NSLDS student website really for two reasons, number one, it's the most likely place where you're going to find all of the loan history regardless of loan program, whether it Direct Loans, FFEL, Perkins, etc. So, the data generally is already there, so it was a likely place to pull the data from. The other important thing in order for us to actually capture the event of the Exit Counseling is we want to make sure that the person is logged in and interacting with the system and that we're able to track their successful completion. So, that means we needed to also choose a site that already had the PIN access that our student borrowers and parent borrowers use. The NSLDS student website, which is that nslds.ed.gov address, already has both of those things built right into it. So that's the reason that we chose to put it on this site for now, because it minimized the effort that we had to put in to bringing something up quickly. The goal that we're shooting for is to have this capability ready on the student website by March 31 of 2010.

We have also been coordinating with COD, who is doing a similar update to their website to accomplishment Entrance Counseling. So our two groups have been working together to try and put as much parody as they possibly can into the two features that are being built around NSLDS and the COD system.

I mentioned already that NSLDS already provides student with current loan data, but another benefit here, too, and this is something that we've been stressing for the last couple years, especially with our lending institutions, to try and encourage our borrowers to take more control over the information that is actually available pretty easily to them, which is to get access to NSLDS. The only thing that they need, if they don't already have it, is a PIN, but if they're filing FAFSA's online, they already have a PIN for doing that process or if they've been a Direct Loan borrower and using the Direct Loan website features, then the same PIN is used for that. It's the same one that we use for the NSLDS site. But the benefit for them, beginning to get familiar with and using this information, is it allows them to keep track of their entire borrowing history that includes whose the holder of the loan, the contact information is all there for them. The most recent outstanding principle balance and interest balance, etc., are available there. So all that information is there is one consolidated form that they can use to see where the progress is on their loans. So that information is there that we can just leverage, then, for doing the Exit Counseling.

The other thing that we are going to add then, to the Exit Counseling feature is the various calculators that can be used to look at different repayment options. This already exists out on our student aid on the web website that provides general Title IV program information, and so the calculators are there, but we'll be able to put them into the Exit Counseling feature so that they can actually go through that as they're proceeding through the process. They will also have links, then, to their loan holder information, and we are going to make sure that the feature is available in both English and Spanish.

So if you were to go to, actually, the first page of this website, there'll be both a link on the menu bar at the top as well as an actual command button in the lower portion. Either one of those options will allow them to access the Exit Counseling. We are designing it in a way that they will have both the capability to go in and actually execute the counseling and have it tracked and be completed, or if they just sort of want to do an exploration of the feature, they will be able to do that, too, without logging in. So they'll have both options there available to them.

When they go into the site, if there actually wanting to interact with it and actually conduct the Exit Counseling or even to just pull up their financial aid history, they're always presented with that consistent page for the PIN access, which is where they provide their social security number, first two bytes of their last name, date of birth, and then the four-digit PIN that they have. Once they have actually successfully entered in all that information, it takes them directly into the website to do either the financial aid history look or conduct the Exit Counseling.

Some of this I have already mentioned, but I can't stress the benefit of encouraging the students to being using this site. Because once they actually leave your institutions, you know, many of them are continuing to repay their debts upwards to 10-25 years. So, this is a place that they can go and track the progress of their balances and all those kind of things.

In addition to the student actually executing the Exit Counseling, were also providing reports on the financial aid professional website of NSLDS that schools can go and actually look to see who has actually completed the Exit Counseling. We will also provide you the capability of getting the information that can be used for any program audits that you may be going through and need to provide evidence of Exit Counseling, so you'll have that capability as well, and likewise, well have the capability that we can regularly send the information to the Title IV additional servicers, the Direct Loan Servicing Center, and the guarantor so they will also know the completion of the Exit Counseling. So all of those things are part of what we're actively working on right now. It's a very aggressive time schedule for us, and so were just now digging into the designing of the application. And like I said, were shooting to have it implemented, and you'll probably see a number of communications about it as it is coming out, then, through our websites and other means of communicating with you.

In addition to that, were going to provide some capability – I said it's not a requirement that they use this Exit Counseling feature – but if you're using something else but you would like to track all of this consistently, then we are going to build a capability that you can provide through an upload feature or some other means that you'll be able to provide the details of Exit Counseling completed using some other means. Either something that you do onsite or through some other tool that they use, etc. So, if you want to put that information in there to be consistently tracked across the board, you'll be able to do that. We will also be monitoring for any changes to regulatory requirements that affect Exit Counseling and making sure that those are added to the feature as well.

Some additional things that I wanted to share with you that are more projects on the horizon. You've heard us over the last couple of years or so alluding to the fact that we have been planning for re-engineering the NSLDS application. And we have been continuing to progress along with those plans. We spent most of 2009 detailing our requirements for the first phase of that implementation. What's different about this approach to re-engineering NSLDS is we have it planned out in a multiphase multiyear approach, and the first phase is all that we have focused on in the last year, which really does not impact any of our data providers or our financial aid provider or partner user community. The primary things that we are doing in the first phase are building the infrastructure that the entire solution will be built upon. The only external-facing business functionality that there will be an impact for is the student website, that we were just talking about, is actually what were replacing first. So, we just awarded a contract at the end of September to where we've begun the design, and well soon be getting into the build, then, of the re-engineered NSLDS application and looking for some time in the winter of 2011 to actually go live with that new student website feature.

We've also began working on what were calling a person Record Management Service. One of the struggles that we have in federal student aid, and I know all you all participate in the struggle at times in dealing with identity conflicts is us managing the data that we know about people consistently, whether it's the identity information, such as SSN, a name, date of birth, etc., or whether its information like contact information, addresses and phone numbers and email addresses, etc. So that it is something else that we're looking to build in the near term. It will be our first foray into doing master data management to where we'll have this centralized system, if you will, that will manage data about people on behalf of federal student aid, and then all of our subordinate systems, like NSLDS and COD and CPS, etc., around federal student aid will begin interacting with and making sure that they're using that most up-to-date data that we have for the people that we're working with. Something you may not be aware of is that, you know, in the last, I would say eight to nine years or so, we have dealt with resolving well over 200,000 identity conflicts at NSLDS, and we always keep about 12 to 13,000 of them on the books on any given month, and we solve about 5-600 every month, and we get 5-600 new ones every month. So, the interesting thing is, it's not something that will ever, ever go away no matter what we all do. It's the process that we put in place that makes us more easily manage the data and more quickly resolve the issues so the impacted students can get on with actually receiving the aid that their eligible for.

So, we'll probably have a lot more about these efforts at next year's conference as we are further down the road in our progress with these. And one of the other things that I wanted to mention, too, that were are doing along with our Person Record implementation is we've been doing a lot of work across FSA in the last couple years to remove privacy impact information out of our websites and printed documents and things like that where it is not necessary. So, Valerie mentioned, like last year we implemented a change at NSLDS to where we began masking SSN and things of that nature. Well, you saw a few slides ago to where the PIN requires them to enter in their SSN, their name, and date of birth. So, we're actually in the process of doing requirements for re-engineering our PIN site as well with one of the primary goals being to eliminate the use of privacy data as part of the authentication to access to the federal student aid websites for our students and borrowers. So, we'd like to get there as quickly as we possibly can, so that's another measure to where we have taken to actually protect people's identity. So that will actually be the first feature that we build as a result of that project's implementation is a re-engineered PIN solution. It will also give an opportunity to potentially leverage new authentication mechanisms that are more robust and secure that we all experience in many of our online interactions just in our own day-to-day lives. So I would envision that, as we get to the point of designing, then, that re-engineered solution, you'll see that it is much more robust as far as its capabilities than where we are today.

At this point in time, that's all that we have to share with you from changes that we're making to NSLDS, but if you have questions, there is a mic over here in this aisle, and we'd be happy to entertain them. I think we have 15 minutes for questions.

[QUESTION FROM AUDIENCE:] Hi, I have a question about the interest rate on the loans not showing on NSLDS anymore. Why did that happen and can you please bring it back? And also whether they're variable or fixed.

[BENNET:] Are you talking about on the student site?

[AUDIENCE:] Yes.

[BENNET:] Yes, we actually made a conscious decision to remove them because it was causing confusion for the students. Mainly because the way the interest rate is reported to NSLDS today, it does not give you insight – it basically just says if its variable, it just says variable. It really doesn't tell you what the statutory rate is on the loan or does it tell you potentially what the discounted rate is that the student is actually paying on. And if it's a fixed rate, it doesn't give you, you know, those two scenarios of there's the statutory limitation that it could be or if they're getting a discounted rate. We removed it for now, because it confuses the student as to what the rate really is on their loan. One of the things that were looking at in our re-engineering process is actually getting both the statutory rate that is applied to the loan as well as the discounted rate that they may be charged based on the benefits that they could be getting. So, you'll see it come back in the future when we get to changing the data that were actually receiving from the data providers to be both of those discreet elements.

[AUDIENCE:] Okay, thanks. That's really an important element to the students to have. I appreciate it.

[BENNET:] You're welcome.

[QUESTION FROM AUDIENCE:] Hi, good morning. I guess this question relates to the purchase loans both how they're appearing on NSLDS and also with your proposed Exit Counseling. It shows the current holder, but it doesn't – at least I didn't see it – it didn't indicate who the prior owner was or the lender. Is that a possibility to have?

[BENNET:] Did you say purchase loans or Perkins loans?

[AUDIENCE:] The purchased loans.

[SHERRER:] Purchased loans.

[AUDIENCE:] The loans that, for example, that were bought by the department.

[BENNET:] Right.

[AUDIENCE:] A student could be, I guess, confused if they see The Department of Education but, you know, that's not who they originally took out the loan with. I'll ask you offsite or offline.

[BENNET:] No, I mean, I was asking Valerie because she is the one who has been supporting the Purchase Program, but the detail on the loan history should provide not only the current but what the former was.

[BENNET:] So, if you go into the loan detail, you should see the complete history of that loan moving from its original lender to the Department of Education.

[AUDIENCE:] Okay, thank you.

[BENNET:] You're welcome.

[QUESTION FROM AUDIENCE:] Is part of the FSA Exit Counseling Project to provide a way for schools to know who has completed the Exit interview at their school? You said there was a way to upload the information if we're using some other product, but is there a way to download it so we know who did it at our school, and can we do that just for everybody at our school or just populations of students or how do we do that?

[BENNET:] Yes, we don't have a lot details yet, just because of where we are in the project timeline, but definitely there will be features for you to get out who has completed it within NSLDS.

[AUDIENCE:] And that includes a list of kids, and here you give us a response like, FAH or TSM or something like that?

[BENNET:] Yes, it will give you the list of the, you said, currently enrolled?

[SHERRER:] Currently enrolled students at their institution.

[BENNET:] Yes? A list of the currently enrolled students at your institution.

[AUDIENCE:] Is that going to be based on SSCR reporting or what?

[SHERRER:] It's going to be on who NSLDS has as their current school of enrollment. So, if a student is listed on your NSLDS as being your current student, which, also, it would mean they'd be on your roster.

[AUDIENCE:] Okay.

[SHERRER:] You would get that student if they completed Exit Counseling.

[AUDIENCE:] Thank you.

[QUESTION FROM AUDIENCE:] Will the FSA Exit Counseling also satisfy the requirements for Perkins and Teach Grant Programs or is it just incentive for FFEL or Direct Loans?

[BENNET:] I'm not sure that we actually know the answer to that one, so I think that's one that we'll have to take down and get an answer for.

[AUDIENCE:] Thank you.

[QUESTION FROM AUDIENCE:] Hi, one of my questions was already answered, so I guess the second one would be, if we are currently using DL, that were sending students to DL for their Exit Counseling, your saying it's going to be more advantageous, then, for them to switch over to the NSLDS?

[BENNET:] The DL feature that you're using today would still exist then.

[AUDIENCE:] Yes.

[BENNET:] Where this actually precipitated from, from the community, was when the loans began being at more than just the Direct Loan Servicing Center.

[AUDIENCE:] Yes.

[BENNET:] When those loans are with one of those other servicers, folks asked for a central place that they could actually go. So, for the time being, you don't have to stop using the feature if you're a Direct Loan School and have been using that and it's all Direct Loans, you can continue doing what you do today through that site.

[AUDIENCE:] But once you switch over, there's going to be more information through the NSLDS, then, for [inaudible]?

[BENNET:] There's not necessarily more information, because Direct Loan Servicing Site actually pulls information out of NSLDS for it's Exit Counseling today.

[AUDIENCE:] Okay. All right. Thank you.

[BENNET:] You're welcome.

[QUESTION FROM AUDIENCE:] Good afternoon. Can you clarify there will be a lookup table for financial aid professionals on generic loan amounts and repayment options that currently is going to be available for students?

[BENNET:] I'm not sure I'm understanding the question.

[AUDIENCE:] Okay. Students can use their PIN to go in and find out what their repayment options are and monthly payments and so forth. Is that feature going to be available generically for a financial aid professional?

[BENNET:] Actually, you can get access to those repayment calculators today, because they're out on student aid on the web website where you can go and get general Title IV information. If you dig into the loan areas, repayment plan descriptions, because we added a new feature just this summer to that website for the income based repayment, and you'll see all the different calculators out there that you have access to today.

[AUDIENCE:] All right, thank you.

[QUESTION FROM AUDIENCE:] Hi. My question is about schools that have both the FFELP loans and the Direct Loans, will one Exit Counseling session count for both?

[BENNET:] Yes, one Exit Counseling session account for both, and I think that's the benefit of we're being in NSLDS is, it's not just limited to that one set of information. So, as I had mentioned on the one slide, that gives us the capability of sharing that information out with all the loan holders. We already have that kind of process in place for sharing things like enrollment data out to all their loan holders, so it just gives us one more capability of data that we can do from one event across multiple interested parties.

[AUDIENCE:] Right. Thank you very much.

[BENNET:] You're welcome.

[QUESTION FROM AUDIENCE:] Hi. Also on the Exit Counseling, and you may have answered this already, and I just didn't pick it up, right now, I get a report from the Direct Loan Servicing Site of my students who have done their Exit Counseling, and I also get notification for mapping your future when they've completed it. Will we be able to get that kind of report automated to be sent to us daily or weekly or whatever?

[BENNET:] Yes, we are working towards providing reporting information so you'll have information on who's completed Exit Counseling for your institution.

[AUDIENCE:] Okay, that we would get without having to go and get it, that it would just be sent to us?

[SHERRER:] You'll set it up in a profile, so that you'll automatically get it based on what you set how often when you want it.

[BENNET:] Yes, through a profile you'll be able to set up that capability.

[AUDIENCE:] Okay, great. And another question that I had is with the aggregate reports, is that just by student only or will there be a way that we can get school specifics, such as by grade level, because I believe that's one of those things that now were required to post on our websites, the average indebtedness of our seniors and stuff like that. Would we be able to get that kind of a report.

[BENNET:] I'm looking over at our aggregate folks over here. I don't think we have such a capability that we have designed in what were building for January 4.

[AUDIENCE:] Okay, because you do have the school codes and you know which students are what schools, I mean.

[BENNET:] Yes, I mean, I just don't think that was part of – I mean that wasn't a requirement that we had from, you know, building the features that we did was to provide some sort of reporting that would help you do – you said average indebtedness reporting?

[AUDIENCE:] Yes, because that's one of those things that now were required to provide to our students, but who's providing it to us?

[BENNET:] I mean it's a good question. It's just not a requirement that we've had to build such a report for, for folks, so I mean that's definitely something that we can take back.

[SHERRER:] Take back.

[AUDIENCE:] Yes.

[BENNET:] You know, the features that we described here of we are doing have been things that we've taken back for many years in a row, so there's always the possibility of doing something like that.

[AUDIENCE:] Okay, thank you.

[BENNET:] You're welcome.

[QUESTION FROM AUDIENCE:] Hi. Has there been any planning to include other federal loans in NSLDS, like nursing student loans and other health care types?

[BENNET:] That question comes up just about every year.

[AUDIENCE:] Well, I probably ask it.

[BENNET:] And I'm probably the one answering the same answer every year.

[AUDIENCE:] Sometimes.

[BENNET:] You know what our biggest – there's a number of things that we have desires for but not the legislative authority to do, and that's our biggest inhibitor in getting like, what is it, Title VII and other loans of that nature. I mean, the odd part always being that those things could be consolidated together, but we lose sight of what's in that consolidation when we don't have the authority to collect the data on those loans that are not Title IV. That's really been unchanged in any of the legislative activity that has occurred that would give us the ability to actually collect Title VII data or any other non-Title IV programs like private loans, for example, or anything of that nature. So, that's our biggest limitation in doing something of that nature is that we don't have authority to.

[AUDIENCE:] Okay. Another question that I have, too, is that I hope that by centralizing – NSLDS has always been centralized as far as collecting attendance or Exit dates and grade levels and levels of enrollment – but because some schools use, oh, I just lost what it's called. Yes, thank you. Some schools use the clearing house and some schools do not. What I find that is if I don't report through SSCR on the very last day of the month, which is a little bit risky, but if don't do that, then I have students that are being sent Exit information or separation information from Direct Loan or from other lenders, because the clearing house has reported them as less than full-time or less than half-time or that they've separated in some way. And, well, that may be true, but if you look at the whole picture, I've reported that they're full-time because we're a transfer school.

[BENNET:] Yes.

[AUDIENCE:] And so, I guess I would request that someone in the NSLDS scope of things take a look at the whole picture, not just what each entity reports and when its reported.

[BENNET:] Yes, were doing a couple things there. We know that there's an outstanding issue with respect to how Direct Loans handles enrollment data. That it's different than what.

[AUDIENCE:] Right, correct. That's sort of the same but sort of different. It is.

[BENNET:] Yes. Actually, enrollment is something that we are actively looking at how the reporting occurs.

[AUDIENCE:] Because I think the central or the pivotal point is NSLDS, and so I think, even though you're collecting information and reporting it out, I think if you just take a step back and take a look at the whole screen instead of just each piece to see how it fits together, that would help, and it will reduce a lot of confused students a lot and a lot of paperwork, because they're all bringing paper stuff for us to fill out.

[BENNET:] I guess my next question for you is what is your availability at 4:45?

[AUDIENCE:] If it'll help this issue, I'll be wherever you need me to be.

[BENNET:] Okay. Well, come up and see us, and well tell you where we're – no.

[AUDIENCE:] Okay. I will.

[BENNET:] We are actually having sort of a feedback session on enrollment specifically at 4:45, so if you'd like to participate, we'd like to hear your comments.

[AUDIENCE:] Awesome. Thank you. I will. Thank you.

[QUESTION FROM AUDIENCE:] Regarding the PUT loans, when a lender sells the loan to the Department of Ed, what's the timeframe of when well see that in NSLDS so we know exactly where the loans are?

[SHERRER:] The week after the sale is completed.

[AUDIENCE:] I didn't hear.

[BENNET:] She said the week after the sale is completed.

[AUDIENCE:] Oh.

[BENNET:] The servicers actually report to us on a weekly basis, so generally, that change should take no longer than the week after it has occurred.

[AUDIENCE:] Okay, great. Thank you.

[QUESTION FROM AUDIENCE:] With respect to the Exit Counseling that will be available on NSLDS, are there any plans to include like a demo site so that those of us who are doing the followup counseling to students can, number one, be using the same terminology as they've already experienced through that Exit Counseling, and, number two, know what they were actually told so that when the students have either misread or misinterpreted information, we know what was correctly told to them so that we can bring that to their attention?

[BENNET:] I believe you don't have the capability of actually – I had mentioned earlier that they don't have to actually go in and do the Exit Counseling, that they can just sort of explore the tool itself without having logged in, and what that would do is provide you the capability of sort of going in and experiencing it for yourselves, so you'll be able to do that on the NSLDS site.

[AUDIENCE:] And that would be without actually entering an actual SSN or PIN number too?

[BENNET:] Correct.

[AUDIENCE:] Excellent, thank you.

[BENNET:] Yes.

[QUESTION FROM AUDIENCE:] In the case of defaulted loans that have been resolved, I'm seeing a lot of students who still have that flag, but have documentation that it's paid in full. Will those be cleaned up at some point? In specific, I guess students that their schools are closed or whatnot, I'm seeing a lot of the flags that are still there.

[BENNET:] Two things important about your comment is one is the latter part. You have documentation that says otherwise; that's all you need. You have full authority, and we have several Dear Colleague Letters, I believe, that have been posted over the last several years that provide with the authority to proceed. Now, the clean up aspect of it: General rule of thumb for NSLDS is if the data provider still exists, meaning they are open and active, they're the ones who have to make the correction in order for that to flow into our system. In the FFEL world, our guarantors each have two or three people at their institutions that have the capability – if it's not coming in through their normal feeds to us – they have the capability of making those updates online directly. Now, the exception to that is where the conflict exists but the data provider does not any longer exist, then you would go through the NSLDS Customer Service Center to work for resolving the data conflict, and then we sort of call ourselves the data provider of last resort, meaning we will fix the conflict with the right documentation, if the cause of the conflict is no longer in business.

[SHERRER:] Something else to add; in addition, we have a number of guarantee agencies who have successfully rehabbed their borrowers, but they haven't had lenders to repurchase them. Our Title IV servicers, the additional four servicers that we have, will now be buying those loans, and so you're going to see more of those students being cleared up, because that's a number one of the lender codes I showed you was specifically to address those students who are rehabbed at their guarantee agency, and we have not had lenders willing to buy it, the department's going to buy them. So, you're going to see more and more of those students being cleared up.

[AUDIENCE:] Okay. I have another questioning involving rehabilitation or conditional discharge. I've read the regulations, in which it states what needs to be included in the letter from the physician, but is there specific wording that the physician would use in those particular cases?

[SHERRER:] Not an NSLDS question.

[AUDIENCE:] Got it, okay, okay.

[QUESTION FROM AUDIENCE:] Regarding the PUT loans, the detailed report, that if you put in the question marks and you'll get a detailed report; will that be individual students and what servicer they're at or just the number of students from your school that are in each servicer.

[SHERRER:] Individual students and where each of their loans are at.

[AUDIENCE:] So if we have like a thousand students with 1 servicer, I'll get a report with every one of those student's names?

[SHERRER:] Exactly.

[AUDIENCE:] Just by putting the question marks in?

[SHERRER:] Just by including the question marks.

[AUDIENCE:] Okay, thank you.

[SHERRER:] Thank you.

[BENNET:] Okay, if you no other questions, you all have a good conference and enjoy your lunch.