



ILLINOIS STUDENT ASSISTANCE COMMISSION

NSLDS

Lender Manifest

User Manual

WHO TO CONTACT

For any questions relating to ISAC PC products, electronic data exchange or data required by NSLDS, call:

ISAC, Lender Services at 800-899-ISAC (4722).

INTRODUCTION

The National Student Loan Data System (NSLDS) is the first national database of Title IV aid and loan-level information. NSLDS, which became operational in November 1994, contains data on the following programs:

- Federal Family Education Loan Program (FFELP);
- William D. Ford Federal Direct Student Loan Program (FDSLP);
- Perkins Loans (including National Direct, National Defense, and Income Contingent Loans);
- Federal Pell Grant Program; and
- Supplemental Educational Opportunity Grant Program (SEOG).

The data is provided to the NSLDS system by guaranty agencies (FFELP), schools (Perkins Loans and SEOG), the FDSLP servicer, and the department of Education's (ED's) Title IV systems. In addition, lenders participating in FFELP are required to submit specified data elements to their guaranty agencies for inclusion in the agency submissions to NSLDS. This manual details the lender's requirements in submitting data to ISAC. NSLDS will provide the following benefits:

- A centralized source of data for verifying Title IV eligibility with respect to prior aid received;
- Improved quality and accessibility of student loan data;
- Reduced burden on organizations responsible for administering Title IV programs; and
- Improved Title IV program administration and delivery by streamlining and standardizing the process.

ISAC together with other guaranty agencies has worked with the National Council of Higher Education Loan Programs (NCHELP) and the U.S. Department of Education (ED) to implement a standardized layout for collecting NSLDS data that lenders must report to the guarantor(s) with whom they participate.

WHO SHOULD REPORT

The *reporting party* for the NSLDS Lender Manifest is the lender, servicer, or secondary market that presently holds the loan or is servicing the loan on behalf of the lender.

If there are any changes to the information you supplied on your *NSLDS Lender Manifest Data Sheet* a new form **MUST** be completed and mailed to ISAC. Refer to *Appendix 5* for a copy of the form, plus instructions as to how it is to be completed. You may reproduce this form as needed.

STARTING REQUIREMENTS

Reports are to be submitted to ISAC on at least a quarterly basis, according to the schedule provided on page 3. ISAC encourages lenders to report more often than quarterly, if possible.

ISAC began accepting data from reporting parties, on October 1, 1995 for the quarter ending September 31, 1995.

REPORTING REQUIREMENTS

The *reporting party* is required to report **all open loans**, and any closed loans not previously reported. The lender is also required to report any loans that were returned with errors from the prior quarter's submission (this may include a loan that is closed).

<p>The <i>reporting party</i> is required to report a closed loan only once, if the loan is not returned to the lender with an error.</p>
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FAILURE TO REPORT

The U.S. Department of Education expects that the NSLDS data will be provided to guaranty agencies by lenders as detailed throughout this guide. Penalties for noncompliance may include limitation, suspension and termination (LS & T).

Failure to report current loan status or corrections may result in processing delays of future Default Aversion Assistance Requests (DAARs)

FREQUENCY OF REPORTING

Reports are to be submitted on at least a quarterly basis. ISAC encourages lenders to report more often than quarterly, if possible.

Lenders **MUST** report data as follows:

- All loan status information current as of the reporting date; and
- The following data items as of the ending date of the preceding quarter:
 - Outstanding principal balance;
 - Date of outstanding principal balance;
 - Outstanding accrued interest balance, and
 - Date of accrued interest balance.

Lenders must be able to report data from the previous quarter as indicated below:

QUARTERLY PERIOD	LENDERS MUST SUBMIT DATA TO ISAC BY:
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	October 31
October 1 – December 31	January 31

LOANS THAT NEED TO BE REPORTED

Whenever a loan is sold, the seller of the loan is no longer responsible for reporting that loan. **The purchaser of the loan becomes the reporting party.**

Lenders are responsible for being able to report any loan that has been:

- Fully disbursed;
- Partially disbursed; or
- Not yet disbursed.

For purposes of reporting to ISAC, a loan record is comprised of all disbursements for a **single** guarantee.

Whenever an individual borrower's loan records have been combined (i.e., converted to repayment), it is the responsibility of the *reporting party* to report each single loan guarantee record to ISAC.

NSLDS requirements do not allow ISAC to accept a combined loan record for an individual borrower.

EXAMPLE:

If the original Consolidated loan was reported to ISAC as one loan, continue to report to NSLDS Lender Manifest as one loan. If the Consolidated loans are initially sent as two loans they must continue to be reported as two loans.

If three loan records for a single borrower have been combined into one Repayment Schedule (i.e., loan) the *reporting party* is required to report three separate loan records to ISAC.

Do not report any loans that were sold to another lender/secondary market or for any loans that a claim for reimbursement has been paid by ISAC.

LOAN LEVEL REPORTING

If required data is carried at the account level, such as Amount of Outstanding Principal Balance, the amount must be prorated across loans involved.

The prorated amount should be based on the guarantee amount as described below. To reduce rounding errors, the field should be calculated on the full amount, including decimals. The total should be rounded to the nearest dollar.

STEP 1. Determine the percentage rate for each loan by using the following calculation:

$$\text{Percentage} = \frac{\text{Single loan guarantee amount}}{\text{Total amount of combined guarantees}}$$

STEP 2. Multiply the combined field value by the percentage above.

EXAMPLE: A borrower originally borrowed a \$4,000 loan and a \$6,000 loan. The loans are in repayment and the current balance or combined field value (i.e. Amount of Outstanding Principal) = \$ 5,001.

$$\text{Percentage} = \frac{\$4,000}{\$10,000} = 40\% \text{ AND } \frac{\$6,000}{\$10,000} = 60\%$$

$$\begin{aligned} \text{Prorated Field Value} &= \$5,001 \times 40\% = \$2,000.40 \text{ Round to } \\ &\quad \$2,000 \\ \text{AND} &\quad \$5,001 \times 60\% = \$3,000.60 \text{ Round to } \\ &\quad \$3,001 \end{aligned}$$

NSLDS LENDER MANIFEST PC SOFTWARE

An optional PC program has been developed for use by lenders with small to medium-sized portfolios. The standardized program provides you with the capability to enter an entire record or import records from your own system and manually add required data elements. Each record needs to be updated as frequently as required by the guarantor (ISAC requires data updated quarterly).

Refer to Appendix 6 for a copy of the Lender Manifest PC Software request form. This form may be duplicated.

DATA UNIQUE TO ISAC

For all loans guaranteed on or after July 1, 1995, ISAC requires that the *reporting party* be responsible for maintaining and reporting to ISAC a standard **LOAN IDENTIFICATION (Loan ID)** key. This "primary key" consists of:

- ISAC's Loan Transaction Date; and
- Loan Application Identification Number.

The Loan Identification is field #9 on the record layout. The field consists of 16 bytes and should be reported as follows:

- Bytes 1 – 6 Transaction Date (YYMMDD)
- Byte 7 Application Number (1-9)
- Bytes 8 – 16 Student's first name (optional - if not provided must be filled with spaces)

The Loan ID can be found in the guarantee result file, field numbers 26 and 27, which combined are 7 bytes long. The Loan ID can also be found in the lower right-hand corner of the *Notice of Guarantee/Disclosure Statement*.

ISAC requires that **all** 36 elements be provided as applicable. If not applicable, use default values.

There are **no** optional data elements.

For all loans guaranteed prior to July 1, 1995, the *reporting party* is responsible for reporting the **Loan ID** (primary key), but **only** if it is available to the reporting party. For NSLDS Lender Manifest matching, ISAC will use one of the following field combinations to match the loan to ISAC's loan detail:

- Guarantee Date AND Total Disbursed (Guarantee Loan Amount).
- First Disbursement Date AND Total Disbursed (Guarantee Loan Amount).

When the lender manifest is submitted to ISAC using either the **Loan ID** or at least one of the two field combinations described above, and if the loan record still does not match with information in ISAC's database, the loan record will be returned to the *reporting party* for reconciliation.

DATA REPRESENTATION

Several standard conventions are used throughout this guide; the instructions are as follows:

1. Field values are listed as Character, Numeric, or Date

- Character - is used to indicate a field that contains spaces, alpha or alpha/numeric data.
- Numeric - is used to indicate a field that must contain only numbers. Alpha special characters or spaces in a numeric field are **invalid**.
- Date - fields **must** contain only numeric data, contain eight digits (except in the Header Record), and appear in the format CCYYMMDD where:

CC	=	the 2-digit century
YY	=	the 2-digit year
MM	=	the 2-digit month designation
DD	=	the 2-digit day designation

2. Default values required for all fields not reported are:

- Character = space
- Numeric = zeros, unless otherwise specified in record layout
- Date = zeros, unless otherwise specified in record layout

3. Do not report negative numbers.

If the outstanding balance on a loan becomes negative, report the balance as zero. Reporting a number other than zero will result in the amount being read as a positive value.

4. Report amounts in whole dollars.

If 50 cents or more, round up. If less than 50 cents, round down

SUBMISSION FILE LAYOUT AND DESCRIPTION

Lenders reporting data on cartridge, diskette must provide data in the standardized NSLDS Lender Manifest format. (*See Appendix 1*)

The NSLDS Lender Manifest Layout contains the following:

- Each file must contain a header and trailer record that is 250 bytes;
- Each loan detail record is 250 bytes;
- Each loan detail record has 37 data elements; and
- ISAC requires that all data elements be completed.

A complete description of each of the data elements has been provided.
(*See Appendix 2*)

MEDIA

The lender is responsible for the integrity of the data provided for NSLDS Lender Manifest reporting, regardless of the media type chosen.

The lender is responsible to keep backups of data reported, in the case of loss, damage or data errors.

The preferred method of reporting is by diskette or cartridge.

A PC program is available to assist lenders with creating diskettes (See NSLDS Lender Manifest PC Software).

CARTRIDGE

The physical characteristics of the NSLDS Lender Manifest cartridge are:

- Format: IBM compatible
- Record Mode: Fixed length, non-compressed
- Character Set: EBCDIC
- Internal Label: Unlabelled
- Physical Record Length: 250 bytes
- Data Set Name: NSLDS Lender Manifest
- Block Size: 34,000 (136 physical records per block) 34,000 is the preferred block size, but any multiple of 250 will be accepted.

There must be only one (1) file per cartridge. There can be multiple submissions, with separate headers and trailers, but only one file.

Do not use volume serial numbers that start with RC.

An external label **must** be attached to each cartridge with the following information:

- Lender's 6 digit ED code
- File Name - Lender Manifest
- File Creation Date (Actual date the file was created)
- Reporting "Servicer" or "Lender" (Identify if the data is being provided by a servicer or the holder of the loans)
- Block Size
- Physical Record Count (the count of 250 byte records on the cartridge, including header, trailer).
- Sequence Number - in the case of multiple cartridges (e.g., 1 of 3, 2 of 3, 3 of 3).

A *Transmittal Form* provided in *Appendix 7* **MUST** be completed and mailed with the cartridge.

Mail cartridge and transmittal form to:

ISAC
Tape Librarian NSLDS-LM
500 W. Monroe, 3rd Floor
Springfield, IL 62704

Return Cartridge Process:

Effective January 1, 1996, ISAC will re-use the cartridge submitted by the lender to return errors back to the lender. This approach will minimize the amount of cartridge handling for both the lenders and ISAC. The cartridge will remain unlabelled.

NOTE: The data the lender provided on the cartridge will be erased when the cartridge is returned to the lender. The returned cartridge will contain only the errors that need to be corrected and included in the next quarterly submission.

DISKETTE

The physical characteristics of the NSLDS Lender Manifest diskette are:

- 3 ½" Floppy Diskette
- 5 ¼" Floppy Diskette
- Logical Record Length (LREL) = 250
- Record Format (RECFM) = ASCII file

An external label must be placed on each diskette with the following information:

- Lender's 6 digit ED code
- File Name - Lender Manifest
- File Creation Date (Actual date the file was created)
- Reporting "Servicer" or "Lender" (Identify if the data is being provided by a servicer or the holder of the loans)
- Sequence Number - in the case of multiple diskettes (e.g., 1 of 3, 2 of 3, 3 of 3)

A transmittal form provided in *Appendix 7* **must** be completed and mailed with the diskette(s).

Mail diskette(s) and transmittal form to:

ISAC
 Data Quality Control – NSLDS Lender Manifest
 1755 Lake Cook Road
 Deerfield, IL 60015-5209

PAPER

We encourage all lenders to utilize the cartridge or diskette process for NSLDS reporting. However, a paper form has been developed for use by lenders with 100 or less borrowers. (*See Appendix 8*) The lender **must** complete all of the required data elements for each loan detail and submit the information to ISAC each and every quarter throughout the life of the loan.

<p>NOTE: The ISAC form is the ONLY acceptable paper form; no other paper form or report will be accepted.</p>

The completed forms are to be mailed to ISAC **no later** than 15 days after the end of each quarter.

Mail to: ISAC
 Data Quality Control – NSLDS Lender Manifest
 1755 Lake Cook Road
 Deerfield, IL 60015-5209

EXCEPTION PROCESSING

ERROR PROCESS

Any record that fails any edit will be returned to the lender, see NSLDS Lender Manifest Error Report Layout *Appendix 3*. There are three different types of errors a lender may receive:

- 1) A record that failed to match a record on ISAC's database. Loans that failed to match an ISAC record will be returned to the lender with ISAC's Unique Loan ID filled with all zeros. Alternatively, if the loan matched on secondary fields, the Unique Loan ID field will be filled with the CORRECT ID. Please capture and use it in the future.
- 2) A record matches an ISAC record, but ISAC does not reflect the submitting lender to be the current holder of the loan. If the loan was purchased by the reporting lender, make sure that the Date Loan Sold (Field 29) has been reported with the date the loan was purchased. Failure to report Date Loan Sold will cause the loan to continually error out.
- 3) A record matches an ISAC record, but the record contains data that conflicts with previously reported data and/or does not meet the common edits.
 - If the identified error is on Loan Status (Field 13) or Loan Status Date (Field 14). The entire record is rejected.
 - Fields other than Loan Status and Loan Status Date are field specific. ISAC has updated the loan record with all data except the fields in error.

Note: All records that the lender receives on the returned error file need to be corrected and reported on the lender's next quarterly submission. Corrections need to be reported regardless of the loan status.

EDITS PERFORMED ON LENDER SUBMITTED DATA

NSLDS Lender Manifest Common Edits have been established on an industry-wide basis so that the maximum edits can be applied to each of the data elements. ISAC will follow the established standards and will not edit for more than has been provided.

A complete description of each of the field edits has been provided in *Appendix 4*.

ERROR FILE LAYOUT AND DESCRIPTION

Lenders who reported data on cartridge will receive a listing of their errors back on cartridge. The records will be in the standardized NSLDS Lender Manifest Error Response Detail Report. (See *Appendix 9*)

The NSLDS Lender Manifest Error Report Layout contains the following:

- Each file contains a header and trailer record that is 240 bytes;
- Each detail record is 240 bytes;
- Key elements for lenders to identify loans;
- A separate error field for Unique Loan Identifier (field 8);
- A separate error field for Student or PLUS borrower SSN (field 9);
- Up to 8 additional Error Code/Error Messages will be available;
- ISAC will return the lender's value of the field in error; and
- When available, ISAC will return the value stored on its database.

A complete explanation of the NSLDS Lender Manifest Error Report Layout (*Appendix 3*).

A standardized paper *Error Report* has been developed for lenders reporting data by diskette or on paper. (See *Appendix 9 for the report format*.) The *Error Report* will be returned to the contact person the lender designated on the *NSLDS Lender Manifest Data Sheet*. (See *Appendix 5*)

RECONCILIATION PROCESS

Upon receipt of an error report the lender should:

- Review discrepancies and make corrections according to error messages, and;
- Include all corrected loan details with the lenders next quarterly submission.

For example: A loan was returned with an error on Interest Rate. The lender should research the error and correct the record. The loan record with the corrected Interest Rate should be reported on the next quarter's submission.

If data reported is correct and has failed a common edit, the lender may need to contact ISAC for resolution.