United States Department of Education
Office of Federal Student Aid
National Student Loan Data System

Loan Processing and Issuance Fee Rate Change
Technical Update GA–2004–03

January 29, 2004

This information is intended for the person in your organization who is responsible for working with NSLDS. If that person is not you, please forward this update to the appropriate person.

Changes to LPIF Rate

As announced in the Dear Financial Partner letter dated July 24, 2003, the Loan Processing and Issuance Fee (LPIF) rate for loans originated during fiscal years beginning on or after October 1, 2003, will change to 0.40%, as required under Section 428(f)(1) of the Higher Education Act (HEA).

Beginning with the Fiscal Year (FY) 2004 Quarter 1 (Q1) calculation, NSLDS will use the date of guaranty to determine whether disbursement activity for the loan should be paid at the 0.40% or 0.65% fee rate. The fee rates are as follows:

- Loans guaranteed between October 1, 1999, and September 30, 2003, will continue to be paid at the 0.65% fee rate.

- Loans guaranteed on or after October 1, 2003, will be paid at the 0.40% fee rate.

The calculation also considers changes to the date of guaranty, which can impact the LPIF rate, and makes adjustments to ensure that the appropriate fee is paid.

Examples of LPIF Calculations

To better understand LPIF calculations, the following examples illustrate how NSLDS determines LPIF payments for the FY 2004 Q1 reporting period.

Example 1

A *new* loan was reported to NSLDS during the current reporting period with a guaranty date of September 1, 2003, and total amount disbursed of $1000. Because the loan was guaranteed between October 1, 1999, and September 30, 2003, the fee rate is 0.65%. The fee amount for this loan is calculated as follows:

- $1000 x 0.0065 = $6.50.

Example 2

A *new* loan was reported to NSLDS during the current reporting period with a guaranty date of November 1, 2003, and total amount disbursed of $1000. Because the loan was guaranteed on or after October 1, 2003, the fee rate is 0.40%. The fee amount for this loan is calculated as follows:

- $1000 x 0.004 = $4.

Example 3

During the current reporting period, GA ABC reported to NSLDS that a loan's guaranty date changed from September 30, 2003, to October 1, 2003. The total of $1000 in disbursement remained the same. Because the guaranty date changed and impacted the fee rate, the following calculations are necessary to correct the fee amount:

- The fee amount for the prior period needs to be "backed-out" for the loan: ($1000) x 0.0065 = ($6.50).

- The fee amount needs to be calculated at the new rate even though the total amount disbursed is unchanged: $1000 x 0.004 = $4.

Example 4

During the current reporting period, GA XYZ reported to NSLDS changes to a loan's guaranty date and disbursement amount. The guaranty date for the loan changed from October 1, 2003, to September 1, 2003. And the disbursement amount changed from $1000 to $2000. Because the guaranty date changed, which impacted the fee rate, and the disbursement amount increased, the following calculations are necessary to correct the fee amount:

- The fee amount for the period needs to be "back-out" for the loan: ($1000) x 0.004 = (4).

- The fee amount needs to be calculated at the new rate and for the increased disbursement: $2000 x 0.0065 = $13.

In addition to the above examples, NSLDS will continue, as it has in the past, to look for changes in the total amount disbursed in the current quarter as compared to the previous quarter. If the total amount disbursed decreased, the difference will be calculated as follows:

- Prior Period Total Disbursement Amount $2000 - Current Period Total Disbursement Amount $1000 = Difference Total Disbursement Amount ($1000), which is then multiplied by the fee rate derived by the date of guaranty.

Changes to LPIF Files

The LPIF file format changes are detailed in Attachment A, Quarterly Difference Activity LPIF, and Attachment B, Cumulative LPIF.

The Quarterly Difference Activity LPIF file, Attachment A, includes two new fields:

- *Fee Rate* (positions 274 through 278)—The Fee Rate, as determined by the current value of the date of guaranty, is displayed as either 65000 or 40000.

- *Change in Date of Guaranty Flag* (position 279)—The Change in Date of Guaranty Flag is displayed as a 'Y' when there is a change in the date of guaranty that impacts the fee rate.

In cases where there is a change in the date of guaranty that impacts the fee rate, NSLDS provides both a prior period and a current period record with the Change in Date of Guaranty Flag set to 'Y' for the same loan. The prior period record includes current amounts for guaranty, cancellation, and disbursement fields set to "zeroes" and a prior period amount equal to the total value of each amount from the previous quarter.

As a result, the different amounts are negative so the fee paid in prior periods can be fully "backed-out" at the old fee rate. A current period record provides the total amount for guaranty, cancellation, and disbursement in the current period fields with prior period values all set to "zeroes" so the fee paid in the current period can be fully assessed at the current period fee rate. In addition, the Quarterly Difference Activity LPIF file will continue to provide detail records where there is only a change in either the guaranty or cancellation amounts. The Quarterly Difference file no longer reports consolidation loans.

The trailer record now provides a total guaranty, cancellation, net guaranty, and disbursement amounts for both fee rates. The Total Disbursement Amount for each fee rate provides the summary for the fee payment by fee rate. This fee payment can then be compared to invoicing information provided by ED's Financial Management System.

The Cumulative LPIF file, Attachment B, includes one new field:

- *Fee Rate* (positions 274 through 278)—The Fee Rate, as determined by the current value of the date of guaranty, is displayed as either 65000 or 40000.

The Cumulative LPIF file provides the most current record for each loan with a guaranty date on or after October 1, 1999. The file also provides the fee rate associated with each loan. In addition, the Cumulative LPIF file will continue to provide detail records where there is only a change in either the guaranty or cancellation amounts. The Cumulative LPIF file no longer reports consolidation loans.

The trailer record now provides a Total Guaranty, Cancellation, Net Guaranty, and Disbursement amounts for both fee rates. The Total Disbursement Amount for each fee rate provides the summary for the fee payment by fee rate.

If you have any questions, please contact the NSLDS Customer Service Center at
(800) 999-8219 or e-mail nsldscoe@raytheon.com.

Attachment A

Quarterly Difference Activity LPIF

Quarterly Difference Activity LPIF Header Record Layout   *Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Record Sequence Number	Positional sort field for sorting the header record to the top of the file. Set the value to all zeroes; '000000000'.	Num.	9
10	12	Code for GA	Identification code for guaranty agency.	Char.	3
13	20	Report Begin Date	Start date of fiscal year or fiscal quarter; CCYYMMDD format.	Date	8
21	28	Report End Date	End of date of fiscal year or fiscal quarter; CCYYMMDD format.	Date	8
29	29	Filler	Spaces	Char.	1
30	37	Create Date	Date on which the file is created; CCYYMMDD format.	Date	8
38	45	Create Time	Time when the file is created; HH:MM:SS format.	Char.	8
46	75	File Description	'Quarterly Difference Activity LPIF Detail Header'	Char.	30
76	300	Filler	Spaces	Char.	225

Quarterly Difference Activity LPIF Detail Record Layout   *Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Student's Social Security Number	Title IV aid recipient or beneficiary's SSN.	Char.	9
10	17	Date of Student's Birth	Date when a Title IV aid recipient or beneficiary was born; CCYYMMDD.	Date	8
18	29	Student's First Name	Title IV aid recipient or beneficiary's first name.	Char.	12
30	64	Student's Last Name	Title IV aid recipient or beneficiary's last name.	Char.	35
65	66	Type of Loan	Code indicating type of aid received or guaranteed: SF–Stafford SU–Unsubsidized Stafford PL–PLUS	Char.	2

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
67	74	Date of Guaranty	Date the FFEL loan was originally guaranteed in CCYYMMDD format. Only loans with date of guaranty on or after 10/1/1999 are extracted for LPIF Process.	Date	8
75	75	Indicator of Separate Loan	An indicator used to differentiate among multiple loans of the same type, which have the same guaranty date for same student attending the same school.	Char.	1
76	83	Code for Original School	OPE code for school in which student was enrolled or accepted for enrollment at the time the loan was made.	Char.	8
84	104	GA Unique Loan ID	Unique ID that has been assigned to a loan by the GA (optional).	Char.	21
105	113	PLUS Borrower's Social Security Number	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	9
114	121	PLUS Borrowers' Date of Birth	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Date	8
122	133	PLUS Borrower's First Name	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	12
134	168	PLUS Borrower's Last Name	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	35
169	174	Amount of Guaranty Current Period	The amount of loan guaranty as reported by the GA prior to the current reporting period end date.	Num.	6
175	180	Amount of Guaranty Prior Period	The amount of loan guaranty reported by GA prior to the previous reporting period end date.	Num.	6
181	186	Difference Guaranty Amount	Difference between amount of guaranty for the current period and amount of guaranty from the previous period.	Num.	6
187	194	Date of Cancellation	Date of last cancellation reported by GA prior to the end of the current reporting period. CCYYMMDD format.	Date	8
195	200	Amount of Cancellation Current Period	The cumulative amount of loan cancellation last reported by GA prior to the end of the current reporting period.	Num.	6
201	206	Amount of Cancellation Prior Period	The cumulative amount of loan cancellation last reported by GA prior to the end of the previous reporting period.	Num.	6
207	212	Difference Cancellation Amount	Difference between amount of cancellation for the current period and amount of cancellation from the previous period.	Num.	6

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
213	220	Date of Disbursement	Date of last disbursement reported by GA prior to the end of the current reporting period. CCYYMMDD format.	Date	8
221	226	Amount of Disbursement Current Period	The cumulative amount of loan disbursement last reported by GA prior to the end of the current reporting period.	Num.	6
227	232	Amount of Disbursement Prior Period	The cumulative amount of loan disbursement last reported by GA prior to the end of the previous reporting period.	Num.	6
233	238	Difference Disbursement Amount	Difference between amount of disbursement for the current period and amount of cancellation from the previous period.	Num.	6
239	246	Responsibility Begin Date	Responsible Begin Date for Loan Guarantor.	Date	8
247	254	Responsibility End Date	Responsible End Date for Loan Guarantor.	Date	8
255	262	Report Begin Date	Start Date of Quarter CCYYMMDD.	Date	8
263	270	Report End Date	End Date of Quarter CCYYMMDD.	Date	8
271	273	Code for GA	Identification code for GA.	Char.	3
274	278	Fee Rate	LPIF rate (e.g. 65000 or 40000).	Num.	5
279	279	Change in Date of Guaranty Flag	Populated with a 'Y' for prior period and current period records included in the difference activity file as a result of a change in date of guaranty that impacts change in fee rate. Records without a fee rate impact or no change in date of guaranty are filled with a space.	Char.	1
280	300	Filler	Spaces	Char.	21

Quarterly Difference Activity LPIF Trailer Record Layout　　　　　　　　　*Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Record Sequence Number	Positional sort field for sorting the trailer record to the bottom of the file. Set the value to all nines; '999999999'.	Num.	9
10	12	Code for GA	Identification Code for GA.	Char.	3
13	42	File Description	'Quarterly Difference Activity LPIF Detail Trailer'.	Char.	30
43	51	Total Number of Detail Records	This number will reflect the number of detail records contained in the current file.	Num.	9

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
52	66	Total Difference Guaranty Amount at 0.65 percent fee rate	The sum of all difference guaranty amounts in this file for loans with a fee rate of 0.65 percent.	Num.	15
67	81	Total Difference Cancellation Amount at 0.65 percent fee rate	The sum of all difference cancellation amounts in this file with a fee rate of 0.65 percent.	Num.	15
82	96	Total Net Guaranty Amount at 0.65 percent fee rate	The difference between the Total Difference Guaranty Amount and the Total Difference Cancellation Amount with a fee rate of 0.65 percent.	Num.	15
97	111	Total Difference Disbursement Amount at 0.65 percent fee rate	The sum of all difference disbursement amounts in this file with fee rate of 0.65 percent.	Num.	15
112	126	Total Guaranty Amount at 0.40 percent fee rate	The sum of all difference guaranty amounts in this file with fee rate of 0.40 percent.	Num.	15
127	141	Total Cancellation Amount at 0.40 percent fee rate	The sum of all difference cancellation amounts in this file with a fee rate of 0.40 percent.	Num.	15
142	156	Total Net Guaranty Amount at 0.40 percent fee rate	The difference between the Total Difference Guaranty Amount and the Total Difference Cancellation Amount with a fee rate of 0.40 percent.	Num.	15
157	171	Total Disbursement Amount at 0.40 percent fee rate	The sum of all difference disbursement amounts in this file with a fee rate of 0.40 percent.	Num.	15
172	300	Filler	Spaces	Char.	129

Attachment B

Cumulative LPIF

Cumulative LPIF Header Record Layout　　　　　　　　　　　　　　　　　　　*Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Record Sequence Number	Positional sort field for sorting the header record to the top of the file. Set the value to all zeroes; '000000000'.	Num.	9
10	12	Code for GA	Identification code for guaranty agency.	Char.	3
13	20	Report Begin Date	Start date of fiscal quarter; CCYYMMDD format.	Date	8
21	28	Report End Date	End date of fiscal quarter; CCYYMMDD format.	Date	8
29	29	Filler	Spaces	Char.	1
30	37	Create Date	Date on which the file is created; CCYYMMDD format.	Date	8
38	45	Create Time	Time when the file is created; HH:MM:SS format.	Char.	8
46	95	File Description	'Cumulative LPIF Detail Header'	Char.	50
96	270	Filler	Spaces	Char.	175
271	273	Code for GA	Identification code for guaranty agency.	Char.	3
274	300	Filler	Spaces	Char.	27

Cumulative LPIF Detail Record Layout　　　　　　　　　　　　　　　　　　　*Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Student's Social Security Number	Title IV aid recipient or beneficiary's SSN.	Char.	9
10	17	Date of Student's Birth	Date when a Title IV aid recipient or beneficiary was born; CCYYMMDD.	Date	8
18	29	Student's First Name	Title IV aid recipient or beneficiary's first name.	Char.	12
30	64	Student's Last Name	Title IV aid recipient or beneficiary's last name.	Char.	35
65	66	Type of Loan	Code indicating type of aid received or guaranteed: SF–Stafford SU–Unsubsidized Stafford PL–PLUS	Char.	2

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
67	74	Date of Guaranty	Date the FFEL loan was originally guaranteed in CCYYMMDD format. Only loans with date of guaranty on or after 10/1/1999 are extracted for LPIF Process.	Date	8
75	75	Indicator of Separate Loan	An indicator used to differentiate among multiple loans of the same type, which have the same guaranty date for same student attending the same school.	Char.	1
76	83	Code for Original School	OPE code for school in which student was enrolled or accepted for enrollment at the time the loan was made.	Char.	8
84	104	GA Unique Loan ID	Unique ID that has been assigned to a loan by the GA (optional).	Char.	21
105	113	PLUS Borrower's Social Security Number	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	9
114	121	PLUS Borrowers' Date of Birth	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Date	8
122	133	PLUS Borrower's First Name	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	12
134	168	PLUS Borrower's Last Name	Applicable to PLUS (PL) Loans only. It will be set to spaces otherwise.	Char.	35
169	174	Amount of Guaranty Current Period	The amount of loan guaranty as reported by the GA prior to the current reporting period end date.	Num.	6
175	180	Filler	Zeroes	Num.	6
181	186	Filler	Zeroes	Num.	6
187	194	Date of Cancellation	Date of last cancellation reported by GA prior to the end of the current reporting period. CCYYMMDD format.	Date	8
195	200	Amount of Cancellation Current Period	The cumulative amount of loan cancellation last reported by GA prior to the end of the current reporting period.	Num.	6
201	206	Filler	Zeroes	Num.	6
207	212	Filler	Zeroes	Num.	6
213	220	Date of Disbursement	Date of last disbursement reported by GA prior to the end of the current reporting period. CCYYMMDD format.	Date	8
221	226	Amount of Disbursement Current Period	The cumulative amount of loan disbursement last reported by GA prior to the end of the current reporting period.	Num.	6
227	232	Filler	Zeroes	Num.	6
233	238	Filler	Zeroes	Num.	6

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
239	246	Responsibility Begin Date	Responsible Begin Date for Loan Guarantor.	Date	8
247	254	Responsibility End Date	Responsible End Date for Loan Guarantor.	Date	8
255	262	Report Begin Date	Start Date of Quarter: CCYYMMDD.	Date	8
263	270	Report End Date	End of Quarter Date: CCYYMMDD.	Date	8
271	273	Code for GA	Identification Code for guaranty agency.	Char.	3
274	278	Fee Rate	LPIF rate (e.g. 65000 or 40000).	Num.	5
279	279	Filler	Space	Char.	1
280	300	Filler	Spaces	Char.	21

Cumulative LPIF Trailer Record Layout   *Length = 300*

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
1	9	Record Sequence Number	Positional sort field for sorting the trailer record to the bottom of the file. Set the value to all nines; '999999999'.	Num.	9
10	12	Code for GA	Identification Code for guaranty agency.	Char.	3
13	62	File Description	'Cumulative LPIF Detail Trailer'.	Char.	50
63	71	Total Number of Detail Records	This number will reflect the number of detail records contained in the current file excluding consolidation loans.	Num.	9
72	86	Total Difference Guaranty Amount at 0.65 percent fee rate	The sum of all guaranty amounts in this file for loans with a fee rate of 0.65 percent.	Num.	15
87	101	Total Difference Cancellation Amount at 0.65 percent fee rate	The sum of all cancellation amounts in this file with a fee rate of 0.65 percent.	Num.	15
102	116	Total Net Guaranty Amount at 0.65 percent fee rate	The difference between the Total Guaranty Amount and the Total Cancellation Amount with a fee rate of 0.65 percent.	Num.	15
117	131	Total Difference Disbursement Amount at 0.65 percent fee rate	The sum of all disbursement amounts in this file with fee rate of 0.65 percent.	Num.	15
132	146	Total Guaranty Amount at 0.40 percent fee rate	The sum of all guaranty amounts in this file with fee rate of 0.40 percent.	Num.	15
147	161	Total Cancellation Amount at 0.40 percent fee rate	The sum of all cancellation amounts in this file with a fee rate of 0.40 percent.	Num.	15
162	176	Total Net Guaranty Amount at 0.40 percent fee rate	The difference between the Total Guaranty Amount and the Total Cancellation Amount with a fee rate of 0.40 percent.	Num.	15

Pos FR	Pos TO	Attribute	Description	Field Format	Lth
177	191	Total Difference Disbursement Amount at 0.40 percent fee rate.	The sum of all disbursement amounts in this file with a fee rate of 0.40 percent.	Num.	15
192	269	Filler	Spaces	Char.	78
270	272	Code for GA	Identification code for guaranty agency	Char.	3
273	300	Filler	Spaces	Char.	28