

## 2.5 to 3 Percent Origination Fee Change for Direct Subsidized Loan and Direct Unsubsidized Loan Awards

### Attachment to DLB-07-17

To successfully change the origination fee for a Direct Subsidized Loan or a Direct Unsubsidized Loan award from 2.5 to 3 percent, a school must 1) determine if the originated award contains only anticipated disbursements or at least one actual disbursement and 2) follow the applicable steps outlined below.

<i><b>When Award Contains Only Anticipated Disbursements</b></i>	
<p><b>Option 1</b></p> <p>Step 1: Reduce the award amount to \$0 to inactivate the award.</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 2: <b>Submit a new award</b> that includes all of the following information:</p> <ul style="list-style-type: none"> <li>• The 3 percent origination fee;</li> <li>• An earliest disbursement date that corresponds to the origination fee period; and</li> <li>• The award amount and appropriate disbursement amount(s).</li> </ul>	<p><b>Option 2</b></p> <p>Step 1: Reduce the award amount to \$0 to inactivate the award.</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 2: <b>Reactivate the award</b> by submitting all of the following information:</p> <ul style="list-style-type: none"> <li>• A change to the origination fee;</li> <li>• A change to the earliest disbursement date that corresponds to the origination fee period; and</li> <li>• An updated award amount and the appropriate disbursement amount(s).</li> </ul>
<i><b>When Award Contains At Least One Actual Disbursement</b></i>	
<p><b>Option 1</b></p> <p>Step 1: Reduce the disbursement amount(s) to \$0 to inactivate the disbursement(s).</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 2: Reduce the award amount to \$0 to inactivate the award.</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 3: <b>Submit a new award</b> that includes all of the following information:</p> <ul style="list-style-type: none"> <li>• The 3 percent origination fee;</li> <li>• An earliest disbursement date that corresponds to the origination fee period; and</li> <li>• The award amount and appropriate disbursement amount(s).</li> </ul>	<p><b>Option 2</b></p> <p>Step 1: Reduce the disbursement amount(s) to \$0 to inactivate the disbursement(s).</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 2: Reduce the award amount to \$0 to inactivate the award.</p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 3: <b>Submit a change</b> to the origination fee and a change to the earliest disbursement date that corresponds to the origination fee period.</p> <p><b>**All disbursement amounts must = \$0.**</b></p> <p><i>Wait for an accepted acknowledgement.</i></p> <p>Step 4: <b>Reactivate the award</b> by submitting an updated award amount and the appropriate disbursement amount(s).</p>