

## Comité de Regulaciones Federales y Estatales– Boletín 2018- 8

### ELECTRONIC ANNOUNCEMENT

La fecha límite establecida para someter datos de Préstamo Directo (cierre) para el AY2016-17 es el **martes, 31 de julio de 2018**. Este es el último día de procesamiento del año del programa, por lo que todos los datos de la institución deben ser recibidos y aceptados para esta fecha para ser incluidos en el *final Ending Cash Balance* del año.

Para considerar un cierre exitoso, una institución debe-

Tener un saldo en efectivo final de \$0 y desembolsos netos totales no contabilizados de \$0 internamente, y tal como se refleja en el Estado de cuenta de la institución, *School Account Statement (SAS)*, y

Completar el formulario de confirmación de saldo de la institución en el [COD Web Site](#) .

Una institución debe conocer su estado de cierre incluso si su proceso de Préstamo Directo es manejado por un administrador externo. El USDE exhorta a las instituciones a comunicarse regularmente con su administrador externo para garantizar que se complete el cierre. ***Es responsabilidad de la institución asegurarse de que finaliza el proceso y confirma el cierre a tiempo.***

Para información adicional hacer referencia al correo electrónico o número de teléfono al final del anuncio.

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Subject: Direct Loan Closeout Information for 2016–17 Program Year

The Direct Loan established data submission (closeout) deadline for the 2016–17 Program Year is **Tuesday, July 31, 2018**. This is the last processing day of the program year, so all school data must be received and accepted by this date to be included in a school's final Ending Cash Balance for the year.

**Note:** Exceptions to the established data submission deadline may be made on a case-by-case basis, if the school's processing period extends beyond the deadline. Schools falling within this category should contact the Common Origination and Disbursement (COD) School Relations Center at the number provided below for further assistance. Once the closeout deadline has passed, requests may be made directly through the COD Web Site.

As a reminder, all cash management, disbursement reporting, and monthly reconciliation regulatory requirements supersede the closeout deadline. If a school is meeting these regulatory requirements, the final closeout stage should begin no later than the last award end date (also known as the loan period end date) at the school for a given program and year. In other words, a school should be able to reconcile to a zero Ending Cash Balance and close out soon after its final disbursements and should **not** wait until the closeout deadline.

To be considered successfully closed out, a school must—

- Have an Ending Cash Balance of \$0 and Total Net Unbooked Disbursements of \$0 internally, and as reflected on the School Account Statement (SAS), and
- Complete the School Balance Confirmation form on the [COD Web Site](#).

As part of the closeout process, we will send ongoing notices via Zero Balance or Remaining Balance emails. In addition, we will distribute a Notification/Warning Letter via email to schools in early May 2018. This letter will go to the Financial Aid Administrator and President at each school that has not confirmed closeout on the [COD Web Site](#) (including any schools with a zero balance that have not confirmed closeout). It will serve as a reminder to finish processing and confirm closeout before the established data submission deadline. After the closeout deadline, schools with remaining balances will be billed.

A school must be aware of its closeout status even if its Direct Loan processing is handled by a third party servicer. We encourage each school to communicate regularly with its third party servicer to ensure closeout is completed. ***It is the school's responsibility to ensure that it finishes processing and confirms closeout on time.***

A key factor to an easy reconciliation and closeout is staying on top of the process. We encourage schools to review the following information:

- Complete required monthly reconciliation. This should include:
  - Internal reconciliation - compare internal student accounts and Business Office/Bursar records with Financial Aid Office records. Also, a part of the reconciliation should include ensuring that the school's internal records match the third party servicer's records as well as what is in the COD System.
  - External reconciliation - compare internal records to your Direct Loan School Account Statement sent via your SAIG mailbox.
  - Resolution of any discrepancies and documentation of any outstanding timing issues.
- Ensure that all drawdowns and refunds of cash are accounted for and applied to the correct program and award year.
- Ensure that all batches have been sent to and accepted by the COD System, all disbursements and adjustments are accurately reflected on the COD System, and all responses are imported into the school's system.
- Review all pending disbursements and determine whether these need to be reported as actuals (DRI = TRUE) and if not, reduce these to \$0 and make changes to loan period dates and loan amounts if needed. This will ensure that all disbursement data has been correctly reported to the COD System, and ensure subsidized usage limit calculations are correct for your borrowers. For more information on Subsidized Usage Limit Applies (SULA) reductions (See Attachment Q6).
- Ensure that all unbooked loans are booked or inactivated (reduced to \$0).
- Resolve all outstanding rejected records.
- Return all refunds of cash. All refunds for the Direct Loan Program must be returned electronically via G5.
- Request any remaining funds owed to the school based on actual disbursements accepted by the COD System.

## **Contact Information**

We appreciate your cooperation as we work to close out the 2016–17 Direct Loan Program Year. If you have questions about this announcement or need assistance with closeout, contact the COD School Relations Center at [1-800-848-0978](tel:1-800-848-0978). You may also email [CODSupport@ed.gov](mailto:CODSupport@ed.gov).

Attachments/Enclosures:

[Frequently Asked Questions \(FAQs\) about Direct Loan Closeout for 2016–17 Program Year in PDF Format, 194KB, 6 Pages](#)

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