



Direct Loan Reconciliation

Robert Berry

Barbara Davis

PASFAA October 2011



START HERE
GO FURTHER
FEDERAL STUDENT AID



Agenda

1. **Basic Concepts Review**
2. Funding
3. Loan Processing
4. Edits
5. Reconciliation
6. Resources & Contact Info

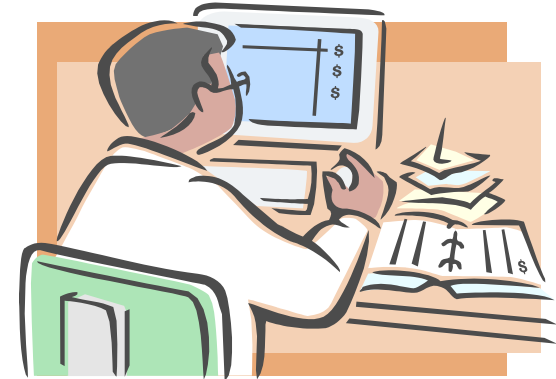




Basic Concepts Review

Direct Loan Reconciliation:

The process by which the Direct Loan Cash Balance recorded on the Department of Education system is reviewed and compared with a school's internal records on a monthly basis.

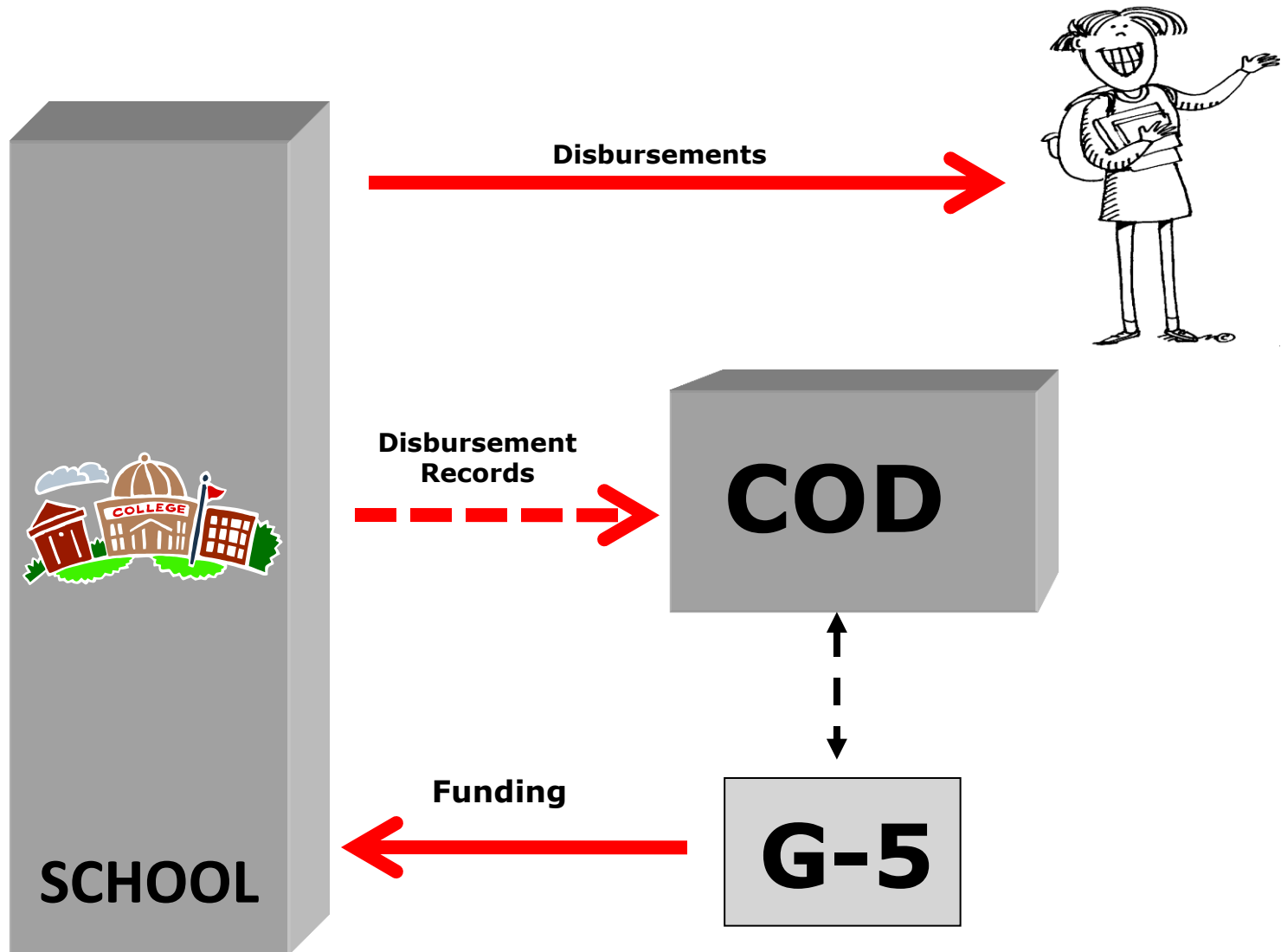


The school must:

- identify and resolve discrepancies, and
- document reasons for their Ending Cash Balance (ECB)

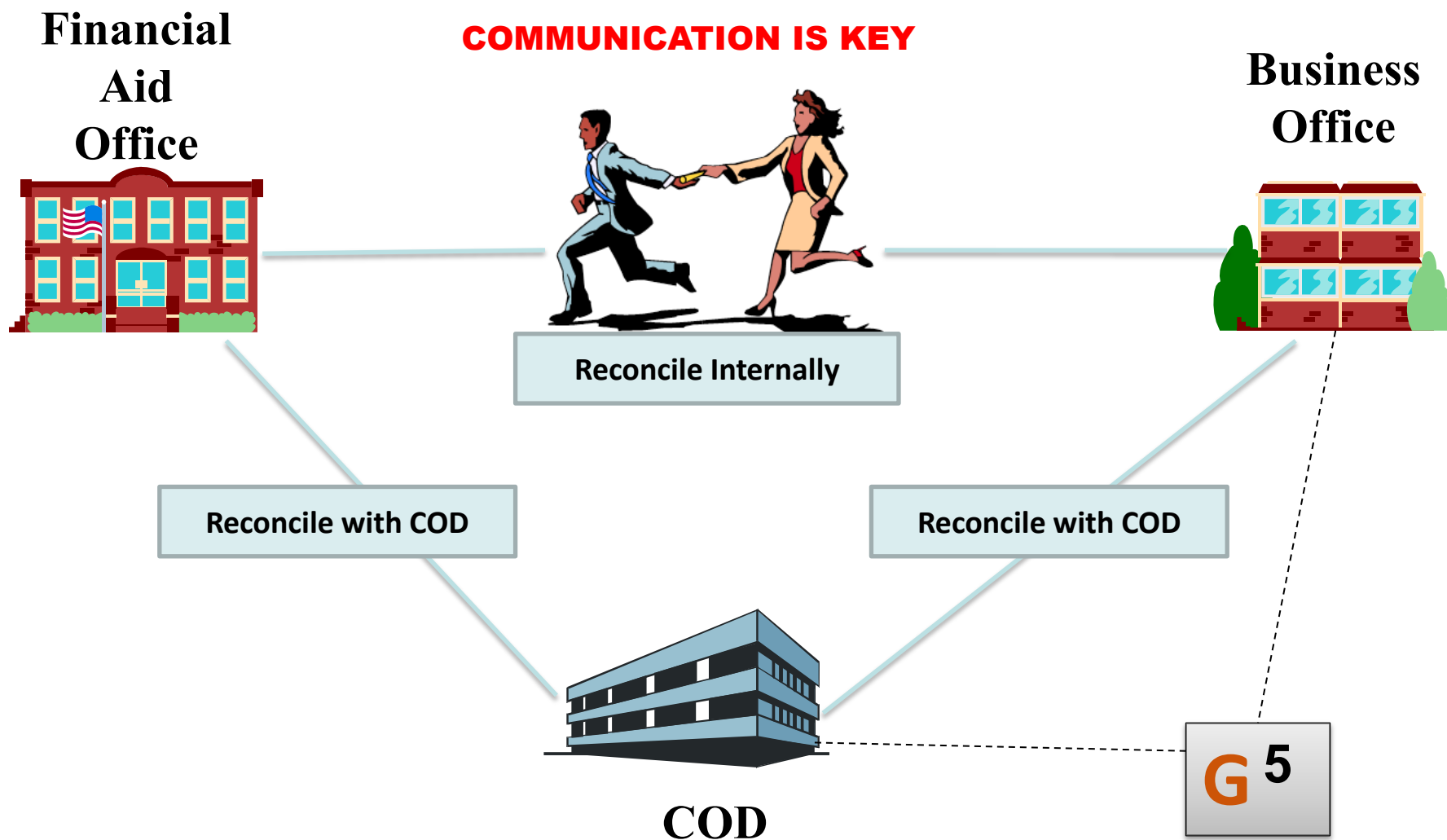


Follow the Money ...





Key Reconciliation Players






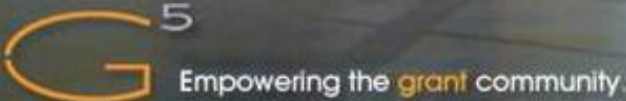
Agenda

1. Basic Concepts Review
2. **Funding**
3. Loan Processing
4. Edits
5. Reconciliation
6. Resources & Contact Info





Request Funds via G5



[Log Out](#) [Home](#) [Payments](#) [User Management](#) [My Profile](#) [Reports](#) [Help](#)

Create Payment Request - Loan

Payments

Summary

Conf

Create Payments

Modify/Cancel Payments

Inquire Payments

Create Payments - Loan

Modify/Cancel Payments - Loan

Inquire Payments - Loan

Enter Payments

Create payments using the form below. An * indicates a required field.

Total: 3 Page 1 of 1 Awards/Page: [Show All Awards](#)

Award No.	Payment Amount (\$)	Deposit Date (MM/DD/YYYY)	Recipient Reference	Available Balance	Net Authorization	Last Day to Draw	Bank Account	Flag
P268K081111	<input type="text"/>	09/28/2009 <input type="checkbox"/>	Direct Loan 0708 8/1	\$0.00	\$9,567,163.00	12/31/2012	*****	
0809 → P268K091111	<input type="text"/>	09/28/2009 <input type="checkbox"/>	Direct Loan 0809	\$168,360,473.00	\$648,582,205.00	12/31/2013	*****	
0910 → P268K101111	<input type="text"/>	09/28/2009 <input type="checkbox"/>	Direct Loan 200910	\$251,097,016.00	\$489,897,016.00	12/31/2014	*****	

Total: 3 Page 1 of 1 Awards/Page: [Show All Awards](#)


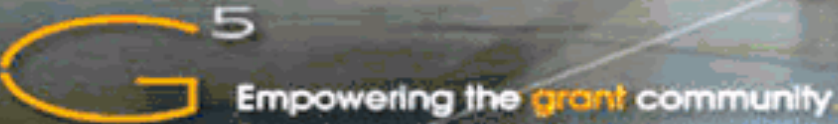
1011 DL: P268K11xxxx

1112 DL: P268K12xxxx





G5 Online Training




[G5 Home](#) [Help](#)

New On-Line Training and Help Functions --





- Training will provide online guided simulations to demonstrate steps required to complete G5 procedures
- Help will provide Tip Sheets (Job Aids) - quick step-by-step documents for each procedure
- Prior to G5 implementation, Training and Help will be accessible from e-Payments
- Post implementation Training and Help will be accessed from G5

OnDemand - G5 - Microsoft Internet Explorer provided by US Department of Education




Playback Mode


Preferences | Help | Close







 See It!  Try It!  Know It?  Do It!

Outline



☐ All

 Payee Award Draw Down

-  Processing Payment Requests
 -  Request Payment
 -  Process Refund
 -  Adjust Payment
-  Reporting in G5
 -  Reports

Concept

[Here is a job aid for Requesting Payment](#)

This topic is the first within the Processing Payment Request course, and demonstrates how G5 users may request a payment. This topic does not cover how to Process a Refund nor does it discuss Adjusting a Payment.

To request a payment, users should navigate to www.G5.Gov

Prior to requesting a payment, users should be signed up for an active account. Please refer to the Registering for G5 User Account procedure for more information.

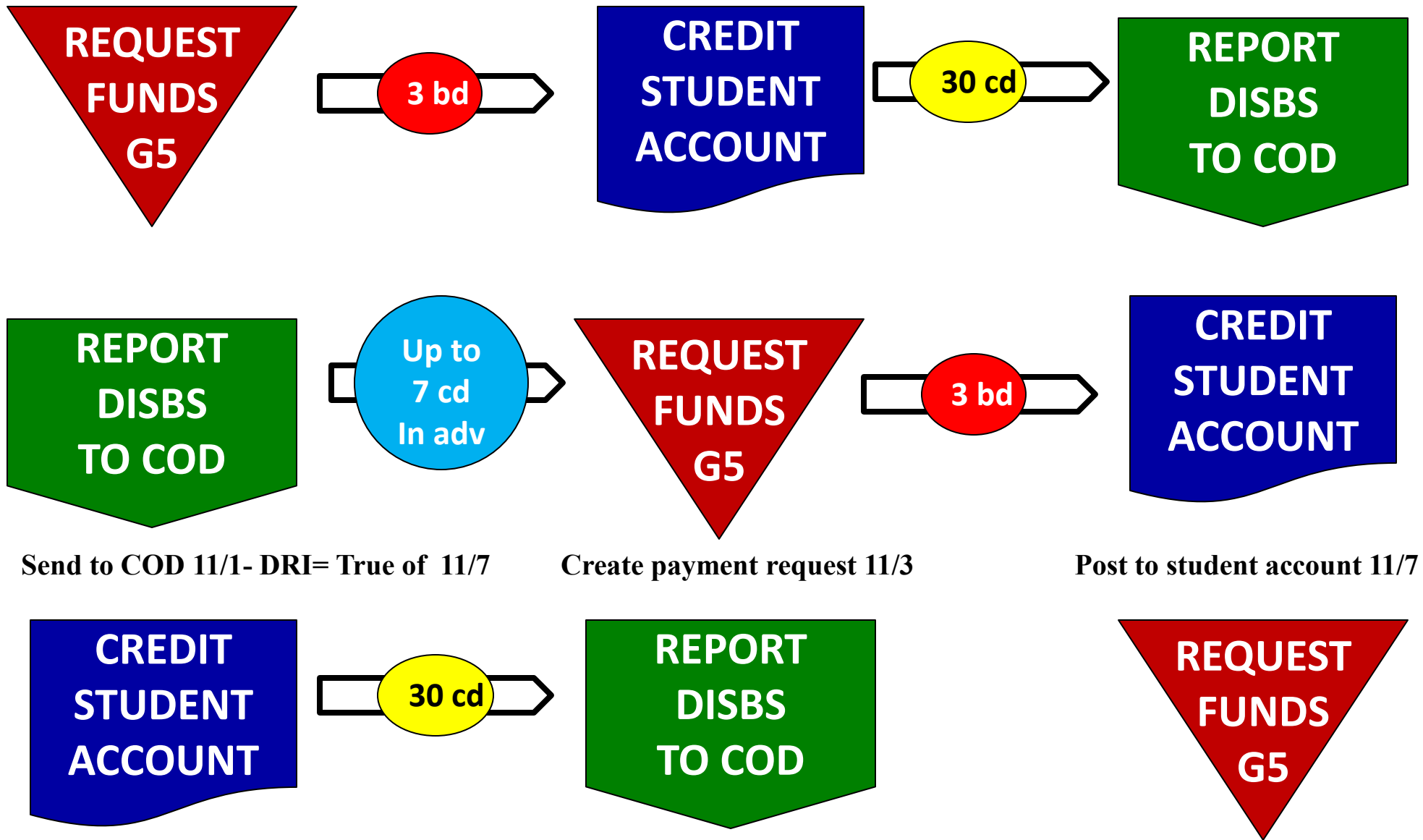


Which Method Will You Use?

- Advance Funding method
 - Request \$, Credit, Report
 - Report, Request \$, Credit
 - Credit, Report, Request \$
- Can report actual disbursements up to 7 days in advance
- Must report actual disbursements within 30 days of disbursement date



Which Method Will You Use?





Returning Direct Loan Funds

- Overpayments
- Student withdrawals (R2T4)
- DL funds with no expectation of disbursing to eligible borrowers within 3 business days
- Cancellation or reduction of loan





FSA Handbook Volume 4

Volume 4 — Processing Aid & Managing FSA Funds, 2009-2010

Chapter 2 – Requesting & Managing FSA Funds	4-33
Drawing Down Federal Student Aid Funds	4-33
<i>Current Funding Level & G5</i>	4-33
<i>The advance payment method</i>	4-33
<i>Reimbursement & cash monitoring payment methods</i>	4-34
Maintaining and Accounting for Funds	4-37
<i>When a school does not maintain a separate account</i>	4-37
<i>Bank account notification requirements</i>	4-37
<i>Interest-bearing or investment account</i>	4-38
Excess Cash	4-39
<i>Allowable excess cash tolerances</i>	4-39
<i>Holding FFEL funds if student is temporarily ineligible</i>	4-40
<i>Holding FFEL Stafford loan funds for verification</i>	4-41
<i>Administrative Cost Allowance (ACA)</i>	4-41
Fiduciary Responsibility	4-42
Prohibition on escheating of FSA funds	4-42
<i>Timeframe for returning unclaimed funds</i>	4-43
Garnishment of FSA Funds Prohibited	4-43
Returning Funds	4-44
<i>Returning federal funds by depositing them in a federal funds account</i>	4-44
<i>Downward adjustment of Pell, ACG/SMART, TEACH Grant, or Direct Loan required</i>	4-45
<i>Returning funds from an audit or program review</i>	4-45





Ending Cash Balance (ECB)

$$\begin{aligned} & \text{Total Net Drawdowns} \\ - & \text{Total Net Booked Disbursements} \\ \hline = & \text{Ending Cash Balance} \end{aligned}$$





Common Funding Issues

Cash > accepted disbursements

✓ **The facts**

- R2T4 – FA reports downward disbursement adjustment
- There are no other eligible borrowers to disburse the funds to within 7 calendar days

✓ **The issue**

- Comptroller is not advised and so does not return funds or request less in upcoming funds request

✓ **The problem**

- Cash > accepted and posted disbursements

✓ **The solution**

- Better communications between offices





Common Funding Issues

Refund confused with a payment

✓ The facts

- R2T4 calculation determines refund amount

✓ The issue

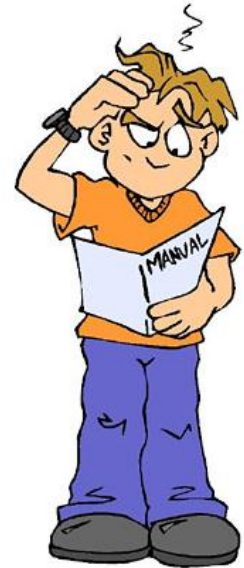
- School sends money to borrower's Servicer

✓ The problem

- School's generally do not make a payment on a borrower's account. If the borrower does not want the funds after the 120 day timeframe then the borrower sends funds to its servicer

✓ The solution

- Make disbursement adjustments in FA software in regulatory situations, then re-disburse to other eligible borrower(s) or return funds electronically to G5





Common Funding Issues

Mishandled refund

✓ The facts

- Actual disbursement is adjusted downward:
 - R2T4 calculation, Borrower returned funds within 120 days, Correct an error

✓ The issue

- School re-disburses to borrower(s) in a different academic year –or–
- School returns to G5 in a different program year/program (i.e. Pell)

✓ The problem

- Cash balance thrown off for both years/programs

- ✓ **The solution:** DL funds are not borrower-specific but keep funds year/program specific





Agenda

1. Basic Concepts Review
2. Funding
3. **Loan Processing**
4. Edits
5. Reconciliation
6. Resources & Contact Info





Pending vs. Actual Disbursement

✓ Pending disbursement

- Part of loan origination record (req'd) and must total loan amount on initial submission
- No impact on funding
- Not on SAS, not part of reconciliation
- Disbursement Release Indicator = FALSE *
- These are *anticipated* disbursements
- No need to change until ready to disburse

*Software dependent





Pending vs. Actual Disbursement

✓ Actual disbursement

- Origination fee and upfront instant rebate assessed on actual disbursement
- Disbursement release indicator = TRUE*
- Report to COD via Common Record
- Starts with disbursement #1 Sequence #1
- Drives funding
- Impacts reconciliation
- Date starts interest being charged
- Initiates 30-Day Reporting requirement

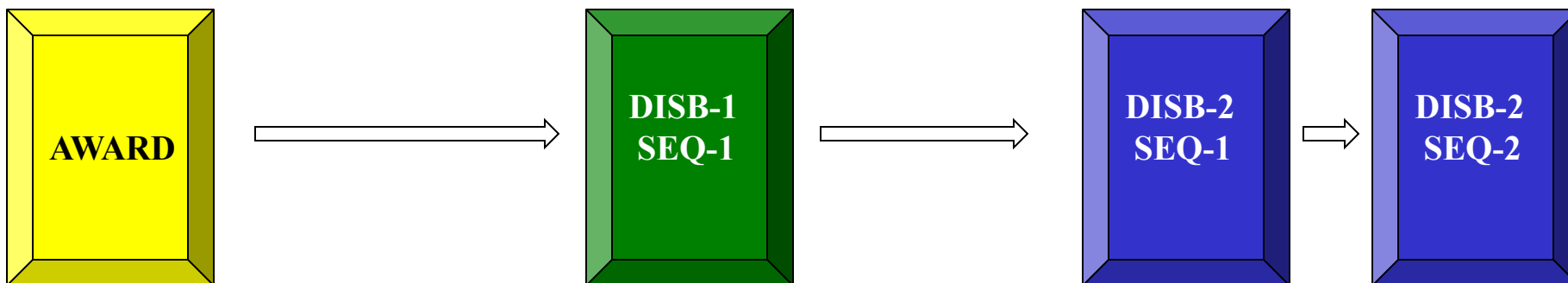
*Software dependent



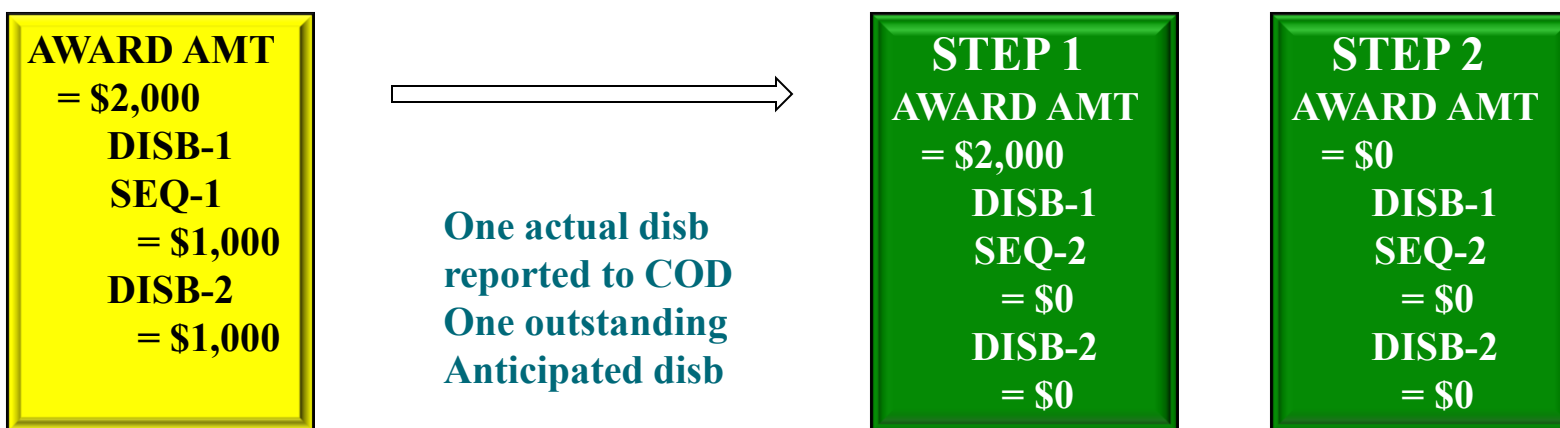


Processing order *does* matter

(1) Actual Disbursement Adjustments



(2) Inactivating or reducing a loan to \$0





Adjusting Actual Disbursements

☐ Why would you want to change an actual disbursement?

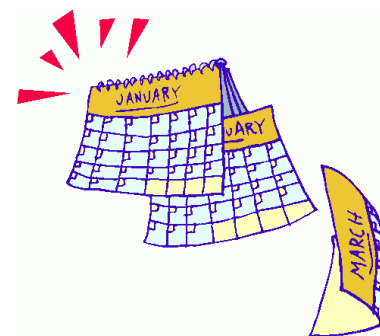
- ✓ Borrower returns funds
- ✓ Borrower withdrawal/no-show
- ✓ Disbursement sent in error

☐ Rules

- ✓ Can't change date and amount in same transaction
- ✓ Must report these adjustments within 30 days
- ✓ Downward adjustments = money back on your books
 - ☐ Be sure to return it (G5) or re-disburse it to a borrower
 - ☐ DL funds are not student-specific but are year-specific



120-Day “Rule”



- ☐ Borrower returns funds within 120 days of actual disbursement date.
- ☐ As long as not within regulatory mandatory cancellation timeframes school has option to adjust disbursement down and re-disburse to any eligible borrower or return funds to G5
- ☐ Interest and loan fees will be reduced
- ☐ NOT sent to Servicer, not by paper check please



Agenda

1. Basic Concepts Review
2. Funding
3. Loan Processing
4. **Edits**
5. Reconciliation
6. Resources & Contact Info





Entity

Person

Award

Disbursement

COD Tech Ref: Edits in Vol II, Section 4

Rejects vs. “Warnings”

- ☐ **Rejects:** not processed, not built, COD treats it as if it never arrived, won't find on award or person search, only in Batch search
- ☐ **Warnings:** processed but take note of important information



Resolving Rejects

- Watch your rejects

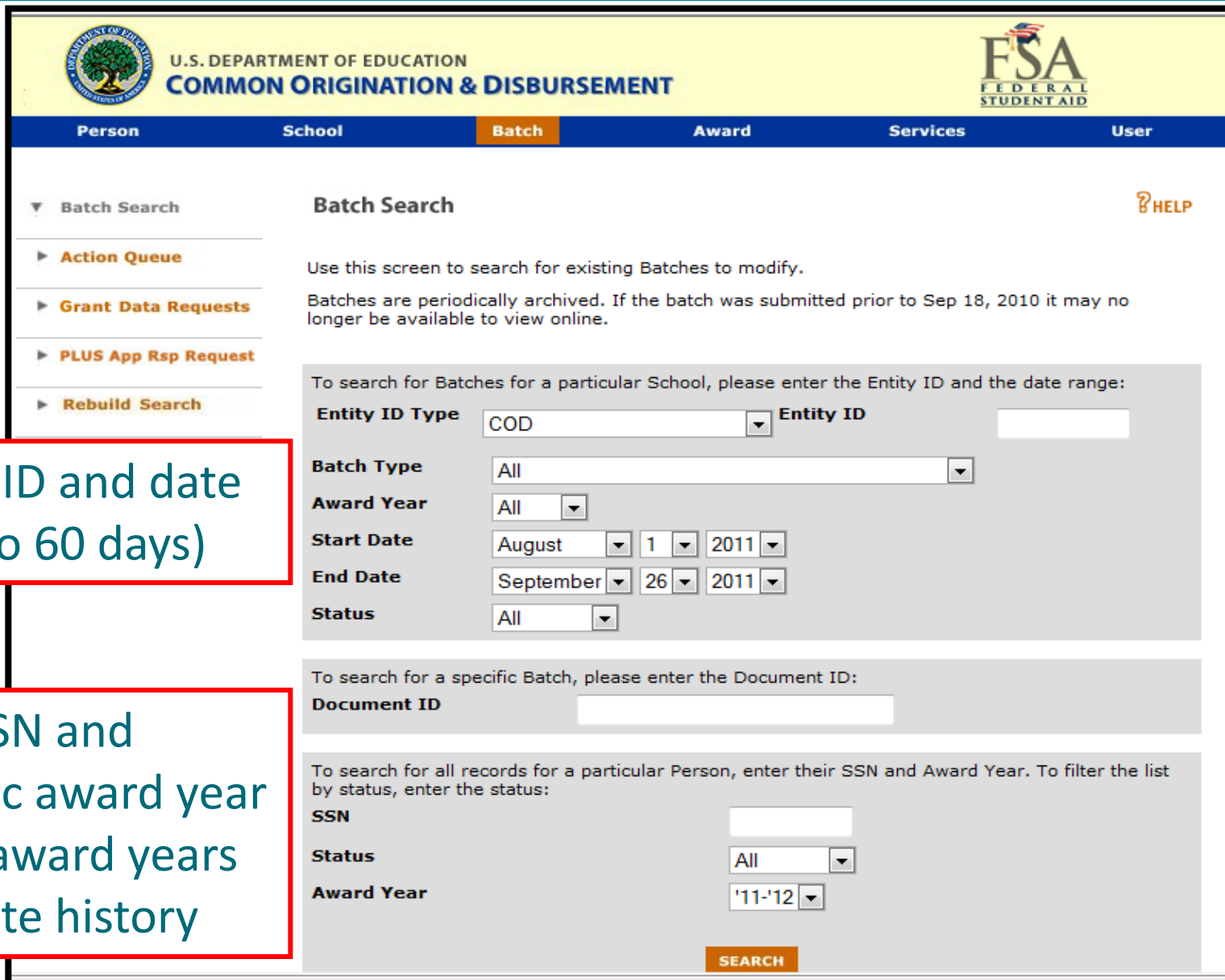
**Rejected disbursements =
unsubstantiated funds**

- use your software import edit report or
- review your batches in COD





COD Batch Search



The screenshot shows the 'Batch Search' page of the FSA Federal Student Aid system. The page has a yellow header with the U.S. Department of Education logo and the text 'U.S. DEPARTMENT OF EDUCATION COMMON ORIGATION & DISBURSEMENT'. The FSA logo is on the right. A blue navigation bar contains links for 'Person', 'School', 'Batch' (selected), 'Award', 'Services', and 'User'. On the left, a sidebar lists 'Batch Search' (selected), 'Action Queue', 'Grant Data Requests', 'PLUS App Rsp Request', and 'Rebuild Search'. The main content area is titled 'Batch Search' and includes a 'HELP' link. It contains three search sections: 1. A general search section with instructions: 'Use this screen to search for existing Batches to modify. Batches are periodically archived. If the batch was submitted prior to Sep 18, 2010 it may no longer be available to view online.' It includes fields for 'Entity ID Type' (set to 'COD'), 'Entity ID', 'Batch Type' (set to 'All'), 'Award Year' (set to 'All'), 'Start Date' (August 1, 2011), 'End Date' (September 26, 2011), and 'Status' (set to 'All'). 2. A section for searching by 'Document ID'. 3. A section for searching by 'SSN' and 'Award Year', with 'Status' set to 'All' and 'Award Year' set to '11-'12'. A 'SEARCH' button is at the bottom right.

Enter school ID and date range (up to 60 days)

Enter SSN and choose specific award year or select all award years for complete history

Batch Search Results - SSN



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person

School

Batch

Award

Services

User

▼ Batch Search

► Action Queue

► Grant Data Requests

► PLUS App Rsp Request

► Rebuild Search

Search Results

Enter filter criteria here to narrow down your search.

Status: All

Batch Type: All

HELP

Document ID	Record Type	Doc Type	Date Received	Date Response Sent	Entity	Award Year	Name	SSN	Award Type	Award No	Disb No	
2011-09-14T16:32:27.8382048315	DL	RS	09/14/2011	09/14/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	02 - Rejected
2011-09-12T16:23:54.6982048315	DL	RS	09/12/2011	09/12/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	02 - Rejected
2011-09-09T16:22:18.6782048315	DL	RS	09/09/2011	09/09/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	02 - Accepted
2011-09-07T16:32:09.7582048315	DL	RS	09/07/2011	09/07/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	01 - Accepted
2011-08-30T15:05:21.0782048315	PL	RS	08/30/2011	08/30/2011	82048315	'11-'12			- Accepted	PEL	000 - Accepted	01 - Accepted
2011-08-25T16:14:20.0382048315	DL	RS	08/25/2011	08/25/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	02 - Accepted
2011-08-24T16:30:58.4682048315	DL	RS	08/24/2011	08/24/2011	82048315	'11-'12			- Accepted	DLS	001 - Accepted	
2011-08-24T16:30:58.4682048315	DL	RS	08/24/2011	08/24/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	02 - Accepted
2011-08-24T16:30:58.4682048315	DL	RS	08/24/2011	08/24/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	03 - Accepted
2011-08-13T04:05:00.9800000001	DL	BN	08/13/2011	08/13/2011	82048315	'11-'12			- Accepted	DLS	001 - Accepted	
2011-08-13T04:05:00.9800000001	DL	BN	08/13/2011	08/13/2011	82048315	'11-'12			- Accepted	DLU	001 - Accepted	
2011-08-12T15:26:31.4182048315	PL	RS	08/12/2011	08/12/2011	82048315	'11-'12			- Accepted	PEL	000 - Accepted	01 - Accepted
2011-08-12T15:26:31.4182048315	DL	RS	08/12/2011	08/12/2011	82048315	'11-'12			- Accepted	PEL	000 - Accepted	



Example Record Reject



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



PersonSchoolBatchAwardServicesUser

[Batch Search](#)

[Batch Information](#)
Detail

[Action Queue](#)

[Grant Data Requests](#)

[PLUS App Rsp Request](#)

[Rebuild Search](#)

[Post Data Arc Search](#)

[DL Origination Tool](#)

[Return to: Batch List](#)

Record Errors [? HELP](#)

Document ID	Entity Id	Award Year	Person
2011-09-14T16:32:27.8382048315	82048315	'11-'12	

Disbursement 2 Error

Field	DisbursementSequenceNumber
Edit number	056
Description	SEQUENCE NUMBER NOT IN SEQUENTIAL ORDER
Edit status	Rejected
Field value	01

[UPDATE RECORD](#)[VIEW RECORD](#)[VIEW RESPONSE](#)

Disbursement 2 Error

Field	DisbursementReleaseIndicator
Edit number	074
Description	INCORRECT ADJUSTMENT TO PAYMENT TRIGGER
Edit status	Rejected
Field value	N

[UPDATE RECORD](#)[VIEW RECORD](#)[VIEW RESPONSE](#)

Sep 26 2011 16:41 GMT

[Home](#) | [Privacy Act](#) | [Links](#) | [Contact Us](#) | [Today's Update](#) | [Help](#) | [Glossary](#) | [Log Off](#)

Identified in Common Record Response
and also in COD Batch Search (above)



COD Technical Reference

fsadownload.ed.gov

FSA U.S. DEPARTMENT OF EDUCATION FSA DOWNLOAD - SOFTWARE & MANUALS

Site Navigation: [Home](#), [Site Map](#), [Software](#), [Manuals](#), [Downloads](#), [FSA](#)

Related Services: [FSA Enrollment \(SAIG\)](#), [Mailbox](#), [Subscribe to the FSA Chat](#), [Other Web Sites for FSA](#)

COD Technical Reference 2010-2011

[Click here to download a free Adobe or Word viewer.](#)

Document Title	Document Format	Date Posted	File Size	Download Time
2011 COD Technical Reference Cover and Table of Contents	PDF Format	11/20/2009	44 KB	8 sec. @ 56kbps
2011 COD Volume I: Getting Started				
2011 COD Volume I Full Download	PDF Format	10/01/2010	888 KB	3 min. @ 56kbps
Table of Contents	PDF Format	10/01/2010	56 KB	10 sec. @ 56kbps
Section 1: Document Standards	PDF Format	11/20/2009	93 KB	17 sec. @ 56kbps
Section 2: COD Overview of Changes from 2009-2010 to 2010-2011	PDF Format	10/01/2010	111 KB	20 sec. @ 56kbps
Section 3: COD Overview	PDF Format	11/20/2009	195 KB	35 sec. @ 56kbps
2011 COD Volume II: Common Record Technical Reference				
2011 COD Volume II Full Download	PDF Format	10/01/2010	2.8 MB	8 min. @ 56kbps
Table of Contents	PDF Format	10/01/2010	77 KB	9 sec. @ 56kbps
Section 1: Implementation Guide	PDF Format	10/01/2010	1.3 MB	4 min. @ 56kbps
Section 2: Message Classes	PDF Format	06/30/2010	210 KB	38 sec. @ 56kbps
Section 3: Common Record Layout	PDF Format	10/01/2010	705 KB	2 min. @ 56kbps
Section 4: Edits	PDF Format	10/01/2010	446 KB	1 min. @ 56kbps

IMPLEMENTATION
GUIDE

EDITS





Batch Information Menu – Correcting a Rejected Record

COD Tech Ref, Volume II, Section 4 lists the edit codes and information for correcting rejected records.

039	C/R	Award, Disbursement	Incorrect Award Amount	Award and/or Disbursement amount exceeds the maximum annual limit (Pell/DL). Pell: Refer to the Federal Student Aid Handbook for maximum annual limits. Direct Loan Subsidized: Grade Level = 0 or 1 Max = 3500 Grade Level = 2 Max = 4500 Grade Level = 3, 4, 5 Max = 5500 Grade Level >=6 Max = 8500	Pell Direct Loan	Pell: Review the maximum annual limit for this award. If appropriate, update this field and resubmit. Direct Loan: Review the maximum annual loan limit for this award. Also, review all sub/unsub awards and actual disbursements made for this student. If appropriate, update award and/or disbursement amount(s) and resubmit.
-----	-----	---------------------	------------------------	---	---------------------	---

September 2010

2010-2011 COD Technical Reference
Volume II – Common Record Technical Reference

Page II - 4 - 9

Award and/or Disbursement amount exceeds the maximum annual limit (Pell/DL).

Pell:
Refer to the Federal Student Aid Handbook for maximum annual limits.

Direct Loan Subsidized:
Grade Level = 0 or 1 Max = 3500
Grade Level = 2 Max = 4500
Grade Level = 3, 4, 5 Max = 5500
Grade Level >=6 Max = 8500

Direct Loan:

Review the maximum annual loan limit for this award. Also, review all sub/unsub awards and actual disbursements made for this student. If appropriate, update award and/or disbursement amount(s) and resubmit.





Disbursement Level Edits

- ☐ Actual disbs reported more than 7 days prior to event
 - ✓ **Reject** edit **051** (resend again later)
- ☐ Must report actual disb within 30 days
 - ✓ **Warning** edit **055** (need to get these in sooner)
- ☐ Loan limits
 - ✓ **Reject** edit **039** (check grade level)
- ☐ Anticipated disb sent with past disb date
 - ✓ **Warning** edit **054** (DRI needs to be changed?)
- ☐ Actual PLUS disb reported with no approved credit
 - ✓ **Reject** edit **080** (wait for approved credit before disb)





Agenda

1. Basic Concepts Review
2. Funding
3. Loan Processing
4. Edits
5. **Reconciliation**
6. Resources & Contact Info





Reconciliation

- Reconciliation: monthly and program year closeout
- Schools must reconcile each month
- Similar to balancing a checkbook
- Who should perform reconciliation
- Use reports to research and determine timing differences between COD and School





Recommended Steps

Daily/Weekly:

1. Communication between BO and FA
2. Resolve as many rejected records as possible
3. Identify and enter ***pending actual disbursements*** that should have been entered into system and sent to COD
4. **Export**/transmit all records/batches
5. **Import** all acknowledgements/responses





Internal Reconciliation

Compare Business Office Records to Financial Aid Office Records

- Develop procedures/schedule for internal reconciliation and assign responsibilities
- Compare based on overall cash/disbursement totals and/or student detail
- Troubleshoot discrepancies
- Tools:
 - student files
 - financial aid office reports
 - business office reports





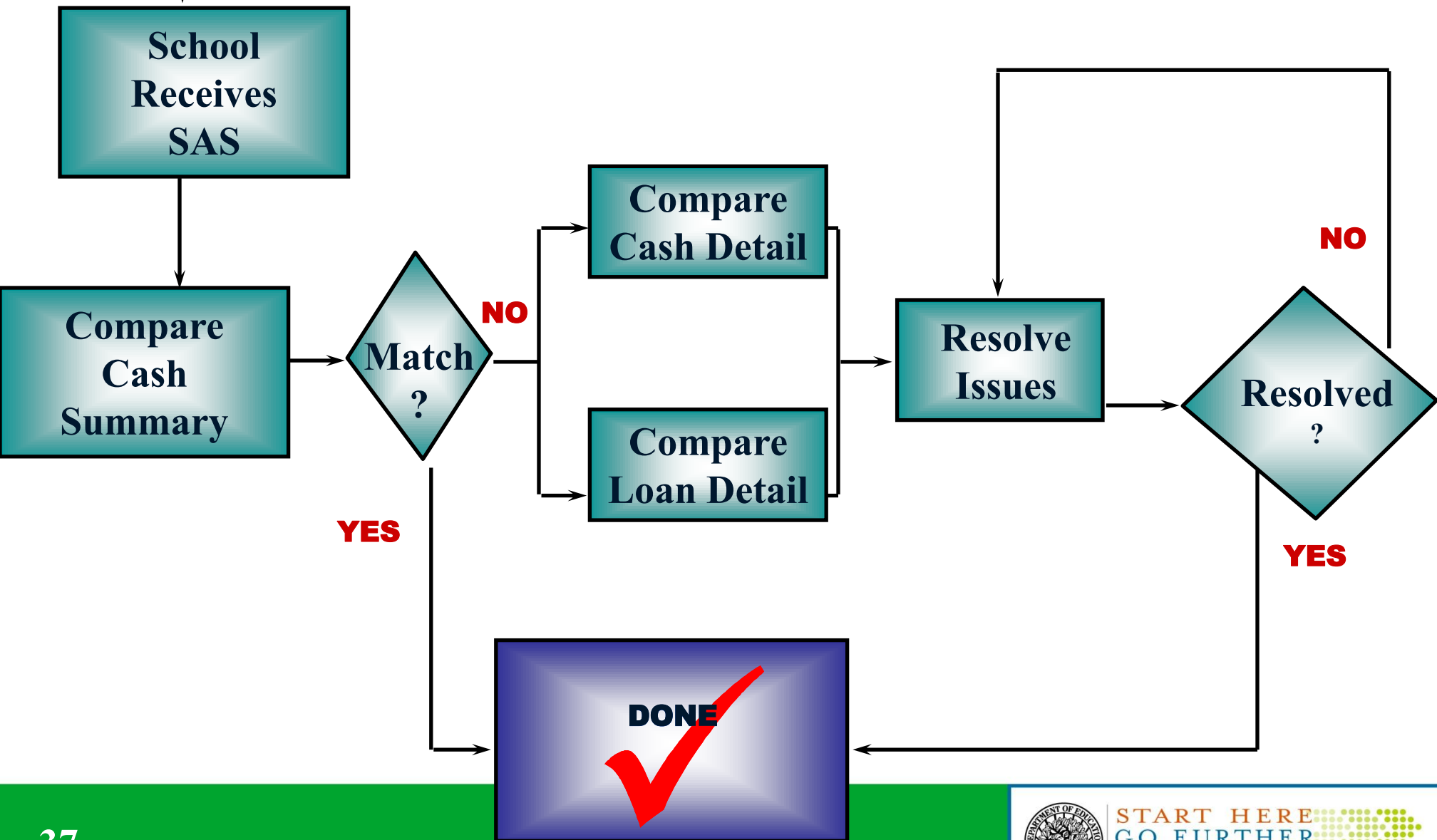
Monthly Activities & Aids

- Monthly activity
 - School reconciles internally, FAA and Business offices
 - School reconciles externally with COD
 - Reconcile cash summary, cash detail, loan and disbursement detail
 - Document your reconciliation
- Aids to Reconciliation
 - School Account Statement (SAS)
 - COD Website screens and reports
 - Direct Loan Tools Software (FSA Download site)
 - COD Reconciliation specialists





Reconciliation Process Flow





School Account Statement (SAS)

The SAS is a monthly statement listing the school's DL processing activity as reported to (and accepted by) COD

Import the DSLF or DSDF

- Each SAS import overwrites previous SAS information stored in the DL Tools database
- Generated the first full weekend of the month
- Separate SAS for each open award year

Date	Amount	Daily Balance
	\$ 738.97	
10/20	528.82	
10/21	590.53	
10/22	524.21	
10/23	362.24	
10/26	308.42	
10/27		



School Account Statement

- Cash Summary
 - Total drawdowns (info sent from G5 to COD)
 - Total returns (info from G5 to COD)
 - Total booked disbursements (school to COD)
 - Ending Cash Balance (ECB)
 - Total unbooked disbursements (school to COD)
 - Cash > accepted/posted disbursements
- Cash Detail
- Loan/Disbursement Detail

***Year-to-Date SAS if you want to use the DL Tools Compare.
Don't forget to change it as it is defaulted to Monthly in
COD.***



SAS Options

Financial Aid Contact
Eligibility
General
Options
Funding Info
Summary Financial
Info
Refunds of Cash
Cash Activity
Events
Memos
Yearly Totals
Relationships
Balance Confirmation
Request Post
Deadline Processing
Correspondence
Report Selection

COD.ED.GOV

Award Year	'08-'09
SAS Options	
Report Format	Fixed Length
Include Names of Borrowers	No
Report Activity Type	Year-to-Date Monthly Year-to-Date Both
<p>Regardless of your choice (Monthly, Year-to-Date, or Both), you will receive Year-to-Date and Monthly Cash Summaries.</p> <p>You will receive Monthly Cash Detail if you choose Monthly activity and Year-to-Date Cash Detail if you choose Year-to-Date.</p> <p>You will receive both the Monthly and Year-to-Date Cash Detail if you select Both as your option.</p>	
Sections of SAS to Receive	
Summary by Loan Type	Yes
<p>If chosen, you will receive Monthly and Year-to-Date.</p>	
Disbursement Detail	Yes
Loan Level (optional)	No
UPDATE	

← YTD

← DSDF

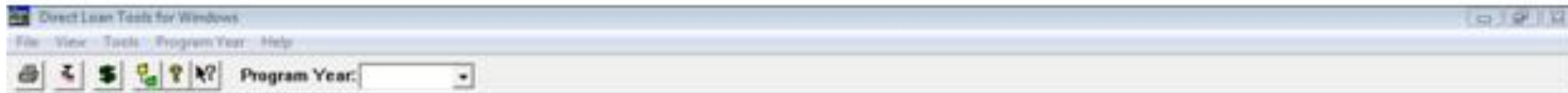
or

DSLFF





DL Tools Functionality



Multi-Year R11: 2009/2010, 2010/2011, 2011/2012

Functionality:

Cash

Management

SAS – Print

SAS - Compare

Rebuild

Disbursement Measurement Tool Report





Download DL Tools

from fsadownload.ed.gov

FSA Software&Manuals - Windows Internet Explorer
https://www.fsadownload.ed.gov/software.htm

File Edit View Favorites Tools Help

Bill 2 clip art - vector clip a... FSA Software&Manuals x

Live Search

FSA U.S. DEPARTMENT OF EDUCATION
FSA DOWNLOAD - SOFTWARE & MANUALS

Skip navigation link Search: Go Information for Financial Aid Professionals | Help Center | Feedback | Privacy | About Us

Site Navigation

- Home
- Site Map
- Software
- References
- Privacy Act
- Help

Related Services

- FSA Enrollment (SAIG Mailbox)
- Subscribe to the FSATECH Listserv to join our on-line discussion of systems issues.

Other Web Sites for FSA Student Data

- FAA Access to CPS Online
- E-Campus Based/FISAP
- COD (separate enrollment required)
- NSLDS for FAAs (separate enrollment required)
- Other Dept. of ED Links

EDconnect

Student Aid Internet Gateway Software and Documentation

Description: Direct Loan (DL) Tools for Windows, Release 11.0 is a multi-year Windows-based application designed to provide the following functionality related to all Direct Loan schools' software:

- Compare the School Account Statement (SAS) to loans and actual disbursements recorded in EExpress or an external file, and/or compare the SAS to the DL Tools Cash database.
- Print the SAS in a readable format.
- Track Cash Receipts (drawdowns) and Refunds of Cash
- Rebuild your Direct Loan origination and disbursement records in EExpress using an automated process.
- Run the Disbursement Measurement Tool Report to help monitor Direct Loan records in your EExpress database.

DL Tools processes data for multiple program years. Release 11.0 contains functionality for the 2009-2010, 2010-2011, and 2011-2012 cycles.

All Direct Loan schools can use the Compare and Cash Management functionality. The Rebuild function is used by schools to rebuild accepted Direct Loan records in EExpress for Windows databases. However, non-EExpress users can export data from a rebuilt EExpress database to recreate non-EExpress loans or databases.

Description: EDconnect is a Windows-based software that assists users with sending, receiving, and managing their Federal student aid information electronically. Users collect data on their personal computer (PC) or computer system and transmit the collected data in batches over the Student Aid Internet Gateway (SAIG). The appropriate Title IV Application System receives the data, processes the data, performs any required database cross-referencing, and returns the processed data to the user's SAIG mailbox. The entire processing cycle for routine application data within the SAIG system is typically 72 hours (three working days).

Local intranet | Protected Mode: Off 100%





Internal Ending Cash Balance Report

***This one is
from the
DL Tools
software***

**This is part of
the internal
reconciliation
you do *before*
you reconcile
against the
SAS**

Report Date: 10/14/2010 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 10:49:47 DIRECT LOAN TOOLS - 2010-2011
Internal Ending Cash Balance Report - Summary
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Date Range:

School Code: G00824

Cash Receipts: \$21,376
Refunds of Cash: \$1,225
Total Cash (Receipts - Refunds of Cash): \$20,151

Total Disbursement Net Amount from External Data: \$22,851

Ending Cash Balance (Total Cash - Total Net Disbursements): -\$2,700





School Account Statement

Report Date: 10/15/2010 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 13:40:10 DIRECT LOAN TOOLS - 2010-2011

SAS Year-To-Date Cash Summary (DSDF11OP)

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

End Date: 07/31/2010

School Code: G00824
Region Code: 04
State Code: VA

Beginning Cash Balance:		\$0
Cash Receipts:	\$21,632	
Refunds of Cash:	\$0	
Net Drawdowns/Payments:		\$21,632
Booked Disbursements:	\$21,632	
Booked Adjustments:	\$0	
Total Net Booked Disbursements:		\$21,632
Ending Cash Balance:		\$0
Unbooked Disbursements:	\$4,898	
Unbooked Adjustments:	\$0	
Total Net Unbooked Disbursements:		\$4,898
Cash > Accepted and Posted Disbursements:		-\$4,898





Cash Discrepancies - *Causes*

- **Timing** issues
- Cash transactions in **wrong year** or split between years
- Funds **recycled** for disbursement in a different **award year**
- Funds from a different **program** (i.e. Pell)





Cash Discrepancies - *Resolution*

Research Tools

- SAS Cash Detail
- Cash Detail Comparison Report
- Cash Management: DL Tools
- COD Website
- Business Office Cash Report
- Bank Statements
- Cancelled Checks





SAS - Cash Detail

Report Date: 10/14/2010 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 16:01:35 DIRECT LOAN TOOLS - 2010-2011
SAS Cash Detail

Sort by: Trans Type

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Date Range: Trans Type: All

School Code: G00824

End Date: 07/31/2010

Trans Type	Trans Date	Trans Amount	COD Process Date	GAPS Control/Check Number
-----	-----	-----	-----	-----
Receipt	07/01/2010	\$8,523	08/05/2010	2010070112333
Receipt	07/06/2010	\$7,256	08/05/2010	2010070612334
Receipt	07/20/2010	\$5,853	08/05/2010	2010072012335

Total Cash Receipt Records: 3

Total Refunds of Cash Records: 0

Total SAS Cash Detail Records: 3

Total Cash Receipt Amount: \$21,632

Total Refunds of Cash Amount: \$0





Cash Detail Comparison Report

Report Date: 10/14/2010
Report Time: 16:04:36

U.S. DEPARTMENT OF EDUCATION
DIRECT LOAN TOOLS - 2010-2011
Cash Detail Comparison

PAGE: 1

Sort by: Trans Type

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Date Range: Match Status: All

School Code: G00824

Trans Type: All

Tolerance (# of days): 5

Trans Type	Trans Date	Trans Amount	Match Status	Record Source
-----	-----	-----	-----	-----
Receipt	07/01/2010	\$8,523	Matched	School
Receipt	07/01/2010	\$8,523	Matched	COD
Receipt	07/06/2010	\$7,000	Unmatched	School
Receipt	07/06/2010	\$7,256	Unmatched	COD
Receipt	07/20/2010	\$5,853	Unmatched	COD
Receipt	07/27/2010	\$5,853	Unmatched	School
Excess	07/30/2010	\$1,225	Unmatched	School

Totals:

Matched Records:	2
Unmatched Records:	5
COD Cash Detail Records:	3
School Cash Detail Records:	4





Disbursement Discrepancies - *Causes*

- **Unsent**/unacknowledged disbursement batches
- **Rejected** disbursements
- Disbursements **entered** in COD (web activity) but not in school system (s)
- Disbursements recorded in **business office** but not in **FA system**
- **Unbooked** records
- School **data loss**



Disbursement Discrepancies - *Resolution*

Research Tools

- Financial aid office disbursement report
- Business office disbursement report
- SAS Loan/Disbursement detail
- Disbursement detail comparison
- COD Website – award/disbursement detail
- Student account files
- Business office ledgers/statements of account





Booking the Loan

Important!

- Accepted origination record
- Accepted Master Promissory Note
- Accepted actual disbursement



Booked loan transfers liability from the school and becomes a binding obligation between the borrower and ED.

“On the Books” with the Direct Loan Servicer



SAS – Loan/Disbursement Detail

Report Date: 10/14/2010 U.S. DEPARTMENT OF EDUCATION PAGE: 1
Report Time: 20:13:29 DIRECT LOAN TOOLS - 2010-2011
SAS Loan Detail

Sort by: Last Name

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Date Range:

School Code: G00824 Booked Status: Booked and Unbooked

End Date: 07/31/2010 Loan Type: All

Student's Name PLUS Borrower's Name Loan ID	Record Type	Gross Amount	Fee Amount	Int Rebate Amount	Net Amount
-----	-----	-----	-----	-----	-----
999990001U11G00824001	Booked	\$2,000	\$20	\$10	\$1,990
999990002U11G00824001	Booked	\$4,750	\$47	\$24	\$4,727
999990003S11G00824001	Booked	\$1,750	\$17	\$9	\$1,742
999990004S11G00824001	Booked	\$1,250	\$12	\$6	\$1,244
999990006S11G00824001	Booked	\$1,650	\$16	\$8	\$1,642
999990007U11G00824001	Booked	\$1,250	\$12	\$6	\$1,244





Disbursement Detail Comparison

Report Date: 10/14/2010

U.S. DEPARTMENT OF EDUCATION

PAGE: 2

Report Time: 16:15:08

DIRECT LOAN TOOLS - 2010-2011

Disbursement Detail Comparison

Sort by: Loan ID

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

Date Range:

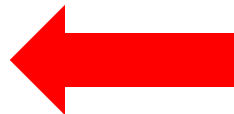
School Code: G00824

End Date: 07/31/2010

Booked Status: Both Booked and Unbooked

Match Status: All

BOOKED RECORDS THAT ARE UNMATCHED



Loan ID	Student's Name
SCHOOL Disb# Seq# Date Type Gross Fee Rebate Net Net Adj	
COD Disb# Seq# Date Type Gross Fee Rebate Net Net Adj	

999990061S11G00824001

NO MATCHING SCHOOL DISBURSEMENT

1	1	07/05/2010	D	\$1,450	\$58	\$22	\$1,414	\$0
---	---	------------	---	---------	------	------	---------	-----





Disbursement Detail Comparison

Report Date: 09/04/2011 U.S. DEPARTMENT OF EDUCATION
Report Time: 13:01:18 DIRECT LOAN TOOLS - 2010-2011
Loan Detail Comparison - Loan Level

PAGE: 3

Sort by: Loan ID

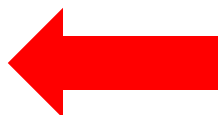
THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

School Code: G00824

End Date: 07/31/2010

Match Status: All

UNBOOKED RECORDS THAT ARE MATCHED



Loan ID	Student's Name	School/COD Net Amount	# School Disbs
-----	-----	-----	-----
999990012P11G00824001	MAROON, SUSAN K	\$1,414/ \$1,414	1





Disbursement Detail Comparison

Report Date: 09/04/2011 U.S. DEPARTMENT OF EDUCATION PAGE: 4
Report Time: 13:01:18 DIRECT LOAN TOOLS - 2010-2011
Loan Detail Comparison - Loan Level

Sort by: Loan ID

THIS DOCUMENT CONTAINS SENSITIVE INFORMATION PROTECTED BY THE PRIVACY ACT

School Code: G00824

End Date: 07/31/2010

Match Status: All

UNBOOKED RECORDS THAT ARE UNMATCHED

*NOTE - SCHOOL RECORDS OUTSIDE OF SAS DATE RANGE WILL APPEAR IN THIS SECTION

Loan ID	Student's Name	School/COD Net Amount	# School Disbs
999990005P11G00824001	INDIGO, CRAIG P	\$1,219/	1
999990060U11G00824001		/ \$0	0
999990062S11G00824001		/ \$0	0

TOTAL BOOKED RECORDS THAT ARE MATCHED:	10
TOTAL BOOKED RECORDS THAT ARE UNMATCHED:	2
TOTAL UNBOOKED RECORDS THAT ARE MATCHED:	1
TOTAL UNBOOKED RECORDS THAT ARE UNMATCHED:	3
TOTAL LOANS:	16





How Do I Know I Am Finished?

- All discrepancies have been identified and resolved
- Timing issues are tracked for reconciliation in next month's SAS
- Reasons for any Ending Cash Balance have been identified
- All monthly reconciliation efforts have been ***documented*** (nothing is sent to ED)





Documenting Your Reconciliation Efforts

	SCHOOL'S FINAID SYSTEM:		COD SCHOOL ACCT STATEMENT (SAS):		DIFFERENCE:	
Beginning Balance		\$0		\$0		\$0
Cash Receipts	\$13,074		\$13,074		\$0	
Refunds of Cash	(\$2,075)		(\$1,350)		(\$725)	
Net Drawdowns/Payments		\$10,999		\$11,724		(\$725)
Booked Disbursements	\$5,721		\$5,721		\$0	
Booked Adjustments	\$0		(\$1,250)		\$1,250	
Total Net Booked Disbs		\$5,721		\$4,471		\$1,250
Ending Cash Balance		\$5,278		\$7,253		(\$1,975)
Unbooked Disbursements	\$4,126		\$3,264		\$862	
Unbooked Adjustments	\$0		\$0		\$0	
Total Net Unbooked Disbs		\$4,126		\$3,264		\$862
Cash>Net Accepted and Posted Disbs		\$1,152		\$3,989		(\$2,837)



Reconciliation Action Item List

Monthly Reconciliation Action Items

Month Ending: 7/31/2010

Program Year: 2010-2011

No	Action Item	Date Due	Date Completed
1.	Post 8/5 Disbursements totaling \$2402 in Financial Aid System Batch and Send to COD.	8/11/2010	8/15/2010
2.	Business office must return \$725 in G5 for George Washington	8/06/2010	
3.	Verify \$3264 future-dated disbursements book on COD and drawn down by business office	8/06/2010	





School Summary



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person

School

Batch

Award

Services

User

► **School Search**

School Summary Information

? **HELP**

▼ **School Information**

School Summary
Financial Aid Contact
Eligibility
General
Options
Funding Info
Summary Financial Info
Refunds of Cash
Cash Activity
Events
Memos
Yearly Totals
Relationships
Balance Confirmation
Request Post
Deadline/Extended
Processing
Correspondence
Report Selection

B and B's school of Reconciliation tips

Enter the default selections here for Program and Award Year:

Default Program

DIRECT LOAN

Default Award Year

'10-'11

Contacts

Type	Name	Phone
Pell Financial Aid Officer	Barb	(202) 821-3953
FINANCIAL AID ADMINISTRATOR	Bob	(202) 377-3387

Summary

Award Year

'10-'11

Program

DIRECT LOAN

Cash > Accepted & Posted Disbursements & older than 30 days \$0.00
% of Cash > Accepted & Posted Disbursements 0.00188%
Cash > Accepted & Posted Disbursements \$8,803.00
Current CFL \$472,031,184.00





School Summary Financial



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person

School

Batch

Award

Services

User

► School Search

▼ School Information

School Summary
Financial Aid Contact
Eligibility
General
Options
Funding Info
Summary Financial Info
Refunds of Cash
Cash Activity
Events
Memos
Yearly Totals
Relationships
Balance Confirmation
Request Post
Deadline/Extended
Processing
Correspondence
Report Selection



School Summary Financial Information

? HELP

B and B's School of Reconciliation tips

Summary Financial Information

Program

Award Year

Entity ID		22093077
Beginning Cash Balance		\$0.00
Cash Receipts	\$469,122,852.00	
Refunds of Cash	\$0.00	
Net Drawdowns/Payments		\$469,122,852.00
Booked Disbursements	\$487,206,325.00	
Booked Adjustments	(\$18,092,276.00)	
Total Net Booked Disbursements		\$469,114,049.00
Ending Cash Balance		\$8,803.00
Unbooked Disbursements	\$16,150.00	
Unbooked Adjustments	(\$16,150.00)	
Total Net Unbooked Disbursements		\$0.00
Cash > Accepted and Posted Disbursements		\$8,803.00

Sep 26 2011 15:39 GMT

Home | Privacy Act | Links | Contact Us | Today's Update | Help | Glossary | Log Off



COD Website - Cash Activity



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person

School

Batch

Award

Services

User

► School Search

▼ School Information

School Summary
Financial Aid Contact
Eligibility
General
Options
Funding Info
Summary Financial Info
Refunds of Cash
Cash Activity
Events
Memos
Yearly Totals
Relationships
Balance Confirmation
Request Post
Deadline/Extended
Processing
Correspondence
Report Selection

Cash Activity

HELP

B and B's School of Reconciliation tips

Program/Year Selection

Program DIRECT LOAN

Award Year '10-'11

Printer Friendly

Cash Activity Summary

Net Draws \$469,122,852.00
Cash > Accepted & Posted Disbursements & older than 30 days \$0.00

	Totals	09/23/2011	09/16/2011
Date of Transaction		10:48:02 AM	11:42:38 AM
Time		09/23/2011	
GAPS Debit Date		\$21,306.00	
Drawdowns/Payments	\$467,891,035.00		
Drawdown Adjustments	\$1,231,817.00		(\$44,336.00)
Refunds of Cash	\$0.00		
Returns of Cash	\$0.00		
Drawdown Offsets	\$0.00		
Days Since Net Draws Increase		3	
Days Left For On-time Reporting		027	
Payment Control Number		2011092175415	
Accepted & Posted Disbursements Applied	\$469,114,049.00	\$12,503.00	\$0.00
% of Accepted & Posted Disb. Applied to Net Draws	100.0%		
Cash > Accepted & Posted Disbursements	\$8,803.00		
% of Cash > Accepted & Posted Disbursements	0.00%		
Source System		GAPS	GAPS

Amounts in parentheses decrease net draws



COD Website – Action queue



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person

School

Batch

Award

Services

User

► Batch Search

▼ Action Queue

► Grant Data Requests

► PLUS App Rsp Request

► Rebuild Search

Action Queue Search

? HELP

Use this screen to search the Action Queue.

To search the Action Queue for a particular school, please enter the School ID and the date range:

Entity ID Type

COD

Entity ID

Award Year

'10-'11

Disb. Start Date

April

10

2010

Disb. End Date

September

26

2011

Disbursement Status

All

To search the Action Queue for a specific Batch, please enter the Batch ID:

Note: Batch ID will search only by Review status.

Batch ID

SEARCH

Sep 26 2011 15:55 GMT

[Home](#) | [Privacy Act](#) | [Links](#) | [Contact Us](#) | [Today's Update](#) | [Help](#) | [Glossary](#) | [Log Off](#)





Program Year Close-Out

- Culmination of the monthly reconciliation process
- Final deadline: last processing day in July of the year following end of the award year
(7/31/2012 for 10/11 award year)
- School and COD show a cash balance of \$0
- COD records match all school DL records and business office system transactions,
- School Account Statement (SAS) reflects a \$0 unbooked balance.





Closing-out the DL Program Year

- COD website-balance confirmation screen
- No unsubstantiated cash
- Close out means no more reporting of disbursements, no more draws of cash, no more reports
- Can re-open the year if needed



Balance Confirmation

Options
Funding Info
Summary Financial Info
Refunds of Cash
Cash Activity
Events
Memos
Yearly Totals
Relationships
Balance Confirmation
Request Post
Deadline/Extended
Processing
Correspondence
Report Selection

Current Program Year Close Data

Today's Date	09/26/2011
Net Drawdowns/Payments	\$469,122,852.00
Total Net Booked Disbursements	\$469,114,049.00
Current Ending Cash Balance	\$8,803.00
Total Net Unbooked Disbursements	\$0.00
Latest Award End Date	09/04/2011

Days past the Latest Reported Award End Date: 022

Balance Confirmation Form

Date	
School Name	
Name of School Official	
Telephone Number	
E-Mail Address	
Last SAS Ending Cash Balance	\$16,716.00
Last SAS Date	08/31/2011
School Ending Cash Balance	<input type="text"/>
End Date of School Balance	<input type="text"/> <input type="text"/> <input type="text"/>

I am certifying that my school's internal cash balance is \$0 for the Award Year referenced above. This is in agreement with the Department's official ending cash balance reflected in my school's most recent SAS report. My school has no outstanding issues for this program year. I understand that by submitting this request I authorize the Department of Education to take the following actions for the Award Year listed above:

1. The Department will send a closeout letter to my school.
2. COD will stop processing or accepting any data without Department review and approval.
3. The Department will reduce our school's Cash Funding Level (CFL) to Total Net Cash (Cash Receipts - Refunded Cash).
4. The SAS and other reports for this award year will no longer be sent unless our balance changes.

I understand that these measures are being taken to protect my school from further changes to my Ending Cash Balance. If I should need to submit data for this year at a future time, I will contact the COD Customer Service Center at 1-800-848-0978.

To Submit this form, please click either button:

I Agree or I Disagree

I AGREE

I DISAGREE





Agenda

1. Basic Concepts Review
2. Funding
3. Loan Processing
4. Edits
5. Reconciliation
6. **Resources & Contact Info**

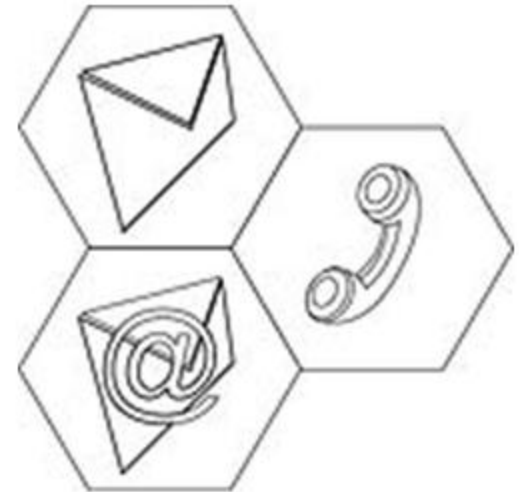




Resources & Contact Info

General DL Processing and Reconciliation

- COD Customer Service
 - Customer Service Representative
 - Weekly monitoring e-mails
 - Reconciliation Team
 - 800.848.0978 or
 - codsupport@acs-inc.com





School Monitoring E-mail



COD School Monitoring

School OPE ID:

As part of our proactive approach to assist schools with the financial aid disbursement process, the Common Origination and Disbursement (COD) School Relations Center would like to alert you to one or more of the following conditions at your school:

- Unsubstantiated Cash
- Pell Grant Potential Overaward Process (POP) Situations
- 30-Day Disbursement Reporting

Note: We understand that some of the information provided in this e-mail may be associated with outstanding COD System issues currently logged with the COD School Relations Center. However, the information will still help your school identify and resolve conditions that are not associated with COD System issues. If your school discovers additional COD System issues that have not yet been logged, please notify the COD School Relations Center.

Your school's information is listed below and is current as of [December 30, 2008].

Unsubstantiated Cash

Regulations require schools to submit disbursement and adjustment records within certain timeframes. (For Pell Grant, ACG, and National SMART Grant, the timeframe is published annually in the Federal Register.) Additionally, the cash management regulations require schools to return excess cash (i.e., refund of cash) within certain timeframes. You can





Resources

- Blue Book
- FSA Handbook, Vol. 3 & 4
- Direct Loan School Guide
- 34 CFR 668 Subpart K, Cash Management Regulations
- COD Tech Ref
- IFAP Electronic Announcements





Who to Call

- **COD 800-848-0978 codsupport@acs-inc.com**
 - ❖ Processing questions, rejects
 - ❖ Batches, COD Website, StudentLoans.gov
 - ❖ Funding Level increases
 - ❖ Reconciliation
- **Federal Loan School Support Team- Point of Contact**
- **CPS/SAIG 800-330-5947 CPSSAIG@ed.gov**
 - ❖ FAFSAs, ISIRs
 - ❖ FAA Access to CPS Online
 - ❖ R2T4 on the Web
 - ❖ SAIG enrollment, participation, errors
 - ❖ EDConnect
 - ❖ EDExpress, DL Tools, SSCR





Who to call – Cont'd

➤ **Servicers**

<http://ifap.ed.gov/ifap/helpContactInformationDetailedList.jsp?lsc=1>

- ❖ Borrower payments, payment plans
- ❖ Deferment, Forbearance, Reaffirmation

➤ **Research & Customer Care Center (RCCC)**

800-433-7327 fsa.customer.support@ed.gov

- ❖ Questions about Title IV programs, policies, regulations

➤ **G5 Hotline 888-336-8930 edcaps.user@ed.gov**

- ❖ Banking, funding, drawdowns/payments, refunds

➤ **School Participation Teams**

See **eligcert.ed.gov** for regional contact information

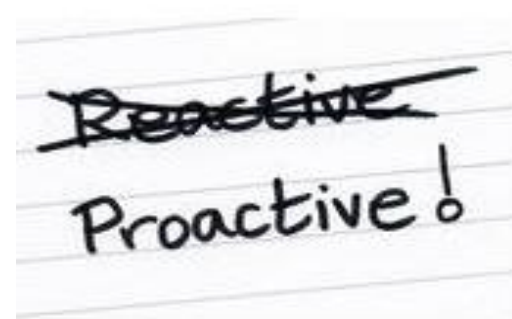
- ❖ Technical assistance, Institutional Improvement Specialists
- ❖ School/program eligibility, recertification ,E-APPs





Effective Processing Means ...

- Internal communications
- Track your funding
- Finish what you start
- Work your Response files/rejects
- Work the SAS
- Assess your procedures routinely
- Monitor your success
- Use the resources provided
 - Help Desks
 - Reports
 - Training





Questions?

Robert.berry@ed.gov

202.377.3387

Barbara.davis@ed.gov

202.821.3953

