

# Schools New to Direct Loans

## Direct Loan Participation

If a non-Direct Loan school is currently eligible and certified for other Title IV student assistance programs and has the Direct Loan Program listed as an approved program on its Eligibility and Certification Approval Report (ECAR), Federal Student Aid will complete some basic setup actions that are necessary for the school to process Direct Loans via the Common Origination and Disbursement (COD) System.

**Note:** If a non-Direct Loan school is currently eligible and certified for other Title IV student assistance programs, but it does not have the Direct Loan Program listed as an approved program on its ECAR, the school must first [submit a revised E-App](#).

If a school has never participated in any of the Title IV student assistance programs, it must first submit an application through the [Electronic Application for Program Participation](#) (E-App). Please refer to the Schools New to Title IV section of the Direct Loan Web site.

## Federal Student Aid-Initiated Setup Actions

The following actions will be completed for all non-Direct Loan schools currently eligible and certified for other Title IV programs with the Direct Loan Program listed as an approved program on its ECAR. A school can change certain options that were set on its behalf at a later point in time. The setup actions listed below apply to a school's main campus only.

A school will—

- Be assigned a Direct Loan school code (a six-digit code beginning with G).\*
- Have its Disbursements Funded Without Accepted Pnote flag set to “N” (meaning a Master Promissory Note (MPN) must be on file with the Department of Education before actual disbursements can be accepted).\*
- Have its Eligibility for Single Disbursement flag set to “Y”, if eligible.\*
- Have its Promissory Note Print Option set to “N” (meaning the COD System will not automatically print and send an MPN to the borrower).
- Have its Disclosure Print Option set to “Y” (meaning the COD System will generate the required disclosure statement and e-mail or mail it to the borrower).
- Be set up using the multi-year feature of the MPN (meaning the student will be allowed to receive additional Direct Loans using a Direct Loan MPN that was executed earlier).
- Have its eMPN Participation flag set to “N” (meaning students will not be able to complete electronic MPNs with the school’s Direct Loan code).
- Have its Student Aid Internet Gateway (SAIG) mailbox profile updated to include Direct Loan Services and Direct Loan Delinquency Reporting Services. We will e-mail the school’s primary Destination Point Administrator regarding the SAIG mailbox update.
  - We will include these services under the same SAIG mailbox used for Grants Services.
  - If not participating in Grants Services, we will include these services under the same SAIG mailbox used for ISIR Services.
  - If a school uses a third party servicer, we will NOT update the SAIG mailbox services. In this case, a school will need to update its SAIG mailbox services through the [SAIG Enrollment Web site](#). A school can do this when it is ready to do so.
  - If a school wishes to change its SAIG mailbox setup, it can do so through the [SAIG Enrollment Web site](#).

- For questions about SAIG or for assistance with the enrollment process, contact CPS/SAIG Technical Support at 800/330-5947. A school may also e-mail [CPSSAIG@vangent.com](mailto:CPSSAIG@vangent.com).

\* A school cannot change this setup action.

## School-Initiated Setup Actions

When a school is ready to actively participate in the Direct Loan Program, it will need to complete several actions to ensure all connections are in place to receive Direct Loan funds and to electronically transmit and receive Direct Loan data.

### **Request for Participation**

Send an e-mail request to the COD School Relations Center at [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com). The subject line of the e-mail should be "Request to Participate in the Direct Loan Program." In addition, the following information should be provided in the body of the e-mail:

- Name of your school
- Address including city, state, and zip code
- Person requesting participation (Financial Aid Director or an official listed on the E-App is preferred)
- E-mail and phone number of the official
- OPE ID
- DUNS Number (if known)
- Award Year in which processing will begin

The COD School Relations Center will issue an automated tracking number. The school will receive a participation acknowledgement e-mail which will include the school's Direct Loan code.

### **COD Web Site Access**

To view or process Direct Loan data on the COD Web site, a school must have an authorized COD user ID and password. If a school user already has a valid COD user ID and password, it does NOT need to request a separate one for Direct Loans.

To obtain access to the [COD Web site](#), a school must designate a School Security Administrator who is responsible for establishing other users and associated procedures.

- School Security Administrators should refer to the Information for Financial Aid Professionals (IFAP) posting at: <http://ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html>.
- Third-party servicers can also obtain access to the COD Web site by referring to the IFAP posting at: <http://ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html>.

### **G5 Bank Account Information**

G5 is the Department of Education's payment system, and all schools receive Title IV funding through G5.

To receive Direct Loan funds, **a school must review its bank account information in G5 or provide new bank account information to G5.**

- If a school has a single bank account for its Title IV funds and the school plans to use this same account, no further action is necessary.
- If a school has more than one bank account for its Title IV funds, the school must contact G5 to designate the specific account that will be used for Direct Loan funds.
- If a school will use a new bank account for its Direct Loan funds, it must submit a new direct deposit form, Form SF1199A, to G5 at the address below.

U.S. Department of Education  
Financial Management Operations  
400 Maryland Avenue, SW, RM 4C137  
Washington, DC 20202-4328

Additional information about establishing banking information can be found under the Banking section of the Frequently Asked Questions on the [G5 Web site](#).

### **G5 Access**

To access G5, users must have an authorized G5 user ID and password.

- If a school already has a valid G5 user ID and password, it does NOT need to request a separate one for Direct Loans.
- If a school needs a G5 user ID and password, it must submit a completed G5 Users Authorization Form (the form and instructions are available on the [G5 Web site](#)).

For further information about G5, visit the [G5 Web site](#) or call the G5 Hotline at 888/336-8930.

### **Direct Loan Servicing Report Setup**

A school can have several reports generated by the Direct Loan Servicing System sent directly to its SAIG mailbox. To do so, a school can set up its report options through the [Direct Loan Servicing Online School Site](#).

### **Other Helpful Actions**

Complete the COD computer-based training (CBT). [Check out the CBT](#) and learn how to use the COD Web site.

Sign up to receive Direct Loan listserv messages. This is a read-only listserv that the Direct Loan Division uses to send important information about the Direct Loan Program, reminders of key dates, and updates on processing issues. To join, send an e-mail request to [dlops@ed.gov](mailto:dlops@ed.gov). The request should include your name and school, complete e-mail address, and a request to be added to the listserv.

Review the school's settings on the "Subscription Options" page on the [IFAP Web site](#) in order to receive notification of all Direct Loan-related guidance and communications.

- By selecting "Weekly Email Summary," the school will receive a notice about all FSA guidance and communications that are published each week, including Direct Loans.
- By selecting "Content Specific Email," the school will have the option of selecting which publications it receives notice about. At a minimum, we encourage you to select the boxes for Dear Colleague Letters, Electronic Announcements, Direct Loan Consolidation, and Direct Loan Servicing.

Establish contact with the school's primary customer service representative (CSR) at the COD School Relations Center at 800/848-0978 or [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com). Your CSR can assist you with:

- Updating current Direct Loan contact information
- Selecting Direct Loan Report Options
- Signing up to receive Direct Loan bulletins via e-mail

### **Special case: Schools with additional locations**

If a school has additional locations, each location will need to be set up before processing can begin for that location. In addition, if a school plans to have any of its additional locations originate Direct Loans separately from the main campus, each location will need to have its own OPE ID and *unique* DUNS Number.