



“Let’s Get To Zero!” Reconciliation, Un-booked Loan, DL Tools & GAPS



Presenters

Isiah Dupree - Direct Loan Operations

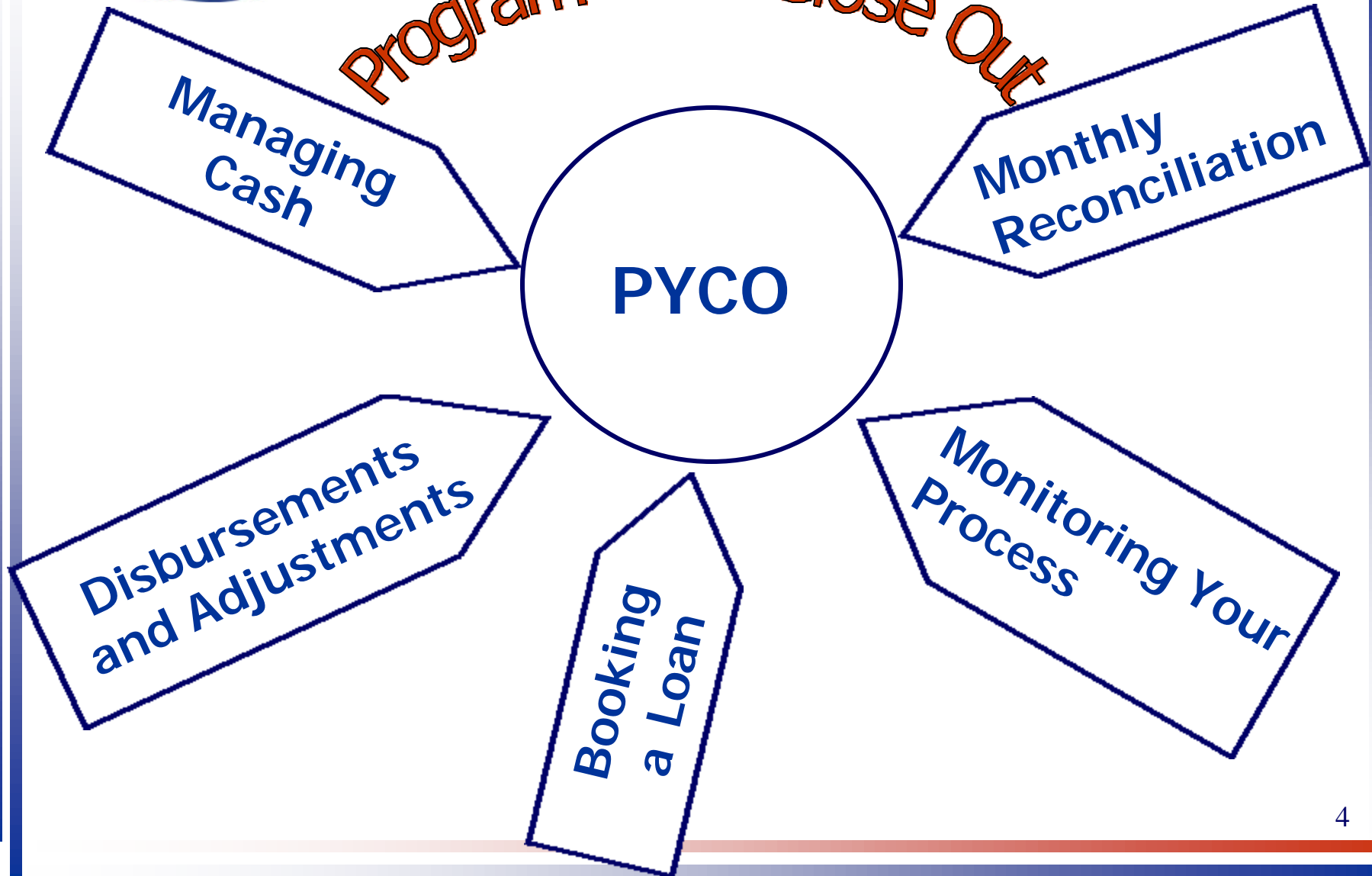
Allison Richards – School Relations

Wendy Jerreld – COD Customer Service



Program Year Close Out for 2002 / 2003 is July 31, 2004

All Roads Lead to Program Year Close Out





All Roads Lead to
Program Year Close Out

Managing
Cash

PYCO



Managing Cash

Cash Receipts

- Request based on immediate need
- Pushed Cash vs. Advanced Funded



For more detail, please review: 34 CFR, 668.161-163.

Managing Cash

Timely Disbursement of Funds

- Disburse within 3 business days or
- Refund cash (next slide)



For more detail, please review: 34 CFR, 668.164-165.



Managing Cash

Refund of Cash

- Electronic via GAPS (preferred)
- Paper check sent to COD
 - Must include the award year and a separate check for each award year

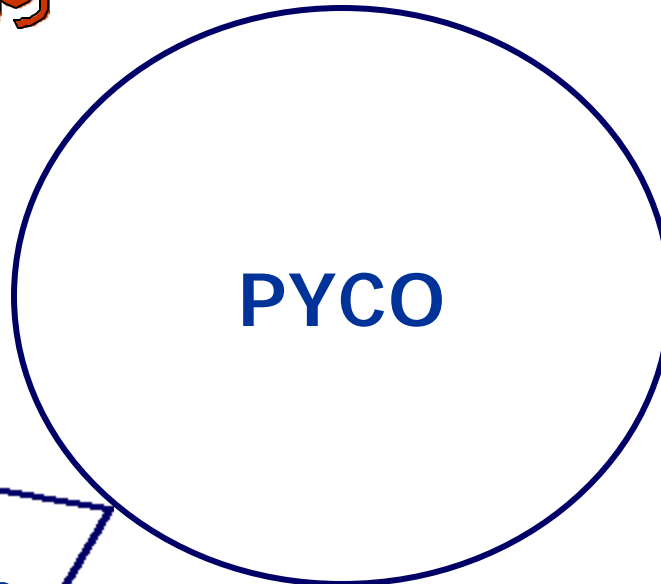


For more detail, please review: 34 CFR, 668.166.



All Roads Lead to
Program Year Close Out

Managing
Cash



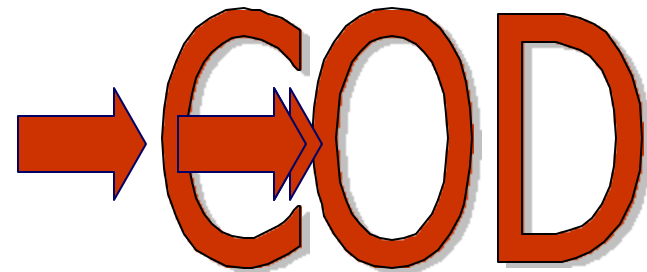
Disbursements
And Adjustments



Reporting Disbursement and Adjustments

Disbursements and Adjustments

- Must be reported within 30 days of date transaction occurred
- May be submitted up to 7 days in advance



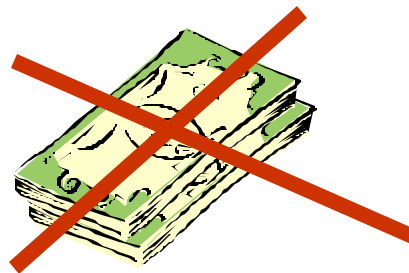
For More Information, review CFR. 668.164-165



Reporting Disbursement and Adjustments

Pushed Cash Schools

Submission and acceptance of disbursement records
Is critical for Pushed Cash Schools because
NO Accepted Disbursement Records = NO FUNDS!!



Reporting Disbursement and Adjustments

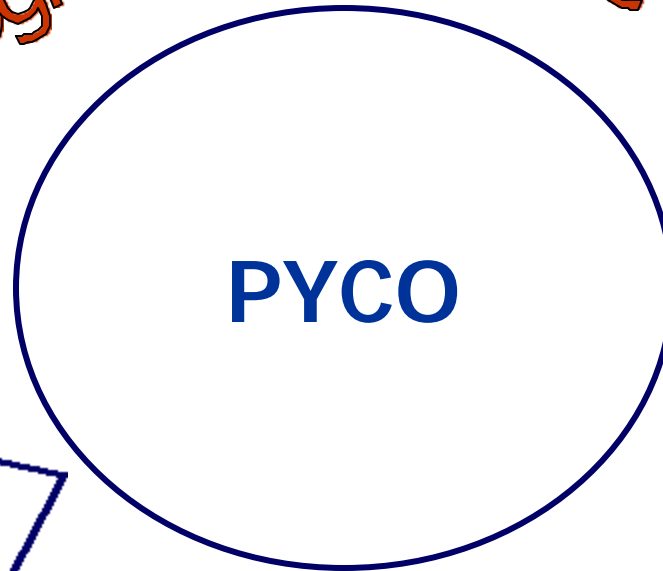
Downward Adjustments to Borrower's
Accounts must be accompanied by:

- Returning funds as a refund of cash
- Reusing/Recycling funds for another eligible borrower





All Roads Lead to Program Year Close Out



Managing
Cash

Disbursements
And Adjustments

Booking
A Loan



Booking a Loan

Data Necessary to Book a Loan:

- Award
- MPN
- Initial Disbursement

Loans must book before liability is transferred to the Department.



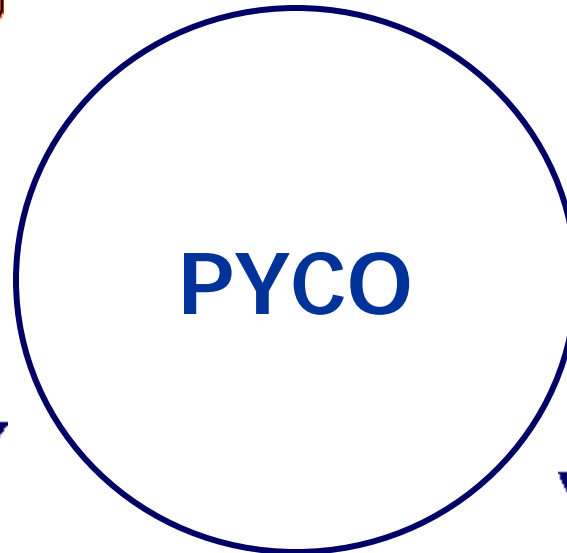
Booking a Loan

Booked Dates:

- The loan booked date is the date all three pieces of the loan are accepted and the data can be sent to Servicing.
- The initial disbursement will book when the loan books.
- Subsequent disbursements will book when accepted at COD or when the loan books, whichever date is greater.



All Roads Lead to Program Year Close Out



Managing
Cash

Disbursements
and Adjustments

Booking
a Loan

Monitoring
your process



Monitoring Your Process

Get Organized – Finish What You Start

- Map your process and procedures
- Monitor your process
- Ensure all records have been sent to and accepted by COD
- Consider managing timing issues to finish what you start within the month



Monitoring Your Process

Monitor Your Cash Flow

- Verify requested funds have been received
- Comply with cash management timelines
- Ensure that all funds received are either disbursed or returned
- Verify correct addresses are used when returning funds
- Ensure cash receipts are posted to the correct year



Monitoring Your Process

Use Your Reports

- 30 Day Warning Report (COD)
- Booked Status Report (EDEXpress or custom)
- Pending Disbursement List
(EDEXpress: List – Edit-Only Disbursement)
- Funded Disbursement List
(EDEXpress: List – Actual Disbursements)
- Actual Disbursements – Booked and Unbooked Report (DL Tools)
- Cash Summary Report (DL Tools – optional)
- Ledgers, Bank Statements, Cancelled Checks
- Other Internal School Reports



Monitoring Your Process

Perform Internal Reconciliation

- Compare Business Office/Financial Records to Direct Loan System
 - Develop procedures/schedule for internal reconciliation and assign responsibilities
 - Compare based on overall cash/disbursement totals and/or student detail
 - Troubleshoot discrepancies



Monitoring Your Process

Use Additional Tools/Resources

- COD Customer Service, 1-800-848-0978
 - Issue identification and resolution
 - Outreach emails
 - Funds Substantiation
 - Remaining Balance Letters (closeout year only)
 - Adhoc Reports
- COD website, <https://cod.ed.gov>



All Roads Lead to Program Year Close Out



Managing
Cash

Monthly
Reconciliation

Monitoring Your
Process

Booking
a Loan

Disbursements
and Adjustments



Monthly Reconciliation

Use Your School Account Statement (SAS)

Reconcile School Data to the SAS



Monthly Reconciliation



Differences/Discrepancies Must Be:

- Identified
- Monitored
- Resolved



Reconciliation Efforts Must Be Documented



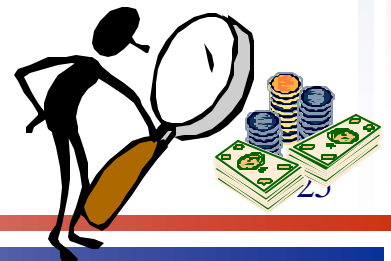
Reasons for Ending Cash Balance Must be Explained



Monthly Reconciliation

Common Discrepancies

- Timing Issues
- Cash Issues
 - Cash transactions in wrong year or split between years
 - Funds sent as refunds of cash that should have been a payment (or the reverse)
 - Funds recycled for disbursement in a different award year





Monthly Reconciliation

Common Discrepancies

- Loan Issues

- Unsent/unacknowledged disbursement batches
- Rejected disbursements
- Disbursements recorded in business office but not in DL/Financial Aid System
- Unbooked Records
- School Data Loss



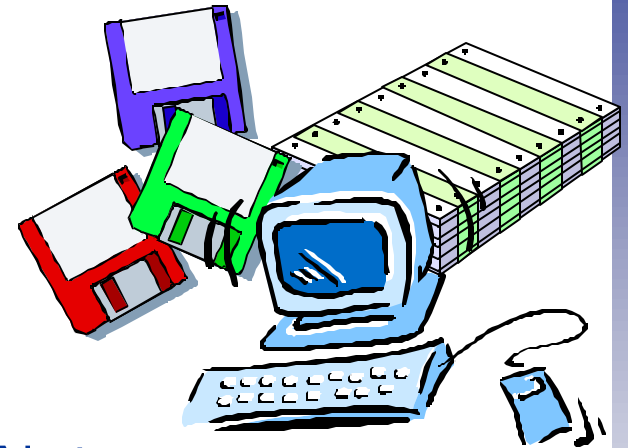
JENNIFER M
066 065503E9999001
06 626503E9999001

Booked	91,933	954	927	91,806
Blocked	91,167	935	918	91,150

Monthly Reconciliation

Available Reports and Tools

- DL System Reports
 - Cash Summary Report
 - Cash/Loan Detail Reports
 - Status Reports; Loan, Promissory Note, Disbursement
 - Pending and/or Accepted Disbursement Lists
 - Common record responses/Acknowledgements and Error reports
 - DL Tools or custom comparison reports



Monthly Reconciliation

Available Reports and Tools

- Business Office Records
 - Bank Statements
 - Canceled Checks
 - Ledgers
 - Cash Detail Reports
 - Student Accounts or Account Cards
 - Disbursement/Loan Detail Reports





Monthly Reconciliation

Additional Resources

- COD website, <https://cod.ed.gov>
- "Direct Loan: Balancing the Books for 2002/03 and Beyond" presentation from the 2003 EAC: <http://edeworkshop.ncspearson.com/sessionDec.htm#breakout>.



Additional Resources Continued

COD Customer Service,
1-800-848-0978, or
codsupport@acs-inc.com

Regional Client Account manager

COD
Reconciliation Coordinator

PYCO 2002 - 2003

COD

DL Schools



What assistance is COD Customer Service Providing?

Remaining Balance Letters

Zero Balance Confirmation Form

Call Projects

Adhoc Reports

Opening and Tracking System Issues



Program Year 2002/2003

Close Out Statistics

Number of Direct Loan Schools for PY 2002/03 = 1,212

Number of schools with balances = 695

Number of schools with a zero balance = 517

Number of schools confirmed and closed = 221



Using the Web Archive Function for Prior Years

- Adjustments/Disbursements
 - School adjustments/disbursements
 - Audits/Program Reviews
- Prior Award Year Checks
 - Checks sent to COD
 - Checks sent to Finance Office

**Demonstration of the Web Archive Function
in Computer Lab**

Questions ????