Using NSLDS: Opportunities and Responsibilities

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Agenda

★Financial aid history and mid-year transfers

★Default Management Information

★ISIR/SAR Issues

– Capitalized interest calculations

– Consolidation loans issues

– Changes for 2001-2

★Questions and discussion

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Agenda

★ **Financial aid history and mid-year transfers**

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Financial Aid History Former Policy

★ May use NSLDS except for mid-year transfers

★ Must respond to requests for FAT

★ Assist colleagues by responding to inquiries

★ Determine whether to award aid using authority of GEN-96-13

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Financial Aid History Interim Policy

★ Effective July 1, 2000

★ May use NSLDS for all applicants including mid-year transfers

- Check NSLDS 30 days prior to enrollment period
- Use OPB, or if none reported, use 1/2 of loan amount

★ Must respond to requests for FAT

★ Assist colleagues by responding to inquiries

Financial Aid History
Proposed Policy: Inform, Select & Alert

★ Planned for July 1, 2001

★ Use NSLDS for all applicants

★ New NSLDS mid-year transfer process to alert school of changes affecting the student's eligibility

★ Schools not required to respond to requests for FATs

★ Assist colleagues by responding to inquiries

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NSLDS Mid-Year Transfers Process Objectives

★ Reduce school workload to meet regulatory requirements

★ School informs NSLDS of students to be monitored

★ NSLDS monitors data received and alerts new school (i.e., push data out) of relevant changes

★ Distribute results only to new school

★ Provide convenient input and output options

NSLDS Mid-Year Transfers Who is monitored? (Inform)

★ School provides NSLDS with list of applicants
- Applicant identifiers
- Monitoring period

★ Options being considered:
- Send data file to NSLDS?
- Enter and update list on NSLDSFAP?
- Auto-add capability on NSLDSFAP?
- Modify SSCR?
- Others?

NSLDS Mid-Year Transfers What will NSLDS do? (Select)

★ Create a process to determine if there is new data affecting applicants eligibility

– New data means a new loan or Pell Grant was added or changed for attendance at another school

– Excludes data for attendance at school to which the applicant is transferring

– Changes in default status or overpayments would continue as done currently so that all schools are notified

NSLDS Mid-Year Transfers How are results communicated? (Alert)

★ NSLDS communicates results directly only to the school to which the applicant is transferring

★ Only results from another school are sent

★ Options being considered:
– FAT batch data file?
– FAT batch print file?
– ISIR-like data file?
– Professional judgement style ISIR?
– Email notice?
– Others?

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Financial Aid History
FOCUS Groups

★Meet with the community to define the mid-year transfer process

★First session held July 9th

★Invite your participation

– Sign up sheet available up front

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Default Management

★Maximize the use of the eLRDR
- Report (print) file
- Data (extract) file

★Repayment information
- Summary page on NSLDSFAP
- Report (print) file
- Data (extract) file

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ISIR/SAR
Capitalized Interest

★ Included in Outstanding Principal Balance

★ NSLDS excludes capitalized interest in aggregates

  – Assumes capitalized interest is paid before principal

  – Includes the lesser of OPB, amount disbursed or net loan amount in aggregates

★ NSLDS does calculation for you

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ISIR/SAR
Capitalized Interest Examples

★ Loan #1:
  – Loan amt: $3,000
  – Amt Disb: $3,000
  – OPB: $2,200

★ $2,200 is included in aggregates as it is the smallest amount.

★ Loan #2:
  – Loan amt: $5,000
  – Amt Disb: $2,500
  – OPB: $3,000

★ Amount Disbursed is the smallest amount. Thus, it is used to compute the aggregate amount. $500 is assumed to be capitalized interest.

ISIR/SAR
Consolidation Loan Issues

★ Consolidation loans have specific loan types [CL (FFEL); D5 and D6 (Direct Loans)]

★ Underlying loans reported with PC status and zero OPB

★ Date of Loan Status on underlying loans and Consolidation Loan Date should be close

★ Some underlying loans may be reported with PF - working with data providers to improve data accuracy

★ Consolidation loans may include Perkins (CL or D6) and Health Professions loans (CL or D5)

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ISIR/SAR
Loan Aggregates

★Subsidized - SF (subsidized), D1, or D6

★Unsubsidized - SF (non-subsidized), SU, SL, D2, D5, or RF

★Combined - SF (subsidized and non-subsidized), SU, SL, D1, D2, D5, D6, or RF

★FFEL Consolidation - CL

ISIR/SAR
Consolidation Loan Aggregates

★ Direct Loans:

– D5 - Consolidation Unsubsidized (included in Unsubsidized and Combined aggregates)

– D6 - Consolidation Subsidized (included in Subsidized and Combined aggregates)

★ FFEL:

– CL - Consolidation Loan (sub and unsub) (included in FFEL Consolidation aggregate only)

– Contact lender to obtain sub/unsub breakdown of underlying loans

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ISIR/SAR Changes for 2001-2

★ Add increased unsub loans indicator due to PLUS denial or Health Professions loan (Direct Loans only)

★ Add MPN indicator (Direct Loans only)

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NSLDS Customer Service

1-800-999-8219

Call between the hours of 8:00 a.m. and 8:00 p.m. ET any weekday other than Federal holidays.

Or, e-mail: nsldscoe@raytheon.com