

NCASFAA Fall 2017 Conference
November 6 – 8, 2017
Pinehurst, NC



Direct Loan Data & SULA

Reporting & Adjusting Direct Loan Data for SULA

Direct Loan Data & SULA

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Direct Loan Data & SULA

Agenda

- SULA Refresher – The Fundamentals
- Loan Periods & Academic Years
- Edits
- Inquiry & Dispute Process
- Resources



Direct Loan Data & SULA

Fundamentals



Tracking and enforcement of the Subsidized Usage Loan Limitation (SULA) is the responsibility of COD

Direct Loan Data & SULA

SULA Formula



150% limit is met and further eligibility is lost when Remaining Eligibility Period is zero (or less)

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The Maximum Eligibility Period (MEP) is 150% of the Published Program Length (PPL) of the borrower's **CURRENT** or **UPCOMING** Program

- Established in COD using your school-reported data
- Varies by Program
- Measured in years or portions of years
 - ✓ If you report the PPL in weeks or months COD will convert your PPL to years

Direct Loan Data & SULA

The Subsidized Usage Period (SUP) is the period of time for which a borrower receives a Direct Subsidized Loan

- Calculated by COD on a loan-by-loan basis
 - ✓ Calculated using school-reported data
- Measured in years or portions of years
 - ✓ Rounded up or down to the nearest tenth (1/10) or a year
- A SUP includes ONLY payment periods where a borrower received and retained Subsidized funding
- With one exception SULA is NOT related to loan amount
 - ✓ Annual Loan Limit exception
 - ✓ Remember that Annual & Aggregate Loan Limits apply

Direct Loan Data & SULA

SUP Formula

$$\frac{\text{\# days in the loan period}}{\text{\# days in the academic year}} = \text{SUP}^*$$

Loan Period: Period of enrollment for which the loan is intended

Academic Year: Period used to track annual loan limits (SAY/BBAY)

*Prorated by enrollment status

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The “Annual Loan Limit” occurs when the conditions below are all met

- The Direct Subsidized Loan amount awarded equals the Annual Direct Subsidized Loan Limit for the associated Grade Level

AND

- ✓ Calculated using school-reported data
- The Loan Period is less than the full Academic Year of the loan
 - ✓ Rounded up or down to the nearest tenth (1/10) or a year
- EXCEPTION: SUP = 1.0 years
- Apply the enrollment status factor if appropriate
 - ✓ Half-Time or Three-Quarter Time enrollment

Loss of Subsidy



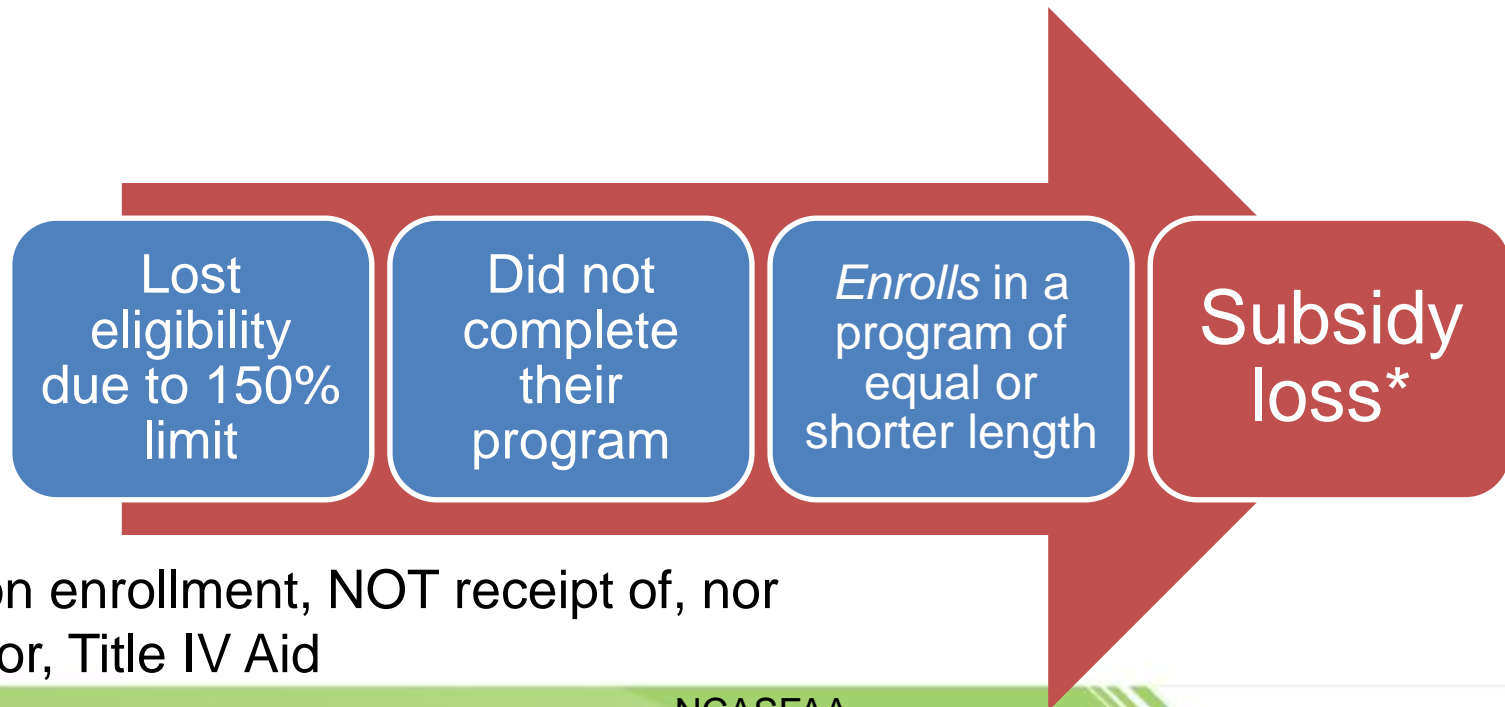
Direct Loan Data & SULA

The Borrower loses eligibility for additional Direct Subsidized Loans when he or she has received Direct Subsidized Loans for 150% of their current academic program

- Remaining Eligibility is ≤ 0
- If Direct Subsidized Loan eligibility is lost he or she retains eligibility for Direct Unsubsidized Loans

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A borrower who has lost eligibility for additional Direct Subsidized Loans loses interest subsidy on Direct Subsidized Loans received on or after July 1, 2013, if the borrower...



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Academic Year & Loan Period



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Accurate reporting of your Academic Year and Award Start/End dates (loan period) is VITAL to the accurate calculation of a SUP

- The Academic Year is the period of time used to track Direct Loan Annual Loan Limits
- The Loan Period is the period of enrollment for which the loan is intended
- The SUP will be too high if...
 - ✓The reported Loan Period is too long
 - ✓The reported Academic Year is too short

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Weeks in your Academic Year

- Your Academic Year is school defined
 - ✓ A minimum of 30-weeks and 24 semester (36 quarter) credit-hours for a program measured in credit-hours
 - ✓ A minimum of 26 weeks of instruction and 900 clock-hours for a program measured in clock hours

COD Reject Edit Code #046

- Triggers at the award level when the Academic Year Begin Date and End Dates don't reflect the minimum length for an academic year
 - ✓ **ALL** Direct Loan Awards
 - ✓ Award Year 2016-2017 and forward

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The Loan Period is comprised of Payment Periods

- A Payment Period is the period of time for which the disbursement is intended to cover
- Each Payment Period has a start date
 - ✓The Payment Period Start Date (PPSD) is a required disbursement level tag
- The Loan Period should include **ONLY** Payment Periods in which the borrower received and retained Direct Subsidized Loan funds

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Other Important Data to Report



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Published Program Length (PPL)

- Remember that PPL is used to calculate the MEP for a borrower subject to the 150% Direct Subsidized Loan Limit
 - ✓ PPL should be reported based on the definition of “normal time” to completion in the regulations at 34 CFR 668.41(a)
 - ✓ If you’ve published in your catalog, website, or any promotional material, the length of the program in weeks, months, or years, the PPL reported to COD must be the same

Direct Loan Data & SULA

Published Program Length (PPL)

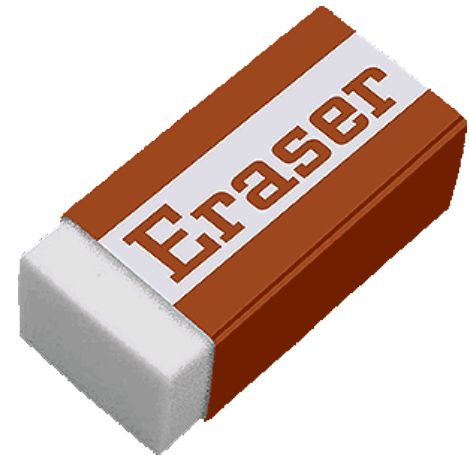
- Remember that PPL is used to calculate the MEP for a borrower subject to the 150% Direct Subsidized Loan Limit
 - ✓ For all other programs for which the school has not published a program length, the PPL reported should be based on the school's determination of how long, in weeks, months, or years, the program is designed for a full-time student to complete

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And don't forget Enrollment Status

- Used as the pro-ration factor when enrollment is less than Full-Time
 - ✓ Half-Time
 - ✓ Three-Quarter Time length, the PPL reported should be based on the school's determination of how long, in weeks, months, or years, the program is designed for a full-time student to complete

Common Mistakes



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Published Program Length...

- PPL should be reported to COD based on the definition of “normal time” for completion
 - ✓34 CFR 668.41(a)
 - ✓If you publish the program’s PPL in weeks, months, or years, the PPL to be reported to COD **AND** NSLDS must be the same
 - ✓Generally, if the PPL is not published and it is an associate or bachelor’s degree program, the program length to be reported to COD **AND** NSLDS should be 2 years or 4 years, respectively
 - ✓For all other programs for which you have not published a PPL, they should be based on the school’s determination of how long, in weeks, months, or years, the program is designed for a full-time student to complete

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Reporting your Published Program Length in Weeks or Months...

- If you report your PPL in weeks or months COD will convert it to years

$$\text{Length of Program} = \frac{\text{Weeks in Length of Program} \times 7}{\text{Weeks in Program's TIV Academic Year} \times 7}$$

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Reporting your Published Program Length in Weeks or Months...

- If you report your PPL in weeks or months COD will convert it to years

$$\text{Length of Program} = \frac{\text{Months in Length of Program} \times 30}{\text{Weeks in Program's TIV Academic Year} \times 7}$$

Direct Loan Data & SULA

Academic Year

- Your reported Academic Year reflects the same begin/end dates as the reported Loan Period
 - ✓ Occurs mostly when submitting a Summer Term only Direct Subsidized Loan
 - ❖ Loan Period June 15, 2017-August 1, 2017
 - ❖ Academic year June 15, 2017-August 1, 2017
- Academic Year Start/End dates do not match reported weeks in the academic year
- Remember that your Academic Year ***MUST*** meet minimum requirements

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Loan Period

- No reduction of remaining anticipated disbursements to \$0
- No adjustment to the Loan Period when appropriate
 - ✓ COD Warning Edit #220 will “trigger” when the PPSD on a disbursement reduced to \$0 occurs within the Loan Period
 - ✓ “Triggers” on maintenance submissions
 - ✓ The edit will trigger for Award Years 2014-2015 and forward
- **No** reduction of the loan amount to ***MATCH*** the actual amount disbursed

Direct Loan Data & SULA

Awarding when the REP is < 1.0

- It does get kind'a confusing...
 - ✓ Remember the Annual Loan Limit exception and take it into consideration
 - ✓ Look at enrollment status
 - ✓ Single term Subsidized Loan?
- It gets even more difficult when the REP gets down to .2 or .3
 - ✓ Might not be able to get there
 - ✓ Once the ability to award Subsidized money is absent you can award Unsubsidized money

Direct Loan Data & SULA

COD performs a post “Program Year Closeout” reduction of Direct Loan awards

- Occurs when the school, or FSA, confirms the school has closed out for the award year for which the loan was reported

AND/OR

- The closeout date has passed, the school is not on extended processing, and the latest financial award end date for the school is in the past
 - ✓ Results sent to the school via a Subsidized Usage Change Response (CRSU)

Direct Loan Data & SULA

COD performs a post “Program Year Closeout” reduction of Direct Loan awards

- COD will...
 - ✓ Reduce remaining anticipated disbursements to zero
 - ✓ Adjust all award amounts to equal the sum of actual disbursements
 - ✓ Adjust loan period dates so that all zero dollar disbursements are outside the loan period
 - ✓ Recalculate subsidized usage for each borrower
 - ✓ Results sent to the school via a Subsidized Usage Change Response (CRSU), **NOT** a Common Record Response

Direct Loan Data & SULA

COD performs a post “Program Year Closeout” reduction of Direct Loan awards

- COD will...
 - ✓ Reduce remaining anticipated disbursements to zero
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A Couple Other Important Edits



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COD Reject Edit Code #206

- The student's Remaining Subsidized Eligibility has been calculated as less than zero with the submission of this award
 - ✓ For a Direct Subsidized Loan to accept, the calculated Remaining Subsidized Eligibility Period must be greater than or equal to zero.

Direct Loan Data & SULA

COD ***CORRECTING*** Edit Code #219

- COD Correcting Edit Code #219 validates the Award Amount is less than the sum of the actual and anticipated disbursement(s)
 - ✓“Triggers” at the award level
 - ✓The “corrected value” will be returned in the Common Record Response to the submission
 - ✓Award Year 2016-2017 and forward

Direct Loan Data & SULA

What Do I Report If...



Direct Loan Data & SULA

My student changes his or her Program

- Report the new CIP Code with the next disbursement

My student changes enrollment status in the current, or a subsequent, term

- Report the new enrollment status with the next disbursement

My student transfers mid-year

- Report remaining anticipated disbursements that have been reduced to \$0
- Report the adjusted Loan Period
- Report a reduced loan amount equal to what you've disbursed

Direct Loan Data & SULA

My student declines the originated loan he or she initially requested

- Reduce and report all disbursements as \$0
- Reduce and report the loan amount as \$0
- If you've disbursed on the loan, then later reduced all disbursements to \$0, ***unless you reduce the loan amount to \$0 the borrower will be assessed SUP!***

Direct Loan Data & SULA

My student decides he or she doesn't need all the loan funds

- If the loan is **NOT** 100% disbursed
 - ✓ Report any remaining anticipated disbursements that have been reduced to \$0
 - ✓ Report any actual disbursements that have been **reduced**
 - ✓ Report the reduced loan amount that now equals the amount disbursed
 - ✓ Report a modified loan period if appropriate

Direct Loan Data & SULA

My student decides he or she doesn't need all the loan funds

- If the loan **IS** 100% disbursed
 - ✓ Report the reduced “last” disbursement and any previous disbursement that has been reduced
 - ✓ Report the modified loan period if appropriate
 - ✓ Report a reduced loan amount equal to the amount disbursed

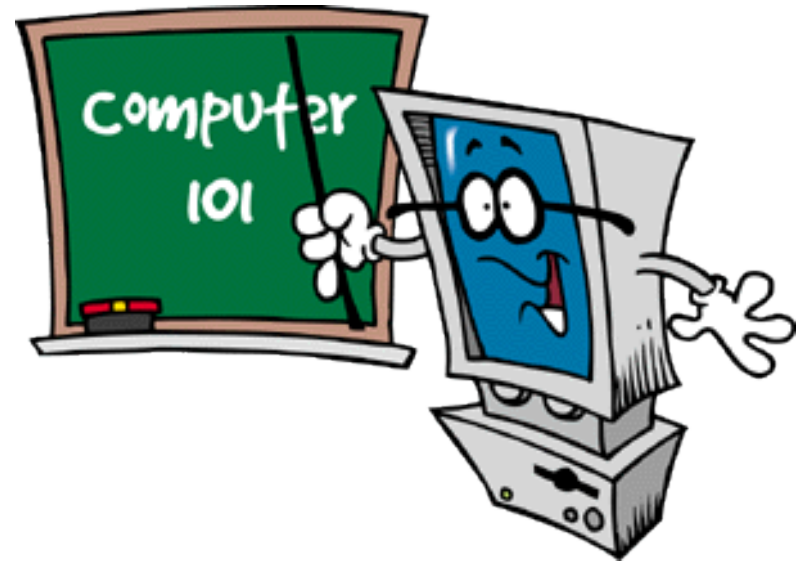
Direct Loan Data & SULA

I'm not sure the Direct Subsidized Loan I want to originate will be accepted by COD based on my student's REP

- Ahhhh!...COD to the rescue!

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SULA Inquiry/SULA Calculator



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The “Big, Bad, COD Reject Edit Code #206”

- “Remaining Subsidized Eligibility is less than zero for this award”
- Make sure the loan date data associated with SULA was reported correctly
 - ✓ Academic year/loan period begin/end dates
 - ✓ Enrollment status
 - ✓ Published Program Length
 - ✓ Has the “Full Annual Loan Limit” exception been inadvertently triggered?

Direct Loan Data & SULA

The Direct Loan Subsidized Loan Usage Screen


- Is your student's Direct Subsidized Usage History accurate?
 - ✓ Create an inquiry via the COD Web
 - ✓ The inquiry is forwarded to FSA's attention when SULA data need correcting on a loan and the former school can't (won't?) do so
 - ❖ Intended primarily for closed schools
 - ❖ Most efficient means of correction is financial aid office to financial aid office request

Direct Loan Data & SULA


The Direct Subsidized Loan Usage Screen

- Subsidized Usage Calculator
 - ✓ Allows you to plug in subsidized loan values either for loans already on the system or new loans you are going to send
 - ✓ Won't create/build/change any loans – it's just a calculator to help you see if a loan can make it through when remaining eligibility is in question
 - ✓ Precludes having to send the loan with different amounts only to be rejected over and over
 - ✓ Optional

Direct Loan Data & SULA



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person
School
Batch
Award
Services
User

▶ **Person Search**
? HELP

▼ **Person Info**

- Detail
- All Awards
- Direct Loan
- Pell
- Promissory Notes
- Counseling
- Credit Check
- Events
- Correspondence
- Disclosure Statements
- Memo
- Additional Eligibility
- Borrower-Servicer Relationship
- Default Search

▶ **Counseling Search**

▶ **MPN/ATS/Manifest**

▶ **PLUS App Search**

▶ **Endorser Search**

▶ **Credit Check**

Person Direct Loan Information

Sum Actual Subsidized Usage Periods

Undergraduate: 1.2 [View Undergraduate Usage History](#)

Non-Credential Teacher Certification: 0.0 [View Teacher Certification Usage History](#)

Award Year '16-'17 ▼

Loan Summary						
Attending School	Person Type	Award ID	Award Amount Approved	Award Amount Disbursed	Grade Level	Type
Year '16-'17						
	Student		\$0.00	\$0.00	2	DLUNSUB

Direct Loan Data & SULA

[Export Summary To XLS](#)

Sum Actual Subsidized Usage Periods: 1.2

Direct Subsidized Loan Summary

Attending School	Award ID	Maximum Subsidized Eligibility Period	Actual Subsidized Usage Period	Remaini Subsidiz
Year '16-'17				
[REDACTED]	S17G41900001	0.0		
Year '15-'16				
[REDACTED]	S16G41900002	5.3	0.3	
[REDACTED]	S16G41900003	5.3	0.5	
Year '14-'15				
[REDACTED]	S15G41900001	5.3	0.4	

[Create Subsidized Usage Inquiry](#) [Subsidized Usage Calculator](#)

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COD Reports



Direct Loan Data & SULA

Direct Subsidized Loan Usage Change Report

- A weekly report that identifies borrowers whose SULA calculated values have changed
 - ✓ Maximum Subsidized Eligibility Period
 - ✓ Actual (or Anticipated) Subsidized Usage Period
 - ✓ Actual (or Anticipated) Non-Credential Teacher Certification Subsidized Usage Period
- Posted to the COD Web Reporting Portal
 - ✓ Comma-Delimited w/Headers format

Direct Loan Data & SULA

SULA Adjustments Needed Report

- A monthly report that identifies loans that ***potentially*** need updates/corrections
- Posted to the COD Web Reporting Portal
 - ✓Comma-Delimited w/Headers format

Direct Loan Data & SULA

COD processes nightly a system-generated response send to schools reflecting a student's changed SULA data if the change was **NOT** initiated by the receiving school

- Message Class CRSUYYOP
- Allows a school to update their system with the latest, greatest, and most accurate SULA data on that particular student
- Generally, the school submitting the changed data will NOT receive this response UNLESS another school also makes a change to the student's SULA calculation
- Sent to your TG mailbox

Direct Loan Data & SULA

Resources



Direct Loan Data & SULA

150% Regulations & Processing

- Dedicated information page on ifap.ed.gov
 - ✓ FAQs
 - ✓ 24 Electronic Announcements on 150%
- Federal Registers, NSLDS Newsletters, COD Technical Reference
- E-Mail: 150Percent-Questions@ed.gov

Direct Loan Data & SULA

Reporting of Loan Periods & Academic Years

- Federal Loan School Support Team
 - ✓ email dlops@ed.gov
- Dear Colleague Letter GEN-13-13
- Current COD Technical Reference

Direct Loan Data & SULA



Direct Loan Data & SULA

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