

Julie Aloisio:

All right, well what we're planning to do today is give you an overview of StudentLoans.gov. We're not going to be looking at every single, solitary slide shot but we will give you the ones that we think will be the most helpful to you, give you an overview of that. My name is **Julie Aloisio**. This is **Rosa Trejo**. We're both with the Department of Education. We are going to ask you to please hold your questions until the very end since we have such a big group and then when you do want to ask a question please come up to – I see this mic. I thought there was one other one. Right here in the middle there's a mic. So if you have a question at the end then come on up here so everybody can hear you and so that we can hear you, too.

Here's what we're going to be covering today. As you can see it's a pretty long list. Just want to touch on a lot of things for you and we do want to have plenty of time for questions at the end. So we're going to move right along.

I want to start with the home page and the log in. The home page is going to allow our users to have access to all of the processes that are on StudentLoans.gov, the MPN, the Endorser Addendum, the PLUS request correspondence that we've sent out to them that they might be able to review and also the Master Promissory Note. So let's take a look at that.

Here's the home page. This is what they're going to see when they first go to our site. As you can see we're going to ask them to sign in to complete those processes that I just mentioned. They are going to be asked to do their **sosh**, the first two characters of their last name, their date of birth and their PIN. There's quite a lot of things that they can access here without using their PIN but if they want to complete any of the processes they're going to have to sign in with that.

Let's take a quick look at some of the things that we're going to be able to access without actually signing in. We have the what you need for Direct Loans. If they click on that that is kind of an overview of what they might need to gather together before they start any of the processes in case they probably, off the top of my head, their background people, the people that they want to have as their – what's the word I want? I'm having a brain cramp here. Thank you.

References. Throw that man a candy bar. Their reference information. Everybody doesn't always know everybody's address and phone number off the top of their head. So if there's anything

in particular they need they're going to have that list there. The other thing that we have highlighted down there is what to expect. That's just a general overview of what to expect as they go through these processes.

We have highlighted the frequently asked questions up there at the top. The reason we've done that is just in July we revamped all the questions that we had in there. We tried to clarify some of the answers that we thought needed clarification and we also worked with our applicant services people to see what kind of questions they were getting on their calls and we tried to incorporate that. The other thing that's relatively new is the loan servicer information that's down there. They can click on that and get a list of all the loan servicers, their contact information.

The last thing I wanted to point out here on the home page is the Contact Us button. If there's any questions before they sign into the site they can shoot us an e-mail and that's going to be responded to 24 to 48 hours. Also if they click on the additional information there there's going to be a list of different contacts and if your question pertains to this this is who you should contact. So a little bit more helpful information. I think we've pretty much looked at everything on the home page.

So let's jump to the first page that they would see after they've signed in would be their My Profile page. After signing in we're going to ask them to verify their personal information and then they're going to see the list of things that they can do once they've signed in. Take a look at that. Now right where all the words are we're telling them that before they advance any further we'd like them to verify their personal information.

When they sign in with their PIN what we're doing is we're pulling back the information that we've gotten from the PIN site. This information is going to be used throughout all of our processes. So we ask them to make sure that this information is correct. If there's anything that needs to be changed please go to the PIN site and make those changes.

The other thing that we're asking them to do on this site is to verify whether they would like to participate in electronic correspondence and then provide us with an e-mail address if they would like to do that. If the box is checked of course and they don't give us an e-mail address we're going to go ahead and give them an error message and tell them, "Sorry we can't do both. You can have your electronic correspondence but we need your e-mail address."

Now before we go through the processes that are actually on StudentLoans.gov we wanted to step back for just a minute and let you know that there are some options that you can set as a school to smooth out the process for your users. Those are going to be on COD. So we're going to take a look at those first before we go through the StudentLoans.gov, where your students and borrowers will actually see that. As you can see you're probably familiar with the Master Promissory Note and entrance counseling. You are going to say yes, you do want to participate or no, you don't. The award, your specific options are going to be the Grad PLUS and Parent PLUS. We're actually going to look at those a little more closely in just a sec.

We have also added that you can define some award ranges for your borrowers to use when they are completing the PLUS request. We've had a message for the EMPN and you can have a message for your PLUS request as well. We've also made a change where the schools can designate which state their school name shows under.

So here we are in COD. If you don't know where your options are it's under School at the top and then on the left navigation bar there are options. As you can see here, again, this is award year specific. So each award year you can set these ranges however you would like. The award ranges we're letting you put in four. You can put in one or two or three or four.

Right under this red box – hopefully people in the back can see it – there's another option called Other. You have the option to have that Other show or not. If you choose not to put any award ranges in there you cannot choose not to have Other. We're going to look at that when we get to StudentLoans.gov as well.

Of course here you can see that you can participate in the Parent PLUS application and that you can designate dates for that. You can separately say whether you want to participate in the Grad PLUS application process. I just want to point out the difference in terminology here. Here you'll notice that it's saying Application and in StudentLoans.gov we refer to it as a request.

Just a little terminology. We can't call it an application because we have the Master Promissory Note which has Application on it on the StudentLoans.gov site but that's generally how we all refer to the PLUS app. So it's the same thing. I don't want to confuse you with terminology.

Besides the date that you can decide to participate you can also decide and designate here whether you want to receive your responses for both the Graduate and the Parent PLUS on a daily basis or on an on demand basis. Now as I said this is set up award year specific. So when the award year rolls over what we will do is we will take the dates that you have here and we will increment them by a year. You can certainly go in and make changes to those at any time you want but this way whatever you've put in there is rolled forward for you.

Okay, we're still in School Options. We're in COD. This gives you a little bit better view of exactly where we are here. Just show you there where the EMPN message is going to go. Here's what I was referring to as far as designating where your school name is going to show up. Previously we had it so that you could have your name show up under one state or you could have it show up under all the states. A lot of schools have not gone in and changed that.

So if you want your school to show up under only, say, three states it's very simple to do. As you can see down at the bottom here there's a Remove All button. So you could go in, click Remove All, all the states that your name is under will move over and you can just designate the one, two or three states that you want it to show up under and move it over. What that does is just for the students it just cleans up those drop down boxes a little bit, improves their experience. So just a heads up. If you have a second to do that we would all appreciate it.

Now I think we've set all the options that we have. So we're going to jump back to StudentLoans.gov. Everything is set up for the borrowers. The first thing we're going to look at is the PLUS request. When the borrower has signed in, looked at their profile page they're going to choose that they want to complete the PLUS request and this is what they're going to see. We're going to give them a general overview of Direct Loans, very short, and hopefully they'll read it. Then we're going to ask them to select whether they want to do a Graduate PLUS loan, request a Graduate PLUS loan or Parent PLUS loan.

The process is broken down into four steps. Only we're going to have them choose – look at whether their school's participating in the program. That's going to link directly back to what you've chosen to do in COD. We've added a default certification question

and then we're going to ask them basic personal information. Here it is.

Step one. As you can see the very first thing, we've moved this up based on feedback that we got from schools to have this the very front. We let them know that this is not the only form that schools use for PLUS participation. If a school has their own process they should contact their school but what they're going to do is they're going to click on that Check Participation button and they will choose and award year, a state and the name of the school.

As you can see at the bottom, I hope, it's saying that your school has chosen to use the Direct Loan program request, this form because as I said we know that some schools have their own forms that they're using. Before we were telling them that, "Your school is not participating," and there was some confusion that they weren't participating in the PLUS program at all. So we've tried to clarify those words this last July and let them know it's just the form that your school may not be using.

Now if your school is – say you went in and said you wanted to start participating for this award year that they've chosen '11-'12 on December 8th. Well today is December 1st. So I'd go in. I see, "Okay, is my school participating?" The message is going to tell me that my school begins their participation on December 8th. So I will know when I can come back in and complete the form. If the school's not participating we tell them that, "Your school's not using this form. Please check with your financial aid office to find out exactly what your school's process is."

A new thing that we've added here is the certification question, the just default certification question. I want to point out that this is the borrower self-certifying. This does not check their default situation with NSLDS or any place else. This is simply the borrower answering the question about whether they are in default or not. If they do not check the box it says that they acknowledge that they are not in default and they try to continue we will give them an error message that tells them that if they are in default on any of their loans or any of the other type of aid they are not eligible for a PLUS loan and that they need to contact their financial aid office and see what other options they may have available to them.

Then at the bottom here you can see that we've started to ask for some of the information. Now if a borrower has completed any other process with us we're going to have information for them in

COD and we're going to populate information that we have so that they can either verify that information and make changes – of course, if this is their very first process they'll have to fill everything in. Down at the very bottom actually just below your line of sight here at the end of each step we have a Cancel, a Save button or a Continue button. This is the only process currently that we have on StudentLoans.gov that you can save and come back and finish at a later time.

Okay, step two is we're going to talk a little bit more about the Parent PLUS. The Grad PLUS is very similar to the Parent PLUS. There is actually a little bit less information that we gather from the students than we do the parents. We're going to ask the parents for the student information, of course. We're going to ask them if they want to opt in to the in school deferment while they're student is enrolled at least half time. If they choose that they do want to do that we will then ask them if they are interested in the six month post enrollment deferment. We'll send that information to their servicer once the loan has booked.

We've had questions about whether they can make changes to that and they certainly can. Once the loan books they're going to be contacted by their servicer and the information is going to say, "The information we have is that you did want this deferment. You did not want this deferment. If you want to make any changes to that just notify us and we'll make those changes for you." The other question, well we don't ask the grad students those two questions because they automatically get those deferments. The last question that we specifically ask the parent borrower is whether they want any credit balance to go to them or to go to the student.

Then we're going to ask everyone whether if there is a credit balance after educational costs have been deducted whether they would like any credit amount to go to any fees or fines that there may be on the account right at that time before it is dispersed to either the parent or the student. We've had a few questions too about whether schools can opt in or out of some of these questions. The answer to that is currently no. It is basically a form that's been cleared through OMB so we can't pick and choose which questions we have on there. We'd have to go through an entire new clearance process. That doesn't mean that we don't take your feedback as we hear what things work for you and don't work. Then at that point we can reexamine whether we want to go through the process of getting a new form cleared or not.

Here we are. We have, as you can see up above, we've chosen a school. We've chosen a loan amount. This borrower has chosen that they want to receive the maximum for which they are eligible and now we've asked them what loan period do you want this for. This takes you directly back to the options that you've chosen. As you can see this school has chosen that they also want to include Other in their drop down box. We'll see that a little more closely in just a minute, too.

This is something that we have recently added as well based on school feedback. There was some confusion when borrowers went out and did a subsequent PLUS request, whether this was a separate request or whether they were just trying to amend one that they had done previously. So we added this question in here. This is only going to appear to users if you're parent if you've chosen the same award year, the same school and the same student. If you're a graduate student if it's the same award year and the same school. Then we're going to say, "Is this a new request that you're making or are you wanting to make a change to the amount that you've asked for previously?"

If they say that they want to make a change we're going to display the previous requests that we have for them for that award year, for that school and display the award amount that they've asked for. Once they've done that they've said that we're showing them they requested \$1,000.00 previously and now we're going to ask them – did I jump ahead too fast? Yes, down below. Sorry. Where the red box is not – down below the loan amount requested. This is where we're going to ask them to either amend the loan amount that they had asked for for the change and give us the total loan amount or they can request the maximum.

Now here we are showing you this person has chosen the Other option. They've told us how much they want to borrow. Now they've said that the options that the school had didn't line up with what they wanted and that they would like to do Other. When Other is chosen then we drop down further and ask them to tell us the month and the year that they want the award to begin and the award to end. Now we don't have any edits on this so you could get some very interesting information from your borrowers but you have to remember this is information for you. If they have put something in that doesn't seem to make sense possibly it's someone you might need to touch base with.

Now we've collected all the information we really need to collect for the PLUS request and we're going to ask borrowers to look at

the information that they've given us and make sure that it's all correct. If they do want to make any changes they can click on the Edit button and we will take them back and they can make corrections to anything that they need to.

The very last step that we have is where we're going to ask borrowers to look at the important notices before they continue. They click on Important Notices. That's going to pull up all the information we want them to look at, the borrower's rights and responsibilities, all the legal information. Then they're going to certify that the information that they've given us is true and correct to the best of their knowledge. Also we are going to ask them to give us permission to do a credit check. If they neglect to do any of those things they will get an error message telling them that we cannot continue until we have their permission to do these things and can see that they've looked at those important notices and carefully read them.

Once we do the credit check we're going to immediately let them know the results that we've gotten back. In this case we can see that they have gotten an approved credit check. We are then going to let them know – if I'm a Parent PLUS borrower and I did two children if I've already completed an MPN for Sally but I haven't completed an MPN for Joe we're going to let you know that. If Sally has completed her FASA but Joe hasn't we're also going to let you know that information. You're not seeing that right here but that's presented to them as they complete the process as well.

Now, of course, there's the chance that the decision might be denied. If that does happen then they are going to have four choices. They will be able to choose that they want to obtain an endorser, that they want to provide documentation of extenuating circumstances known to most of us as Appeal the Credit Decision or they do not want to pursue a PLUS loan at this time or they're not really sure. Now whatever they choose here is going to be included in the response that is sent back to the school so that you have some idea. Of course they can change their mind. If they choose that they don't know they can certainly on their own give the information to an endorser who can come in and do an Endorser Addendum or they can go ahead and come into the site and choose that they want to do an appeal.

We ask the borrowers when they go through the process in the communications that we have with them to let the school know if they make a change in their decision, keep you apprised of what's going on. We don't recommend that they come in and do another

PLUS request just to change their option here. The danger in doing that of course is if it's more than 90 days since they had made their original choice then they're going to end up having another credit check run. So just to let you know to keep the office apprised of what they're doing. Also we wanted to point out that if you do get a response that says that they do not want to pursue a Direct Plus Loan at this time you can use that as a green light to offer the student additional **unsub** if you would like.

One of the choices that they can choose is that they would like to give us some documentation providing us information on extenuating circumstances as to why their credit may have been denied. What they will do is we will ask them to, "Look at this information you provided earlier. This is contact information. Let us know if this is correct." Then once they hit Submit they're actually going to get a message that tells them that customer service is going to contact them.

When the credit check's decline as we just saw they have four choices. I mentioned that you're going to get that information and the tag that you're going to get that information in is the Credit Action Choice tag. Once the PLUS request has been completed, gone through the whole process we're going to send the school and SP response. It's going to contain all of the information that they have provided to us in the PLUS request. Remember this is information for you to use. It is not anything set in stone. It is information for you to use to build. It doesn't build anything in COD for you.

We want to point out that if a borrower's credit has been denied that does not preclude you from creating or originating a loan especially if they've said they want to get an endorser. If there is a loan in COD that's been originated and an endorser comes in it's going to speed up the process many fold. We know that some of you like to wait until the endorser comes in before you do the origination. Again, that's a school decision but we really want to let you know that it speeds things up a lot if there's an endorser coming in and you already have an origination out there.

The other thing that we wanted to let you know is that your PLUS request information is going to be available to you on a weekly report. It's not going to be sent to your SAIG mailbox but it is out there in your news box. It is Saturday through Friday information from the previous week.

A few little hints. Recommendations we'd like to see you do is import those SP responses. We've had conversations with a few schools who are not getting information that they think they should be getting and it turns out that they have not been importing all of their SP responses. Now if the borrower does a change, if they go in and say, "This is an update to a previous PLUS request," there's still a new PLUS request, application ID is what you're going to see. A new app ID is going to be generated.

So you're going to have an SP with a new app ID and inside that there's going to be a previous app ID that it references. But if they get an endorser you're going to get an SP with the original credit choice decision that they've chosen but it's going to have an endorsed amount. It's going to have the same app ID. So sometimes things might not look like it's a new thing. It might look like a resend or something but there may be new information. So we really encourage you to pull that information in every time. Now I was going to do this one. I forgot we switched. So I am going to let Rosa take you through the rest of it. Sorry. I almost did your part.

Rosa Trejo:

Thank you Julie. So I will continue with the presentation in Spanish. *[Laughter]* Just kidding, but I do want to point out that the entire StudentLoans.gov website it is available in Spanish and all the processes that Julie and I will be discussing today like the MPN, the Endorser Addendum, all those processes are available in both English and Spanish. Okay, as Julie mentioned if the credit decision is denied the borrower has various options. One of them is to obtain an endorser. In order for the endorser to complete the Endorser Addendum the borrower has to provide certain information.

So who is an endorser? An endorser, it's like a co-borrower. It's someone who agrees to repay the loan if the borrower doesn't do it. It cannot be the student for who the loan is being obtained. The endorser cannot have adverse credit because we will run a credit check on the endorser, too. The endorser can complete the Endorser Addendum in two ways. They can do it via paper or they can obtain a PIN from Federal Student Aid and do the process online on StudentLoans.gov.

When the endorser logs in into StudentLoans.gov they get an option and the option is to endorse a Direct PLUS Loan and they are presented with this page. In here what they need to enter is an app ID or a 21 character award ID. Where can they get the app ID? When the PLUS request is completed we send an electronic

notification to the borrower that indicates the app ID. The app ID is just a random number that is generated. If they do not read the e-mail they can always come into StudentLoans.gov and look at the completed applications and obtain the app ID and provide that to the endorser.

So assuming that the endorser puts the right information they are presented with this page. Most of our processes in StudentLoans.gov are composed of different steps. In step one, as you can see they enter personal information including also the endorse amount. This is where the endorser will enter how much are they endorsing independent of what the borrower has been approved for. They can always enter a lower amount if they're not willing to endorse the full amount. The number must be just greater than zero. That's all we ask for.

So it's four steps in this process. In step two we do the same thing. We obtain the consent from the endorser to run the credit check. In step three we present them with all the legal stuff, all the terms and conditions of the endorser addendum and making sure that they understand that they are agreeing to repay this loan if the borrower doesn't do it. Then in step four they review what they have entered as well as electronically sign the endorser addendum.

So what happens when the endorser – it's successful submitted? I just want to make sure that it's clear that StudentLoans.gov it is a separate Web app but it communicate with COD. Whatever happens in the StudentLoans.gov it's sent to COD so that COD can send the appropriate responses back to the school. So if an award is on file and the endorser links to this award we notify the schools via a CO response independent of how the endorser is submitted.

If the Endorser Addendum was submitted via paper there is no notification currently sent to the school. We know that there is an issue with this and we are looking into ways to see if we can make this work so that you guys are notified when we do receive a paper Endorser Addendum. If the Endorser Addendum is received electronically we send an updated **SP** response independent of what the option that the borrower originally selected when the PLUS request was being submitted. That's why we want to make sure that you guys are importing those SP responses because the borrower might say that they don't want to proceed with the loan anymore but Julie said they could go in and obtain an endorser or they submit documentation for an appeal that is approved and the credit decision is override.

We just want to point out that the Credit Action tag will remain unchanged on the updated SP. You can also find endorser information on the Award Detail page on COD. Another process that is available on SL.gov it's completing Master Promissory Notes. There is two types of Master Promissory Notes that they can do. One, if they want to obtain sub or unsub loans and the other one for PLUS loans. For PLUS loans it's the same MPN but they get a choice of depending on the type of borrower if they want to do a Graduate PLUS MPN or if they want to do a Parent PLUS. This is the page where they get to pick.

Like I said, the process is composed of different steps. In step one we request that they enter personal information. If we do have this borrower already on file what we do is we pre-populate the information that we have available. They can change it if they need to. In step two, we require that they enter information for two different references. Also in step three, this is where we present them with all the different legal sections of the MPN including the promise to pay, the privacy notices, the borrower's right and responsibilities. Of course, we require them to read all this information to make sure that they understand what they are signing.

Then in step four pretty much we present them with the information that they have submitted on the previous steps. Make sure that they review it and that it's correct. If they need to make modifications they can always click on the Edit buttons and go back and make the necessary modifications. In here it's also where they electronically sign the MPN and they do that by entering the first name, middle name and last name.

What we do is we validate, we authenticate whatever they enter with the PIN site. So we need to make sure that this information is the same. If it is not the authentication fails and then we – something fell – then we will give them an error message saying that the information does not match and they're not able to proceed. So if they do need to make changes they need to go back to the PIN site and make the corresponding changes to their name.

So once the signature is authenticated and before we heard a few recommendations from the schools indicating that there were issues, that some of our borrowers were confused, that they thought that they had completed the MPN process but they had not. What was happening was that when they signed the promissory note we will give them a link indicating that they must click on the link to review the draft completed MPN before submitting it. So

when they clicked on it we will open a pop up window where we would present them with the draft MPN. Then they had to come back to the previous page to submit. Well they were not doing that.

They thought that once the pop up opened that that was it, that they were done, that they had successfully submitted the MPN but that was not the case. So in release 10.2 which was just implemented this October we changed the process. Now what happens is they click on the sign and we present them with – it's a similar pop up. This new pop up overlays the previous one and it pretty much disables the previous page and in this new pop up what happens is we tell them that the MPN is not submitted yet, the signature has been authenticated but they must scroll down to review the MPN in its entirety before they can actually submit it.

If they do not scroll down and try to submit we give them an error message indicating that they have to read. Of course we know that our borrowers read, right? So hopefully with this process it's going to be less confusing for them and to make sure that they actually are completing the process. So when they actually submit the MPN we just give them the message that you can see on the bottom window indicating that it has been successfully submitted and that we will notify the schools that they've selected.

So what happens when the MPN is completed? We notify the schools. We send a PN response if no origination is on file. We send an updated origination response if we do have one on file and it actually links. This updated response will have the new MPN status. You can also view completed MPN information in COD by looking at the electronic MPN report which is generated on a weekly basis and it's posted to the news box. Also you can look search for MPNs in the MPN/ATS Notes search page on COD.

Julie just pointed out that we just were going to implement a new change in 11.0 which is coming this March 2012 and what we are doing is we're having a new MPN status and I'm sure that if you went to the What's New in COD you heard about this. The new MPN status will be E and what E means is that the MPN linked to a loan that has an endorser. Previously we were using an I to indicate because the MPN is inactive. Once an MPN links to a loan that has an endorser that MPN cannot longer be used because the endorser is only endorsing one loan. So hopefully with this new MPN status you guys will – I guess it will be more clear that the borrower may actually have to get a new MPN if they want to get subsequent loans.

Another process that is available on the StudentLoans.gov is entrance counseling. We heard from some of the schools yesterday that this statement that is actually highlighted is confusing right now to the borrowers and that sometimes they're going back to the schools without actually completing the process. So we're taking it back to see what we can do to ensure that they know that the school is actually participating and actually going through the process but when they do select to complete entrance counseling what happens is in the first step they get to select the counseling type that they're wanting to complete. There's two types of entrance counseling available. One is for undergraduate students who want to obtain subsidized and unsubsidized loans and the other one is for graduates. This counseling is good for Direct, subsidized, unsubsidized and PLUS loans.

So once they select the type of counseling they want to complete they go to step two. In step two we just provide them with another view of the process, some helpful hints and things that they will see as they proceed to the following steps. In step three this is where the student selects the schools that they want us to notify that the entrance counseling has been completed. They can select up to three schools. As Julie indicated you guys get to select whether you want to participate in this process or not. If you have opted to not participate what will happen is that the student will select your school but we will give them a message indicating that your school is not participating in the process.

Assuming that you are participating which we encourage you to do they will continue with the next step and this is where they are presented with all these different topics that need to be covered or that they need to complete. There's 16 topics including the borrower's right and responsibilities. We give them information on those different topics. Then we ask them to answer a few questions. When they select the answer for the question we present them with the correct answer independent of what they selected. I just want to point out that they must complete all 16 sections before we can consider that session complete.

So once the entrance counseling session is complete like I said before we send that information to COD. COD will send a system generated EC responses to the schools that a student selected. You can view completed entrance counseling information by looking at the COD entrance counseling report. This report is generated weekly and it's available on the news box. You can also use the COD entrance counseling search page. There's different filters

that you can use in here to search for entrance counseling information. You can use like the SSN or you can enter up to ten SSNs to see if there's entrance counseling that has been completed on StudentLoans.gov.

In addition to all the other processes that we have discussed there is a section in StudentLoans.gov where we can – there is loan documentation that the borrowers can come and view. If they have opted to receive electronic correspondence what happens is in most cases we send them an e-mail indicating that there is electronic correspondence for them to view in SL.gov. When they click on that e-mail or they can just go to StudentLoans.gov and view that information some of the documentation that we have available in there it's disclosure statements. They can come and view MPNs that they have completed, Direct PLUS Loan requests that they have completed as well as draft or incomplete ones that they are in the process of doing.

PLUS correspondence is also available and completed Endorser Addendum. Most of these documents are available in PDF format and HTML. The reason why we have them available in HTML is for 50A compliance. The PDF versions they look 100 percent like the actual MPNs. The borrowers can view this documentation, print it, save it, whatever they need to do otherwise it's available to them anytime. So this is the section where the loan documents are. As you can see we have all the different options for the different documents and right here this is depending on the type of document they can see where – the format that is available they can click on it and view it.

We just heard yesterday that we can share some really good news with you. We have a new project in the works. It's a new initiative that we are working on and we hope to implement that sometime in June next year and I'm going to let Julie talk about it a little bit more.

[Laughter]

Julie Aloisio:

Thanks Rosa. Put the blind lady up there. It's really little writing. What it is is we are going to – right now we're referring to it as in school counseling. We don't have a name yet for it. We're working on that. But what it's going to do is we're hoping to have something that's a lot more interactive and much less wordy than our entrance counseling is so that students can come in at any time and look at a snapshot of where they are with their loans. We're

going to have budget information. We're going to have budget calculators.

We're going to say this is, "How much you owe right now? If you're a freshman or a sophomore and you owe \$60,000.00 you might want to think about some other options that you could do to finish getting through school. Here's some of those other options you might want to think about. Here is a budget you can work out, print out for yourself. Here are going to also be" – there's also going to be a module for after they get out of school.

So you think you're going to get out of school and we're going to give them an opportunity then to link into some other government sites that they can get some information for and say, "If I make this much money then how much money am I going to be bringing home? How much money do I think I'm going to be spending on rent and how much money am I going to be spending on my student loans?" Because we're also going to take them into – it sounds like a lot but we know that we have their attention for maybe ten seconds on each page. So we're really going to try hard to grab their attention with more graphics than we use in a lot of other places and try to get them to notice the numbers, see the graphs, make choices about what their repayment options might be and how that might impact their budgets in the future.

As Rosa said it's new. We're working on it presently. We're really excited about it and we hope that it's something that students will be able to use throughout. What we're also doing is there's going to be two options. You're going to be able to use this to get ideas, general ideas before you sign into the sites. If you do sign into the site then we're going to pull all the information that we have for students in from NSLDS so that they will know what we know about their loans at that time.

If they happen to know that they have private loans we're going to let them add that kind of information in. As I said we're really excited about that and hopefully it's a tool that you'll be able to encourage your students to use. We're going to add that as an option to COD. You can opt in to have that information sent to you whether students have completed it or not. It's not going to be required the way entrance counseling is. It's just we're hoping to use this as a tool to address some of the issues that we know are coming up and really just try to let our borrowers know the situations that they're getting into by continuing to borrow.

One other thing I just wanted to say about entrance counseling is that also upcoming we've heard schools ask if there's some way we can put something in to StudentLoans.gov so that if a borrower has already completed entrance counseling on StudentLoans.gov that they can go in and ask that that information be sent to another school. Of course they're only required to do the entrance counseling the one time. So if they did it when they were a freshman and then they transferred to your school you can look that up in COD but you're not going to get anything that says that. So we are adding that hopefully this summer so that students can go in and say, "Oh can you also send that I've completed entrance counseling to this school or that school?" I think for now that's everything we have. So if anybody has any questions please come on up to the mic and we will be happy to answer your questions.

Audience: Good afternoon. Is this on?

Julie Aloisio: Yes.

Audience: Okay. We are seeing more and more parents getting endorsers and I'm wondering because that information already resides in StudentLoan.gov that the loan has been denied can there be a box or a place where parents can go in to see if they have a valid prom note on file because this is something that we have to battle constantly, that they can't increase a loan without the endorser or that next year when they go to do a loan –

Julie Aloisio: They need a new MPN.

Audience: They need a new prom note. Is there a way that that can be pushed to them?

Julie Aloisio: We are aware of that problem because right now what's happening is we're showing that they have – in some cases it may actually we may be displaying that they have an MPN but if they've gotten the endorser then obviously we know that they need to get a new one. So are looking into ways that we can add that information especially to the endorser portion. If you have a denied credit just let them know right then and there that you need a new MPN.

Audience: Thank you.

Julie Aloisio: Yes. Thank you.

Audience: Hi, two questions. First one I may have dismissed.

Julie Aloisio: Two?

Audience: Two. In the School Options there's a place where you specify the PLUS message. Where is that displayed to the parent at what point in the process?

Julie Aloisio: Oh, I'm sorry. That is displayed once the request is successfully completed and if they've opted in to the electronic correspondence we're sending them an e-mail to let them know, "You have successfully completed this. We sent this information to your school and here's the message from your school."

Audience: Okay. Second question is can you possibly make it clear when you're asking the question about paying other charges that one of the other charges that can't be paid, the parent says no is medical insurance because we have a lot of parents who select no and want to be paying medical insurance and have to go and then change it for them?

Julie Aloisio: Okay. We'll definitely take that back. Thank you.

Audience: Thank you.

Audience: Well given your reaction to the last question I have three questions. So I think I'll only ask one and maybe two. But anyhow an issue – thank you – that I run into a lot with my students is either undergraduate students completing entrance counseling as graduate or professional students or vice versa.

Julie Aloisio: That's okay.

Audience: Pardon me?

Julie Aloisio: The first one's okay.

Audience: It's just I was wondering if in the text when you're selecting between the two radio buttons if perhaps you could put graduate and professional or undergraduate in caps. I mean right now it's part of a bold faced sentence which certainly is a step in that direction but I think that that would be helpful.

Julie Aloisio: Yeah, we can definitely look at that.

Audience: Thank you. Then also on the entrance counseling quiz I only got a brief look at the slide while you had it up but I believe it said something to the effect that, "Your school will award you the

maximum amount that you're eligible for." Is that correct in terms of the loan amounts?

Julie Aloisio: On the request?

Audience: No. On the entrance counseling on the quiz. I believe it was at the top in the text.

Julie Aloisio: Oh one more back, right.

Rosa Trejo: This one?

Julie Aloisio: This one? No.

Audience: No, it was the quiz where –

Julie Aloisio: Oh that's about the quiz. I'm sorry. I didn't go far enough. That one.

Audience: This one, right. Yes. Your school will award you the maximum amount of loan money for which you are eligible. Are you referring to like on an actual award offer that that would appear or is that just telling the student – I'm a little confused about that.

Julie Aloisio: Well they've gone through – this is just pulled out obviously from –

Audience: Right.

Julie Aloisio: They've gone through an entire section reading about what they're going to be eligible for. What we're trying to get across to them and just so you know we are going to be looking really closely at our entrance counseling because our new counseling is so fabulous that we don't want this one to not be as fabulous as that. But we're trying to get across to them that if they ask for \$50,000.00 it does not mean that they're going to get \$50,000.00. Their school will give them the maximum amount they're eligible for but not necessarily what they think they want.

Audience: Okay, thank you. I think I'll save my third question for later. Thank you.

Julie Aloisio: Oh okay.

Audience: Hi. Our school has encountered quite a number of times where on the MPN on specifically the Parent PLUS MPN where the parent

goes in and only has one letter for the first name and it has counted so many issues when it goes and bumps up against the PIN. So is there any sort of way that you guys can when they're authenticating their information that if it only has one letter because in order to match up against COD it needs to have at least those two letters.

Julie Aloisio:

What had happened was that when new parents were coming in and doing the FASA that they're only requiring the first initial and then to make life easier the information was being carried over to the PIN site like that. Then when the parents went in to the PIN site the letter was there and they just left it there and went on and said this is how they want it to show. Legally it's okay but we understand that it's running into the issue with the linking. We're working on trying to get it changed so that that first initial doesn't just populate like that so that parents don't think that it has to be there. We're hoping that next year we're not going to have the same issue. Like I said, we're having – I know it was a problem.

Audience:

Yes.

Julie Aloisio:

We were trying to be helpful by putting that information in and then they didn't look at what was in there. So yeah, we're looking at trying to address that. So hopefully it won't happen again next year. Thank you.

Audience:

Great. Thank you.

Julie Aloisio:

Yep.

Audience:

I don't have a question.

[Laughter]

Audience:

With regards to the in school counseling tool or website that you're going to be rolling out you did say that there was going to be school log in capability to pull student data. Right? Or no?

Julie Aloisio:

I'm not sure –

[Crosstalk]

Audience:

No, not like a _____. It could be like _____ -

Julie Aloisio:

We're going to have information. If the borrower logs in we're going to be able to pull information from NSLDS to display to

them as far as how much step they have and you're going to be able to – we haven't completely developed all of it yet. Our thinking was that you would be able to opt in and get information about who has completed the we'll call it in school counseling for now.

Audience: Honestly, that's not a concern for us at this time because it's not – I mean we don't need to have a _____ **but would** use it for. I do repayment counseling with my students and we do a very holistic repayment counseling method anyways. I would love something where just like the exit counseling calculator if that was on this website if we could log in without a PIN because my students when they come in for –

Julie Aloisio: Oh, without a PIN?

Audience: They never remember their PIN when they come in for repayment counseling. What I want to see is a calculator that just like exit counseling, still that same calculator where it gives you that monthly repayment.

Julie Aloisio: We're trying to emulate that exit counseling as much as possible. Of course if they sign in with their PIN and we can pull their information it's going to be more specific to their information but they're going to be able to put information in there to get in idea.

Audience: Okay, so they would put their household income but it would pull their data just like the exit counseling calculator does?

Julie Aloisio: If they're signed in.

Audience: Right. So if they need to use a PIN that's cool but for **finaders** we need to be able to get in there and use the calculator with them. Since my students don't remember their PIN –

Julie Aloisio: You'd be able to do that and when they're not signed in. If they don't have a PIN if you have information that – I mean if you wanted to help them do that you'd be able to help them get information from NSLDS or even if you just wanted – you'd know what they owe at your school you can work with them for what you have at your – you can only do what you know they have. Right?

Audience: Right, but if I had access to the same calculator pulling their unique data, not a generic calculator and we could go through how much it's going to be for them monthly to help them choose a

repayment plan. Then if, in addition, to the current calculator that's on exit counseling, which is absolutely awesome by the way. I love it. I mean it comes within as long as you report your household income correctly it comes within like \$10.00 of your monthly for each of those repayment plans. It's fantastic. So if in addition to that tool if could also be added sort of a subsequent if you consolidate calculation option for both special and traditional consolidation that would be absolutely amazing and I would use that with my students every time I did repayment counseling.

Julie Aloisio: Okay, great. We'll definitely take it back. Thank you.

Audience: Thanks.

Audience: Hi. I have two questions. First off, it's great to hear that the students are going to be able to go in and request that their entrance counseling get sent to the school they're transferring to. So I'm guessing it would be super easy to also have them request that their MPN information get sent to the new school? Right? Piece of cake, right?

Julie Aloisio: We actually heard that a couple times. We can definitely look at that. It's so surprising to me that that's – so you would want it just something sent to you saying that they have an MPN if they go in and choose that, "Send this info to my school," that's what you're looking for?

Audience: Yeah, that would be great at least for us.

Julie Aloisio: Okay. I mean we can definitely see what –

[Crosstalk]

Audience: Right now we have to log in to COD and look and see if they got one.

Julie Aloisio: Yeah, we can always look and see what we can do about that.

Audience: The second question I have is, "Is there a way in the set up for COD to just switch off anything related to Grad PLUS for my school?"

Julie Aloisio: Yes, you can do that.

Audience: But we still have parents or students, grad students who are doing Grad PLUS MPNs and we want them to do the staff for MPN.

Julie Aloisio: You wouldn't want them to be able to even – like if you said you –

Audience: Right. Right now –

Julie Aloisio: So in other words, the EMPN broken out more specifically so that you could say you wanted to do EMPN but not for Grad PLUS students. Is that what I'm –

Audience: Right. I mean right now in COD the set up allows us to not participate in the Grad PLUS application but our grad students can still go and do a Grad PLUS MPN and that's not correct because we're not going to award them Grad PLUS. We're awarding them unsub. Then we have to chase them down and tell them to go do the right MPN and it would be nice if we could just turn off all Grad PLUS.

Julie Aloisio: Okay, so you'd have a choice. Okay, I understand. We take all your suggestions back and look at them seriously.

Audience: Okay, thank you.

Julie Aloisio: Uh-huh.

Audience: Regarding the Parent PLUS application process we've encountered a problem on several occasions where a parent will log in to apply for the Parent PLUS and instead of listing the parent as the borrower they list the student as the borrower and that gets approved and it gets sent to us that obviously we can't use that. So is there a way that we could either have that automatically denied when they submit it with the student listed as the borrower or just have a message that pops up when they start the application process that says borrower must be a parent, not the student?

Julie Aloisio: It's really hard for us when they're filling it out. I mean the student could be a parent and they could be complete – do you see what I'm saying when they're doing the –

Audience: Well they could but not if they were born in like 1991.

Julie Aloisio: Probably not. I hate to say no. We know that this is an issue. I'm not really trying to make light of the problem. We do understand that there are issues with parents going in and putting the wrong information, flipping it. They –

Audience: Well it's not just that they're flipping it. They're entering the same information both for the borrower and for the student and that's still getting approved.

Julie Aloisio: Then it looks like a Graduate PLUS request. So yeah, we can definitely look at taking that back and seeing how we can – if they're filling out the Parent PLUS and they're putting the same name in places that we make sure they're getting edit on that. I thought we were doing that but apparently you're telling me we are not.

Audience: Yeah. We've gotten three or four this year like that.

Julie Aloisio: Yeah, definitely we don't want them doing that.

Audience: Thank you.

Audience: Also I heard the parents at our school are doing the exact same thing. So we second.

Julie Aloisio: With parents?

Audience: I'm on the grad side of things so I don't see that but I just hear it. My question is on the second announcement you made about the entrance counseling and having it sent to – if they completed it in our school and then transferred, sending it over to the new one I had heard about that at a previous session and I told my boss about it. I went back to him and told him. He's really a stickler. He would love that more entrance counseling the better. There's never enough of it nor never enough exit counseling.

So he said, "I really don't like that because in our software we have if we get that response filed back it knocks that off the student's to do checklist and then the student's not told they're required to do it anymore." He would rather that they would do it again. So will there be a way to either opt out or will the response file be differentiated or some way that we're not just going to –

Julie Aloisio: Well actually there's nothing that's going to stop them from doing it again. Once they've done entrance counseling for a certain type of loan you can't require them to do it again before you disperse their funds. You can encourage them to do it again. It just can't be tied to them getting their funds. So what's going to happen is probably it's going to be the exact same kind of response that you're getting right now.

So if you have it tied in with what you're doing it is possible that it might bump into that for you. Like I said, if they go onto the site to do entrance counseling it's certainly not going to stop them from doing it and hopefully the new initiative with the new counseling that's going to incorporate a lot of the information of course that's in entrance counseling that we know they're not paying maybe possibly the closest attention to that it'll soak in a little bit more if we encourage them to do it say every year. Hopefully that'll help some of the issues you're seeing with the entrance counseling.

Audience: Okay.

Julie Aloisio: Okay?

Audience: Thank you.

Julie Aloisio: Thanks.

Audience: Hi. I'm at a graduate health professions university and a lot of our students have used their PIN from how many ever years ago. They haven't updated the PIN. So is there any future plans for in the MPN –

Julie Aloisio: When they authenticate it?

Audience: Yeah, that process to not only verify with a PIN but to verify information with COD for origination and linking purposes?

Julie Aloisio: Right now – with the MPN you said? Right now we didn't have that on our radar but as I said to the gentleman before all your suggestions we look at them really closely. It may just be that we hadn't thought about doing that before. So we can definitely take a note and see what we can do as far as if they complete the MPN. I mean that information goes to COD and COD if there's an origination those things should link up.

Audience: It's not linking because the information is different. Either they change their last name due to marriage or citizenship or change who knows. There's many scenarios that can –

[Crosstalk]

Julie Aloisio: Right, yeah. We know that –

Audience: But they're not linking because their PIN adversely had not been updated but nevertheless they're not linking.

Julie Aloisio: Okay.

Audience: Thank you.

Julie Aloisio: You know you can always talk to our people in the – if you have a problem with your linking and you don't think it's – I mean if they've changed something then obviously we're going to end up with issue with it linking. If you think there's some other issue go ahead and talk to the people in the lab and they'll help you address any of those issues that you might have. Thanks.

Audience: Sorry. I know I'm going to hold up everyone. I just have one recommendation on your question. You said that you're going to be able to link up with NSLDS for the in counseling sessions. If you have the capability to link with NSLDS that way or in the future is it possible to get rid of the self-certification default question and just check the parent's default status on NSLDS so that way if they are in default we get a denial or if they are not in default it comes through fine and we don't have to go to NSLDS to check it?

Julie Aloisio: We know that you're very interested in having that happen and as we are getting better about having our systems talk to each other we definitely keep that on our radar.

Audience: Do you have any idea how long that might take?

Julie Aloisio: I really don't. I'm sorry. But we do have it on our radar. I promise. We have a list. Put it high on the list.

Audience: Adding on to her question, we've seen it several times now where a PLUS loan applicant has had either a default or a permanent disability discharge which is actually not addressed at all not even in the box where we would like to see if you've had a permanent disability discharge there's additional action you need to take. But what's happening is borrowers get very frustrated especially the parents. They may apply in the early spring and the school really doesn't take action and check NSLDS until probably summer. At that point we have to go back to that parent and say, "Oh by the way, that loan that you think has been approved is not," or even just saying, "Somewhere along in the application process that just by getting this application approved based on the credit check there is other eligibility criteria that the school is required to check," because it's really putting the liability on us especially in a

disability case having to go back and saying, “Yeah, you’ve been approved for this but we can’t give you the loan.”

Julie Aloisio: Right. We can definitely look at putting some language around the fact that they’ve passed the credit check and we’ve submitted it. We know that there’s some confusion that they think that means they’re getting the loan from you and that’s your final decision. So yeah. Thank you.

Audience: Hi. As you finalize the in school counseling could – I know you said that the schools would have the option of turning it on or off through COD but would it be – could you please consider making it a separate report and that we also have the option of making it required? I know right now it’s not a federal reg but kind of looking more towards default rates and maybe with all the changes that are going to come through with the – I don’t know – I heard that there’s going to be a lot of changes in **Teach Grant** maybe we could piggyback this one onto all those other changes. That would be great. Thank you.

Julie Aloisio: Okay, I just want to let you know that right now it looks like it’s actually going to be part of the entrance counseling report but it’ll be a separate part of it. It’ll be separate.

Audience: Well okay, but really consider making it a different one.

[Crosstalk]

Julie Aloisio: We’re not going to mix them up.

Audience: Because when we talk to our – I’m a **banner** school. It makes things more feasible when it comes down for them creating ways of us putting all this information although they’ll probably work with that, too. But –

Julie Aloisio: Okay. But we’ll just **give me your hand**.

[Crosstalk]

Audience: First, I’m going to have to manipulate the information better.

Julie Aloisio: That’s okay. It’s Christmas time. You can give us your wish list. Have you been good? *[Laughs]*

Audience: I have one question in eight parts.

Julie Aloisio: [Gasps]

Audience: No, I'm just kidding. We've been getting a sense that people who appeal the credit decision there's a really good chance that the appeal will be successful. Do you have any sense as to the statistics how often appealed credit decisions are successful?

Julie Aloisio: Really it depends on the reasons that they're appealing them. That's – Tom do you have any off the top of your head?

Audience: Plus or minus 10 percent.

Julie Aloisio: There are – he says there are more that are not approved than there are.

Audience: Well okay, so the majority are denied but a good number are approved.

Julie Aloisio: The majority of appeals are not approved.

Audience: Okay. Well the families are happy when they're approved. So thank you.

Julie Aloisio: Right. There are some new criteria that we're looking at with the credit and it has impacted some of the credit decisions. So we're actually seeing a higher number of declined credits than we have in the past. That's systematic. So it's kind of up to the appeal numbers, just tightening up the credit rules just like everywhere. Uh-huh. Anything else? Thank you so much for staying.

[Applause]