CommonRecord: Commonline

Implementing a standard

Overview   The Electronic Standards Committee (ESC) has developed an improved data exchange standard for the origination processing of FFELP and Alternative Loans. This new standard is called Common Record: CommonLine (CR:C). Whether schools rely on software providers to understand the technical aspects of loan processing or create their own Financial Aid Management software, it is important to understand the benefits available through implementation of this new data exchange standard.

Benefits   CR:C Streamlines Making Changes Before and After Guarantee

- Create change transactions by simply sending the result of the change you wish to make without having to identify the "type" of change you are making (i.e. cancellation, reallocation, reinstatement, etc.).
- Reduce or eliminate many of the problems that have occurred in the past for change transaction processing including manual entry into two systems, phone calls and faxes to service providers.

CR:C Allows You to Share School Assigned ID with Service Providers

- Privacy concerns are causing a move toward using student ID for a primary identifier.
- School Assigned ID can be shared in addition to SSN with service providers.

CR:C Supports more Flexible Disbursement Processing

- With movement toward more non-traditional academic calendars, you may need more than 4 disbursements to cover the entire loan period.
- Supports separate disbursement dates for subsidized and unsubsidized loans.

CR:C Streamlines Loan Status Information

- You can clearly see the status of guarantee, promissory note, credit check, and lender approval for each of the loans involved without interpreting codes.

CR:C Streamlines Changes and Enhancements for Software Developers

- Future changes and upgrades to the loan process will be easier to manage.
- Change processing is easier to create and send.
- Determining the status of the loan is much clearer and requires less interpretation and chance for error.
- Allows streamlined processes between FFELP, Alternative Loans, Direct Loans and Pell.

Results   <u>CR:C Uses Extensible Markup Language (XML) for File Transmissions</u>

- The Department of Education currently uses XML for Common Origination and Disbursement (COD) file transmissions.
- The Department of Education also plans to begin using XML for ISIR records in the near future.
- XML allows for real-time processing (as long as the service providers have that capability). Although you may not need real-time processing for a majority of your students, there are times that this may become extremely beneficial.
- By utilizing XML for FFELP and Alternative Loan processing, you can ensure your system uses many of the same terms and field names as are used for Pell and Direct Loans.

Summary   Through CR:C implementation, you will experience major enhancements to meet your FFELP and Alternative Loan processing needs.

Not all software packages or service providers utilize CR:C at this time. Talk to your data trading partners to see if they are using the most up-to-date technology – CR:C. If not, it's up to you to encourage them to meet your needs.