

Direct Loan Reconciliation Policy

Monthly Direct Loan Reconciliation is necessary through the closeout of each Direct Loan Program Award Year to ensure that the amount of Direct Loan funds that were received by the college from the U.S. Department of Education through its Common Origination and Disbursement (COD) System can be validated in the college records. Per Reconciliation in the Direct Loan Program, published by the U.S. Department of Education:

“A school that participates in the Direct Loan Program is required to reconcile (the funds that it has received) (from the G5 system) (to pay its students) with (the actual disbursement records) it has submitted to the Common Origination and Disbursement (COD) system. Schools are required to reconcile monthly.”

Seward County Community College is required to complete a year-end closeout which is a final reconciliation of the Direct Loan accounts. It will be done as soon as possible after the end of the school's latest award period (loan period) end date, but no later than the Program Year Closeout Date. The Direct Loan Program Year Closeout date occurs on the last processing day of July in the year following the award year.

Our institution must report all loan disbursements and submit required records via the COD System within 30 days of disbursement. A monthly reconciliation process helps to identify and resolve discrepancies between COD, Business Office records and Financial Aid records, by utilizing ELLUCIAN BANNER.

11/27/2017