

# Direct Loan Data & SULA



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## Reporting & Adjusting Direct Loan Data for SULA

# Direct Loan Data & SULA

Wood Mason  
U.S. Department of Education  
Federal Student Aid (FSA)  
Federal Loan School Support Team  
Atlanta, GA  
404.974.9259  
wood.mason@ed.gov

# Direct Loan Data & SULA

## Agenda

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



## 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)

# Direct Loan Data & SULA

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

# Direct Loan Data & SULA

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

- The Loan Period is less than the full Academic Year of the loan
- EXCEPTION: SUP = 1.0 years
- Apply the enrollment status factor if appropriate
  - ✓ Half-Time or Three-Quarter Time enrollment

# Direct Loan Data & SULA

## For Example...

- Academic Year Begin/End Dates...9/1/2017 thru 5/31/2018
- Award Begin/End Dates (Loan Period)...9/1/2017 thru 12/31/2017
- Grade Level 1
- Direct Subsidized Loan amount...\$3,500

COD will calculate a Subsidized Usage Period for this award as 1.0 year

## Loss of Subsidy



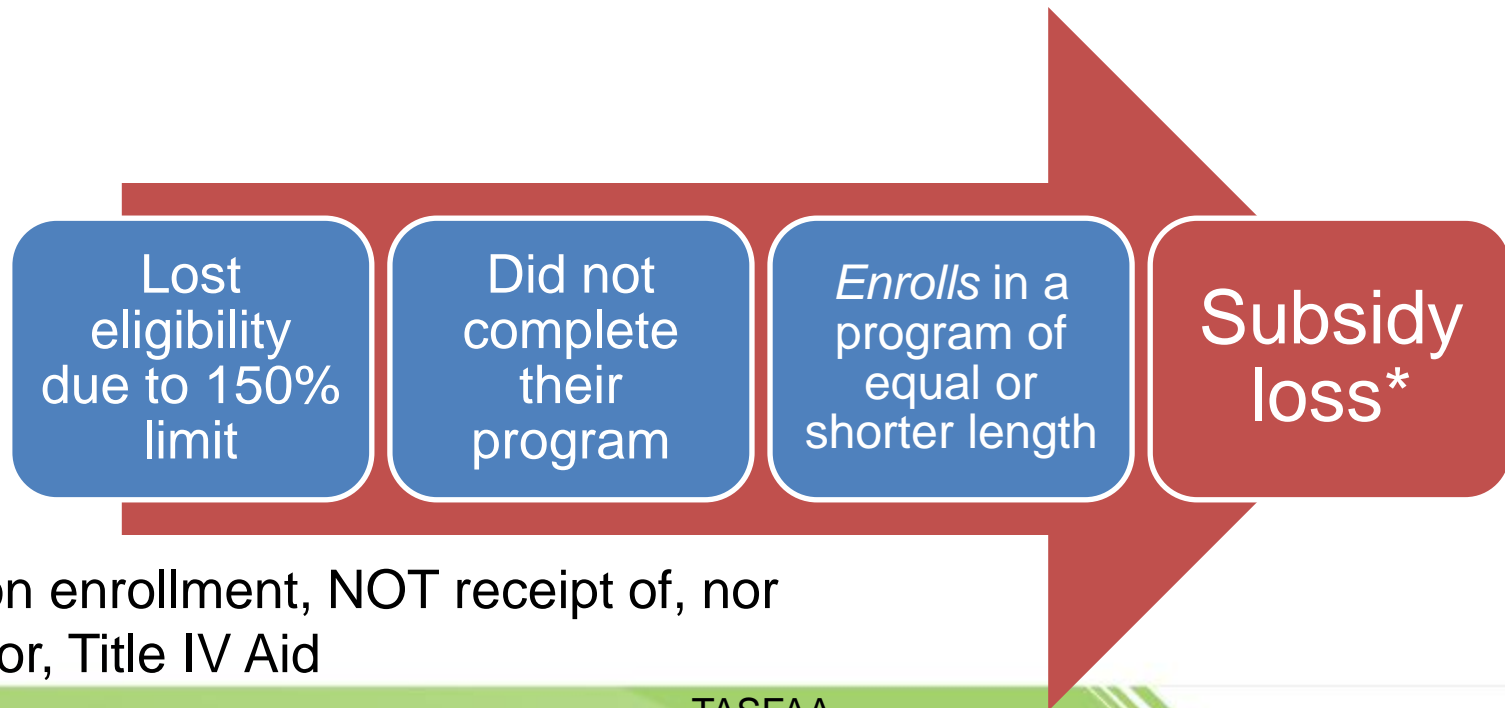
# Direct Loan Data & SULA

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  $\leq 0$
- If Direct Subsidized Loan eligibility is lost he or she retains eligibility for Direct Unsubsidized Loans

# Direct Loan Data & SULA

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...



\*Based on enrollment, NOT receipt of, nor request for, Title IV Aid

# Direct Loan Data & SULA

## Academic Year & Loan Period





# Direct Loan Data & SULA

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

# Direct Loan Data & SULA

## 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

# Direct Loan Data & SULA

## 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

# Direct Loan Data & SULA

## Other Important Data to Report



# 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
  - ✓ 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)

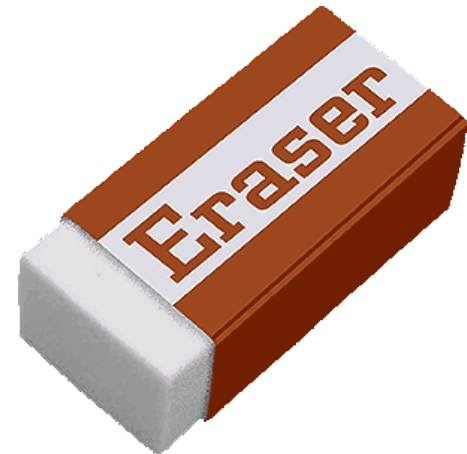
- Remember that PPL is used to calculate the MEP for a borrower subject to the 150% Direct Subsidized Loan Limit
  - ✓ For all other programs for which the school has not published a program length, the PPL reported should be based on the school's determination of how long, in weeks, months, or years,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

# Direct Loan Data & SULA

## 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





# Direct Loan Data & SULA

## 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



# Direct Loan Data & SULA

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

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

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



# Direct Loan Data & SULA

## 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



# Direct Loan Data & SULA

## 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

## A Couple Other Important Edits



# Direct Loan Data & SULA

## 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



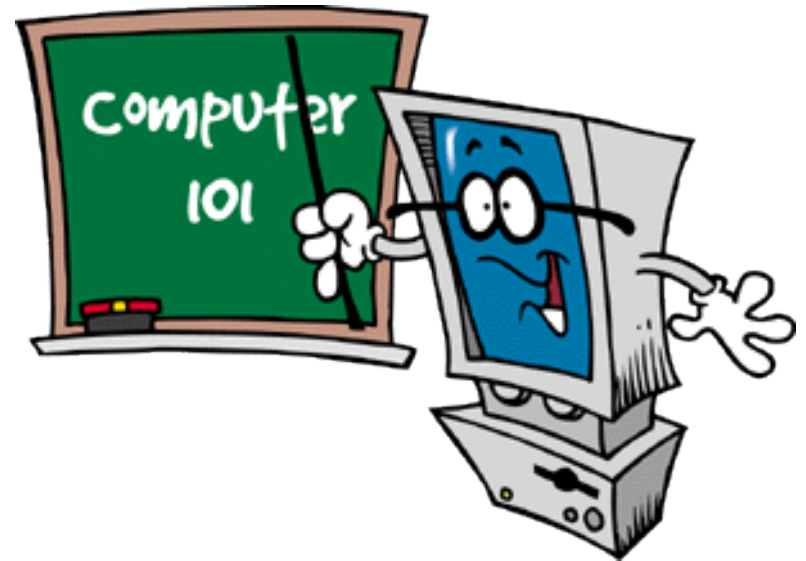
# Direct Loan Data & SULA

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!

# Direct Loan Data & SULA

## SULA Inquiry/SULA Calculator



# Direct Loan Data & SULA

## 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**
Person Direct Loan Information ? HELP

**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

- ▶ **Counseling Search**
- ▶ **MPN/ATS/Manifest**
- ▶ **PLUS App Search**
- ▶ **Endorser Search**
- ▶ **Credit Check**

# 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
<b>Year '16-'17</b>				
[REDACTED]	S17G41900001	0.0		
<b>Year '15-'16</b>				
[REDACTED]	S16G41900002	5.3	0.3	
[REDACTED]	S16G41900003	5.3	0.5	
<b>Year '14-'15</b>				
[REDACTED]	S15G41900001	5.3	0.4	

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

# Direct Loan Data & SULA

## 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

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

## SULA Adjustments Needed Report

- Identifies awards that may ***potentially*** need corrections/adjustments
- Posted monthly to the COD Web Reporting Portal
  - ✓Comma-Delimited format

# Direct Loan Data & SULA



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