



[JULIE ALOISIO:] Okay, and with that, let's go ahead and get started. First thing on our agenda is the PLUS Application (go on one more) and there is our overview. Okay, the first thing we are going to look at is the overview here, and I just want to let you know that in March 2010 we are going to be updating and expanding the eMPN website to contain several new functions. We are going to retain the functions that we have available there; we are just going to be adding a few things. You are still going to be able to do your prom notes, you are still going to be able to get your disclosures, but we are going to add new and exciting things to the site and change its name. Okay? So, along with current functionality that will be available, we are going to be adding things that you see listed here. The PLUS Application, which we have all talked about, is actually going to be named Federal Direct Loan Supplemental Information Form, because that's easier. Actually, because that's legal. This is new information actually, and everything that you see on here is, we refer to it as the PLUS Application and probably in conversation that is how it will continue; that just can't be its formal name.

What the new form is going to allow us to do, it's going to allow PLUS borrowers to provide schools with all the information that they need to create PLUS awards for parents and graduate borrowers. Entrance Counseling is going to be moving to this new site and several processes that can't be done electronically at all right now are going to be available electronically and that includes endorsers will be able to do the endorser process electronically and also credit appeals will be able to be done electronically if the borrowers chose to. And now, ta da! This is the home page of the new site and actually it is still a work in progress. What you see here, we have actually even since we put this up, we have added a couple of new things. Under the understanding there is going to be access to a PDF version of the Entrance Counseling in Spanish. Under the 'before your start' section there you are going to be able to access borrowers rights and responsibilities information, and under the followup we are going to also have a link to NSLDS because that is where exit counseling will be moving to. Okay?

We are also going to (go back for one second, please). In the announcements there is going to be included information about the deferment process, the way it is working right now, so that when you go in there the borrowers can access that real easily too. (Thanks, sorry.) Okay now, as you can see in that box that is to the right, the 'why am I signing in' information. It is going to ask you what kind of a borrower you are and based on the answer that you give, it is going to respond and tell you the reasons that you are signing in, the things you are going to be able to do at this site, and why we are asking you to use your PIN. Bottom line is that everything that you are doing there is going to require personal information, and we are just getting that part of the process out of the way in the beginning, we are verifying who you are, and that we have the correct information for you before you try to get started doing anything.

Okay. Here we have chosen from the front page what you need under the understand box and the default for this is going to be the site requirements that you see here. There on the left there is a menu that is going to allow you to choose a process so that you can see what's needed to complete that process. These are all things you can do



without signing in with your PIN. Everything here is going to tell you approximately the amount of time you need, any documents that you might need to reference, the kind of information that will be required. It will give borrowers the opportunity to get everything together before they get started.

Back at the home page, as I mentioned, we are requiring you to use your PIN to do most of the processes and we are directing borrowers that if they do not have a PIN and they want to do any of these processes that they should go out and get a PIN. We do this through all the access places. If you then want to continue on, we tell you here's where you can go get a PIN if you don't have one, so a lot of guidance. Okay, after borrowers have signed in, this is the page they are going to see. This is where we are asking them to verify information that they have signed with their PIN. We let them know that if there is new correspondence out there, see the alert, if they have new correspondence it is going to tell them that is available for them to access. You can also see that the borrower is going to have several ways to maneuver through. They can either go to the drop-down box there at the top, those choices on the far left are going to display the whole time that they are in the site. They can go to whichever part they want that way or down at the bottom underneath the verbiage they can also navigate that way because people see things differently, so we are trying to make it easy for everyone to find their way.

The new PLUS form is intended to simplify and streamline the process for both the borrowers and for the schools, and the relationships are going to be saved between parents and students. That means that if I do something for my student this year or even if I have done it previously, when I go into this site to look at doing a new PLUS Loan that information is going to be there. All I have to do is verify. We are going to hold on to that information. Borrowers are going to be able to choose up to 3 schools for each student. Of course, if you are a grad student you are not going to have other students to choose from. It's a little bit more streamlined.

A lot of the things that we are going to be looking at, and when I am talking it's a little bit more complicated for the parent who might have more than one student, so that's kind of what we are focusing on. Obviously, if I am a grad student I am not going to have other students to choose from. The borrowers with information, as I mentioned in COD from an award origination, that information once I have signed in with my PIN, whatever information we have will be populated here. You don't have to have had a Direct Loan if you have had a Pell Grant or any kind of a grant and we have information in COD and you sign into this, we will populate what we have. Okay? Once a borrower has chosen to complete the request for a PLUS Loan, they are going to choose what kind of a loan they want to get, whether they are going to do PLUS or Graduate PLUS or Parent PLUS and then based on that, as I mentioned, we are going to ask appropriate questions.

I do want to point out one thing here; there at the top where you see the name, the social security number, and the date of birth, we have made changes with that too. We didn't want that to display on every page. So, the name will show, everything except the last 4 of the SSN will be X'd out and the date of birth won't display at all. That



information will only show completely when you first sign in to verify, but you will see throughout, it hasn't been changed on these slides yet.

Okay, this is actually an overview, a little difficult to read, of the whole portion of the form for each student. We are going to look more closely at each section so you can hopefully get a better view. Can you still hear me back there? Yes? Thank you. Okay, right here I want to point out that there have also been some new updates, actually just in the last week or so. Above the deferment option that you see there, there is going to be some language added explaining what this deferment means and as far as what interest being capitalized, everything that a deferment entails, there is going to be a paragraph above the question, "do you want to do this deferment?" Also I wanted to point out that this particular button is not going to display until we have one of the multiple servicers available to take this information. Deferments will still be processed the same way they are now through the Direct Loan Servicing Center, so not to confuse parents, it won't show at all until we have someone available to take that info, but it will have more language around it when it does appear.

The other thing I wanted to mention was that the process for the – (do we only have the deferment showing on this one? Well, down at the very bottom you might be able to see it better on the next slide, go ahead to the next slide.) At the very top of the screen, actually there is kind of a blue line through it, but you can see the credit balance question that we have added. There's going to be more language built in around this too, so that they understand exactly what it means if you have a credit balance. There in the box you can see that they have a choice of choosing the loan amount, specific loan amount, or up to the school's cost of attendance. There is also going to be language added around that. Okay, now obviously we are going to give the borrower the chance to review and update their data before they go on.

Step 3, almost done. We have tried to make it as easy as possible. (Thank you.) Okay, this is the credit check. They have submitted their application, their form, and what's going to happen is there is going to be a real-time credit check done. The borrower will know immediately whether they have passed the credit check or not. If we have a current credit check, a new one will not be run, we will use the information we have if it's within 90 days, and we are going to talk about managing that in a little bit. Since it's going to be done real time and the borrower will be able to tell borrower whether they have passed the credit check or not, if they fail the credit check we are going to give them options as to how they would like to proceed.

This information will be sent to schools, of course, along with the rest of the information that is in the form, hopefully to simplify your processing. I just at this point what to point out that this new PLUS process is not going to cause anything to be created in COD. This is for school information. We will gather this information, we will send it to the schools the borrowers request us to send it to, and then schools will continue to check borrower's and student's eligibility and originate the same as they always have. Nothing is created until the school creates it. This information is sent for your use. Okay? Hopefully that'll make things easier for you. If the borrowers do choose that from the



block that they want to appeal an adverse credit decision, they are going to be brought to this page. They can choose to view the credit information that we got. They can also view what they need to appeal, right under the one little blue box, and that is pretty extensive information under there what you need. It is pretty specific. They are also given the information of who to contact and how to do the same sort of process that we do now, which is faxing and mailing information in to review. If they have electronic documents, they will be able to upload them right here though.

Endorsers are also going to be able to complete the endorser process electronically, which they can't do at all right now. Of course, paper is going to be available to anyone who wants to use paper. If the borrower chooses this option that they are going to get an endorser, we will tell them that we are sending them a reference number that they will need to give to their endorser. Their endorser will be verified through the PIN process and then they will be asked to enter a reference number, and we will see that on the next screen.

I also want to mention here that if you happen to originate a loan and the borrower is declined, they choose to get an endorser, the endorser can use the award ID to put here once they are then verified through the PIN and then that will give them the information so that they can still do the endorsement process online if they choose. (Just a moment, 22). Okay the endorser addendums that have been completed by the borrower are going to display. They can come back in any time and print those off. This person is very brave and they have done two endorser addendums. Regardless of whether the borrower passes or fails the credit check, we are going to give them the information about MPNs that need to be completed and encourage them to do that now if they need to. If they have students they are getting loans for who already have MPNs, they will be given that information. Here are the students that we have MPNs for, these are the students we need MPNs for. If they chose to continue on, we are going to.

We will go through the next few slides relatively quickly. These are eMPN slides. What we want to emphasize here is that we have streamlined the process. It is down to 4 steps, which is quite a few less than we have currently. Again, information if they have done an MPN previously will be populated or if they just did an application, that information is all going to show up here. We are going to ask them to verify information for correctness, obviously. (One more; go one more. There's step 3. Now we are step 4. Yes.) After they have gone through, see how fast that was? So fast, Lisa can't even keep the clicker up, but hopefully it really will be pretty quick for them. They will be able to just review information that is there and move ahead. They are going to get to the end and they are going review the information, sign it, and then they are done. Once they have completed as many MPNs as they want or need to, we are going to show them over here on the left that these are the ones again, if they still have MPNs that need to be done, we will let them know you have one more to do, we have these for two of your kids. If they want to go back in at any time, they are going to be able to see that the documents that they have completed and they can download those and print them. Okay?



Now we are going to touch on the electronic disclosure statements. Those are already available; we are just moving them over to this new site. We have gone back to the first page, the home page that the borrower is going to see once they have been validated through the PIN process. They are going to be able to view and download the disclosure statements as well as their other documents, and again, there it will tell them about any documents that have been added since the last time they signed in.

Now we are going to talk about the school options for just a second. There are just a few school options that we are adding to go along with this. They are pretty straightforward as you can see up here. They will be defaulted to the values that you see. We broke out Parent PLUS and Grad PLUS, so that if your school does one process and not the other you can choose not to participate in the process for one or the other. It is defaulting to yes. What that means is that your school will show up in the drop-down box for students and borrowers to choose from and then you will be getting the information on the PLUS applications. If you choose no, your name won't show up and you can use whatever process that you have in place if you are comfortable with the process that you have and want to continue with that, then you can certainly do that. If you want to do both, that's your choice too. Doing one or the other doesn't preclude you from doing the other.

I wanted to just point out the begin date that we have. We have that defaulted to May 2010. Now, you can go in and change that to whatever date you want. Once that default shows up, your parents and grad students will be able to go out and do the PLUS application. If they are new, the credit check is going to be run at that time. So, you might want to think about when you do your originations when you want to open that up. As long as we have an origination within 90 days of the time that the credit check is done, that'll be okay. If we don't have an origination within that time frame then of course, once you send in the origination and there is an expired credit check, another credit check will be run, but this is how you can manage that for your borrowers. Okay? Now I am going to turn this over to Lisa.

[LISA DICARLO:] Thank you, Julie. Can the people in the back hear me? Because my voice is not as loud as Julie's I don't think, and I mean that with the utmost affection, Julie. Okay. Let's talk a little bit about Entrance Counseling. In order to limit the different number of websites the student must visit before receiving their Direct Loan funds, the new Direct Loan website has also been modified to include the new Direct Loan Entrance Counseling quiz. The new Direct Loan Entrance Counseling process has been modified to include a new benefit to your institutions. After the student has completed their counseling, an XML counseling acknowledgment will be sent to the student's school notifying the financial aid office that the student has completed their Direct Loan Entrance Counseling, so we are really pleased and happy to provide that feature to you on our website. Information on Entrance Counseling and a link to the PIN site is provided under the understand box that you see highlighted here, and again, we will explain to the student what they need to do in order to obtain that.



Additionally, we are very happy to offer the ability to search for completed counseling sessions on the COD website. You can go in and enter up to 10 SSNs or search by date range in order to determine if your students have completed their counseling. That's about it for Entrance Counseling.

Moving on to Exit Counseling. Also this spring we are happy to provide the Direct Loan website link for Exit Counseling from this site. It will take your student to the NSLDS where we are developing Exit Counseling. Again, you can get to the NSLDS link for Exit Counseling under the followup section here that we have highlighted below. The Exit Counseling that we will be providing will accommodate both FELL and Direct Loan Exit Counseling requirements; I just wanted to point that out to you.

And now, what everyone has probably been waiting for, your favorite. We have a new Schema 3.0c. Our system, the COD system, will be equipped to accept and process data from the 3.0c this March, March 27 of 2010. It will be required for all programs for award year 2010 and 2011 and forward. It will be used to transmit all COD web responses regardless of the award year, and we have communicated this through our IFAP electronic announcements. I believe it was posted last month. Moving on, more of the Schema. The changes that we have include the Direct Loan PLUS Award Block, the PLUS Loan Application Acknowledgment, the Credit Check Override Acknowledgement, Perkins Award Block, and the Pell Award Block. We are not going to go through the actual Schema and highlight all of those changes, but if you go online and download this presentation we do have the Schema attached with highlights to the new blocks and showing you what's new in each additional block, but on this slide here, this table here is showing you the changes to the PLUS Award Block that will be submitted by schools. It has been updated to include information that the borrower may submit on the new PLUS Application. However, schools may also send that information into COD when originating a PLUS loan, as Julie said, as informational purposes you can choose use to send that information in. You will see that we have these loan amounts, which is exactly that, the credit balance option which allows the parent borrower to indicate if the credit balance left after all the institutional fees have been deducted should go to the student or the parent. We have the credit action choice, which informs the school of the borrower's intention if they fail the credit check. We have the credit appeal status, which keeps the school informed as to the progress of an appeal, and we have the maximum loan indicator which informs the school that the borrower had opted to request up to the school's cost of attendance less any financial assistance. Then we have the credit decision expiration date, which is good for 90 days; and I believe there is another field that I don't have on my slide that you have there, the deferment option and then the application ID. And that's all I am going to tell you about the Schema, but there are some substantial changes; and again, all of that has been posted in our IFAP announcement and you can look at more details on our download of this presentation.

Let's just talk real briefly about our multiple servicers. It's also being addressed in several of our other sessions. Beginning the spring of 2010, booked Direct Loans, Perkins, and TEACH grants will be sent to multiple servicers. There should be no



impact on school processing with the COD system. You would send in your originations, your promissory notes or your agreement to serve in the face of a TEACH, and your actual disbursements and we will book those loans or book that TEACH grant and then they will then be distributed to the servicers. If a financial aid administrator wants to know which servicer holds a specific loan or grant that information will be available to you on our COD web, and we are really happy to provide that on the Award Detail page. We should note here that FSA and the COD system will aim to keep all borrowers' profiles at the same servicer throughout their enrolment. We are going to do our best to keep all of their portfolio with one servicer. If a servicer holds loans for a borrower, subsequent loans for the borrower will most likely continue to go to that servicer for the grants. Lastly, students can view where their loans or grants are being serviced through NSLDS.

Moving on to Perkins, and there was another session prior to this one on Perkins that was given from Policy. These slides are going to focus on operational readiness and what we are doing in preparation if the legislation is passed. COD is prepared in this March to process Direct Perkins Loans. Again, we will have to wait for legislation to pass before we will actually start accepting them, but we do plan on implementing the functionality that we have built, and of course we will let you know when you are able to start sending in those records. As outlined in these bullets on this slide, Perkins will be treated in a very similar way to our other Direct Loan subprograms with the full functionality throughout the system. The COD system will be able to receive, process and store originations and award adjustment records. The award and adjustment records for Perkins will be submitted using the common record or through the COD website. The MPN will be modified for the Direct Loan Subsidized, Unsubsidized, and Perkins, or we will provide an addendum to the existing master promissory note. Those details have not been fully ironed out yet, but we will keep you informed as we learn ourselves. Perkins Entrance and Exit Counseling will be included in Direct Loan Counseling, and Direct Perkins Loans will be serviced with our Title IV Additional Servicers.

Similar to the other Direct Loan subprograms, there are a small number of edits that are unique to Direct Perkins Loan program. This table here outlines two of those. We have edit 185 which is Incorrect Undergraduate Perkins Amount and the condition is that an incoming Perkins Undergraduate Award causes the cumulative loan amount of all applicable Undergraduate Awards at a single school to exceed the Undergraduate Perkins Loan Limit. It is pretty straightforward. Then we have edit 186, which is Incorrect Graduate Perkins Amount, and the condition being that the incoming Perkins Graduate Award causes the cumulative loan amount of all applicable Graduate Awards at a single school to exceed the Graduate Perkins Loan Limit. And 187 is Incorrect Student and is a grade level change and I don't have it on my sheet, obviously, as you can tell here. Grade level change from a graduate to undergraduate or vice versa is submitted and the award and disbursement amounts are not \$0.00. Moving on, we have 3 additional edits, 2 on my sheet; edit 188 which is the Funded Disbursement Amount Exceeds School's Perkins Funding Limit. Edit 189, which is the Disbursement information is incomplete or rejected, Perkins award is not accepted. Edit 190, where



you cannot change the Early Disbursement Date on an active loan. Again, they are pretty straightforward edits and we will have a lot more information in technical reference if you need to look them up.

Coming up in the summer of 2010 we have further functionality that we are excited to roll out as well. We are going to expand our online processing capabilities for both foreign and domestic schools in the event that foreign schools will be able to participate in direct lending with some functionality to assist them, but it will also assist our domestic schools that have resource problems or possibly need to train their employees, financial aid administrators, who might need more of a tutorial. As you know, our COD system is not entirely intuitive if you are not extremely familiar with the financial aid process and what you are submitting. Sorry, I said it out loud. So our foreign and domestic schools will have enhanced processing capabilities for both loans and grants on the COD web. Schools will be able to process multiple loans in a single submission through the COD web. Right now you can only do it 1 at a time. A tutorial will be provided for both foreign and domestic schools on what the steps are that they need to do in processing their loans. We will also plan to have expanded electronic correspondence as well, and so we are trying to become a little bit more green and provide more electronic processes. And that is about it. Questions?

[AUDIENCE:] [Inaudible 36:20]

[ALOISIO:] Oh, she is going to flash the Schema for you because it is so exciting to look at the Schema.

[AUDIENCE:] [Inaudible 36:30]

[ALOISIO:] Anyone have questions? Want to come up and ask a question? It's as clear as mud. Oh, we have got one coming up, got two coming up. Go ahead.

[AUDIENCE:] Hopefully I am not asking something you did in the first few minutes. The PLUS Application online: How do we get that? Is that sent in a new message class that in theory our software provider will allow us to import?

[ALOISIO:] Yes, it will be sent in the new message class.

[AUDIENCE:] I am a little unclear; if we set the date so that we can originate within 90 days, does the disbursement date tie in there somewhere or as long as we originate a loan within 90 days it's good even if we disburse it a year later.

[DICARLO:] You need to send it in; as long as we have the origination, the disbursements can be anticipated disbursements but we have to have the origination. Okay.

[AUDIENCE:] The date which you can set up in the school options and all that stuff, is that going to be something we do every year?



[ALOISIO:] I'm sorry I meant to mention that. Can you hear me on this? Okay. Once you put your date in with the new award year setup it's going to roll your date forward and increment it when 1 year. So you can go in and change it if that date didn't work for you but you won't have to go in and change it every year. It'll automatically update. So instead of saying May 10, 2010, we do a new Award year setup it would say May 10, 2011.

[AUDIENCE:] And is the application process for the parents a year specific? So that they can't take a 2011/2012 application now.

[ALOISIO:] It's going to pull up an application; they are not going to have to choose. Yes, it's going to automatically default to the new award year. Does that answer your question? Now I confused you.

[AUDIENCE:] No, I mean I have visions of students and parents trying to apply; you know the kids are applying now for admission for next year, I have visions of parents trying to apply for PLUS Loans now or trying to apply for PLUS Loans for 4 years at the same time.

[ALOISIO:] (They can do that, right? Kevin, go to the thing.) He will clarify that, I will confuse you, sorry.

[KEVIN:] It's not award-year specific? So they can come in and they can fill out the application. When it hits the COD system and we generate our application acknowledgment that we send to the schools, it won't have the award year associated with this. So you will still have to reach out to the parent and to the student to determine what they need.

[AUDIENCE:] Will it have a loan period or some sort of terms or something to tell us what they want?

[KEVIN:] For the people that are filling out the application, things like loan period, begin date, academic year begin date, award year, may be foreign ideas to them but we are trying to limit the amount of data they are going to have to answer.

[ALOISIO:] That is one of the things that we are actually adding in. We had hoped to have it available this time, the specific award, the time frame we are going to allow them to choose, but it's not at this point, we are not going to be able to get it in. We are trying to bring it up. It's going to be a living process. We are going to try to be making improvements as time goes on, and when you see things that would improve it, we hope you will let us know. We developed it based on information we got from schools and ideally that information was going to be in there, but it's not going to be in there for the March release.

[AUDIENCE:] I will vote right now for adding something like in.



[ALOISIO:] We just couldn't meet the schedule.

[AUDIENCE:] We currently send parents school application and give them choices of terms; do you want fall, do you want fall/spring.

[ALOISIO:] Right.

[AUDIENCE:] And I know in the FFEL process we, in prior years had to give that system our various loan periods and then the people could select one, so.

[ALOISIO:] It's coming. Its coming, we promise.

[AUDIENCE:] When?

[DICARLO:] We can't commit, but its coming. No later than next spring. Hopefully sooner than next spring, 2011. No not this coming spring, the following spring. No later.

[ALOISIO:] We really, really, we cried, we lay on the ground and kicked our feet, did not good. Go ahead, question.

[AUDIENCE:] Julie, this question is for you also, well I think anyway. It's also in reference to the school options that you talked about in your presentation. Umm, when the schools can make these elections or when can the schools make these elections and where we go to do that. Is that on the COD website?

[ALOISIO:] it's on the COD web, when you go in to sign into the COD web you will go to schools on the schools tab and then on that left-hand side you will have a spot that says school options. It will be in there and that will be available, once the new release comes out toward the end of March.

[AUDIENCE:] Okay, thank you.

[ALOISIO:] Yes.

[AUDIENCE:] Question. When we get the PLUS Application information, is that going to be the message class prior to us originating anything to you guys?

[ALOISIO:] Yes, it could be. Yes. If you have done an origination for that person.

[AUDIENCE:] Yes.

[ALOISIO:] That information is going to already be fairly redundant. You are going to get that information once, when they go out and do the PLUS Application you are going to get information back from them.



[AUDIENCE:] Okay.

[ALOISIO:] It will be a separate message class, but you could, [inaudible]

[ALOISIO:] I'm sorry.

[AUDIENCE:] We can get that information prior to the awarding so that we know that they either had an endorser or they have been approved.

[ALOISIO:] Yes. We are hoping that this process will actually make it easier for you to do the originations, because you will have more information.

[AUDIENCE:] That would be great.

[AUDIENCE:] Question. If the school does their own entrance and exit counseling, do we have to use the tools that you guys have?

[DICARLO:] No.

[AUDIENCE:] Okay. This may be a stupid question, but will the endorser info be given with the new Schema and what I mean by that is, does the school need to know who the endorser is or just the fact that the student has an endorser?

[ALOISIO:] On the application?

[AUDIENCE:] Yes.

[ALOISIO:] When they do the application, originally what will come on in the application information is just going to be what their choice is.

[AUDIENCE:] Okay.

[ALOISIO:] Once that endorser information comes in then; one thing I forgot to mention and I really apologize, currently when you originate and there is a declined credit check, we are not building the award for declined credit check borrowers. We are waiting until we get an endorser or something, and actually going forward we are going to build that so we will be able to go into COD and actually see those awards and then that endorser information will be sent to you so that you will know that you can disburse on those.

[AUDIENCE:] Okay. So we don't need to know any information about the endorser, just the fact that they have it?

[ALOISIO:] Right.

[AUDIENCE:] So we just need to have parent information and that's it?



[ALOISIO:] You will have parent information sent to you; you won't need the endorser information. That will be available to the servicers.

[AUDIENCE:] Okay, thank you.

[ALOISIO:] Yes.

[AUDIENCE:] Will there be edits on the web PLUS App so that the parent has to complete everything before they can submit it?

[ALOISIO:] Yes, there will.

[AUDIENCE:] Okay.

[ALOISIO:] We won't let them continue until they have completed and filled in all the blanks.

[AUDIENCE:] Okay. And then can a parent go back and change data on an application once it's submitted and if so, how do we get that information; is there going to be a change record file that we are going to get as opposed to an application file?

[ALOISIO:] Actually, because the information populates so easily, it's not really a change, it's actually a new application. Every time they go in, if they want to change the information it's just going to be transparent. You are going to get the same information that you populated the time before, what do you need to change, and you would get a new application.

[AUDIENCE:] [inaudible]

[ALOISIO:] New information with all the same information except what they tweaked.

[AUDIENCE:] Okay. And then, is there going to be any kind of an edit for something like a mother goes in and uses her PIN number to get into the PLUS App and then puts in the father's information on the PLUS application and submits it?

[ALOISIO:] Actually, the information for the person doing the loan is populated by what is on the PIN site and they won't be able to change that information. So, if the mother signed in as herself using her PIN, that information is going to be in there; that's your information, they are not going to be able to change the SSN, the date of birth, or that.

[AUDIENCE:] Good.

[ALOISIO:] It's going to have to match what is on the PIN?

[AUDIENCE:] Okay, great, thanks.



[AUDIENCE:] Can you hear me?

[ALOISIO:] Yes.

[AUDIENCE:] Okay. We use Banner. I was just going to work at Banner, this new update. When the parents fill out the application on the My Direct Website, you are going to send us a new message class. Correct?

[ALOISIO:] Yes.

[AUDIENCE:] Do we download this information into Banner?

[ALOISIO:] Yes.

[AUDIENCE:] But if we have never originated a loan, where would it go?

[ALOISIO:] (Did you hear? If they have never originated a loan, where is it going to go?)

[AUDIENCE:] Okay.

[ALOISIO:] Okay, we are going to be having a birds of a feather for Banner tomorrow evening and they will be able to give you that information.

[AUDIENCE:] Okay, thank you.

[AUDIENCE:] Sorry, it's me again.

[ALOISIO:] Yes?

[AUDIENCE:] Are we going to be able to sign in to this site where the parents do the PLUS application and see what is there or do we just only get it through a file?

[DICARLO:] It's all on the COD.

[ALOISIO:] You are going to be able to sign into COD and get information. You are not going to have to go to this site. The schools will get information on applications that have been done through COD.

[AUDIENCE:] But you said it was not going to populate anything in COD.

[ALOISIO:] Right. It's not going to create anything in COD, but we are not making you go someplace else. You will be able to see what's been done.

[AUDIENCE:] Okay.



[ALOISIO:] For your school in COD.

[AUDIENCE:] Now, in all of your verbiage that surrounds this application, are you putting some sort of proviso in there that sort of says, just filling this out doesn't mean you have a loan?

[ALOISIO:] Yes, it's on there.

[AUDIENCE:] Like, your child has to be admitted to the school and actually – and things like that.

[ALOISIO:] Yes, yes, we try to make it as clear as possible that, you know your school may have a separate process; you need to talk to your financial aid office. This is just to facilitate things. Whatever amount they put in for, the loan we tell them, it's based on what your school....just because you say I want \$20,000 does not mean you are going to get \$20,000.

[AUDIENCE:] Two questions on the question she just asked. Will the schools still have an option for the school to originate first prior to the parent going out versus them going out and getting the credit check?

[ALOISIO:] If you go ahead and originate an award, there is not really a need for the parent then to go out and do the PLUS application. You already have created the award with the information that the parent would have been providing.

[AUDIENCE:] Correct.

[ALOISIO:] So, when you submit your origination, just the way it does now, that kicks off a credit check.

[AUDIENCE:] Okay, so that's good.

[ALOISIO:] Right, nothing around that is going to change.

[AUDIENCE:] Second question. You say that the parent will be able to go out and make changes. Will the parent be able to go out and make changes after the loan is built or after the loan was disbursed, or at the top part? Because that's going to make a difference.

[ALOISIO:] What we have tried to do is, when they are making changes to awards, we are trying to clarify that you are making a change to this same award. Let's say, I don't want \$10,000, I want \$5000. So that they understand this is the same award year that I am doing this for. Am I asking for another loan or am I making a change to the loan I just asked for?



[AUDIENCE:] So the question is, if the loan was booked, because once its booked that loan was done.

[ALOISIO:] Then it's going to have to be a new loan. If it's booked, they can't change what they ask for. They have to come to their financial aid office and ask you to zero out the loan.

[AUDIENCE:] So then they have to come back to us?

[ALOISIO:] Yes.

[AUDIENCE:] Hi. I have a couple of questions. Sorry. Some schools choose the option to need an originated loan before a parent can perform an eMPN, they can't get past step 3.

[ALOISIO:] I'm sorry, say it again. If you originate it for,

[AUDIENCE:] It's a school action that we require our borrowers to have an originated loan on file before they can complete the eMPN, will this new process account for that and not tell the parent go file the eMPN.

[ALOISIO:] It will tell them that they need an eMPN but just like it does now, their school if you require that, now they get the message you need to talk to your financial aid administrator.

[AUDIENCE:] Right. They won't know that they need to wait.

[ALOISIO:] It will tell them at the end that we need an MPN for this. If they try to click on to continue, they will get the same message that they do now that you need to talk to your financial aid.

[AUDIENCE:] Okay. In regard to the entrance/exit file changes that were coming up, are the old formats going away for the reports? The ones that were provided on the other website, the DLSS one?

[DICARLO:] The DLSS website entrance and exit counseling still exists.

[AUDIENCE:] Okay.

[DICARLO:] And is planning to remain there for a while, and we are in the process of developing the reports for the new entrance and exit counseling.

[AUDIENCE:] Okay, so do you think they will phase that out eventually. The only reason I ask is because the file layouts of those reports are used in our system, so if I need to I can download like a year's worth of exit or entrance counseling and load it in. So if they change the file layout for that report, I would like to know.



[DICARLO:] Yes, the file layouts I am sure are changed for exit. For entrance right now we are not generating reports. We are going to get the acknowledgment and then if you want to search, you will be able to do that in COD.

[AUDIENCE:] Right. Okay. It is kind of like a search through DLSS. That's what I am talking about.

[DICARLO:] Right. Okay.

[AUDIENCE:] Do you know where I can find a tech ref for the PLUS app file that you are talking about?

[DICARLO:] It is on IFAP.

[AUDIENCE:] Okay. Do you know what the message class is? It's okay if you don't. I will figure it out.

[ALOISIO:] We will get it for you.

[AUDIENCE:] Do you plan, with this PLUS app, to check the NSLDS data for like a borrower who hasn't filed a FASFA to make sure they are eligible to borrow, or is that something a school is still required to do?

[ALOISIO:] That's another improvement we would like to add to this.

[AUDIENCE:] Alright. Thank you.

[DICARLO:] It's coming.

[AUDIENCE:] Hi. Just a quick question. I apologize if you already covered it. If a parent's credit is not approved and they don't wish to get a cosigner what have you, is the school notified of that?

[ALOISIO:] Yes. Whatever they choose, if they failed their credit check if they choose I'm not going to pursue this PLUS loan, you are going to get that information. Whatever they choose it is going to be sent to you.

[AUDIENCE:] Will that be a separate message class.

[ALOISIO:] That's going to be included in the (it's the same message class). It's the same message class. It's going to be included in the PLUS application information.

[AUDIENCE:] Okay.

[ALOISIO:] The application block.



[AUDIENCE:] Thanks.

[ALOISIO:] Yes.

[AUDIENCE:] I just have a couple of questions. One was, one of the ladies before indicated that you, the borrower, could go on and make several changes. Are you going to be sending that back in the same document ID or will it be multiple?

[ALOISIO:] It will be a new document ID.

[AUDIENCE:] So it will have multiple applications then? You are going to be sending acknowledgments back multiple times? So it's possible that, if your loan with your servicer or your software vender lets you load those in you could have 5 apps?

[ALOISIO:] Yes, you could.

[AUDIENCE:] That's not the answer I wanted you to tell me. My second question was since you indicated that it's possible that these are not going to be year specific, I notice that you do indicate the award year in the Schema so 2011 could be, I am assuming that's going to be for 2010/2011 or.....

[ALOISIO:] Right.

[AUDIENCE:] Okay. So that is an indicator that,

[ALOISIO:] We use the last one.

[AUDIENCE:] Right, so I can always indicate then that that is for the current, I mean that is going to be my indicator for what year that should be imported into.

[ALOISIO:] Right.

[AUDIENCE:] Okay. Thank you.

[AUDIENCE:] Hi. I apologize if I missed this. When the parent indicates an amount on the application that they want to borrow on the PLUS, if there is a conflict between that and the amount that we send on the origination, will that create a problem.

[DICARLO:] No.

[AUDIENCE:] [inaudible] I guess is the answer or the question.

[DICARLO:] The origination trumps it. We have to remember that the application that we are doing online is for your information. It's to help you. What you send us, that's what we are putting in there.



[ALOISIO:] I wanted to mention that on slide 16 of the presentation, what you are seeing would probably cause confusion. It is showing the award year on there. That's not going to be on there. That's been removed. It's one of the things that didn't get in to the presentation. So they are not going to see that. On slide 16 it shows that award year and the parents are not going to see that.

[AUDIENCE:] So for the parents PLUS loan, for those parents who are required to submit citizenship documentation and they complete application online, is that documentation followed through the institution or are you going to require the documentation for proof of citizenship?

[ALOISIO:] We won't be collecting documentation for citizenship.

[AUDIENCE:] So once they complete the application it comes back to the institution and we download it, we will know that that's required before we certify. [inaudible] Right, okay. That's my first question. And then my second question was,

[ALOISIO:] You can come back.

[DICARLO:] We understand. It's a long day.

[ALOISIO:] You can send us an email if you remember. I think our emails are in there aren't they.

[DICARLO:] They should be.

[AUDIENCE:] For the COD, Schema, 3.0c, is ed connect and COD going to be ready to receive those files on March 27, was it? So you will be sending the application files but also be able to send you the 3.0c Schema at that time too.

[DICARLO:] Yes.

[ALOISIO:] Oh gosh. There is someone on this side.

[AUDIENCE:] It goes to that citizenship question. Is there is any chance in the future; you have all the parent's information that you can patch through DHS like you do with the student. Is there any possibility of doing that in the future?

[ALOISIO:] There has been discussion about that.

[AUDIENCE:] Just discussion?

[ALOISIO:] Well we are not ready right now. It's not going to happen right now.

[AUDIENCE:] Yeah.



[ALOISIO:] But, yeah, we are hoping to be able to move toward that.

[AUDIENCE:] And then for parents who want the PLUS paid to them directly, is there any question like that on the application currently?

[ALOISIO:] No. Because our lawyer said that there is no legal, how do I want to say it? That the money should go to the school, the school should take out the institutional costs, and then we get back to the question of where do you want the money to go after this. That legally there is nothing in the regs that says that the parent can just get the money. That's what our lawyers told us. We specifically asked that question.

[AUDIENCE:] So does that mean that the school could without penalty just disburse to the student without asking the parents a question?

[ALOISIO:] Yes. That was our understanding and that was a question that we had planned actually to include and our lawyers told us no, that there was no basis for asking that question, that the parents could not get the money first, that the institutional costs had to be taken out first, and then you are left with the question that we have, whether the money goes to the parent or student after institutional funds.

[AUDIENCE:] Is that our choice? I mean, if we want to give it to the student then we just give it to the student.

[ALOISIO:] No. They have to choose. You have to give them the option.

[AUDIENCE:] Well, that's a big pain in the ass. Alright, thanks.

[AUDIENCE:] I remembered.

[ALOISIO:] She remembered. Oh you remembered.

[AUDIENCE:] Yes, it came back to me. So for those students who are denied, or the PLUS that was denied and the student has the option of the additional unsub for the denial, is that a question that is asked that you would like the institution to process for the additional unsub or...

[ALOISIO:] No, we did not include that because as the financial aid administration people, you are the one that knows whether the student is going to be eligible and what they are going to be eligible for as far as the additional unsub. We can't ask the parent. There is no basis to ask the parent in this case whether we want their student to get additional unsub because that's money then that is under the student's name, not under their name.

[AUDIENCE:] So we can draw it from the list [inaudible]



[ALOISIO:] Right. Based on the fact that I am not going to pursue this PLUS loan, then you could offer that to the student. But we can't ask the parent, do you want us to do this, because that is not a loan that is going to them.

[AUDIENCE:] Okay. Thank you.

[AUDIENCE:] Will expired MPNs be listed on the website so when we tell the student that they need to do a new one there is something that they see that it has expired and that's why?

[ALOISIO:] I'm sorry.

[AUDIENCE:] On my Direct Loan website or the expired one since so many of us have expired now.

[ALOISIO:] If they go out there and it will show them that they have an expired, it will show them that they have an MPN and (does the expiration date show?) it shows that it has expired right there in the block.

[AUDIENCE:] So it links up to the past then?

[ALOISIO:] Right. It shows that you have an expired one, so you need to another one.

[AUDIENCE:] Beautiful. Thank you.

[AUDIENCE:] In order to help me regulate my credit checks, can I participate with that and turn that on and off? Are there options to do that?

[ALOISIO:] Yes. You can turn that. I don't know if everyone heard her question. Her question was can she turn off and on her participation, and yes you can. If you say I am not going to participate, as soon as you say you are not going to participate you are not going to show up in the dropdown box. Anything else? Alright thanks a lot. Have a good evening.