

February 1999

DLB 99-06

Subject: Revised Allocation Process for GAPS Processing

Dear Colleague:

Effective February 28, 1999, the Direct Loan Origination Center (LOC) will implement changes in the drawdown allocation process. The changes, identified below, are designed to allow you to plan more effectively for the 1999-2000 Direct Loan program year.

Elimination of #K Records at the LOC

The LOC will no longer process the #K allocation of drawdown records for schools drawing down for their branch campuses. All #K records submitted to the LOC after February 28, 1999, will reject with an error code of RA, ***Invalid record type for LOC***.

Requesting Funds at the Branch Campus Level

Option 2 origination schools should now request funds for their branch campuses through Grant Administration & Payments System (GAPS) web site. The Accounting and Financial Management Service (AFMS) will assign every Direct Loan school, including all branch campuses a four digit ***unique identifier (Sequence Number)***. Schools can get their sequence number by calling the AFMS hotline at (202) 205-6466. Main schools will draw down for their branch campuses at the branch campus level, thus eliminating the need to submit an allocation file to the LOC. (See Attachment A) The LOC will also request funds for branch campuses of Option 1 and Standard origination schools at the branch campus level.

Elimination of Manual Adjustment of Drawdowns at the LOC

The LOC will no longer process manual adjustments of drawdowns from schools that have determined that funds previously requested were processed against the wrong year or wrong branch campus.

Drawdown Adjustments

Option 2 origination schools should process drawdown adjustments between Program years and or branch campuses via GAPS web site. (See Attachment B) ***Option 1 and Standard origination schools***, which do not have access to the GAPS web site, must request drawdown adjustment from AFMS.

The changes in procedures will go into effect on February 28, 1999. Please contact Accounting and Financial Management Service (AFMS) Direct Loan Program Operations at (202) 205-6466, if you need additional information.

Thank you for your continued support of the Direct Loan Program.

Sincerely,

Margaret E. White
Acting Chair
Direct Loan Task Force

Attachments

NOTE: Remember to register by February 26, 1999, for the Direct Loan Annual Conference, March 28 to 30, at the Marriott Wardman Park Hotel in Washington, D.C. Register on-line at <http://www.ed.gov/DirectLoan/conferences>. For hotel reservations, call 202/328-2900.

Attachment A

Requesting Direct Loan Funds at the Branch Campus Level

Option 2 schools will request Direct Loan Drawdowns through the GAPS web site as follows:

1. On the GAPS Main Menu screen, click on the **Payment Requests** button. GAPS displays the *Payment Requests Menu* window.
2. From the *Payment Requests Menu*, click on *Create Direct Loan Payment Requests*.
3. In this window, the school will enter in the drawdown requests by campus (main and branch) by funding yr. document.

Example 1: Main Campus A needs \$10,000 in the 98 doc.; Branch Campus B needs \$5,000 in the 98 doc.; Branch Campus C needs \$3,000 in the 99 doc. and Branch Campus D needs \$2,000 in the 99 doc.

School Name	Doc# (Seq# in bold)	Amount
Main Campus A	P268k98 1000	\$10,000
Main Campus A	P268k99 1000	
Branch Campus B	P268k98 1001	\$ 5,000
Branch Campus B	P268k99 1001	
Branch Campus C	P268k98 1002	
Branch Campus C	P268k99 1002	\$ 3,000
Branch Campus D	P268k98 1003	
Branch Campus D	P268k99 1003	\$ 2,000

Total: \$20,000

Attachment B

Reallocating Direct Loan Drawdowns through GAPS Website

When a school determines that funds previously requested were processed against the wrong year or campus, an adjustment (reallocation) should be made through the GAPS web site as follows:

1. On the GAPS Main Menu screen, click on the ***Payment Requests*** button. GAPS displays the ***Payment Requests Menu*** window.
2. Click on the ***Adjust Direct Loan Drawdown Amounts*** button. This button will enable you to adjust the drawdown amount of Direct Loan Payment; transfer amounts between Program Year or campuses.
3. Enter the amount of the adjustments in the **Adjustment** column. The sum of all adjustments entered in the Drawdown Adjustments window must be **zero**. Review the ***Drawdown Adjustments-Confirmation*** window to ensure that the adjustment (reallocation) is correct before you click **YES**.

Below are examples of two types of Drawdown allocations. The first example shows \$10,000 being moved from the 98 document to the 99 document. The second example shows \$3,000 being allocated to Branch Campus B and \$2,000 being allocated to Branch Campus C.

Example 1:

School Name	Document #	Net Drawdowns	Adjustment
Campus A	P268k982000	\$30,000	(\$10,000)
Campus A	P268k992000	\$ 5,000	\$ 10,000
	Total	\$35,000	\$ 0

After the adjustment is made, the net drawdown figure will be displayed

School Name	Document #	Net Drawdowns
Campus A	P268k982000	\$20,000
Campus A	P268k992000	\$15,000
	Total	\$35,000

Example 2:

School Name	Document #	Net Drawdowns	Adjustment
Main Campus A	P268k993000	\$100,000	(\$5,000)
Branch Campus B	P268k993001	\$ 20,000	\$ 3,000
Branch Campus C	P268k993002	\$ 16,000	\$ 2,000
	Total	\$136,000	\$ 0

After the adjustment is made, the net drawdown figure will be displayed

School Name	Document #	Net Drawdowns
Main Campus A	P268k993000	\$ 95,000
Branch Campus B	P268k993001	\$ 23,000
Branch Campus C	P268k993002	\$ 18,000
	Total	\$136,000