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Subject: Direct Loan Closeout Information for 2009-2010 Program Year

The Direct Loan closeout deadline for the 2009-2010 Program Year is **Friday, July 29, 2011**. This is the last processing day of the program year, so all school data must be received and accepted by this date in order to be included in a school's final Ending Cash Balance for the year. **Note:** Exceptions to the last processing day of the program year may be made on a case-by-case basis, if the school's processing period extends beyond the closeout deadline. Schools falling within this category must request extended processing by contacting the Common Origination and Disbursement (COD) School Relations Center at the number provided below.

To be considered successfully closed out, the school must-

- Have an Ending Cash Balance of \$0 and Total Net Unbooked Disbursements of \$0, as reflected on the School Account Statement (SAS), and
- Complete the 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 e-mails. In addition, we will distribute a Notification/Warning Letter via e-mail to schools in May 2011. 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). It will serve as a reminder to finish processing and confirm closeout before the final 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 your 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.***

As a reminder, reconciliation is performed on a monthly basis, and the final closeout stage should begin no later than the last award end date at the school for a given program and year. A key factor to an easy reconciliation and closeout is staying on top of the process. We encourage schools to review the following information:

- Compare internal student accounts and Business Office/Bursar records with Financial Aid Office records and resolve any discrepancies.

- Ensure that all drawdowns and refunds of cash are accounted for and applied to the correct program 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.
- Ensure that all unbooked loans are booked or inactivated (reduced to \$0).
- Resolve all outstanding rejected records.
- Return all refunds of cash to us.
- Request any remaining funds owed to the school based on actual disbursements accepted by the COD System.

There are numerous tools available to assist schools in reconciliation and closeout efforts. These tools are as follows:

- School Account Statement (SAS)
- 30-Day Warning Report
- Pending Disbursement Listing
- Funded Disbursement Listing (Pushed Cash schools only)
- [G5 Web Site and Reports](#)
- [COD Web site](#) (particularly the School Summary Financial Information, Funding Information, Cash Activity, and Refunds of Cash screens)
- DL Tools software/SAS Compare Program
- Customer Service Representative/Reconciliation Specialist Assistance

### **Contact Information**

We appreciate your cooperation as we work to close out the 2009-2010 Direct Loan Program Year. If you have questions about this bulletin or need assistance with closeout, contact the COD School Relations Center at 800/848-0978. You may also e-mail [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com).