

# Direct Loan Program Participant Responsibilities

Chapter 1 provided a brief summary of the responsibilities undertaken by the three main Direct Loan participants:

- ❖ borrowers (students and parents),
- ❖ schools, and
- ❖ the U.S. Department of Education (ED).

This chapter looks at their responsibilities in depth.

## Borrower Responsibilities

Chapter 2 discusses each of the Direct Loan types that are available to students and parents. Students may borrow Direct Subsidized Loans and Direct Unsubsidized Loans; parents may borrow Direct PLUS Loans. Both students and parents may obtain Direct Consolidation Loans.

This section of Chapter 3 describes the responsibilities that students and parents assume when they borrow any type of Direct Loan. The topics covered are borrowers:

- ❖ applying for Direct Loans,
- ❖ providing information to schools,
- ❖ providing information to ED, and
- ❖ repaying Direct Loans.



### Take a Look

See Chapter 2 for details about the types of Direct Loans available to students and parents.



**Laws & Regulations**

- 34 CFR 685.201



**Reference**

- *SFA Handbook: Student Eligibility*

This section also addresses default. Discussion focuses on what default is, the consequences of defaulting, how borrowers can avoid default, and, once in default, how borrowers can reestablish eligibility for federal student financial aid.

## Applying for Direct Loans

The Direct Loan Program has streamlined borrower application requirements resulting in a process that is easy for students and parents. It also decreases the administrative burden on Direct Loan schools.

### *Application Requirements for Direct Loans for Students*

The Free Application for Federal Student Aid (FAFSA) is the only application required for students to apply for Direct Subsidized Loans and Direct Unsubsidized Loans.

- ◆ The FAFSA is forwarded to ED’s Central Processing System (CPS) to calculate the Expected Family Contribution (EFC).
- ◆ The CPS sends the processed information, including the EFC, to the school as an electronic Institutional Student Information Record (ISIR) and to the student in a hard copy as a Student Aid Report (SAR) or SAR Information Acknowledgement.
- ◆ ED’s *Student Financial Aid (SFA) Handbook Student Eligibility* has more information about EFC.

Although the FAFSA is the only application required, students must also complete and sign a master promissory note to receive a Direct Loan.

### *Application Requirements for Direct Loans for Parents*

Parents must submit a specific Direct PLUS Loan application/promissory note to the school.

- ◆ Parents (and the student for whom the parents are borrowing) do not have to complete a FAFSA if the student is not applying for other Title IV aid or nonfederal funds that do not require the FAFSA.

## Application Requirements for Direct Consolidation Loans (Students and Parents)

Direct Consolidation Loans are available to borrowers who have Direct Loans for students (subsidized and/or unsubsidized) or parent loans (Direct PLUS Loans). Loans from other federal student aid programs, such as the FFEL Program and Federal Perkins Loan Program, can also be included in a Direct Consolidation Loan.

To obtain a Direct Consolidation Loan, borrowers must complete an application and promissory note and submit it to ED's Direct Loan Origination Center (LOC).

- ❖ Even if a borrower wants to consolidate a combination of subsidized, unsubsidized, and parent loans, he or she needs only to complete a single application and promissory note.

## Providing Information to Schools

Direct Loan regulations require borrowers to provide schools with specific information. Borrowers must:

- ❖ certify that the Direct Loan funds will be used for the student's cost of attendance;
- ❖ submit information about outstanding Direct Loans and FFEL Program loans;
  - ❖ In the case of Direct PLUS Loans, parent borrowers must include the outstanding indebtedness of the dependent undergraduate students on whose behalf they are borrowing.
- ❖ provide information demonstrating eligibility for Direct Loans; and
- ❖ authorize schools to release relevant eligibility information to ED.
  - ❖ Examples of information that schools might share with ED include borrower's enrollment status, amounts of financial assistance, and employment records.

Borrowers are also required to promptly notify schools of address changes.



### Take a Look

See Chapter 2 for details about Direct Consolidation Loans.



### Laws & Regulations

- 34 CFR 685.206(a)



### Take a Look

See Chapter 5 for details about dependency status and other borrower eligibility requirements.

Because ED has designed its Direct Loan systems and procedures to limit administrative burdens on borrowers and schools, some of these information requirements are incorporated into the application process. Here are a few examples:

- ❖ The “Statement of Educational Purpose” that appears on the FAFSA—and is signed when the FAFSA is submitted—fulfills the certification requirement for the borrower to certify how he or she plans to use Direct Loan funds.
- ❖ A “Statement of Educational Purpose” that must be signed is also included on the Direct PLUS Loan application/promissory note for parents who will not be filing a FAFSA.
- ❖ ED matches FAFSA application information with other databases to collect most of the information necessary to demonstrate that a borrower is eligible for a Direct Loan.
  - ❖ One database match is with the National Student Loan Data System (NSLDS), which stores federal education loan information about individual borrowers. This includes information about borrowers’ outstanding indebtedness and default status.

### Providing Information to ED

Borrowers must notify ED’s Direct Loan Servicing Center (DLSC) promptly whenever borrowers or the students for whom they borrow:

- ❖ change name, address, phone number, or Social Security number (SSN),
- ❖ transfer to another school,
- ❖ withdraw or fail to enroll in school,
- ❖ register for or drop to a less-than-half-time status, or
- ❖ change employment, including a change in employer’s address.



#### Laws & Regulations

- 34 CFR 685.206(b)

## Obligation to Repay

Students and parents are expected to repay the full amount of what they've borrowed from the Direct Loan Program. The "full amount" refers to:

- ❖ principal balance of the loan,
- ❖ fees,
- ❖ interest not subsidized by ED, and
- ❖ collection costs permitted by the regulations, if applicable.

Borrowers are responsible for:

- ❖ making monthly payments when due, unless ED has approved deferment or forbearance, and
- ❖ notifying the DLSC of anything that might change eligibility for an existing deferment or forbearance.

There are some occasions when borrowers are released from their obligation to repay their Direct Loans. Examples include loans that were discharged because a borrower's school closed or falsely certified a loan.

## When Borrowers Begin Repaying Direct Loans

In general, the repayment period on Direct Subsidized Loans and Direct Unsubsidized Loans begins the day after the end of a borrower's six-month grace period. The first monthly installment payment is due within 60 days after the repayment period begins.

### Example

Steve borrowed a total of \$4,000 in Direct Subsidized Loans for a two-year associate's degree program at the local community college. He graduated at the end of May.

- ✓ His grace period began June 1.
- ✓ It ended six months later, on November 30. His repayment period began on December 1.
- ✓ Steve's first monthly installment payment was due on February 1, which is within 60 days after his repayment period began.



### Laws & Regulations

- 34 CFR 685.207(a)



### Take a Look

See Chapter 2 for details about loan discharge.



### Laws & Regulations

- 34 CFR 685.207(b) & (c)



### Take a Look

See Chapter 2 for details about grace periods and information related to repayments, such as repayment plans.



**Take a Look**

See Chapter 2 for details about in-school periods, grace periods, deferment periods, forbearance periods, interest, and capitalization.



**Laws & Regulations**

- 34 CFR 685.207(d)



**Take a Look**

See Chapter 6 for details about disbursing Direct Loans.



**For Your Information**

To keep the focus on when repayments begin, the example does not address the loan fee ED charges on all Direct Loans. This fee is deducted from each Direct Loan disbursement.

- In this example, the actual amount of each disbursement would be \$4,800 (\$5,000 principal *minus* 4% Direct PLUS Loan fee of \$200).
- This means the total amount disbursed would be \$9,600 (\$10,000 principal *minus* 4% Direct PLUS Loan fee of \$400).

Despite the deducted loan fees, borrowers still owe and must repay principal and interest on the full amount borrowed.

- In this example, Ms. Leonard must repay principal of \$10,000 and any interest that accrues.

During in-school periods (at least half-time enrollment at an eligible institution) and grace periods, borrowers are not required to repay the principal on their Direct Subsidized Loans and Direct Unsubsidized Loans.

- ◆ However, interest accrues on Direct Unsubsidized Loans, which borrowers can repay as it accrues or have capitalized.
- ◆ If a loan is not in an authorized deferment period or forbearance period, a borrower must continue making payments on Direct Loans that entered repayment before the in-school period began.

For any Direct PLUS Loan, interest begins to accrue on the day of the first disbursement for that loan. The repayment period begins on the day the loan is fully disbursed. Borrowers start making monthly payments within 60 days of the start of the repayment period. There is no grace period.

**Example**

Ms. Leonard borrowed a \$10,000 Direct PLUS Loan for her daughter, Joyce, to enroll as a freshman at a private four-year college. The college divides its academic year into two semesters, fall and spring. The loan was applied to Joyce’s school account in two equal disbursements, \$5,000 for the fall semester (which began in September) and \$5,000 for the spring semester (which began in January).

- ✓ With the first \$5,000 disbursement in September, interest began accruing on the \$5,000 amount that was disbursed.
- ✓ With the second (and final) disbursement of \$5,000 in January, interest began accruing on the full \$10,000, and the repayment period also began.
- ✓ Ms. Leonard’s first monthly payment was due in March, 60 days after the January disbursement.

September	January	March
<ul style="list-style-type: none"> <li>✓ \$5,000 disbursed</li> <li>✓ Interest accrues on \$5,000</li> </ul>	<ul style="list-style-type: none"> <li>✓ \$5,000 disbursed</li> <li>✓ Interest accrues on \$10,000</li> <li>✓ Repayment period begins</li> </ul>	<ul style="list-style-type: none"> <li>✓ First payment on \$10,000 and accrued interest is due within 60 days after loan is fully disbursed</li> </ul>

During deferment periods and forbearance periods, Direct PLUS Loan borrowers do not have to make regular monthly payments on their loans. Interest accrues, though. A borrower may pay the interest as it accrues, or the interest will be capitalized at the end of the deferment period or forbearance period.

For all Direct Consolidation Loans, except those made while borrowers are in an in-school period:

- ❖ There is no grace period.
- ❖ The repayment period begins on the day the borrower’s loans are successfully consolidated—this is the day all loan holders are paid in full by ED.
- ❖ Interest begins to accrue the day the loan is made.
- ❖ Monthly installment payments start within 60 days of the beginning of the repayment period.

For Direct Subsidized Consolidation Loans obtained during an in-school period:

- ❖ There is a six-month grace period.
- ❖ Interest does not accrue during the in-school period and the grace period.
- ❖ The repayment period begins the day after the six-month grace period ends.
- ❖ Monthly installment payments start within 60 days of the beginning of the repayment period.

For Direct Unsubsidized Consolidation Loans obtained during an in-school period:

- ❖ There is a six-month grace period.
- ❖ Interest accrues throughout the life of the loan, including the in-school period and the grace period.
- ❖ The repayment period begins the day after the grace period ends.
- ❖ Monthly installment payments start within 60 days of the beginning of the repayment period.



**Laws & Regulations**

- 34 CFR 685.207(e)(1)



**Laws & Regulations**

- 34 CFR 685.207(e)(2)



**Laws & Regulations**

- 34 CFR 685.207(e)(3)

## ***Borrowers in Correspondence Programs***

The timing for repaying Direct Loans for borrowers enrolled in correspondence programs is the same as for all Direct Loan borrowers. That is:

- ◆ the repayment period on Direct Subsidized Loans and Direct Unsubsidized Loans begins the day after the six-month grace period ends, and
- ◆ monthly installment payments start within 60 days of the beginning of the repayment period.

Unlike for other Direct Loan borrowers, the grace period for Direct Subsidized Loan and Direct Unsubsidized Loan borrowers (student borrowers) who are in correspondence programs begins on the earliest of:

- ◆ the date the student completed the program;
- ◆ the date the student fell 60 days behind the due date for submitting a scheduled assignment; or
- ◆ A school has the authority to restore the in-school status for students who are 60 days late with an assignment. However, a student in this situation must have provided the school with a written statement that documents his or her intention to complete the program before the 60-day period was over. This statement must also show that the student understands that remaining lessons must be submitted on time.
- ◆ 60 days after the latest allowable date established by the school for completing the program.

## ***Default***

Borrowers not making timely monthly payments become delinquent and are at risk of defaulting on their Direct Loans. Default occurs when:

- ◆ for borrowers with Direct Loans disbursed before October 7, 1998, a payment is 180 days late, and
- ◆ for borrowers with Direct Loans disbursed on or after October 7, 1998, payment is 270 days late.



### **Laws & Regulations**

- 34 CFR 685.207(f)



### **Laws & Regulations**

- 34 CFR 685.102
- HEA, Title IV, Section 435(l)



## Avoiding Default

Most borrowers repay their loans on time, but some fall behind on payments for a variety of reasons, such as loss of employment. Borrowers can use Direct Loan Program features, such as deferments and forbearance, to avoid delinquency and default. Borrowers who are knowledgeable about these features are in a better position to assess their financial circumstances and tailor their repayments accordingly without defaulting.

If borrowers are having trouble keeping up with their monthly payments, they should get in touch with ED's Direct Loan Servicing Center (DLSC) immediately.

- ❖ The DLSC is open from 8 am to 8:30 pm (ET) Monday through Friday.
- ❖ In addition to a toll-free telephone number, borrowers can contact the DLSC through its Web site.
- ❖ Complete contact information for the DLSC is in Appendix A.

In addition, ED produces many Direct Loan Program publications for student borrowers and parent borrowers as well as for financial aid administrators. These publications describe the terms and conditions of each type of Direct Loan. They offer advice that helps borrowers successfully repay their Direct Loans. They also offer information that financial aid administrators can use when working with Direct Loan borrowers.

## Consequences of Default

If a borrower defaults on a Direct Loan, ED will “accelerate the loan.” This means that ED declares that the entire principal balance of the Direct Loan plus accrued interest is immediately due and payable. Once this happens, ED is allowed to take any action authorized by law to collect the defaulted loan. This includes, but is not limited to:

- ❖ filing lawsuits against defaulted borrowers,
- ❖ reporting defaults to national credit bureaus,
- ❖ requesting the Internal Revenue Service (IRS) to offset borrowers' income tax refunds to repay defaulted loan amounts, and

### **Where to Call**

The toll-free telephone number for the DLSC is:

- 1-800-848-0979

### **Web site**

- <http://www.dlserver.ed.gov>



### **Take a Look**

See Appendix A, page A-4, for complete contact information.

### **Reference**

- *Repayment Book: William D. Ford Federal Direct Loan Program*
- *Direct PLUS Loans: A Guide to Federal Education Loans for Parents*
- *Entrance Counseling Guide for Borrowers*
- *Entrance Counseling Guide for Counselors*
- *Exit Counseling Guide for Borrowers*
- *Exit Counseling Guide for Counselors*

- ◆ garnishing borrowers' wages.

Before taking action on a defaulted Direct Loan, ED provides the borrower with a written notice of the action it proposes to take. The notice gives the borrower an opportunity to enter into a repayment agreement with ED.

- ◆ Once ED notifies a credit bureau of the default, the credit bureau is allowed to provide credit inquirers with information about the borrower's defaulted loan for up to seven years from the date ED first reported the default.
- ◆ For borrowers who reenter repayment after defaulting on their Direct Loans and then allow their loans to go back into default, credit bureaus can provide information to credit inquirers for up to seven years from the date the loans enter default for the second time.

### Placing Defaulted Borrowers on Income Contingent Repayment

ED has the authority to require certain Direct Loan borrowers in default to repay their loans on the Income Contingent Repayment Plan. This authority applies to borrowers with defaulted:

- ◆ Direct Subsidized Loans,
- ◆ Direct Unsubsidized Loans,
- ◆ Direct Subsidized Consolidation Loans, or
- ◆ Direct Unsubsidized Consolidation Loans.

Direct PLUS Loans and Direct PLUS Consolidation Loans are never eligible for the Income Contingent Repayment Plan.

### Losing and Regaining Title IV Eligibility

Borrowers who default on Direct Loans are not eligible for any Title IV federal student financial aid. In general, borrowers in default also lose their eligibility for deferments on their loans, although ED can grant forbearance on defaulted loans.



#### **Laws & Regulations**

- 34 CFR 685.211(c)(3)(ii)



#### **Take a Look**

See Chapter 2 for details about Direct Loan repayment plan options, including the Income Contingent Repayment Plan.



#### **Laws & Regulations**

- 34 CFR 668.35
- 34 CFR 685.102(b)
- 34 CFR 685.200(c)

Borrowers with defaulted Direct Loans regain their Title IV eligibility by repaying their defaulted loans in full. There are also other actions that borrowers can take to reinstate their eligibility for federal financial aid and deferments. These are:

- ❖ making satisfactory repayment arrangements to repay defaulted loans,
- ❖ rehabilitating defaulted loans, or
- ❖ consolidating the defaulted loans under 34 CFR 685.215(d)(1)(ii)(E) or (F).

**Satisfactory repayment arrangements.** Other than when consolidating a defaulted loan, a borrower has made “satisfactory repayment arrangements” when he or she has made six consecutive, voluntary, on-time, full monthly payments on a defaulted loan.

- ❖ “On-time” means that each payment is made within 15 days of the scheduled due date.
- ❖ “Voluntary” means that the borrower is making the payments directly, regardless of whether there is a judgment against him or her. For example, payments are not considered voluntary if they are obtained by income tax offsets, garnishment, or income or asset execution.
- ❖ Income and asset execution are ways of collecting against a judgment. The creditor receives a portion of the debtor’s income (income execution) or the creditor seizes and sells an asset owned by the debtor and applies the sale proceeds toward the debt (asset execution).

Once a borrower has made the sixth payment, he or she regains Title IV eligibility. If the borrower regains eligibility during an enrollment period, his or her eligibility becomes effective for the entire enrollment period.

- ❖ Satisfactory repayment arrangements are an option for regaining Title IV eligibility only once.
- ❖ If a borrower defaults again after making satisfactory repayment arrangements, he or she cannot regain Title IV eligibility using this option.



#### Laws & Regulations

- 34 CFR 685.206(c)

**Rehabilitation.** Borrowers with defaulted Direct Loans can “rehabilitate” their loans, thereby reversing the default. Rehabilitation requires borrowers to make 12 consecutive, on-time, reasonable, and affordable monthly payments. The 12 payments include, and are not in addition to, the six consecutive monthly payments needed to regain Title IV eligibility.

After a borrower has rehabilitated a defaulted Direct Loan, ED instructs any credit bureau to which the default was reported to remove the default from the borrower’s credit history.

**Consolidation.** For details, see the section on consolidating defaulted loans beginning on page 2-46.

### *Borrower Defenses*

A borrower may assert a defense against repaying a Direct Loan on the basis of any act or omission by a school that the borrower attended. Such an “act” or “omission” would have to give rise to a cause of action against the school under applicable state law. The borrower has the right to assert this defense in any proceeding to collect on the loan, such as:

- ◆ tax refund offset proceedings,
- ◆ wage garnishment proceedings,
- ◆ salary offset proceedings for federal employees, or
- ◆ credit bureau reporting proceedings.

If a borrower succeeds in his or her defense against repaying a Direct Loan, ED notifies the borrower that he or she is relieved of the obligation to repay all or part of the loan and associated costs and fees. ED may provide the borrower with further relief as deemed appropriate on the basis of the borrower’s circumstances. Examples of further relief include:

- ◆ reimbursing the borrower for amounts paid toward the loan voluntarily and through enforced collection,
- ◆ determining that the borrower is not in default on the loan and is eligible to receive assistance from Title IV program funds, and
- ◆ updating reports to credit bureaus to which ED made adverse credit reports about the borrower’s Direct Loan.

Sometimes schools are liable for Direct Loans that result in a borrower's successful defense against repayment. This is addressed later in this chapter.



### Take a Look

See page 3-21 for details about effects on school liability.

## School Responsibilities

In general, school responsibilities revolve around:

- ❖ meeting and maintaining loan-program-participation requirements,
- ❖ establishing borrower eligibility,
- ❖ originating Direct Loans,
- ❖ drawing down and disbursing Direct Loan proceeds,
- ❖ counseling students,
- ❖ notifying the Loan Origination Center (LOC) of changes to borrower information,
- ❖ reconciling school-based Direct Loan records with records in ED's Direct Loan database,
- ❖ carrying out administrative and fiscal management functions, and
- ❖ reporting changes in borrower enrollment status to ED.

Detailed information about these responsibilities appears in Part Two of this guide. The chapters in Part Two focus on the processes schools and ED perform to make and administer Direct Loans. This section provides brief summaries of each area of responsibility with references to the chapters in Part Two that have detailed information.

Schools must also develop and maintain a Direct Loan quality assurance system. The *Direct Loan Quality Assurance Planning Guide* in Appendix D covers this topic in depth.



### Take a Look

See Appendix D for the *Direct Loan Quality Assurance Guide*.



### Laws & Regulations

- 34 CFR 685.400 & 668
- HEA, Title IV, Section 435(a)



### Take a Look

See Chapter 4 for details about participation requirements and applying to participate.



### Reference

- *SFA Handbook: Institutional Eligibility and Participation*



### Take a Look

See Chapter 4 for details about school origination options.

## Participation Requirements

Chapter 4 offers extensive information about school participation requirements. In brief, Direct Loan schools must meet the same eligibility requirements that apply to all schools participating in Title IV programs.

- ❖ These requirements are specified in the General Provisions of the regulations, as well as in the Higher Education Act of 1965, as amended (HEA). These include ED's electronic capability requirements for schools.
- ❖ ED's *Student Financial Aid (SFA) Handbook: Institutional Eligibility and Participation* provides detailed information about these requirements.

Initially, to be *selected* to participate in the Direct Loan Program, schools must have a student-loan cohort default rate of less than 25 percent for at least one of the three most recent fiscal years for which data are available. In addition, schools cannot be subject to an emergency action or a proposed or final Title IV limitation, suspension, or termination (LS&T) action.

Once schools are accepted into the Direct Loan Program, they must sign a Direct Loan Program amendment to their Participation Agreement (PPA) with ED. They also must continue to meet all eligibility requirements.

## Overview of School Origination Options

There are three school origination options: Standard Origination, Origination Option 1, and Origination Option 2. These define which loan processing functions a school performs and which functions ED's Loan Origination Center (LOC) performs.

- ❖ Any school approved by ED to participate in the Direct Loan Program may participate as a Standard Origination school. At this level, responsibility and control are shared between the school and the LOC.
- ❖ Origination Option 1 schools perform more loan processing functions than Standard Origination schools, but the LOC still controls certain functions.

- ❖ Origination Option 2 schools have the most responsibilities, but can choose to have the LOC do certain loan processing functions for them.

The following chart, which is also in Chapter 4, shows how responsibility for processing Direct Loans is divided between schools and the LOC for each school origination option.

Direct Loan Origination Options			
Responsibility	Standard Origination	Origination Option 1	Origination Option 2
Create loan origination records	✓	✓	✓
Transmit loan origination records to LOC	✓	✓	✓
Prepare promissory note	LOC	✓	✓
Obtain completed/signed promissory note	LOC	✓	✓
Send promissory note to LOC	n/a	✓	✓
Calculate need for Direct Loan funds	LOC	LOC	✓
Request Direct Loan funds from GAPS	LOC	LOC	✓
Receive funds from GAPS	✓	✓	✓
Disburse loan funds to borrowers	✓	✓	✓
Create disbursement records	✓	✓	✓
Transmit disbursement records to LOC	✓	✓	✓
Perform reconciliation	✓	✓	✓

**Legend**

- ✓ = school's responsibility
- LOC = Loan Origination Center's responsibility
- n/a = not applicable

When schools apply to participate in the Direct Loan Program, they may indicate their preference for a school origination option. However, ED makes the decision on the basis of specific criteria that are contained in the regulations and law. These are explained fully in Chapter 4.

## Borrower Eligibility

Schools are responsible for assuring that only students and parents who are eligible to borrow Direct Loans receive funds from the program. There are numerous borrower eligibility requirements, which are specified in



### Laws & Regulations

- 34 CFR 685.200
- 34 CFR 685.300(b)
- 34 CFR 668, Subpart C



**Take a Look**

See Chapter 5 for details about borrower eligibility.



**Laws & Regulations**

- 34 CFR 685.301



**Take a Look**

See Chapter 6 for details about the loan origination process.



**Take a Look**

- See Chapter 6 for details about promissory notes.
- See Chapter 7 for details about disbursement records.

federal regulations. Some of the requirements apply to all recipients of Title IV funds; others apply only to Direct Loan borrowers.

More information about borrower eligibility requirements appears in Chapter 5. It also includes checklists that schools can use when assessing students' and parents' eligibility for Direct Loans. One checklist is for student borrowers, and one is for parent borrowers.

## Originating Direct Loans

Regardless of their school origination option, all Direct Loan schools are responsible for originating loans. The Direct Loan origination process is similar to the loan certification process in the FFEL Program. In both cases, schools provide loan data that deal with the eligibility of borrowers to receive loans.

A school originates a Direct Loan by creating a loan origination record. This record becomes part of the borrower's permanent loan record in ED's Direct Loan database. The loan origination record consists of demographic, financial, and statistical information. Most of the information comes from three sources:

- ◆ the FAFSA, which the school receives from ED's Central Processing System (CPS) as an Institutional Student Information Record (ISIR);
- ◆ the school's internal records; and
- ◆ data generated by ED's Direct Loan systems.

The loan origination record is the foundation for any Direct Loan. Without it, no other processing can take place because having the LOC accept a loan origination record is the first of three components needed to "book" a loan.

- ◆ When a loan is booked, there is an official and legally binding obligation between the borrower and ED.
- ◆ The other two components for booking a Direct Loan are having an LOC-accepted promissory note and disbursement record, which are briefly discussed in this section and more fully in Chapters 6 and 7.



Schools send loan origination records directly to the LOC. When a loan origination record is accepted by the LOC, two events occur:

- ❖ The LOC sends a disclosure statement to the borrower. (Schools can request ED to authorize them to print and distribute disclosure statements to borrowers, rather than having the LOC do it.)
- ❖ Depending on the school's origination option, either the school or the LOC prints promissory notes and collects the signed notes from borrowers.
  - ❖ The LOC prints and collects signed promissory notes for Standard Origination schools.
  - ❖ Origination Option 1 schools and Origination Option 2 schools have the authority to print and collect signed promissory notes, although they can allow the LOC to do it for them. If these schools collect signed promissory notes from borrowers, they must forward the notes to the LOC.

When the LOC accepts a completed and signed promissory note, whether it comes from a borrower or a school, it sends an acknowledgment to the school.

## Drawdowns and Disbursements

When a school is ready to receive Direct Loan funds, it (or the LOC on the school's behalf), makes a drawdown request to ED's Grant Administration and Payment System (GAPS).

- ❖ Origination Option 2 school have the authority to make their own drawdown requests. Requests are made on the basis of estimates for disbursing Direct Loan funds. Requests do not have to be borrower-specific.
- ❖ The LOC must make drawdown requests for Standard Origination schools and Origination Option 1 schools. The requests must be borrower-specific.

Except when a disbursement otherwise would be prohibited, a disbursement occurs when a school credits a student's account or pays a



### Take a Look

See Chapter 7 for details about drawing down funds and making disbursements.



### Laws & Regulations

- 34 CFR 685.303(b)



### Laws & Regulations

- 34 CFR 685.303(c)
- 34 CFR 668.164

borrower directly with Direct Loan funds or with school funds used before receiving Direct Loan funds. Before disbursing any funds, schools must:

- ❖ confirm that a signed, completed promissory note has been returned by the borrower,
- ❖ verify that the borrower remains eligible to receive Direct Loan funds, and
- ❖ verify that the borrower is eligible to receive the amount of Direct Loan funds about to be disbursed.

For a disbursement to be made, a valid, completed promissory note (signed, dated, any changes initialed and dated, and so on) must be on file at the school or the LOC. If a valid, completed promissory note is not on file, the school may be liable for any disbursements.

Standard Origination schools and Origination Option 1 schools must disburse funds to specific borrowers for whom drawdown requests were made. If a school doesn't disburse funds to the intended borrower, the funds must be returned to ED.

Origination Option 2 schools may time their requests for funding on the basis of when they expect to disburse the funds. These schools may disburse available Direct Loan funds to any eligible borrower.

All schools must send their disbursement records to the LOC within 30 days of the disbursement date. In addition, if Direct Loan funds are not disbursed within three business days of the date they were received from ED, a school must either return the funds promptly or, if the school meets the criteria for excess-cash tolerances in 34 CFR 668.166(b), within seven days.



**Take a Look**

See Chapter 10 for details about cash management requirements that Direct Loan schools must follow.

## Loan Counseling

Schools participating in the Direct Loan Program are required by law to conduct entrance loan counseling and exit loan counseling for students who borrow Direct Subsidized Loans and Direct Unsubsidized Loans. The purpose of this counseling is to help borrowers repay their loans and avoid default.

- ❖ Schools are not required to offer loan counseling to parents who borrow Direct PLUS Loans.



**Take a Look**

See Chapter 7 for details about loan counseling.

## Entrance Loan Counseling

Entrance counseling is for most first-time borrowers. A first-time borrower is someone who has not previously received a Direct Subsidized Loan, Direct Unsubsidized Loan, Federal (non-Direct) Stafford Loan, and Federal (non-Direct) Unsubsidized Stafford Loan, or Federal Supplemental Loan for Students (SLS). Students who have received one or more of these loans are not considered first-time borrowers.

Schools can fulfill entrance loan counseling requirements by conducting counseling in person, using a video, or using computer-assisted technology. In each case, an individual with knowledge of Title IV programs must be reasonably available after the counseling to answer questions.

- ◆ ED produces entrance loan counseling publications and has computer-assisted counseling on its Direct Loan Web site.

Schools may adopt an alternative counseling approach, but no matter how counseling is presented, all schools must maintain documentation showing that each borrower received the required counseling.

## Exit Loan Counseling

Exit loan counseling is for students who have borrowed Direct Subsidized Loans and Direct Unsubsidized Loans and are graduating, withdrawing, or no longer attending school at least half time.

In general, schools must conduct exit loan counseling in person. However, schools may also use electronic means to provide personalized exit counseling. If a borrower withdraws from school without a school's knowledge, or if a borrower does not attend a scheduled exit loan counseling session, the school must mail written materials to the borrower at his or her last known address. The materials must be mailed within 30 days after the school learns that the borrower withdrew or failed to attend the counseling session. In-person or electronic counseling is not required for correspondence programs. Schools mail written counseling materials to borrowers in correspondence programs within 30 days after the borrower completes the program.

All schools must document each borrower's file to show that exit loan counseling took place.



### Laws & Regulations

- 34 CFR 685.304(a)



### Web site

- <http://www.ed.gov/DirectLoan>



### Take a Look

See Chapter 7 for details about alternative counseling.



### Laws & Regulations

- 34 CFR 685.304(b)



**Take a Look**

See Chapter 8 for details about making changes to Direct Loan records.



**Take a Look**

See Chapter 9 for details about reconciliation.



**Laws & Regulations**

- 34 CFR 668, Subparts B, K, & L
- 34 CFR 685.309

## Notifying the LOC of Changes

When changes to Direct Loan borrower information occurs, schools must notify the LOC by forwarding change records. All data items contained in a borrower's loan record are subject to change records. As a result, schools must inform the LOC whenever there is a change in demographic information, loan amounts, loan distributions between Direct Subsidized Loans and Direct Unsubsidized Loans, and anticipated disbursement dates.

## Reconciliation

Reconciliation is the process by which a school verifies that its Direct Loan records match the LOC's.

There is a monthly reconciliation process using a Direct Loan School Account Statement (DLSAS). The DLSAS is similar to a bank statement. It contains cash and loan record information that schools can use to compare the information in their databases with the information that the LOC has. The LOC sends the DLSAS to each school on a monthly basis.

There is also an annual reconciliation process, which is called the "year-end closeout." It's similar to monthly reconciliation because the main purpose is for schools to match their internal records with the LOC's. However, instead of focusing on a single month, it addresses the entire academic year.

Schools that manage their data successfully usually do not have problems with reconciliation. However, schools that don't maintain accurate and consistent internal data and do not submit data to the LOC in a timely manner often find reconciliation difficult.

## Administration, Fiscal Control, & Fund Accounting

Schools that participate in any of the Title IV programs must comply with federal regulations for administrative capability, fiscal responsibility, and fund accounting. These regulations are in the General Provisions and described in detail in ED's *Student Financial Aid (SFA) Handbook: Institutional Eligibility and Participation*.

This information is not the focus of this guide. However, certain requirements are of particular importance to Direct Loan schools. For example, schools must follow:

- ❖ accounting requirements,
- ❖ student status confirmation reporting (SSCR) requirements, and
- ❖ electronic processing requirements.

Schools also need to be aware of the liabilities they can incur if they are not in compliance with these requirements.

Chapter 10 provides information about federal accounting requirements by addressing Direct Loan cash management issues. Chapter 11 explains the SSCR process. Brief discussions about electronic processing requirements and school liability appear below.

## Electronic Processing

Schools participating in any Title IV program, including the Direct Loan Program, are required to participate electronically. Electronic processing requirements are in Appendix E.

To help schools meet electronic processing requirements, ED offers free software, called EDExpress, which includes a Direct Loan module. The software is PC-compatible. In addition, ED provides specifications for schools, third-party servicers, and software vendors that want to develop their own software.

## School Liability

ED can require schools to repay Direct Loan funds and purchase loans that are unenforceable or were disbursed to ineligible borrowers. Schools may become liable for Direct Loans when they violate federal statute or regulation, or if they allow false certification of loans (either willfully or through negligence). A school can also become liable when a borrower makes a successful defense against repaying a Direct Loan because of an “act” or “omission” on the part of the school under state law.



### Reference

- *SFA Handbook: Institutional Eligibility and Participation*



### Take a Look

- See Chapter 10 for details about cash management.
- See Chapter 11 for details about SSCRs.



### Take a Look

See Appendix E for details about Title IV electronic processing requirements.



**Reference**

- *SFA Handbook: Institutional Eligibility and Participation*



**Laws & Regulations**

- 34 CFR 668, Subpart G

In addition, in these and in some other cases, ED may:

- ◆ impose a fine;
- ◆ take an emergency action; or
- ◆ otherwise limit, suspend, or terminate a school's participation in the Direct Loan Program and/or in other Title IV programs.

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## ED Responsibilities

ED has overall responsibility for administering the Direct Loan Program and facilitating interactions among the program's participants (borrowers, schools, and ED's servicers and databases). ED has staff and resources to assure that Direct Loan systems operate smoothly and that students and schools receive excellent customer service.

ED maintains and supports the Direct Loan Program by performing the following functions:

- ◆ developing Direct Loan regulations with input from the financial aid community;
- ◆ supplying free instructional materials, software, and technical specifications that schools need for their Direct Loan computer operations;
- ◆ providing technical and computer support to help schools with Direct Loan processes from origination to reconciliation;
- ◆ training school personnel at ED regional training facilities (RTFs) and on-site at schools (at the invitation of schools);
- ◆ producing and distributing materials that schools need to administer the Direct Loan Program, such as promissory notes, loan counseling guides and videos, and technical references;
- ◆ monitoring ED's servicers, specifically, the Direct Loan Origination Center (LOC) and the Direct Loan Servicing Center (DLSC);
- ◆ maintaining ED's databases, such as the Central Processing System (CPS) and the National Student Loan Data System (NSLDS); and

- ❖ assessing program performance and modifying operating processes on the basis of assessments.

The remainder of this section highlights four broad areas for which ED is responsible:

- ❖ customer service resources;
- ❖ the LOC,
- ❖ the DLSC, and
- ❖ ED databases that relate to the Direct Loan Program.

## ED Customer Service Resources

ED has committed substantial resources to assure the success of the Direct Loan Program. These include:

- ❖ the Direct Loan Task Force,
- ❖ Client Account Managers (CAMs),
- ❖ ED’s Accounting and Financial Management Service (AFMS),
- ❖ ED’s modern regional training facilities (RTFs),
- ❖ the LOC’s customer service representatives, and
- ❖ the DLSC’s School Relations section.

### Direct Loan Task Force

The Direct Loan Task Force (also known as the “Task Force”) manages policy and operations for the Direct Loan Program. Its staff is located in Washington, D.C., and it oversees the activities that support the more than 1,600 postsecondary schools participating in the program. The Task Force works with ED’s Institutional Participation and Oversight Service (IPOS) on school eligibility issues, provides technical assistance and training, and coordinates the administrative aspects needed to keep the program running smoothly.



#### Where to Call

The Direct Loan Task Force can be reached at 202-708-9951 from 7 am to 5 pm (ET).



**Take a Look**

See Appendix A, page A-4, for information about contacting the Direct Loan Task Force.



**Take a Look**

See Appendix A, page A-2, for information about contacting ED's CAMs.

Schools should feel free to contact Task Force staff members. They are ready and able to help with problems that can't be resolved elsewhere. Their telephone number is 202-708-9951. Complete contact information for the Task Force is in Appendix A.

### ***Client Account Managers (CAMs)***

Direct Loan Client Account Managers (CAMs) provide a single-point of customer service to postsecondary institutions participating in the Direct Loan Program. CAMs provide training, systems support, and program information for financial aid administrators, business officers, and management information systems (MIS) personnel at Direct Loan schools.

CAMs are located in each ED regional office throughout the country. (Contact information is in Appendix A.) They are part of ED's team management approach for monitoring and assisting Direct Loan schools. Their primary purpose is to help schools succeed in managing the Direct Loan Program.

Each CAM is assigned a portfolio of schools for which he or she is responsible. CAMs help with schools' general questions, troubleshooting, and referrals. If schools have complaints, CAMs research the problem, conduct follow-up, and work on finding a resolution. They also:

- ◆ conduct training at RTFs and on-site (at the invitation of schools);
- ◆ assist school personnel by providing technical assistance on-site and by telephone, email, fax, and letter;
- ◆ analyze school data to target and correct problems as early as possible; and
- ◆ participate in projects and initiatives that support the Direct Loan Program and other Title IV programs.

### ***Accounting and Financial Management Service (AFMS)***

ED's Accounting and Financial Management Service (AFMS) is responsible for:

- ◆ effectively and efficiently delivering Title IV federal student aid program funds to schools, lenders, and guaranty agencies;



- ❖ producing financial information and reports for ED, Congress, and other constituents; and
- ❖ improving financial systems and accounting controls to ensure equity, integrity, and accountability in the federal student financial aid programs.

AFMS oversees financial functions (receipts, disbursements, accounting, and reporting) for all Title IV programs.

- ❖ This includes the Direct Loan Program, the FFEL Program, the Federal Pell Grant Program, and the federal campus-based programs (Federal Perkins Loans, Federal Supplemental Educational Opportunity Grants [FSEOGs], and Federal Work-Study [FWS]).

AFMS's Loans Financial Management Division (LFMD) is responsible for developing, implementing, and carrying out financial policies and procedures affecting the Direct Loan Program and FFEL Program. Its Direct Loan Program Branch manages a financial system that obligates, disburses, receives, and reconciles Direct Loan funds. The branch is available to help schools when they:

- ❖ draw down Direct Loan funds through ED's Grant Administration and Payment System (GAPS),
- ❖ perform monthly reconciliation, and
- ❖ conduct year-end closeouts.

Appendix A contains contact information for AFMS.

### **Regional Training Facilities (RTFs)**

To make Direct Loan training more accessible to all schools, ED has opened regional training facilities (RTFs) at all ten ED regional offices. ED also has a training facility at its headquarters in Washington, D.C.

ED regularly schedules program and technical training at the RTFs. Topics include overviews of the Direct Loan Program, Direct Loan reconciliation, EDEXpress software, the National Student Loan Data System (NSLDS), and Title IV updates.



#### **Take a Look**

See Appendix A, page A-3, for AFMS contact information.



#### **For Your Information**

ED's regional offices are in:

- Boston, MA (Region I)
- New York City, NY (Region II)
- Philadelphia, PA (Region III)
- Atlanta, GA (Region IV)
- Chicago, IL (Region V)
- Dallas, TX (Region VI)
- Kansas City, KS (Region VII)
- Denver, CO (Region VIII)
- San Francisco, CA (Region IX)
- Seattle, WA (Region X)

## ***Loan Origination Center (LOC) and Direct Loan Servicing Center (DLSC) Customer Service***

Customer-service resources at the LOC and DLSC are described in the next sections.

### **Loan Origination Center (LOC)**

ED established the Direct Loan Origination Center (LOC) to provide service to borrowers and students and to minimize Direct Loan administrative costs for schools and the federal government. The LOC works with schools throughout the origination, promissory note, and disbursement process. It also plays a key role in the reconciliation process.

The LOC's responsibilities include:

- ◆ receiving loan origination records, promissory notes, and disbursement records;
- ◆ printing and distributing promissory notes to schools and borrowers for Standard Origination schools or at the request of Origination Option 1 and Origination Option 2 schools;
- ◆ conducting credit checks for Direct PLUS Loan borrowers;
- ◆ booking loans and transferring them to the DLSC;
- ◆ initiating drawdowns of Direct Loan funds on behalf of Standard Origination schools and Origination Option 1 schools;
- ◆ performing government accounting and reconciliation functions for the Direct Loan Program;
- ◆ working with borrowers who want to obtain Direct Consolidation Loans (schools do not originate Direct Consolidation Loans);
- ◆ providing customer service to school representatives, such as financial aid administrators.

The LOC has a customer service team that provides a range of services for schools and borrowers.

- ◆ Its school relations customer service representatives (CSRs) assist schools with origination, drawdowns, disbursements, reconciliation,



#### **Take a Look**

See Chapter 4 for details about school origination options.



#### **For Your Information**

A “booked loan” is an official and legally binding obligation between the borrower and ED. To book a Direct Loan, the LOC must receive and accept:

- a complete origination record,
- a complete and signed promissory note, and
- a complete first disbursement record.

Once a loan is booked, the LOC transfers the loan to the DLSC.

and data transmissions. Schools also contact them to order any of ED's Direct Loan publications.

- ❖ School relations CSRs have access to school resource consultants to help resolve problems.
- ❖ Reconciliation specialists are teamed with school relations CSRs to offer step-by-step reconciliation assistance to schools. They also help schools with any financial and operational issues.
- ❖ For Direct Loan applicants (students and parents) who have questions about their loans, applicant services CSRs are available. They provide general Direct Loan information and can discuss repayment options.
- ❖ Spanish-speaking CSRs translate Direct Loan requirements and procedures into Spanish. They work directly with borrowers and school personnel who speak Spanish.

The CSRs also have a support team. It is divided into subteams that deal with school mainframe issues, promissory note corrections, computer technical support, correspondence from borrowers and schools, and third-party servicers.

The LOC's CSRs are available from 8 am to 8 pm (ET) from Monday through Friday. The telephone number is 1-800-848-0978. Additional contact information is in Appendix A.

## Direct Loan Servicing Center (DLSC)

Chapter 12 focuses entirely on ED's Direct Loan Servicing Center (DLSC). This section provides a brief overview of DLSC responsibilities.

Once Direct Loans are booked, the DLSC assumes responsibility for servicing and collection activities. These activities include contacting borrowers after initial loan disbursement; establishing borrowers' repayment plans; billing, tracking, and applying monthly payments; and adding and capitalizing accrued interest. The DLSC also reports Direct Loan information to the National Student Loan Data System (NSLDS); maintains audit trails; and responds to school and borrower inquiries.



### Take a Look

See Appendix A, page A-3, for LOC contact information.



### Take a Look

See Chapter 12 for details about the DLSC.



**Web site**

- <http://dlservicer.ed.gov>



**Where to Call**

- 1-800-848-0979



**Take a Look**

See Appendix A, page A-4, for DLSC contact information.

The DLSC handles borrower requests for deferment and forbearance. It informs borrowers about deferment and forbearance options whenever it sends a repayment schedule or loan delinquency notification.

- ◆ Deferment and forbearance forms are available on the DLSC's Web site, or borrowers can telephone the DLSC to request the forms.

The DLSC acts on all deferment and forbearance requests within ten business days of obtaining the information it needs to make a decision.

In addition, the DLSC prepares and sends annual statements to all Direct Loan borrowers that contain data for the previous 12 months. Annual statements include borrower identification and address information, beginning account balance, account activity for the year, ending account balance, and a toll-free customer service telephone number.

The DLSC's operating hours are from 8 am to 8:30 pm (ET), Monday through Friday. To help meet customers' different needs promptly, the DLSC has separate telephone numbers for school services, borrower services, delinquent account and collections, and Direct Loan consolidation, as well as a TTD telephone number for hearing-impaired customers.

## ED Databases

ED maintains a database for the Direct Loan Program, which resides with the DLSC. It contains information about borrowers that schools forward to the LOC in loan origination records and disbursement records, as well as information from the DLSC about borrowers' repayment plans, monthly payments, interest accrual, deferments, forbearance, and so forth. Data also reside in the LOC database until close-out for the year is complete.

Other ED databases also play an important role in the Direct Loan Program. These include:

- ◆ the Central Processing System (CPS),
- ◆ the Grant Administration and Payment System (GAPS), and
- ◆ the National Student Loan Data System (NSLDS).

This section provides a brief description of these systems and their connection to Direct Loan Program. Because communication between schools and ED databases are entirely electronic, ED's data exchange pathway is discussed first.

### ***Title IV Wide Area Network (TIV WAN)***

Part of the success of the Direct Loan Program is that schools and ED communicate electronically. This requires schools to use ED's Title IV Wide Area Network (also called Title IV WAN, or TIV WAN), which is an electronic pathway to exchange information about students who apply for and receive Title IV financial aid. For example, TIV WAN provides the link between schools and the LOC. TIV WAN also provides a link for schools to the CPS and NSLDS.

Schools must sign up to use TIV WAN. The sign-up form (Enrollment to Participate in the U.S. Department of Education's Title IV Wide Area Network) is available on ED's Information for Financial Aid Professionals (IFAP) Web site.

Schools must determine which services they need and enroll appropriate individuals as "destination point administrators" for the specific services that they want them to be able to access. These services include:

- ❖ Direct Loans,
- ❖ CPS, Submit Initial Application Data,
- ❖ CPS, All Other Functions,
- ❖ Pell Grant Program,
- ❖ Campus-Based, FISAP,
- ❖ NSLDS, Batch Files, and
- ❖ NSLDS, On-line.



#### **Take a Look**

See Appendix A, page A-6, for TIV WAN contact information.



#### **Web site**

- <http://ifap.ed.gov>



#### **For Your Information**

ED is in the process of replacing TIV WAN with a Student Aid Internet Gateway (SAIG). ED will notify schools as the transfer proceeds.



**Take a Look**

See Appendix A, page A-5, for CPS contact information.



**Laws & Regulations**

- HEA, Title IV, Part F



**Reference**

- *A Guide to SARs and ISIRs*



**Reference**

- *U.S. Department of Education Payee Guide for the Grant Administration and Payment System (GAPS)*

## Central Processing System (CPS)

The Central Processing System (CPS) is responsible for:

- ◆ reviewing data that students provide on the Free Application for Federal Student Aid (FAFSA),
- ◆ matching the FAFSA data with other databases (such as NSLDS and the U.S. Immigration and Naturalization Service’s database) to check Title IV eligibility, and
- ◆ calculating Expected Family Contributions (EFCs) using the FAFSA data and need analysis formulas in the Higher Education Act of 1965, as amended (HEA).

The CPS forwards the processed information (original FAFSA data, database match results, and EFC) to schools and students. Schools receive the information electronically on Institutional Student Information Records (ISIRs), which they use when determining a student’s eligibility for Title IV aid, including Direct Loans. Students receive the same information in a paper format as Student Aid Reports (SARs) or SAR Information Acknowledgements.

## Grant Administration and Payment System (GAPS)

The Grant Administration and Payment System (GAPS) is a centralized financial management system designed to integrate ED’s previously separate financial processes, including financial management, contracts and purchasing, grant administration, and payment management. This system, which schools access through the Internet, was designed to improve ED’s financial management performance.

GAPS controls payments for ED’s Title IV programs, including the Direct Loan Program, the Federal Pell Grant Program and the federal campus-based programs. In the Direct Loan Program, schools or the LOC (depending on a school’s origination status) use GAPS to request Direct Loan funds.

## National Student Loan Data System (NSLDS)

The National Student Loan Data System (NSLDS) is a national database that collects and maintains individual student data for all federal student loan borrowers with outstanding loan balances. It also houses selected data on students' Federal Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOGs).

The CPS matches FAFSA data with NSLDS to identify students who are in default or owe overpayments. The CPS includes this information on ISIRs so that schools do not award Title IV aid, including Direct Loans, to these ineligible students.

Schools (or their third-party servicers) communicate directly with NSLDS in the Student Status Confirmation Report (SSCR) process. The SSCR process is the subject of Chapter 11.

## New Systems Site for ED Databases

ED has established a virtual data center (VDC) in Meriden, Connecticut, to house all of ED's student financial aid delivery system databases. ED consolidated these databases to improve service to schools, students, employees, and others. The VDC should also help reduce management costs and enhance efficiency. NSLDS, CPS, and Direct Loan databases have already moved to the Meriden facility.

The VDC has been integrated into ED's Modernization Blueprint, which is the successor to Project EASI (Easy Access for Students and Institutions). The Modernization Blueprint addresses what to do with ED's systems, what changes should come first, and how to reconcile this initiative with other ED modernization efforts and acquisition plans. It will also use commercial software and technologies from the private and public sectors to modernize ED's Office of Student Financial Assistance (OSFA).

More information about ED's Modernization Blueprint is on ED's Web site.



### Take a Look

See Appendix A, page A-6, for NSLDS contact information.



### Take a Look

See Chapter 11 for details about the SSCR process.



### Web site

- <http://ifap.ed.gov>

