

# Accounting Manual



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## Federal Perkins Chart of Accounts as of 2002 FISAP Instructions

**Assets**

1. Cash on Hand (1)
2. Funds Receivable from Federal Government (N/A)
3. Funds Receivable from School (N/A)
4. Funds Advanced to Students (File Rec - I/II)
5. Loan Principal Collected (5)
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16. Loan Principal Canceled – Bankruptcy (10)
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18. Loan Principal Adjustments – Other (11)

**Liabilities****Capital Accounts**

19. Federal Capital Contributions (N/A)
21. Institutional Capital Contribution (N/A)

**Capital Reduction Accounts**

20. Repayments of Fund Capital to the Federal Government (N/A)
22. Repayment of Fund Capital to School (N/A)

**Revenue**

23. Interest Income on Loans (16.A, 16.B)
24. Other Income (17)
25. Reimbursements to the Fund of Amounts Canceled on Loans Made 7/1/72 and After (N/A)

**Expenses**

- 26.1 Administrative Cost Allowance (N/A)
- 26.2 Collection Cost (Including Litigation) (19.1 & 19.3)
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27. Cost of Loan Principal & Interest Canceled – Teach/Mil - Loans Before 7/1/72 (20.-21.)
28. Cost of Loan Principal & Interest Canceled – Certain Subject Matter – Loans After 7/22/92 (23.4)
29. Cost of Loan Principal & Interest Canceled – All Other Teaching - Loans After 6/30/72 (22)
30. Cost of Loan Principal & Interest Canceled – Military - Loans After 6/30/72 (23.1)
31. Cost of Principal & Interest Canceled – Volunteer Service (23.2)
32. Cost of Principal & Interest Canceled – Law Enforcement (23.3)
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36. Cost of Loan Principal & Interest Canceled – Bankruptcy (26)
37. Cost of Loan Principal & Interest Assigned to and Accepted by the United States (27.A)
38. Cost of Loan Principal and Interest Canceled – Loans Discharged Due to Closed School (NA)
39. Other Costs & Y Losses (27.1)

**Note:** Numbers at the end of each account reference the location on Campus Partners' Accounting Report.

**NSL/HPSL Chart of Accounts  
Prior to July 1, 1993**

**Asset Accounts**

- 11. Cash
- 12. Funds Receivable, Federal Award
- 13. Funds Receivable Institutional Contribution
- 18. Loans to Students - In School
- 19. Loans to Students - No Longer Enrolled
- 110. Loan Principal Collected
- 111. Loan Principal Canceled
- 112. Loan Principal Adjustment - Bankruptcy
- 113. Loan Principal Adjustment - Other

**Fund Accounts**

- 14. Federal Capital Contributions Authorized
- 15. Institutional Capital Contributions
- 16. Repayments to Federal Government
- 17. Repayments to Institution

**Income Accounts**

- 114. Interest Earned on Loans
- 115. Other Earnings
- 116. Interest Canceled on Loans

**Cost Accounts**

- 117. Litigation Expense
- 118. Other Collection Expenses
- 119. Loan Principal & Interest Canceled - Employment
- 120. Loan Principal & Interest Canceled - Death
- 121. Loan Principal & Interest Canceled - Disability
- 122. Other Expenses or Losses - Bankruptcy
- 123. Other Expenses or Losses - Other

**Note:** Accounts relating to the Scholarship Fund are not included in this chart. This chart matches the numbering system used in Campus Partners' Accounting Report.

**NSL/HPSL Chart of Accounts  
as of July 1, 1993****Assets Accounts**

- 1-1 Cash
- 1-2 Funds Receivable, Federal Awards
- 1-3 Funds Receivable, Institutional Contribution
- 1-4 Loans to Students, In School
- 1-5 Loans to Students, No Longer Enrolled

**Asset Reduction Accounts**

- 2-1 Loan Principal Collected
- 2-2 Loan Principal Canceled
- 2-3 Loan Principal Adjustments, Bankruptcy
- 2-4 Loan Principal Adjustments, Write-Off
- 2-5 Institutional Repayments of Bad Debts, Principal

**Liability Accounts - None****Fund Accounts**

- 4-1 Federal Capital Contributions Authorized
- 4-2 Institutional Capital Contribution Deposited
- 4-3 Transferred from Scholarship Fund

**Fund Reduction Accounts**

- 5-1 Repayments to the Federal Government, Principal
- 5-2 Repayments to the Federal Government, Interest
- 5-3 Repayments to the Federal Government, Other Income
- 5-4 Repayments to the Institution, Principal
- 5-5 Repayments to the Institution, Interest
- 5-6 Repayments to the Institution, Other Income
- 5-7 Transferred to Scholarship Fund

**Revenue Accounts**

- 6-1 Interest Income Collected on Loans
- 6-2 Interest Income Canceled on Loans
- 6-3 institutional Repayment of Bad Debts, Interest
- 6-4 Penalty Charges Collected on Loans
- 6-5 Penalty Charges Canceled on Loans
- 6-6 Institutional Repayment of Bad Debts, Penalty Charges
- 6-7 Investment Income

**Expense Accounts**

- 7-1 Collection Agent Costs, Principal
- 7-2 Collection Agent costs, Interest
- 7-3 Litigation Costs, Principal
- 7-4 Litigation Costs, Interest
- 7-5 Credit Bureau Fees
- 7-6 Other Costs
- 7-7 Loan Principal, Interest and Penalty Charges Canceled - Employment
- 7-8 Loan Principal, Interest and Penalty Charges Canceled - Death
- 7-9 Loan principal, Interest and Penalty Charges Canceled - Disability

## General Ledger Accounts

**Summary:** In this section, we have included a listing of the accounts considered necessary for the institution to properly account for the Title IV programs. These accounts may be set up in a manual or a computerized accounting system. Either system will need the basic suggested ledger accounts in order to provide ED with the required program and fiscal year end reports. Additional accounts (called subsidiary accounts) may be added as deemed necessary by the institution.

**Note:** The accounts should be reviewed on at least an annual basis to determine if additions or deletions are necessary to meet changes in regulations or as deemed necessary by the institution.

On the following pages, we have included General Ledger accounts (illustrated as "T" accounts) and the transactions that will affect them.

The numbering scheme used in each of these accounts corresponds to the Fiscal Operations Report. The number on the left of the account name is the new numbering in effect with the 1994/95 FISCOP. The number in parenthesis on the right of the account name is the numbering on the Campus Partners Accounting Reports – NDSL/INST.

### Special Notes –

- **Debit balance accounts** are always *increased with a debit* and *decreased with a credit*.
- **Credit balance accounts** are always *increased with a credit* and *decreased with a debit*.

When an account that normally has a debit balance carries a credit balance (or vice versa), it is an indication of an accounting error or an unusual situation. For example, a credit balance in the school's cash account on their general ledger could be:

1. the account is overdrawn
2. accounting error(s) have occurred



**1. Cash (1.)**

<b>Debit</b> this account with all cash received for:	<b>Credit</b> this account with all cash disbursed for:
a) capital contributions 1) Federal Government (FCC) (contra account 2) 2) Institutional (ICC) (contra account 3)	a) advances to students (contra account 4)
b) returns/refunds of amounts advanced to students (contra account 4)	b) repayments of capital to: 1) Federal Government (FCC) (contra account 19) 2) Institutional (ICC) (contra account 21)
c) principal collected from borrowers (contra account 5)	c) collection cost paid by institution (contra account 25.2)
d) interest collected from borrowers (contra account 22)	d) overpayments refunded to borrowers (contra account 5)
e) other income such as income from late/penalty charges and interest earnings (contra account 23)	e) reversals of payments caused by returned checks (contra accounts 5, 22, 23, 25.2)
f) collection cost paid by borrowers (gross remittance) (contra account 25.2)	
g) reimbursements from the Federal Government for cancellations (contra account 24)	
h) litigation expenses paid by borrowers (contra account 25.2)	

This is a **debit balance account**, which shows the total cash available.

**Note:** If the client uses two cash accounts (or subsidiary accounts) to separate the funds available for general purposes (such as Administrative Cost Allowance) and the funds reserved for legal expenses or any other reason, the sum of the two accounts should equal the balance of the controlling cash account (1.) at all times.

**2. Funds Receivable From Federal Government (N/A)**

<p><b>Debit</b> this account with the amount of the award specified in the Department of Education allocation letter. (contra account 18)</p>	<p><b>Credit</b> this account with:</p> <ul style="list-style-type: none"> <li>a) the funds received from the Federal Government (contra account 1)</li> <li>b) deobligation of Federal Perkins Loan Funds (contra account 18)</li> </ul>
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A **debit balance** in this account shows the total of funds due from the Federal Government for the Federal Perkins Loan Fund.

**3. Funds Receivable From Institution (N/A)**

<p><b>Debit</b> this account with 1/3 of the Federal contribution specified in the allocation letter. (contra account 20)</p>	<p><b>Credit</b> this account with:</p> <ul style="list-style-type: none"> <li>a) the amount paid into the fund by the institution (contra account 1)</li> <li>b) deobligation of Federal Perkins Loan Funds (contra account 20)</li> </ul>
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A **debit balance** in this account shows the unpaid balance of the institution's agreed capital contribution.

**4. Funds Advanced to Students (Control Account) (File Rec)**

<p><b>Debit</b> this account with:</p> <ul style="list-style-type: none"> <li>a) amounts lent to borrowers. (contra account 1)</li> <li>b) capitalized late charges (contra account 23)</li> </ul>	<p><b>Credit</b> this account with any returns or refunds (contra account 1)</p>
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A **debit balance** in this account shows the total cumulative amount advanced to borrowers since the beginning of the program, less returns or refunds of any advances.

**Note:** Displayed in Section 3. File Reconciliation of the Campus Partners Accounting Report under I. Funds Advanced to Students and II. Capitalized Amount.

This account has subsidiary accounts broken down for "Funds Advanced to Students – In-School" and "Funds Advanced to Students – Out of School." This information is provided on Campus Partners' Status Summary Report.

When a borrower repays his loan disbursement within the same **academic year** that the funds were disbursed (and before his grace period ends), the advance reversal or delete transaction must reduce this account; no payment activity must be recorded. Refer to **Student Financial Aid Handbook**, Section 6, page 8.

**5. Loan Principal Collected (5.)**

<b>Debit</b> this account with:	<b>Credit</b> this account with:
a) the principal amount of returned checks (contra account 1)	a) the amount of cash collections applied to loan principal (contra account 1)
b) overpayments refunded to borrowers (contra account 1)	b) the amount of interest paid that is subsequently deferred, postponed or canceled (contra account 22)

This **credit balance account** is maintained to show the total amount of loan principal collected since the beginning of the program.

**6. Defaulted Loan Principal Assigned to and Accepted by the U.S. (5.1)**

<b>Debit</b> – no entries except for correction of errors	<b>Credit</b> this account with the amount of loan principal assigned to and accepted by ED on loans in default. (contra account 36)

This **credit balance account** is maintained to show the cumulative amount of defaulted loan principal assigned to and accepted by the U.S. government.

**7. Loan Principal Canceled – Teaching/Military – Funds Prior To 7/1/72 (Control Account) (6.)**

**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled for Funds disbursed before 7/1/72. (These amounts may be in subsidiary accounts for the different cancellation types shown below).  
(contra account 26)

- Loan Principal Canceled – Teaching @ 10% – Prior to 7/1/72 (6.1)
- Loan Principal Canceled – Teaching @ 15% – Prior to 7/1/72 (6.2)
- Loan Principal Canceled – Military @ 12.5% – Prior to 7/1/72 (6.3)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed before 7/1/72.

**8. Loan Principal Canceled – Teaching Service – Funds After 7/22/92 (7.10-7.12)**

**Debit** - no entries except for correction of errors

**Credit** this account with the amount of principal canceled for teaching services in an area of shortage.  
(contra account 27)

- Teaching Service – Shortage – 15% (7.10)
- Teaching Service – Shortage – 20% (7.11)
- Teaching Service – Shortage – 30% (7.12)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed after 7/22/92 for teaching services.

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**9. Loan Principal Canceled – Teaching – Funds After 6/30/72 (Control Account) (7.1-7.3)**


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**Debit** - no entries except for correction of errors

**Credit** this account with the amount of principal canceled for Funds disbursed after 6/30/72. (These amounts may be in subsidiary accounts for the different cancellation types shown below.)  
(contra account 28)

Teaching Service @ 15% (7.1)

a. Low Income/Handicapped

b. Head Start

Teaching Service – Low Income/Handicapped @ 20% (7.2)

Teaching Service – Low Income/Handicapped @ 30% (7.3)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed after 6/30/72.

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**10. Loan Principal Canceled – Military 12½% – Funds After 6/30/72 (7.4)**


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**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled for Funds disbursed after 6/30/72.  
(contra account 29)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed after 6/30/72 for military service.

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**11. Loan Principal Canceled – Volunteer Service (7.5-7.6)**


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**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled for Volunteer Services (Peace Corps/Vista) on loans made July 1, 1987 and after.  
(contra account 30)

Peace Corps/Vista – 15% (7.5)

Peace Corps/Vista – 20% (7.6)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed after 6/30/72.

**12. Loan Principal Canceled – Law Enforcement (7.7-7.9)**

**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled for service as a law enforcement or corrections officer on loans made November 29, 1990, or after.  
(contra account 31)

Law Enforcement 15% (7.7)

Law Enforcement 20% (7.8)

Law Enforcement 30% (7.9)

This **credit balance account** is maintained to show the total amount of loan principal canceled on Funds disbursed after 6/30/72.

**13. Loan Principal Canceled – Child/Family/Early Intervention – Funds After 7/22/92 (7.16-7.18)**

**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled because of full-time employment in a child or family service agency or full-time qualified professional providers of early intervention services.  
(contra account 32)

Services – High Risk Children – 15% (7.16)

Services – High Risk Children – 20% (7.17)

Services – High Risk Children – 30% (7.18)

This **credit balance account** is maintained to show the total amount of loan principal canceled because of full-time employment in a child/family/early intervention facility.

**14. Loan Principal Canceled – Nurse/Medical Technician – Funds After 7/22/92 (7.13-7.15)**

**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled because of service as a full-time nurse or medical technician.  
(contra account 33)

Health Services – Nurse/Med Tech – 15% (7.13)

Health Services – Nurse/Med Tech – 20% (7.14)

Health Services – Nurse/Med Tech – 30% (7.15)

This **credit balance account** is maintained to show the total amount of loan principal canceled because of full-time employment as a nurse or medical technician.

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**15. Loan Principal Canceled – Death/Disability (8. and 9.)**


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**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled because of death or disability.  
(contra account 34)

This **credit balance account** is maintained to show the total amount of loan principal canceled because of death or disability.

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**16. Loan Principal Canceled – Bankruptcy (10.)**


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**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal canceled because of bankruptcy.  
(contra account 35)

This **credit balance account** is maintained to show the total amount of loan principal canceled because of bankruptcy.

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**17. Loan Principal Adjustments – Other (11.)**


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**Debit** – no entries except for correction of errors

**Credit** this account with the amount of principal lost because of write-offs.  
(contra account 37)

This **credit balance account** is maintained to show the total amount of loan principal written off or lost for other reasons (specify). Each credit entry to this account should be adequately labeled to identify the reason for the adjustment.

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**18. Federal Capital Contributions (N/A)**


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**Debit** this account with the amount of deobligation of Federal funds.  
(contra account 2)

**Credit** this account with the amount of award in the allocation letter from ED.  
(contra account 2)

This **credit balance account** is maintained to show the total Federal Capital Contributions since the beginning of the program. This account should always show a credit balance for the cumulative total FCC authorized since the beginning of the program.

**19. Repayments of Fund Capital to the Federal Government (N/A)**

**Debit** this account with the amount of the appropriate capital contributions repaid in partial dissolution of the fund.  
(contra account 1)

**Credit** – no entries except for correction of errors

This **debit balance account** is maintained to show the total distribution of fund capital in case of partial or total dissolution of the Federal Perkins Loan Fund (money received but not advanced).

**20. Institutional Capital Contributions (N/A)**

**Debit** this account with the institution's share of deobligation of Federal funds.  
(contra account 3)

**Credit** this account with the institution's matching contribution to the Fund.  
(contra account 3)

This **credit balance account** is maintained to show the total Institutional Capital Contributions the institution agreed to contribute.

**21. Repayments of Fund Capital to Institution (N/A)**

**Debit** this account with the amount of the appropriate institutional capital contributions repaid in partial dissolution of the fund.  
(contra account 1)

**Credit** – no entries except for correction of errors

This **debit balance account** is maintained to show the total distribution of institutional capital in case of partial or total dissolution of the Federal Perkins Loan Fund. It also shows when an institution withdraws an overmatch.



**22. Interest Income on Loans (16.)**

<b>Debit</b> this account with:	<b>Credit</b> this account with:
<ul style="list-style-type: none"> <li>a) the interest amount of returned checks and corrections of errors (contra account 1)</li> <li>b) interest amount paid that is subsequently deferred, postponed, or canceled (contra account 5)</li> </ul>	<ul style="list-style-type: none"> <li>a) the amount of loan interest collected (contra account 1)</li> <li>b) the amount of loan interest canceled, written off, or assigned and accepted (contra accounts 26 through 37)</li> </ul>

This **credit balance account** is maintained to show the total interest collected, canceled, or assigned.

**23. Other Income (17.)**

<b>Debit</b> this account for:	<b>Credit</b> this account for:
<ul style="list-style-type: none"> <li>a) penalty/late charges reversed because of returned checks (contra account 1)</li> <li>b) late charges reimbursed to the institution (contra account 1)</li> <li>c) correction of errors</li> </ul>	<ul style="list-style-type: none"> <li>a) penalty/late charges collected (contra account 1)</li> <li>b) interest earned on the cash fund (contra account 1)</li> <li>c) other fund earnings (contra account 1)</li> <li>d) penalty/late charges accrued and written off (contra account 37)</li> <li>e) penalty/late charges assigned and accepted (contra account 37)</li> <li>f) penalty/late charges capitalized (contra account 4)</li> </ul>

This **credit balance account** is maintained to show the cumulative earnings of the Fund (other than interest on student loans or late charges assessed on loans 7/1/87 and after), such as penalty charges on loans made before 7/1/87 and interest earned on Fund cash balances.

**24. Reimbursements to the Fund of Amounts Canceled on Loans 7/1/72 and After (N/A)**

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**Debit** – no entries except for correction of errors

**Credit** this account with:

- a) amount received from U.S. Government for reimbursement of the entire institutional plus Federal funds canceled because of teaching, military and Peace Corps/VISTA service (contra account 1)

This **credit balance account** is maintained to show the cumulative amounts received from the government for amounts canceled on loans made after 7/1/72.

**25.1 Administrative Cost Allowance (N/A)**

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**Debit** this account with amounts charged to the fund for authorized routine administrative costs. (contra account 1)

**Credit** – no entries except for correction of errors

This **debit balance account** is maintained to show the amount charged to the Fund for reimbursement to the institution for authorized administrative expenses.

## 25.2 Cost of Collection (Including Litigation) (19.1 and 19.3)

<b>Debit</b> this account with:	<b>Credit</b> this account with:
<p>a) amounts incurred for collecting on past due loans.</p> <p>These amounts <b>may</b> be charged to the Federal Perkins loan fund:</p> <p>1) For notes on/after 7/1/87, cost must be charged to the borrower.</p> <p>2) For notes 6/30/72 - 6/30/87,</p> <ul style="list-style-type: none"> <li>• <b>without</b> the collection cost provision, all cost is chargeable to the Fund.</li> <li>• <b>with</b> the collection cost provision, amount of fees above 25% is chargeable to the Fund.</li> </ul> <p>3) For notes prior to 7/1/72, all cost of collection is chargeable to the Fund. (contra account 1)</p> <p>b) collection cost paid by borrowers on payment reversals (contra account 1)</p> <p>c) accounts payable (debits) (contra account 1)</p> <p>d) the cost of litigation (contra account 1)</p>	<p>a) amounts collected from the borrowers in repayment of collection/litigation cost (contra account 1)</p> <p>b) accounts payable (credits) (contra account 1)</p> <p>c) collection/litigation cost portion originally charged to the Fund from payment reversals (contra account 1)</p> <p>d) adjustments to collection/litigation cost paid by borrowers (contra account 1)</p>

This **debit balance account** is maintained to show the total amount of cost charged to the Fund for collection and litigation expenses.

**Note:** Federal Perkins regulations require the borrower to pay 100% of all reasonable collection cost incurred by the school; however, some situations do exist that allow collection cost to be charged to the Federal Perkins loan fund. Refer to section 674.47(e) of the federal register for the situations.

**25.3 Administrative Cost Allowance and Collection Costs (N/A)**

<p><b>Debit</b> – total of debit entries to lines 25.1-25.2. contra account (1)</p>	<p><b>Credit</b> – total of credit entries to lines 25.1-25.2. contra account (1)</p>
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This **debit balance account** is a summation of accounts 25.1-25.2.

**26. Cost of Loan Principal and Interest Canceled – Teaching/Military Service –  
Loans Before 7/1/72 (20. and 21.)**

<p><b>Debit</b> this account with the total principal and interest canceled for teaching service at 10% or 15% and for military service at 12 1/2%. (contra accounts 7 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
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This **debit balance account** is maintained to show the total principal and interest canceled for teaching or military service on loans before 7/1/72.

**27. Cost of Loan Principal and Interest Canceled – Teaching Service –  
Loans After 7/22/92 (23.4)**

<p><b>Debit</b> this account with the total principal and interest canceled for teaching service or loans after 7/22/92. (contra accounts 8 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
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This **debit balance account** is maintained to show the total principal and interest canceled for teaching service on loans after 7/22/92.

**28. Cost of Loan Principal and Interest Canceled – Teaching  
Loans After 6/30/72 (22.)**

<p><b>Debit</b> this account with the total principal and interest canceled for teaching service at 15%, 20%, or 30%. (contra accounts 9 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
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This **debit balance account** is maintained to show the total principal and interest canceled for teaching service on loans after 6/30/72.

**29. Cost of Loan Principal and Interest Canceled – Military  
Loans After 6/30/72 (23.1)**

<b>Debit</b> this account with the total principal and interest canceled for military service at 12.5%. (contra accounts 10 and 22)	<b>Credit</b> – no entries except for correction of errors
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This **debit balance account** is maintained to show the total principal and interest canceled for military service on loans after 6/30/72.

**30. Cost of Loan Principal and Interest Canceled – Volunteer Service  
Loans After 6/30/87 (23.2)**

<b>Debit</b> this account with the total principal and interest canceled for Peace Corps/VISTA at 15% or 20%. (contra accounts 11 and 22)	<b>Credit</b> – no entries except for correction of errors
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This **debit balance account** is maintained to show the total principal and interest canceled for service in the Peace Corps/VISTA.

**31. Cost of Principal and Interest Canceled – Law Enforcement (23.3)**

<b>Debit</b> this account with the total principal and interest canceled for service as a law enforcement or corrections officer on loans made on or after November 29, 1990. (contra accounts 12 and 22)	<b>Credit</b> – no entries except for correction of errors
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This **debit balance account** is maintained to show the total principal and interest canceled for service as a law enforcement or correction officer.

**32. Cost of Loan Principal and Interest Canceled – Child/Family Intervention –  
Loans After 7/22/92 (23.6)**

<p><b>Debit</b> this account with the total principal and interest canceled for child/family and early intervention service. (contra accounts 13 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
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This **debit balance account** is maintained to show the total principal and interest canceled for child/family/ intervention service.

**33. Cost of Principal and Interest Canceled – Nurse/Medical Technician –  
Loans After 7/22/92 (23.5)**

<p><b>Debit</b> this account with the total amount of defaulted principal and interest canceled because of nurse and medical technician service. (contra accounts 14 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
--	---

This **debit balance account** is maintained to show the total principal and interest canceled for nurse/medical technician.

**34. Cost of Loan Principal and Interest Canceled – Death/Disability (24. & 25.)**

<p><b>Debit</b> this account with the total principal and interest canceled because of death or disability. (contra accounts 15 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
---	---

This **debit balance account** is maintained to show the total principal and interest canceled for death or disability.

**35. Cost of Loan Principal and Interest Canceled – Bankruptcy (26.)**

<p><b>Debit</b> this account with the total principal and interest canceled because of bankruptcy. (contra accounts 16 and 22)</p>	<p><b>Credit</b> – no entries except for correction of errors</p>
--	---

This **debit balance account** is maintained to show the total principal and interest canceled for bankruptcy.

---

**36. Cost of Defaulted Principal and Interest Assigned to and Accepted the U.S. (27.A)**


---

**Debit** this account with the total amount of defaulted principal and interest accepted by the United States.  
(contra accounts 6 and 22)

**Credit** – no entries except for correction of errors

This **debit balance account** is maintained to show the total cost of defaulted loans assigned to and accepted by the United States.

---

**37. Other Costs and Losses (27.1)**


---

**Debit** this account with any loan principal, interest and penalty/late charges written off. All reasons must be specified.  
(contra accounts 17, 22, 23)

**Credit** – no entries except for correction of errors

This **debit balance account** is maintained to show the total of other costs or losses. Any entries to this account should have full documentation to explain the reason for the writeoff. In some cases, approval from the Secretary of Education will be necessary.





On the following pages we have included different transactions that may occur during a student loan cycle and how these transactions would be recorded as "T" accounts on the general ledger and Accounting Reports. Below is a listing of these transactions, what documentation should be sent to Campus Partners and where they can be found within our reporting structure.

	<b>Page</b>
A. Client Receives Money	303
B. Client Makes Loan	303
C. Students Terminate Enrollment	303
D. Borrowers Repayment–Cash Payments	304
E. Defaulted Loans Accepted by ED	304
F. Cancellations	305
G. Reimbursements For Cancellations	305
H. Write-offs	306
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J. Litigation Expense	307
K. Litigation Expense Paid By The Borrower	307
L. Cost of Collection (Charged to the Fund)	308
M. Cost of Collection (Paid by Borrower)	308
N. Collection Payment	309
O. Collection Payment With Fees Paid By The Borrower	310
P. Advance Returned	310
Q. Payment With Late/Penalty Charges	311

**Note:** Most transactions can be keyed directly through DataLink, submitted via DataLink Dispatch or change adjustment request memo.

**A. School Receives Money**

To record the deposit of funds received from the government and the institution's share for making loans and for the administrative cost allowance paid to the institution.

1.	2.	3.
DR <b>Cash</b> CR	DR <b>Funds Receivable–Gov't</b> CR	DR <b>Funds Receivable–Inst</b> CR
16,000	12,000	4,000

No Campus Partners entry made.

**B. Client Makes Loan**

1.	2.
DR <b>Cash</b> CR	DR <b>Funds Advanced to Students</b> CR
650	650

**Submit to Campus Partners:**

- New Loan Tape or Input Form
- Advance Tape or Transmittal

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 3 – File Reconciliation
- New Loans and Advances Report - Cumulative and Year-to-Date

**Note:** If an advance is added today (current fiscal year) with a prior fiscal year advance transaction date, the amount of the advance will appear only in the cumulative total, **not** year-to-date.

**C. Students Terminate Enrollment**

To record the amounts of the total advances to students whose enrollment/grace has ended. These are subsidiary accounts that the school must use. They **do not** appear on the Accounting Report.

4.1 (In-School)	4.2 (Out of School)
DR <b>Funds Advanced to Students</b> CR	DR <b>Funds Advanced to Students</b> CR
1,000	1,000

No Campus Partners entry made.

**D. Borrowers in Repayment – Cash Payments**

To record amounts of principal and interest collected from borrowers. Effect on loan: Reduced principal balance by \$112.67 and interest accrued by \$37.33.

1.		5.		22. (16.)	
DR	<b>Cash</b>	CR	DR	<b>Principal Collected</b>	CR
150			112.67		37.33

**Submit to Campus Partners:**

- Direct Payment to Winston-Salem Lockbox
- Payment Transmittal – Itemized by Borrower
- Payment Transmittal – Itemized by Loan

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 1 – Cash Reconciliation
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
- Cash Activity Report
- Transactions and Adjustments Journal

**E. Defaulted Loans Accepted by U.S.**

To record loan principal, accrued interest, collection cost and late charges accepted by the U.S. Government.

6. (5.1)		36. (27.A.)		22. (16.)	
DR	<b>Principal Assigned</b>	CR	DR	<b>Cost of P &amp; I Assigned</b>	CR
		45	50		5

**Submit to Campus Partners:**

- Assignment Transmittal

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
- Inventory of Loans Assigned/Accepted
- Loans Referred/Assigned/Accepted Report

**F. Cancellations**

To record principal and interest cancelled for teaching service at 15% on loans made 07/01/72 and after.

9. (7.1)			22. (16.)			28. (22.)		
DR	<b>Principal Canceled</b>	CR	DR	<b>Interest Income</b>	CR	DR	<b>Cost of P &amp; I Canc.</b>	CR
		40			20			60

**Submit to Campus Partners:**

- Cancellation Form Received by Borrower
- Change Adjustment Memo

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation (Reduces principal balance)
  - Section 4 – Cancellation Journal
- Transactions and Adjustments Journal

- **Loans made on or after 7/1/93**, interest is deferred and only principal canceled. Therefore, institutions are reimbursed for principal only.
- **Loans made 7/1/72 and after**, the principal and interest are returned to the Federal Perkins Loan Fund when reimbursed by the government.
- **Loans made prior to 7/1/72 (Defense)**, the school is reimbursed by the Federal government for its share of the total principal and interest cancelled and does not have to return this money to the Fund.

(Refer to the Federal Student Financial Aid Handbook, page 6-52.)

Amounts cancelled for death, disability, and bankruptcy are **not** reimbursed by the Federal government.

**Note:** All types of cancellations are entered in the same manner in the General Ledger. Each type should be recorded in its appropriate account.

**G. Reimbursements for Cancellations**

To record reimbursement from the U.S. Government for cancellations on loans made 07/01/72 and after.

1. (1.)			24. (N/A)		
DR	<b>Cash</b>	CR	DR	<b>Reimbursements Amt. Cancelled</b>	CR
	60			60	

No Campus Partners entry.

**H. Write-Offs**

To record the write off the balance of an account. This may be several small balance write-offs, or a balance written off which was authorized by the Secretary of Education. This example is a low balance write-off of principal only.

17. (11.)		37. (27.1)			
DR	<b>Loan Principal Adjustments</b>	CR	DR	<b>Other Costs and Losses</b>	CR
	4.44		4.44		

**Submit to Campus Partners:**

- Change Adjustment Memo

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
  - Section 5 – Write-Off Journal
- Paid-Out/Credit Balance/Write-off Report
- Transactions and Adjustments Journal

**I. Miscellaneous Earnings**

To record other earnings such as penalty charges (on loans granted before 7/1/87), or interest from short term investments.

1. (1.)		23. (17.)			
DR	<b>Cash</b>	CR	DR	<b>Other Income</b>	CR
	60		60		

No Campus Partners entry for interest on investments.

**J. Litigation Expense**

To record the payment of litigation fees, such as court costs, that may be passed to the borrower.

	1. (1.)			25.2 (19.1)	
DR	<b>Cash</b>	CR	DR	<b>Cost of Collection</b>	CR
		25			
			25		

**Submit to Campus Partners:**

- Fees Transmittal – Add Collection, Other Cost, Late/Penalty (indicating amount borrower owes)
- LN2/LN5

**Appears on Campus Partners Reports:**

- Transactions and Adjustments Journal

**K. Litigation Expense Paid by the Borrower**

To record the amount received from the borrower as repayment of litigation expenses incurred by the school.

	1. (1.)			25.2 (19.1 B)	
DR	<b>Cash</b>	CR	DR	<b>Cost of Collection</b>	CR
25					25

**Submit to Campus Partners:**

- Collection Agency Payment Transmittal
- Payment Transmittal

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 1 – Cash Reconciliation and Supporting Detail
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
- Cash Activity
- Transactions and Adjustments Journal

**L. Cost of Collection – Charged to the Fund**

To record the payment of fees to collection agencies.

	1.			25.2 (19.3.A.)	
DR	<b>Cash</b>	CR	DR	<b>Cost of Collection</b>	CR
		10	10		

Campus Partners entry made if asked to do so.

**Appears on Campus Partners Reports:**

- Accounting Report
- Section 1 – Cash Reconciliation and Supporting Detail
- Section 2 – Accounting Entries

**M. Cost of Collection – Paid by Borrower**

To record payment from the borrower for collection expenses.

	1.			25.2 (19.3.B.)	
DR	<b>Cash</b>	CR	DR	<b>Cost of Collection</b>	CR
10					10

**Submit to Campus Partners:**

- Collection Agency Invoice
- Collection Agency Payment Transmittal

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 1 – Cash Reconciliation and Supporting Detail
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
- Transactions and Adjustments Journal
- Collection Agency Inventory

**N. Collection Payment**

In this example, a borrower made a payment of \$100.00 to an agency that charges 30% commission and remits the net amount (payment type 30).

- The borrower has a Direct loan with a 25% maximum collection cost provision. The collection cost is automatically assessed by Campus Partners and paid partially by the borrower and partially by the institution.
- Because the collection agency's fees are 30%, the school is responsible for the 5% difference above the 25% maximum.
- These entries show the receipt of net funds from the agency, the amount of the collection agency's commission and the resulting net to cash.
- The entry to the school's bank account will be a credit for \$70.00, the amount of the check received from the agency.

Accounting entries:

	1.		25.2 (19.3.A. & B.)
DR	<b>Cash</b>	CR	DR <b>Cost of Collection</b> CR
70.00			30.00   25.00

\$5.00 (chargeable to the Fund)

	1.		22. (16.)
DR	<b>Principal Collected</b>	CR	DR <b>Interest Income</b> CR
		66.60	8.40

**Submit to Campus Partners:**

- Collection Agency Invoice (provided all pertinent data is included)
- Collection Agency Payment Transmittal

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 1 – Cash Reconciliation and Supporting Detail
  - Section 2 – Accounting Entries
  - Section 3 – File Reconciliation
- Cash Activity Report
- Transactions and Adjustments Journal





**Q. Payments with Late/Penalty Charges**

To record the receipt of a payment on a loan with late charges due.

<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">1.</td> <td style="width: 33%; text-align: center;">5.</td> <td style="width: 33%; text-align: center;">22. (16.)</td> </tr> <tr> <td style="text-align: center;">DR</td> <td style="text-align: center;"><b>Cash</b></td> <td style="text-align: center;">CR</td> </tr> <tr style="border-top: 1px solid black;"> <td style="text-align: center;">100</td> <td style="border-left: 1px solid black;"></td> <td></td> </tr> </table>	1.	5.	22. (16.)	DR	<b>Cash</b>	CR	100			<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">DR</td> <td style="width: 33%; text-align: center;"><b>Principal Collected</b></td> <td style="width: 33%; text-align: center;">CR</td> </tr> <tr style="border-top: 1px solid black;"> <td></td> <td style="border-left: 1px solid black; text-align: center;">80</td> <td></td> </tr> </table>	DR	<b>Principal Collected</b>	CR		80		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">DR</td> <td style="width: 33%; text-align: center;"><b>Interest Income</b></td> <td style="width: 33%; text-align: center;">CR</td> </tr> <tr style="border-top: 1px solid black;"> <td></td> <td style="border-left: 1px solid black; text-align: center;">10</td> <td></td> </tr> </table>	DR	<b>Interest Income</b>	CR		10	
1.	5.	22. (16.)																					
DR	<b>Cash</b>	CR																					
100																							
DR	<b>Principal Collected</b>	CR																					
	80																						
DR	<b>Interest Income</b>	CR																					
	10																						
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;"></td> <td style="width: 33%; text-align: center;">23. (17.)</td> <td style="width: 33%;"></td> </tr> <tr> <td style="text-align: center;">DR</td> <td style="text-align: center;"><b>Other Income</b></td> <td style="text-align: center;">CR</td> </tr> <tr style="border-top: 1px solid black;"> <td></td> <td style="border-left: 1px solid black; text-align: center;">10 (late charges)</td> <td></td> </tr> </table>				23. (17.)		DR	<b>Other Income</b>	CR		10 (late charges)													
	23. (17.)																						
DR	<b>Other Income</b>	CR																					
	10 (late charges)																						

**Submit to Campus Partners:**

- Payment Transmittal  
(Payments can be posted on-line)

**Appears on Campus Partners Reports:**

- Accounting Report
  - Section 1 – Cash Reconcilement
  - Section 2 – Accounting Entries
  - Section 3 – File Reconcilement
- Cash Activity Report
- Transactions and Adjustments Journal

## **Accounting and Accounting-Related Reports**

### **The Reports Section Includes the Following:**

Transactions and Adjustments Journal

Cash Activity Report

Accounting Reports (Federal Perkins/INST, HPSL/NSL)

Section 1 – Cash Reconciliation and Supporting Detail

Section 2 – Accounting Entries

Section 3 – File Reconciliation

Section 4 – Cancellation Journal

Section 5 – Write-Off Journal

Fiscal Operations Analysis Report & Supplement

Funds Advanced Year-To-Date

## Transactions and Adjustments Journal (Standard Report)

<b>PURPOSE</b>	The transactions and Adjustments Journal is a list of the monetary and some nonmonetary transactions that were processed on the loans during the reporting period.
<b>INTENDED USE</b>	<p>The student loan collector can use this report to monitor the activity of certain past due borrowers or to check that Campus Partners has processed all requested adjustments.</p> <p>The accountant must use this report as a permanent supporting document for the entries made into the general ledger.</p>
<b>REPORT FREQUENCY</b>	<p><b>Standard:</b> Monthly</p> <p><b>Options:</b> Weekly (for an additional charge)</p>
<b>SUGGESTED RETENTION</b>	Permanent
<b>CONSOLIDATION LEVELS</b>	Program, Sublender, Lender or System
<b>SELECTION CRITERIA</b>	<b>Standard:</b> All transactions that were processed during the reporting period <b>except</b> the following, which are shown on other reports:

Transactions	Reports
New Loans Loan Corrections Reconstruction Loans Reconstruction Loan Corrections Advances Advance Adjustments Deleted Loans	New Loans and Advances Report
Addresses Coded Bad	Bad Address List
Changed Addresses	Changed Name and Address List
Loans Placed in Collection	New Placements Report
Loans Assigned to the U.S. Loans Accepted by the U.S. Assignment Reversals	Loans Assigned to/Accepted by the U.S. Report

**Options:** As an option, the customer can request a Transactions and Adjustments Journal, which includes the transactions not displayed in the standard version.

**SORT SEQUENCES**

**Standard:** Borrower Name/Borrower Number/Program Number/Loan Number/Sequence Number/Post Date/Post Time

- Options:**
1. Loan Number/Sequence Number/Program Number/Post Date/Post Time
  2. Division of Labor (alpha on borrower name)/Borrower Name/Borrower Number/Program Number/Loan Number/Sequence Number/Post Date/Post Time
  3. Division of Labor (numeric on loan number)/Loan Number/sequence Number/Program Number/Post Date/Post Time

**TOTALS**

- If a Division of Labor sort is used, the totals section will be provided for each employee and the report.
- If several programs are consolidated on the report, the customer can request a totals page for each program and for report.
- If programs are consolidated on the report and a Division of Labor sort is used, the customer can request a totals page for each program, for each employee, and for the report as a whole.
- The customer has the option to receive an additional Adjustments Totals Page showing totals for adjustments and reversals input by Campus Partners only (i.e., not requested by the customer).

**MISCELLANEOUS NOTES**

- If a transaction is prorated between two or more funds, the entire transaction amount will be shown on this report, and the prorated amounts will be printed on the Monetary Transactions by Fund Issue Report.
- If there is more than one type of Principal, Interest, Delinquent Charge Paid, the amount in each type will be stacked in the appropriate column and identified by a letter code in the *T* (Type) column.
- If more than one transaction is processed against the loan, the borrower name, loan number, sequence number and program number will be printed once.
- If the report is sorted numerically, the program and loan numbers will be printed on the first line and the borrower name will be printed on the second line.

If the report is sorted alphabetically, the borrower's name will be printed on the first line.

- If a transaction causes reprocessing, the old/new balance will not be displayed with the transaction. It will be shown with the reprocessing transaction.
- If an amount is capped, the cap amount and reason code will appear in the comments column. The **Old/New Bal.** will provide a change to the loan balance as a result of capitalization.

00006-001-001-00006  
 CAMPUS PARTNERS-DEMO UNIV-PERK

TRANSACTIONS AND ADJUSTMENTS JOURNAL  
 MONTH ENDING 07/31/04

RUN DATE: 07/31/04  
 PAGE: 1

BORROWER NAME		ST	ACTIVITY S BTC#			PAYMENTS				C	CANCELLATIONS		OLD BAL	COMMENTS	CH TOT DUE
PROG#	LOAN NUMBER		DATE	ID#	ITM#	PMT AMT	PRINCIPAL T	INTEREST T	DELQ CHG T		* PRINCIPAL INTEREST	NEW BAL	TRAN DT		
DEMONSTRATION, CLINT			49	ADDR STATUS I									1,095.99	OLD: GOOD NEW: BAD	PRIMARY
00006	888-02-8888-01			07/29/04	W901										
DEMONSTRATION, DIANA L			49	DELQ STRT DT S									1,244.49	OLD: 11/02/02 NEW: 07/03/04	
00006	888-02-8888-01			07/19/04											
			48	SPEC BILLING I									1,244.49	AMT: 60.00 FREQ: M 07/01/04 - 12/01/04	06/02/04
			48	SCHEDULE S									1,244.49	REPAY PLAN I - EQUAL PMTS	0.00
				07/23/04	W106									OLD:#BILL 32 AMT 40.00 FRQ M #BILL 1 AMT 14.89 FRQ M TOT FINANCE CHRGS 85.98	
				07/23/04	W106									NEW:#BILL 6 AMT 40.00 FRQ M #BILL 23 AMT 40.00 FRQ M #BILL 1 AMT 40.54 FRQ M TOT FINANCE CHRGS 76.05	
			48	SPEC BILL UP W									1,244.49	DROP CURRENT TO Y DROP DAYS PD 0 TO 60 AGRMT RECVD TO Y	
			48	REPROCESSING I									1,244.49		0.00
				07/23/04	W106								1,244.49		
DEMONSTRATION, LENA D			49	DELQ STRT DT S									1,697.20	OLD: 00/00/00 NEW: 07/02/04	
00006	888-02-8888-01			07/16/04											
DEMONSTRATION, MATTHEW K			49	DELQ STRT DT S									500.00	OLD: 00/00/00 NEW: 07/03/04	
00006	888-02-8888-01			07/19/04											
			49	DELQ STRT DT S									1,000.00	OLD: 00/00/00 NEW: 07/02/04	
00006	888-02-8888-02			07/16/04											
DEMONSTRATION, RYDER G			49	DELQ STRT DT S									1,346.27	OLD: 00/00/00 NEW: 07/02/04	
00006	888-02-8888-01			07/16/04											

*** TRANSACTIONS TOTALS ***	NUMBER	PRINCIPAL	INTEREST	LATE CHG	COL FEES-B	O/COST-B	TOTAL	COL FEES-I	O/COST-I
CASH PAYMENTS - BORROWER	867	66,272.59	8,669.14	1,062.00	0.00	0.00	76,003.73		
- TAX OFFSET	0	0.00	0.00	0.00	0.00	0.00	0.00		
- LOCKBOX	0	0.00	0.00	0.00	0.00	0.00	0.00		
- COLLECTION AGENCY (NET)	230	17,684.96	3,178.98	1,184.17	2,801.98	177.25	25,027.34	9,929.13	0.00
- COLLECTION AGENCY (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (NET)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- CLAIM	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NON-CASH PMTS - BORROWER	90	30,649.87	1,603.98	0.00	0.00	0.00	0.00		
- TAX OFFSET	0	0.00	0.00	0.00	0.00	0.00	0.00		
- COLLECTION AGENCY (NET)	59	1,321.85	2.77	12.00	0.00	0.00	1,331.08	509.94	855.25
- COLLECTION AGENCY (GROSS)	7	174.44	8.07	0.00	8.00	0.00	190.51	45.00	0.00
- COLL AGCY-TAX OFFSET (NET)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- CLAIM	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- DISBURSEMENT CANCELLATIONS	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS - OTHER - REGULAR	1	86.78	3.22	0.00	0.00	0.00	90.00		
- CLAIM	0	0.00	0.00	0.00	0.00	0.00	0.00		
TOTAL PAYMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00		
OTHER ADJUSTMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00		
CREDIT BALANCE REFUNDS	5	463.85-	0.00				463.85-		
ACCOUNTS PAYABLE	0						0.00		
CANCELLATIONS - BANKRUPTCY	0	0.00	0.00				0.00		
- DEATH	0	0.00	0.00				0.00		
- DISABILITY	0	0.00	0.00				0.00		
- DEFENSE OR PRE-07/72 - 10%	0	0.00	0.00				0.00		
- 15%	0	0.00	0.00				0.00		
- MIL	0	0.00	0.00				0.00		
- DIRECT OR POST-07/72 - 15%	3	517.50	129.38				646.88		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- MIL	0	0.00	0.00				0.00		
- PEACE CORPS/VISTA - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- LAWENFORCEMENT - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- HEADSTART - 15%	0	0.00	0.00				0.00		
- TEACHING SCV-SHORTAGE- 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
-HEALTH SVC-NURSE/MED - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
-SERVICES-HIGH RISK - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
-OTHER	0	0.00	0.00				0.00		
TOTAL CANCELLATIONS	3	517.50	129.38				646.88		
ACCEPTED BY THE U.S.	0	0.00	0.00	0.00	0.00	0.00	0.00		
WRITE-OFFS - LOW BALANCE	49	45.14-	0.00	30.00	0.00	5.00	10.14-		
- DUE DILIGENCE	0	0.00	0.00	0.00	0.00	0.00	0.00		
- MANUAL	8	46.25	0.68	0.00	0.00	0.00	46.93		
TOTAL WRITEOFFS	57	1.11	0.68	30.00	0.00	5.00	36.79		
CAPITALIZATIONS	1	60.00	0.00	-60.00	0.00	0.00	60.00		

*** REVERSALS AND REPROCESSING TOTALS ***	NUMBER	PRINCIPAL	INTEREST	LATE CHG	COL CST -B	O/COST -B	TOTAL	COL CST -I	O/COST -I
CASH PAYMENTS - BORROWER	2	173.53-	14.92-	6.00-	0.00	0.00	194.45-		
- TAX OFFSET	0	0.00	0.00	0.00	0.00	0.00	0.00		
- LOCKBOX	0	0.00	0.00	0.00	0.00	0.00	0.00		
- COLLECTION AGENCY (NET)	2	35.58-	1.92-	0.00	12.50-	0.00	50.00-	35.00-	0.00
- COLLECTION AGENCY (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (NET)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- CLAIM	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NON-CASH PMTS - BORROWER	8	1,784.67-	154.60-	102.00-	154.57-	0.00	2,195.84-		
- TAX OFFSET	4	1,431.70-	18.02-	33.00-	0.00	0.00	1,482.72-		
- COLLECTION AGENCY (NET)	12	1,221.60-	2.52	12.00-	0.00	0.00	1,231.08-	509.94-	90.00-
- COLLECTION AGENCY (GROSS)	2	122.01-	0.01	0.00	0.00	0.00	122.00-	0.00	0.00
- COLL AGCY-TAX OFFSET (NET)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- COLL AGCY-TAX OFFSET (GROSS)	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- CLAIM	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- DISBURSEMENT CANCELLATIONS	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PAYMENTS - OTHER	2	196.11-	4.39-	0.00	0.00	0.00	200.50-		
<b>TOTAL PAYMENTS</b>	<b>32</b>	<b>4,965.19-</b>	<b>191.32-</b>	<b>153.00-</b>	<b>167.07-</b>	<b>0.00</b>	<b>5,476.59-</b>	<b>544.94-</b>	<b>90.00</b>
OTHER ADJUSTMENTS	40	933.28	58.32-	100.00-	774.96-	0.00	0.00		
CREDIT BALANCE REFUNDS	0	0.00	0.00				0.00		
ACCOUNTS PAYABLE	0								
CANCELLATIONS - BANKRUPTCY	0	0.00	0.00				0.00		
- DEATH	0	0.00	0.00				0.00		
- DISABILITY	0	0.00	0.00				0.00		
- DEFENSE OR PRE-07/72 - 10%	0	0.00	0.00				0.00		
- 15%	0	0.00	0.00				0.00		
- MIL	0	0.00	0.00				0.00		
- DIRECT OR POST-07/72 - 15%	1	345.00-	75.64-				420.64-		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- MIL	0	0.00	0.00				0.00		
- PEACE CORPS/VISTA - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- LAWENFORCEMENT - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- HEADSTART - 15%	0	0.00	0.00				0.00		
- TEACHING SCV-SHORTAGE- 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- HEALTH SVC-NURSE/MED - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- SERVICES-HIGH RISK - 15%	0	0.00	0.00				0.00		
- 20%	0	0.00	0.00				0.00		
- 30%	0	0.00	0.00				0.00		
- OTHER	0	0.00	0.00				0.00		
<b>TOTAL CANCELLATIONS</b>	<b>1</b>	<b>345.00-</b>	<b>75.64-</b>				<b>420.64-</b>		
ACCEPTED BY THE U.S.	0	0.00	0.00	0.00	0.00	0.00	0.00		
WRITE-OFFS - LOW BALANCE	9	75.35	0.00	65.92-	0.00	5.00-	4.43		
- DUE DILIGENCE	0	0.00	0.00	0.00	0.00	0.00	0.00		
- MANUAL	2	218.33-	40.16-	0.00	0.00	0.00	258.49-		
<b>TOTAL WRITEOFFS</b>	<b>11</b>	<b>142.98-</b>	<b>40.16-</b>	<b>65.92-</b>	<b>0.00</b>	<b>5.00-</b>	<b>254.06-</b>		
CAPITALIZATIONS	0	0.00	0.00	0.00	0.00	0.00	0.00		



\*\*\* NEW LOANS AND ADVANCES \*\*\*

	NUMBER	LOAN AMT	PRIN BAL	ADV YTD
NEW LOANS	0	0	0.00	0.00
LOANS CORRECTIONS	0	0	0.00	0.00
ADVANCES	0	0	0.00	0.00
ADVANCE ADJUSTMENT	0	0	0.00	0.00
DELETED LOANS	0	0	0.00	0.00
TOTAL FUNDS ADVANCED	0	0	0.00	0.00

\*\*\* DEFERMENTS \*\*\*

	NUMBER				
- CUSTOMER ADJ - NO INT	0	TEMPORARY TOTAL DISABILITY	2	PEACE CORP	2
- CUSTOMER ADJ - INT	0	U.S. PUBLIC HEALTH SERVICE	9	NOAAC	1
- GRACE	0	VISTA	0	FORBEARNACE	0
- HARDSHIP	3	VOLUNTEER	0	UNEMPLOYMENT	0
- INTERNSHIP	6	PARENTAL LEAVE	1	ECONOMIC HARDSHIP	0
- MILITARY	1	WORKING MOTHER	0	CANCELLATION/SERVICES	0
- RESIDENCY	2	INTERN RESIDENCY	0		
- STUDENT	9	DEPENDENT DISABILITY	0		
TOTAL NUMBER OF DEFERMENTS					36

\*\*\* DEFERMENT REVERSALS \*\*\*

	NUMBER				
- CUSTOMER ADJ - NO INT	0	TEMPORARY TOTAL DISABILITY	0	PEACE CORP	0
- CUSTOMER ADJ - INT	0	U.S. PUBLIC HEALTH SERVICE	0	NOAAC	0
- GRACE	0	VISTA	0	FORBEARNACE	0
- HARDSHIP	0	VOLUNTEER	0	UNEMPLOYMENT	0
- INTERNSHIP	0	PARENTAL LEAVE	0	ECONOMIC HARDSHIP	0
- MILITARY	0	WORKING MOTHER	0	CANCELLATION/SERVICES	0
- RESIDENCY	0	INTERN RESIDENCY	0		
- STUDENT	0	DEPENDENT DISABILITY	0		
TOTAL NUMBER OF DEFERMENTS					0

\*\*\* POSTPONEMENTS \*\*\*

0

\*\*\* POSTPONEMENT REVERSALS \*\*\*

0

\*\*\* STATEMENTS/NOTICES \*\*\*

	BILLS	ADD	15-DAY	45-DAY	60-DAY	75-DAY	OTHER	GRACE	AUTO LTRS	PHONE CALLS	EXITS
GOOD ADDRESSES	0	13	356	161	86	74	0	68	37	0	90
FOREIGN ADDRESSES	0	0	1	0	0	0	0	0	0		
TOTAL	0	13	357	86	74	0	0	68	37		
BAD ADDRESSES - NOT MAILED	0	0	1	1	2	2	0	0	0	CB START	CB STOP
STOP CODES - NOT MAILED	0	0	6	8	20	16	0	0	0	72	1
OTHER - NOT MAILED	0	0									

## Cash Activity Report (Standard Report)

<b>PURPOSE</b>	The purpose of the Cash Activity Report is to assist lenders in balancing their checking accounts and to serve as a record of payments and payment reversals.
<b>INTENDED USE</b>	The Cash Activity Report is a listing of the activities processed during the reporting period, which affects the lender's cash account.
	This report should be used by the student loan administrator to reconcile all activity related to the institution's cash account processed by Campus Partners during the reporting period.
<b>REPORT FREQUENCY</b>	<b>Standard:</b> Monthly <b>Option:</b> Weekly
<b>SUGGESTED RETENTION</b>	Permanently (with bank statement reconciliation)
<b>CONSOLIDATION LEVEL</b>	Program only
<b>SELECTION CRITERIA</b>	The following cash related transactions are selected: <ol style="list-style-type: none"><li>1. Cash Payments<ul style="list-style-type: none"><li>– Sent directly to Campus Partners</li><li>– Sent to a remote lockbox</li><li>– Sent to a collection agency</li></ul></li><li>2. Cash Payment Reversals</li><li>3. Noncash Payments<ul style="list-style-type: none"><li>– Sent to Campus Partners by the lender without a corresponding deposit</li><li>– Sent to Campus Partners by a collection agency</li></ul></li><li>4. Noncash Payment Reversals</li></ol>
<b>SORT SEQUENCE</b>	<b>Standard:</b> Post Date/Activity Type/Alpha (by borrower name). <b>Option:</b> Post Date/Activity Type/Numeric (by loan number).

**TOTALS**

The totals include three pages, which summarize.

**Page 1 Cash** transactions and reversals

**Page 2 Noncash** transactions and reversals

**Page 3 Cash/Noncash** transactions and reversals

**MISCELLANEOUS  
NOTES**

1. A detailed list of individual borrower payments included in a collection agency deposit can be found in Section 1 Supporting Detail of the Accounting Report.
2. If a check received from a borrower includes payments for two different loans, the payment amount applied to each loan will be listed separately.
3. If there is no deposit activity for a particular day, **NO ACTIVITY** will be printed in the Activity Type field.

**PAYMENT TYPES**

- 10 Cash
- 20 Noncash
- 30 Cash – net check, collections fees deducted from borrower payments
- 31 Cash – gross check, collection fees will be billed to you separately
- 40 Noncash – net check, collection fees deducted from borrower payments
- 41 Noncash – gross check, collections fees will be billed to you separately



00006-001-001-00006  
 CAMPUS PARTNERS-DEMO UNIV-PERK

CASH ACTIVITY REPORT  
 WEEK ENDING 07/14/06

SUMMARY TOTALS  
 CASH

RUN DATE: 07/14/06  
 PAGE: 2

DATE	CASH PMTS - REGULAR ITEMS	AMOUNT	CASH PMTS - LOCKBOX ITEMS	AMOUNT	CASH PMTS - COLL AGCY ITEMS	AMOUNT	CASH REV - REG/AGCY ITEMS	AMOUNT	CASH REV - LOCKBOX ITEMS	AMOUNT	NET CASH ACTIVITY ITEMS	AMOUNT
07/10/06	12	1,447.70	0	0.00	0	0.00	0	0.00	0	0.00	12	1,447.70
07/11/06	2	168.83	0	0.00	0	0.00	0	0.00	0	0.00	2	168.83
07/12/06	2	196.46	0	0.00	0	0.00	0	0.00	0	0.00	2	196.46
07/13/06	1	50.00	0	0.00	0	0.00	1	60.00-	0	0.00	2	10.00-
07/14/06	4	356.48	0	0.00	0	0.00	0	0.00	0	0.00	4	356.48
GRAND TOTALS	21	2,219.47	0	0.00	0	0.00	1	60.00-	0	0.00	22	2,159.47

00006-001-001-00006  
 CAMPUS PARTNERS-DEMO UNIV-PERK

CASH ACTIVITY REPORT  
 WEEK ENDING 07/14/06

SUMMARY TOTALS  
 NON-CASH

RUN DATE: 07/14/06  
 PAGE: 3

DATE	NON-CASH - ITEMS	REGULAR AMOUNT	NON-CASH - ITEMS	LOCKBOX AMOUNT	NON-CASH - ITEMS	COLL AGCY AMOUNT	NON-CASH REV - ITEMS	REG/AGCY AMOUNT	NET NON-CASH ACTIVITY ITEMS	AMOUNT	NET OTHER ACTIVITY ITEMS	AMOUNT
07/10/06	0	0.00	0	0.00	1	100.00	0	0.00	1	100.00	0	0.00
07/11/06	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
07/12/06	0	0.00	0	0.00	1	20.00	0	0.00	1	20.00	0	0.00
07/13/06	1	43.43	0	0.00	0	0.00	0	0.00	1	43.43	0	0.00
07/14/06	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
GRAND TOTALS	1	43.43	0	0.00	2	120.00	0	0.00	3	163.43	0	0.00

## Accounting Report (Standard Report)

<b>PURPOSE</b>	The Accounting Reports provide the accounting entries which result from activity processed through System III during the reporting period.
<b>INTENDED USE</b>	The Accounting Reports must be used to 1) reconcile the bank statement and cash account, 2) make general ledger entries, and 3) reconcile the general ledger to the Campus Partners cumulative totals.
<b>REPORT FREQUENCY</b>	<b>Standard:</b> Monthly <b>Option:</b> Weekly (for an additional charge)
<b>SORT SEQUENCE</b>	For the Supporting Detail: <b>Standard:</b> Alpha by borrower name <b>Option:</b> Numeric by loan number
<b>CONSOLIDATION LEVELS</b>	Program, Sublender, Lender, System
<b>MISCELLANEOUS NOTES</b>	<ol style="list-style-type: none"><li>1. The <i>Accounting Report</i> is organized into five sections:<ul style="list-style-type: none"><li>Section 1: Cash Reconciliation Interest Collected Detail Supporting Detail</li><li>Section 2: Accounting Entries</li><li>Section 3: File Reconciliation Supporting Collection Detail</li><li>Section 4: Cancellation Journal</li><li>Section 5: Writeoff Journal</li></ul></li><li>2. Lenders who disburse from multiple private loan funds under a single loan program (i.e., when one loan is made up of monies from more than one loan fund) may request Sections 1 (except the supporting detail), 2, or 3 for each loan fund.</li><li>3. The numbering system used for the general ledger accounts is based on the Fiscal Operations Report for the Federal Perkins program and on the <i>Financial Aid Guidelines</i>, Book III, for the HPSL/NSL programs.</li></ol>

## **Cash Reconciliation – Section 1**

The Cash Reconciliation section is designed to assist the customer in balancing the bank account(s) that affect the collection of student loans. When the customer deposits directly into their bank account for student loan collection activity, the transaction will appear on the Accounting Report as a non-cash item.

The amounts shown here represent the total of all collection activity that debits or credits the individual accounts for that period.



	DEBITS	CREDITS
1. CASH ON HAND		
A. CASH PAYMENTS - BORROWER PAYMENTS	76,019.76	
- LOCKBOX PAYMENTS	0.00	
- COLLECTION AGENCY PAYMENTS (*)	15,154.88	
- TAX OFFSET PAYMENTS	0.00	
B. CASH PAYMENT REVERSALS (*)		209.45
TOTAL CASH PAYMENTS	<u>91,174.64</u>	<u>209.45</u>
C. NON-CASH PAYMENTS - BORROWER PAYMENTS	32,979.76	
- COLLECTION AGENCY PAYMENTS (*)	156.40	
- TAX OFFSET PAYMENTS	150.00	
D. NON-CASH PAYMENT REVERSALS (*)		4,431.70
TOTAL NON-CASH PAYMENTS	<u>33,286.16</u>	<u>4,431.70</u>
E. CREDIT BALANCE REFUND (*)	0.00	463.85
F. NET REPROCESSING ADJUSTMENTS (*)	1,220.99	1,220.99
G. OTHER PAYMENT ADJUSTMENTS (*)	90.00	200.50
5. PRINCIPAL COLLECTED		
A. LOAN PRINCIPAL COLLECTED		116,103.71
B. LOAN PRINCIPAL ADJUSTED - CASH PAYMENT REVERSALS (*)	209.11	
- NON-CASH PAYMENT REVERSALS (*)	4,559.98	
- CREDIT BALANCE REFUNDS (*)	463.85	0.00
- OTHER ADJUSTMENTS (*)	204.02	1,027.97
TOTAL LOAN PRINCIPAL COLLECTED	<u>5,436.96</u>	<u>117,131.68</u>
C. CAPITALIZED BALANCE COLLECTED		0.00
D. CAPITALIZED BALANCE ADJUSTED - CASH PAYMENT REVERSALS (*)	0.00	
- NON-CASH PAYMENT REVERSALS (*)	0.00	
- OTHER ADJUSTMENTS (*)	0.00	0.00
TOTAL CAPITALIZED PRINCIPAL COLLECTED	<u>0.00</u>	<u>0.00</u>
16. INTEREST EARNED ON LOANS		
A. INTEREST COLLECTED		13,457.40
B. INTEREST ADJUSTED - CASH PAYMENT REVERSALS (*)	16.84	
- NON-CASH PAYMENT REVERSALS (*)	170.09	
- OTHER ADJUSTMENTS (*)	70.62	11.13
TOTAL INTEREST COLLECTED	<u>257.55</u>	<u>13,468.53</u>

	DEBITS	CREDITS
17. OTHER INCOME		
A. PENALTY CHARGES COLLECTED		2,652.09
B. PENALTY CHARGES ADJUSTED- CASH PAYMENT REVERSALS (*)	6.00	
- NON-CASH PAYMENT REVERSALS (*)	147.00	
- OTHER ADJUSTMENTS (*)	80.00	0.00
TOTAL PENALTY CHARGES COLLECTED	233.00	2,652.09
C. LATE CHARGES COLLECTED		320.00
D. LATE CHARGES ADJUSTED - CASH PAYMENT REVERSALS (*)	0.00	
- NON-CASH PAYMENT REVERSALS (*)	0.00	
- OTHER ADJUSTMENTS (*)	20.00	0.00
TOTAL LATE CHARGES COLLECTED	20.00	320.00
19.1 OTHER COSTS		
A. OTHER COSTS - INCURRED BY INSTITUTION (*)	855.25	90.00
B. OTHER COSTS - PAID BY BORROWER (*)		177.25
C. OTHER COSTS - ADJUSTED - CASH PAYMENT REVERSALS (*)	0.00	
- NON-CASH PAYMENT REVERSALS (*)	0.00	
- OTHER ADJUSTMENTS (*)	0.00	0.00
TOTAL OTHER COSTS - PAID BY BORROWER	0.00	177.25
19.3 COLLECTION FEES		
A. COLLECTION FEES - INCURRED BY INSTITUTION (*)	10,484.07	544.94
B. COLLECTION FEES - PAID BY BORROWER (*)		2,821.97
C. COLLECTION FEES - ADJUSTED - CASH PAYMENT REVERSALS (*)	12.50	
- NON-CASH PAYMENT REVERSALS (*)	154.57	
- OTHER ADJUSTMENTS (*)	774.96	0.00
TOTAL COLLECTION FEES - PAID BY BORROWER	942.03	2,821.97
D. ACCOUNTS PAYABLE - COLLECTION FEES AND OTHER COSTS (*)	0.00	101.67



## Supporting Detail

This section of the Accounting Report is designed to provide "back-up" for certain transaction totals. If an asterisk (\*) appears to the right of the account name in Section 1 (Ex. Cash Reconciliation), a listing of individual transactions will appear on the Supporting Detail.

Transactions that may be found on the Supporting Detail include:

- Cash/Noncash Collection Payments
- Cash/Noncash Payment Reversals
- Payments on Loans Assigned
- Payments on Loans Written Off
- Credit Balance Refunds
- Reprocessing Adjustments
- Other Adjustments
- Collection/Other Costs – Paid by the Institution
- Collection/Other Costs Adjusted
- Accounts Payables
- Conversion Image Adjustments

The Supporting Detail shows the transaction type, the positive and negative effect of the transaction to the paid fields, the post date, and the reason.

Reprocessing occurs when System III recalculates interest, principal, late charges or collection costs as a result of a back-dated transaction.

<p>T ←</p> <p style="text-align: center;"><b><u>TYPE OF PRINCIPAL, INTEREST, AND DELINQUENT CHARGES PAID</u></b></p> <p><b><u>Type of Principal Paid</u></b></p> <p>C = Capitalized Principal Paid P or blank = Regular Loan Principal Paid</p> <p><b><u>Type of Interest Paid</u></b></p> <p>blank = Regular Interest Paid B = "Billed (or Interim) Interest Paid C = Interest Paid on Capitalized Balance H = Hardship Interest</p> <p><b><u>Type of Delinquent Charges Paid</u></b></p> <p>F = Other Costs Paid by the Lender or charged to the Fund L = Late Charges Paid N = Collection Costs Paid by the Borrower P = Penalty Charges Paid S = Collection Costs Paid by the Lender or charged to the Fund T = Other Costs Paid by the Borrower</p>
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\*\* COLLECTION AGENCY PAYMENTS - NON-CASH \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL	T	INTEREST	T	LATE CHG	T	DEL CHG-B	T	DEL CHG-I	T	TYPE S	AGENCY	POST DTE
DEMO, BOBBIE	00006-111-22-3333-01	10.99	10.99		0.00		0.00		0.00		0.00		41 C	00050	12/26/97
DEMO, MARCIA	00006-111-22-3333-01	0.00	0.00		0.00		0.00		0.00		5.00	F	40 C	00050	12/12/97
		250.00	253.46		3.46-		0.00		0.00		112.50	S	40 C	00050	12/12/97
		262.00	262.00		0.00		0.00		0.00		117.90	S	40 C	00050	12/12/97
TOTAL AGENCY 00050		1,521.59	1,496.29		5.30		12.00		8.00		1,410.19				
GRAND TOTAL ****		1,521.59 *	1,496.29		5.30		12.00		8.00		1,410.19				

\*\* PAYMENTS ON LOANS ALREADY WRITTEN OFF-REJECTED \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	T	DEL CHG-I	T	TYPE S	AGENCY	POST DTE
DEMO, CARRIE	00006-111-22-3333-01	12.00		0.00		10 W	00000	12/14/97
DEMO, RAYMOND	00006-111-22-3333-03	4.03		0.00		10 I	00000	12/11/97
DEMO, WYMAN	00006-111-22-3333-01	150.00		0.00		20 T	00000	12/25/97
TOTAL		166.03		0.00				

\*\* CASH PAYMENT REVERSALS - COLLECTION AGENCY \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL	T	INTEREST	T	LATE CHG	T	DEL CHG-B	T	DEL CHG-I	T	TYPE S	DATE	REASON
DEMO, JULIE	00006-111-22-3333-01	0.00	0.00		0.00		0.00		0.00		20.00-		30 C	12/21	NSF
DEMO, SUSAN	00006-111-22-3333-03	50.00-	35.58-		1.92-		0.00		12.50-	N	15.00-		30 C	12/27	NSF
TOTAL AGENCY 00000		50.00-	35.58-		1.92-		0.00		12.50-		35.00-				
GRAND TOTAL		50.00-	35.58-		1.92-		0.00		12.50-		35.00-				

\*\* CASH PAYMENT REVERSALS - OTHER \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL	T	INTEREST	T	LATE CHG	T	DEL CHG-B	T	TYPE S	DATE	REASON
DEMO, SALLY	00006-111-22-3333-02	90.00-	76.03-		13.97-		0.00		0.00		10 W	12/14	NSF
DEMO, DARAYL	00006-111-22-3333-03	104.45-	97.50-		0.95-		6.00-P		0.00		10 W	12/27	NSF
TOTAL		194.45-	173.53-		14.92-		6.00-		0.00				

\* THIS SAMPLE REPORT DOES NOT SHOW ALL THE COLLECTION PAYMENTS INCLUDED IN THE TOTAL

\*\* NON-CASH PAYMENT REVERSALS - COLLECTION AGENCY \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	DEL CHG-I T	TYPE S	DATE	REASON
DEMO, IRENE	00006-111-22-3333-01	100.00-	100.00-	0.00	0.00	0.00		41 I	12/08	COLL AGY ADJ
		100.00-	100.00-	0.00	0.00	0.00	45.00-	S 40 I	12/08	COLL AGY ADJ
		100.00-	100.00-	0.00	0.00	0.00	45.00-	S 40 I	12/08	COLL AGY ADJ
		100.00-	93.79-	0.21-	6.00-P	0.00	45.00-	S 40 I	12/08	COLL AGY ADJ
DEMO, JANE	00006-111-22-3333-03	100.00-	93.79-	0.21-	6.00-P	0.00	45.00-	F 40 I	12/08	OTHER
		19.08-	18.76-	0.32-	0.00	0.00	9.54-	S 40 I	12/28	COLL AGY ADJ
		22.00-	22.01-	0.01	0.00	0.00		41 I	12/08	OTHER
		50.00-	50.00-	0.00	0.00	0.00	22.50-	S 40 I	12/08	COLL AGY ADJ
DEMO, BRICE	00006-111-22-3333-03	50.00-	50.00-	0.00	0.00	0.00	22.50-	S 40 I	12/08	COLL AGY ADJ
		50.00-	50.00-	0.00	0.00	0.00	22.50-	S 40 I	12/08	COLL AGY ADJ
		50.00-	50.00-	0.00	0.00	0.00	22.50-	S 40 I	12/08	COLL AGY ADJ
		50.00-	49.79-	0.21-	0.00	0.00	22.50-	S 40 I	12/08	COLL AGY ADJ
DEMO, MARCIA	00006-111-22-3333-01	262.00-	262.01-	0.01	0.00	0.00	117.90-	S 40 I	12/12	COLL AGY ADJ
		250.00-	253.46-	3.46	0.00	0.00	112.50-	S 40 I	12/12	COLL AGY ADJ
TOTAL AGENCY 00000		1,353.08-	1,343.61-	2.53	12.00-	0.00	554.94-			
GRAND TOTAL		1,353.08-	1,343.61-	2.53	12.00-	0.00	554.94-			

\*\* NON-CASH PAYMENT REVERSALS - OTHER \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	DEL CHG-I T	TYPE S	DATE	REASON
DEMO, MICHAEL	00006-111-22-3333-01	960.00-	960.00-	0.00	0.00	0.00		20 T	12/19	INVALID BANK #
DEMO, PAMELA	00006-111-22-3333-01	270.00-	248.42-	21.58-	0.00	0.00		20 I	12/27	OTHER
KDEMO, HARRY	00006-111-22-3333-01	400.00-	350.89-	31.11-	18.00- P	0.00		20 I	12/29	NSF
MDEMO, BRENDA	00006-111-22-3333-03	90.00-	71.64-	6.36-	12.00- P	0.00		20 I	12/12	NSF
DEMO, CYNDY	00006-111-22-3333-03	50.00-	50.00-	0.00	0.00	0.00		20 I	12/21	NSF
DEMO, MIKE	00006-111-22-3333-03	618.29-	390.50-	43.22-	30.00- P	154.57- N		20 I	12/21	STOP PAYMENT
DEMO LORI	00006-111-22-3333-03	93.00-	93.08-	0.08	0.00	0.00		20 T	12/19	INVALID BANK #
DEMO, TONI	00006-111-22-3333-03	350.60-	299.74-	17.86-	33.00- P	0.00		20 T	12/13	INVALID BANK #
DEMO, THOMAS	00006-111-22-3333-03	79.12-	78.88-	0.24-	0.00	0.00		20 T	12/13	INVALID BANK #
DEMO, MARGARET	00006-111-22-3333-01	100.00-	100.00-	0.00	0.00	0.00		20 I	12/05	NSF
DEMO, JOEL	00006-111-22-3333-03	593.00-	499.86-	51.14-	42.00- P	0.00		20 I	12/05	AMTS DIFFER
DEMO, MARY	00006-111-22-3333-02	74.55-	73.36-	1.19-	0.00	0.00		20 I	12/13	ADJ INCORR
TOTAL		3,678.56-	3,216.37-	172.62-	135.00-	154.57-				

\*\* PAYMENTS - OTHER \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	TYPE S	POST DATE
DEMO, THAD	00006-415-27-4398-01	90.00	86.78	3.22	0.00	0.00	14 W	12/15/97
TOTAL		90.00	86.78	3.22	0.00	0.00		

\*\* PAYMENT REVERSALS - OTHER \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	TYPE S	DATE	REASON
DEMO, THAD	00006-111-22-3333-01	90.00-	86.78-	3.22-	0.00	0.00	14 W	12/15	REAPP SM PGM
DEMO, VAL	00006-111-22-3333-02	110.50-	109.33-	1.17-	0.00	0.00	14 I	12/12	REAPP SM PGM
TOTAL		200.50-	196.11-	4.39-	0.00	0.00			

\*\* CREDIT BALANCE REFUNDS AND REFUND REVERSALS \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PAYMENT AMT	PRINCIPAL T	S	DATE	REASON
DEMO, MALLEY	00006-111-22-3333-03	90.68-	90.68-	D	12/28	
DEMO N, SARAH	00006-111-22-3333-01	94.80-	94.80-	D	12/28	
DEMO E, GARY	00006-111-22-3333-01	68.97-	68.97-	I	12/15	
DEMO, STELLA	00006-111-22-3333-02	184.03-	184.03-	D	12/28	
DEMO, STAN	00006-111-22-3333-02	25.37-	25.37-	D	12/28	
TOTAL		463.85-	463.85-			

\*\* OTHER ADJUSTMENT \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	S	DATE	REASON
DEMO, LOIS	00006-111-22-3333-03	0.01	8.75-	0.00	0.00	I	12/19	DEFERMENT
			8.74 H					
DEMO, JACKIE	00006-111-22-3333-03	0.01-	0.01	0.00	0.00	B	12/28	DEFERMENT
DEMO, DEN	00006-111-22-3333-01	3.94	3.94-	0.00	0.00	B	12/28	DEFERMENT
DEMO, MIMI	00006-111-22-3333-01	0.05-	0.05	0.00	0.00	W	12/06	WRT-OFF REV
DEMO, RAYMOND	00006-111-22-3333-02	0.01	54.84-	0.00	0.00	I	12/26	DEFERMENT
			54.83 H					
DEMO, ROSE	00006-111-22-3333-05	0.03-	30.02	0.00	0.00	I	12/22	DEFER REV
			29.99- H					
	00006-111-22-3333-05	0.02-	75.03	0.00	0.00	I	12/22	DEFER REV
			75.01- H					
DEMO, SUE	00006-111-22-3333-03	4.22	4.22-	0.00	0.00	B	12/05	DEFERMENT
DEMO, SUSAN	00006-111-22-3333-01	0.02-	0.02	0.00	0.00		12/08	LIT FEES DUE
DEMO, FRED	00006-111-22-3333-03	0.02	0.02-	0.00	0.00		12/08	LIT FEES DUE
DEMO, SHERRIE	00006-111-22-3333-03	0.03-	88.19-	0.00	0.00	I	12/19	DEFERMENT
			88.22 H					
DEMO, GRACE	00006-111-22-3333-03	0.01-	0.01	0.00	0.00	W	12/28	
DEMO, PAMELA	00006-111-22-3333-01	0.01-	0.01	0.00	0.00	I	12/12	LATE CHG REV
		20.00	0.00	20.00- L	0.00	I	12/27	LATE CHG REV

\*\* OTHER ADJUSTMENT \*\*

BORROWER NAME	PROG#-LOAN NUMBER	PRINCIPAL T	INTEREST T	LATE CHG T	DEL CHG-B T	S	DATE	REASON
DEMO, JENNIFER	00006-111-22-3333-03	0.48-	0.48	0.00	0.00	B	12/15	DEFER REV
		0.48	0.48-	0.00	0.00	B	12/15	DEFERMENT
DEMO, HELEN,	00006-111-22-3333-03	12.92	12.92-	0.00	0.00	B	12/04	DEFERMENT
DEMO, CLAUDIA	00006-111-22-3333-01	11.09	0.09-	11.00- P	0.00	I	12/11	LATE CHG REV
		3.08	0.08-	3.00- P	0.00	I	12/05	LATE CHG REV
DEMO, MARY	00006-111-22-3333-03	0.03-	0.03	0.00	0.00	W	12/26	
		0.03-	0.03	0.00	0.00	W	12/26	
DEMO, ADEL	00006-111-22-3333-03	0.03-	0.03	0.00	0.00	B	12/06	POSTPONEMENT
DEMO, JOSEPH	00006-111-22-3333-01	0.01-	0.01	0.00	0.00	W	12/21	WRT-OFF REV
DEMO, JANE	00006-111-22-3333-01	15.85	15.85-	0.00	0.00	B	12/28	DEFERMENT
DEMO, THAD	00006-111-22-3333-01	0.03-	0.03	0.00	0.00	I	12/13	LATE CHG REV
DEMO, MICHAEL	00006-111-22-3333-03	0.04-	0.04	0.00	0.00	I	12/12	LIT FEES DUE
DEMO, TOM	00006-111-22-3333-03	783.17	8.21-	0.00	774.96- N	I	12/21	COLL CST REV
		37.22	1.22-	36.00- P	0.00	I	12/21	LATE CHG REV
DEMO, LINDA	00006-111-22-3333-01	0.00	5.59-	0.00	0.00	I	12/12	DEFERMENT
			5.59 H			I		
	00006-111-22-3333-02	0.01-	4.29-	0.00	0.00	I	12/12	DEFERMENT
			4.30 H					
	00006-111-22-3333-03	0.02-	4.26-	0.00	0.00	I	12/12	DEFERMENT
			4.28 H					
DEMO, JANE	00006-111-22-3333-01	0.01	1.00-	0.00	0.00	I	12/05	DEFERMENT
			0.99 H			I		
DEMO, LILLY	00006-111-22-3333-01	0.22	0.22-	0.00	0.00	B	12/12	DEFERMENT
DEMO, TONI	00006-111-22-3333-03	0.08	0.08-	0.00	0.00	I	12/13	WRT-OFF REV
DEMO, RACHEL	00006-111-22-3333-01	6.52-	6.52	0.00	0.00	B	12/22	DEFER REV
		6.52	6.52-	0.00	0.00	B	12/22	DEFERMENT
DEMO, DANA	00006-111-22-3333-01	0.22	0.22-	0.00	0.00	B	12/20	DEFERMENT
		0.28-	0.28	0.00	0.00	B	12/22	DEFER REV
		7.22	7.22-	0.00	0.00	B	12/22	DEFERMENT
	00006-111-22-3333-03	0.18	0.18-	0.00	0.00	B	12/20	DEFERMENT
		0.18-	0.18	0.00	0.00	B	12/22	DEFER REV
		4.60	4.60-	0.00	0.00	B	12/22	DEFERMENT
DEMO, JOEL	00006-111-22-3333-03	0.08	0.08-	0.00	0.00	I	12/05	WRT-OFF REV
DEMO, MIKE	00006-111-22-3333-01	0.06-	0.06	0.00	0.00	I	12/25	LATE CHG REV
DEMO, DANIEL	00006-111-22-3333-01	0.02	0.02-	0.00	0.00	W	12/27	WRT-OFF REV
DEMO, MAI	00006-111-22-3333-03	24.00	0.00	24.00- P	0.00	I	12/22	LATE CHG REV
	TOTAL	933.28	58.32-	100.00-	744.96-			



## Accounting Entries – Section 2

The Accounting Entries section is designed to provide the school with the figures that should be entered in its general ledger accounts. The account numbers the school uses on its general ledger **may not** match the account numbers on the Accounting Report.

This section is broken down into two categories: "Transactions" and "Reversals and Adjustments," so adjustments and reversals are clearly identified and the proper adjusting entries are made.

On the following pages is a brief description of each section (account) on the Accounting Report. For more details, refer to Section 420 of the Operations manual.

**Section # and Title** – This is the section number of the report and title of that section number.

**Run Date** – The date the report was generated.

**Transactions** – This column of debits and credits show figures created from original transactions.

**Reversals and Adjustments** – This column of debits and credits shows figures created from reversal or adjusting transactions. (Conversion Image and Reprocessing Adjustments)

**Debits/Credits** – Current month totals that debit or credit each account.

### Accounts:

1. **Cash on Hand** – Used to show all cash transactions for the reporting period. (1.)  
**Note:** Noncash transactions are only noncash to AMS Servicing. Schools must use these figures to balance their internal cash general ledger account, and their bank account.
5. **Loan Principal Collected** – Transactions associated with principal that was collected during the reporting period. (5.)
  - 5.1. **Defaulted Loan Principal Accepted by the U.S.** – Assigned principal that was accepted by the government during the reporting period. (6.)
- 6.-10. **Loan Principal Canceled** – These accounts are used to show transactions associated with principal canceled. These accounts are broken down into the different categories meeting the different cancellation provisions. (7.-16.)
11. **Principal Adjustments–Other** – Principal portion of transactions associated with write-offs. (17.)
16. **Interest Earned on Loans** – Used to show transactions associated with interest collected, adjusted, accepted, canceled, or written-off. (22.)

- 17. Other Income** – Income transactions associated with penalty charges collected, late charges collected, late charges written-off, and late charges accepted by the government. (23.)
- 19.1 Other Costs** – Other cost incurred you wish to itemize separately. (25.2)
- 19.3 Other Collection Expenses** – Transactions associated with the cost of collecting past due monies. (25.2)
- 20. - 26. Cost of Principal and Interest Canceled** – Displays the cost of principal and interest canceled to be reimbursed by the government. (26.-35.)
- 27.A. Cost of Defaulted Principal and Interest Accepted by the U.S.** – Cost to the Fund for loans assigned to ED. (36.)
- 27.B. Cost of Defaulted Fees Accepted by the U.S.** – Cost to the Fund for unpaid institutional cost assigned to ED.
- 27.1 Other Costs and Losses** – Cost involved with write-offs. (37.)
- Reconciling Items** – Payments on loans assigned/accepted by the U.S. (Loans in an 82 or 93 status).
- Payments on Loans Assigned/Accepted by U.S. – Rejected (\*)  
– Released (\*)
- Payments on Loans Already Written Off – Rejected (\*)  
– Released (\*)

	***** TRANSACTIONS *****		*** REVERSALS & ADJUSTMENTS ***	
	DEBITS	CREDITS	DEBITS	CREDITS
1. CASH ON HAND (REF SECTION 1)				
A. CASH PAYMENTS - BORROWER PAYMENTS	76,019.76			
- LOCKBOX PAYMENTS	0.00			
- COLLECTION AGENCY PAYMENTS	15,154.88			
- TAX OFFSET PAYMENTS	0.00			
B. CASH PAYMENT REVERSALS				209.45
TOTAL CASH PAYMENTS	<u>91,174.64</u>			<u>209.45</u>
C. NON-CASH PAYMENTS - BORROWER PAYMENTS	32,979.76			
- COLLECTION AGENCY PAYMENTS	156.40			
- TAX OFFSET PAYMENTS	150.00			
D. NON-CASH PAYMENT REVERSALS				4,431.70
TOTAL NON-CASH PAYMENTS	<u>33,286.16</u>			<u>4,431.70</u>
E. CREDIT BALANCE REFUNDS			0.00	463.85
F. NET REPROCESSING ADJUSTMENTS			1,220.99	1,220.99
G. OTHER PAYMENT ADJUSTMENTS			90.00	200.50
5. PRINCIPAL COLLECTED (REF SECTION 1)				
A. LOAN PRINCIPAL COLLECTED		116,103.71		
B. LOAN PRINCIPAL ADJUSTED - CASH PAYMENT REVERSALS			209.11	
- NON-CASH PAYMENT REVERSALS			4,559.98	
- CREDIT BALANCE REFUNDS			463.85	0.00
- OTHER ADJUSTMENTS			204.02	1,027.97
TOTAL LOAN PRINCIPAL COLLECTED		<u>116,103.71</u>	<u>5,436.96</u>	<u>1,027.97</u>
C. CAPITALIZED BALANCE COLLECTED		0.00		
D. CAPITALIZED BALANCE ADJUSTED - CASH PAYMENT REVERSALS			0.00	
- NON-CASH PAYMENT REVERSALS			0.00	
- OTHER ADJUSTMENTS			0.00	0.00
TOTAL CAPITALIZED BALANCE COLLECTED		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
5.1 DEFAULTED LOAN PRINCIPAL ACCEPTED BY THE U.S.		0.00	0.00	0.00
6. LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72				
6.1 TEACHING SERVICE - 10%		0.00	0.00	0.00
6.2 TEACHING SERVICE - 15%		0.00	0.00	0.00
6.3 MILITARY SERVICE		0.00	0.00	0.00
TOTAL LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

		***** TRANSACTIONS *****		*** REVERSALS & ADJUSTMENTS ***	
		DEBITS	CREDITS	DEBITS	CREDITS
7.	LOAN PRINCIPAL CANCELLED - 07/01/72 AND AFTER				
7.1	TEACHING SERVICE - 15%				
	A. LOW INCOME/HANDICAPPED	0.00	517.50	345.00	0.00
	B. HEADSTART		0.00	0.00	0.00
7.2	TEACHING SERVICE - LOW INCOME/HANDICAPPED - 20%	0.00	0.00	0.00	0.00
7.3	TEACHING SERVICE - LOW INCOME/HANDICAPPED - 30%	0.00	0.00	0.00	0.00
7.4	MILITARY SERVICE		0.00	0.00	0.00
7.5	PEACE CORPS/VISTA-15%	0.00	0.00	0.00	0.00
7.6	PEACE CORPS/VISTA-20%	0.00	0.00	0.00	0.00
7.7	LAW ENFORCEMENT - 15%	0.00	0.00	0.00	0.00
7.8	LAW ENFORCEMENT - 20%	0.00	0.00	0.00	0.00
7.9	LAW ENFORCEMENT - 30%		0.00	0.00	0.00
7.10	TEACHING SERVICE - SHORTAGE - 15%	0.00	0.00	0.00	0.00
7.11	TEACHING SERVICE - SHORTAGE - 20%	0.00	0.00	0.00	0.00
7.12	TEACHING SERVICE - SHORTAGE - 30%	0.00	0.00	0.00	0.00
7.13	HEALTH SERVICES - NURSE/MED TECH - 15%	0.00	0.00	0.00	0.00
7.14	HEALTH SERVICES - NURSE/MED TECH - 20%	0.00	0.00	0.00	0.00
7.15	HEALTH SERVICES - NURSE/MED TECH - 30%	0.00	0.00	0.00	0.00
7.16	SERVICES - HIGH RISK CHILDREN - 15%	0.00	0.00	0.00	0.00
7.17	SERVICES - HIGH RISK CHILDREN - 20%	0.00	0.00	0.00	0.00
7.18	SERVICES - HIGH RISK CHILDREN - 30%	0.00	0.00	0.00	0.00
	TOTAL LOAN PRINCIPAL CANCELLED - 07/01/72 AND AFTER	0.00	517.50	345.00	0.00
8.	PRINCIPAL CANCELLED - DEATH				
	A. LOAN PRINCIPAL CANCELLED		0.00	0.00	0.00
	B. CAPITALIZED BALANCE CANCELLED		0.00	0.00	0.00
9.	PRINCIPAL CANCELLED - DISABILITY				
	A. LOAN PRINCIPAL CANCELLED		0.00	0.00	0.00
	B. CAPITALIZED BALANCE CANCELLED		0.00	0.00	0.00
10.	PRINCIPAL CANCELLED - BANKRUPTCY				
	A. LOAN PRINCIPAL CANCELLED		0.00	0.00	0.00
	B. CAPITALIZED BALANCE CANCELLED		0.00	0.00	0.00
	LOAN PRINCIPAL CANCELLED - OTHER			0.00	0.00
	TOTAL LOAN PRINCIPAL CANCELLED		517.50	345.00	0.00
	TOTAL CAPITALIZED BALANCE CANCELLED		0.00	0.00	0.00
11.	PRINCIPAL ADJUSTMENTS - OTHER				
	A. LOAN PRINCIPAL WRITTEN OFF - LOW BALANCE	53.35	8.21	4.77	80.12
	- DUE DILIGENCE	0.00	0.00	0.00	0.00
	- MANUAL	0.00	46.25	218.33	0.00
	TOTAL LOAN PRINCIPAL WRITTEN OFF	53.35	54.46	223.10	80.12
	B. CAPITALIZED BALANCE WRITTEN OFF - LOW BALANCE	0.00	0.00	0.00	0.00
	- DUE DILIGENCE	0.00	0.00	0.00	0.00
	- MANUAL	0.00	0.00	0.00	0.00
	TOTAL CAPTIALIZED BALANCE WRITTEN OFF	0.00	0.00	0.00	0.00
16.	INTEREST EARNED ON LOANS (REF SECTION 1)				
	A. INTEREST COLLECTED		13,457.40		
	B. INTEREST ADJUSTED - CASH PAYMENT REVERSALS			16.84	
	- NON-CASH PAYMENT REVERSALS			170.09	
	- OTHER ADJUSTMENTS			70.62	11.13
	TOTAL INTEREST COLLECTED		13,457.40	257.55	11.13
	C. DEFAULTED INTEREST ACCEPTED BY THE U.S.		0.00	0.00	0.00

	***** TRANSACTIONS *****		*** REVERSALS & ADJUSTMENTS ***	
	DEBITS	CREDITS	DEBITS	CREDITS
D. INTEREST CANCELLED - PRIOR TO 07/01/72		0.00	0.00	0.00
(1) TEACHING SERVICE - 10%		0.00	0.00	0.00
(2) TEACHING SERVICE - 15%		0.00	0.00	0.00
(3) MILITARY SERVICE		0.00	0.00	0.00
TOTAL INTEREST CANCELLED - PRIOR TO 07/01/72		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
E. INTEREST CANCELLED - 07/01/72 AND AFTER				
(1) TEACHING SERVICE - LOW INCOME/HANDICAPPED		129.38	75.64	0.00
(2) TEACHING SERVICE - HEADSTART		0.00	0.00	0.00
(3) MILITARY SERVICE		0.00	0.00	0.00
(4) PEACE CORPS/VISTA		0.00	0.00	0.00
(5) LAW ENFORCEMENT		0.00	0.00	0.00
(6) TEACHING SERVICES - SHORTAGE		0.00	0.00	0.00
(7) HEALTH SERVICES - NURSE/MED TECH		0.00	0.00	0.00
(8) SERVICES - HIGH RISK CHILDREN		0.00	0.00	0.00
TOTAL INTEREST CANCELLED - 07/01/72 AND AFTER		<u>129.38</u>	<u>75.64</u>	<u>0.00</u>
F. INTEREST CANCELLED - DEATH		0.00	0.00	0.00
- DISABILITY		0.00	0.00	0.00
- BANKRUPTCY		0.00	0.00	0.00
- OTHER		0.00	0.00	0.00
TOTAL INTEREST CANCELLED		<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
G. INTEREST WRITTEN OFF - LOW BALANCE	0.00	0.02	0.00	0.00
- DUE DILIGENCE	0.00	0.00	0.00	0.00
- MANUAL	0.00	0.68	40.16	0.00
TOTAL INTEREST WRITTEN OFF	<u>0.00</u>	<u>0.68</u>	<u>40.16</u>	<u>0.00</u>
17. OTHER INCOME (REF SECTION 1)				
A. PENALTY CHARGES COLLECTED		2,652.09		
B. PENALTY CHARGES ADJUSTED - CASH PAYMENT REVERSALS			6.00	
- NON-CASH PAYMENT REVERSALS			147.00	
- OTHER ADJUSTMENTS			80.00	0.00
TOTAL PENALTY CHARGES COLLECTED		<u>2,652.09</u>	<u>233.00</u>	<u>0.00</u>
C. PENALTY CHARGES WRITTEN OFF - LOW BALANCE	0.00	30.00	65.92	0.00
- DUE DILIGENCE	0.00	0.00	0.00	0.00
- MANUAL	0.00	0.00	0.00	0.00
TOTAL PENALTY CHARGES WRITTEN OFF	<u>0.00</u>	<u>30.00</u>	<u>65.92</u>	<u>0.00</u>
D. DEFAULTED PENALTY CHARGES ACCEPTED BY THE U. S.		0.00	0.00	0.00
E. LATE CHARGES COLLECTED		320.00		
F. LATE CHARGES ADJUSTED - CASH PAYMENT REVERSALS			0.00	
- NON-CASH PAYMENT REVERSALS			0.00	
- OTHER ADJUSTMENTS			20.00	0.00
TOTAL LATE CHARGES COLLECTED	<u>0.00</u>	<u>320.00</u>	<u>20.00</u>	<u>0.00</u>

	***** TRANSACTIONS *****		*** REVERSALS & ADJUSTMENTS ***	
	DEBITS	CREDITS	DEBITS	CREDITS
G. LATE CHARGES WRITTEN OFF - LOW BALANCE	0.00	0.00	0.00	0.00
- DUE DILIGENCE	0.00	0.00	0.00	0.00
- MANUAL	0.00	0.00	0.00	0.00
TOTAL LATE CHARGES WRITTEN OFF	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
H. DEFAULTED LATE CHARGES ACCEPTED BY THE U.S.		0.00	0.00	0.00
19.1 OTHER COSTS (REF SECTION 1)				
A. OTHER COSTS - INCURRED BY INSTITUTION	855.25			90.00
B. OTHER COSTS - PAID BY BORROWER		177.25		
C. OTHER COSTS - ADJUSTED - CASH PAYMENT REVERSALS			0.00	
- NON-CASH PAYMENT REVERSALS			0.00	
- OTHER ADJUSTMENTS			0.00	0.00
TOTAL OTHER COSTS - PAID BY BORROWER		<u>177.25</u>	<u>0.00</u>	<u>0.00</u>
D. OTHER COSTS WRITTEN OFF - LOW BALANCE	0.00	5.00	5.00	0.00
- DUE DILIGENCE	0.00	0.00	0.00	0.00
- MANUAL	0.00	0.00	0.00	0.00
TOTAL OTHER COSTS WRITTEN OFF	<u>0.00</u>	<u>5.00</u>	<u>5.00</u>	<u>0.00</u>
E. DEFAULTED OTHER COST ACCEPTED BY THE U.S.		0.00	0.00	0.00
19.3 OTHER COLLECTIONS FEES (REF SECTION 1)				
A. COLLECTION FEES - INCURRED BY INSTITUTION	10,484.07			544.94
B. COLLECTION FEES - PAID BY BORROWER		2,821.97		
C. COLLECTION FEES - ADJUSTED - CASH PAYMENT REVERSALS			12.50	
- NON-CASH PAYMENT REVERSALS			154.57	
- OTHER ADJUSTMENTS			774.96	0.00
TOTAL COLLECTION FEES - PAID BY BORROWER		<u>2,821.97</u>	<u>942.03</u>	<u>0.00</u>
D. ACCOUNTS PAYABLE - COLLECTION FEES AND OTHER COSTS	0.00	101.67		
E. COLLECTION FEES WRITTEN OFF - LOW BALANCE	0.00	0.00	0.00	0.00
- DUE DILIGENCE	0.00	0.00	0.00	0.00
- MANUAL	0.00	0.00	0.00	0.00
TOTAL COLLECTION FEES WRITTEN OFF	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
F. DEFAULTED COLLECTION FEES ACCEPTED BY THE U.S.		0.00	0.00	0.00

	***** TRANSACTIONS *****		*** REVERSALS & ADJUSTMENTS ***	
	DEBITS	CREDITS	DEBITS	CREDITS
20. COST OF PRIN & INT CANCELLED - PRIOR TO 07/01/72				
A. TEACHING SERVICE - 10%	0.00		0.00	0.00
B. TEACHING SERVICE - 15%	0.00		0.00	0.00
21. COST OF PRIN & INT CANCELLED - MILITARY SERVICE - PRIOR TO 07/01	0.00		0.00	0.00
TOTAL FUNDS PRIOR TO 07/01/72	<u>0.00</u>		<u>0.00</u>	<u>0.00</u>
22. COST OF PRIN & INT CANCELLED - 07/01/72 AND AFTER				
A. TEACHING SERVICE - LOW INCOME/HANDICAPPED	646.88	0.00	0.00	420.64
B. TEACHING SERVICE - HEADSTART	0.00		0.00	0.00
23.1 COST OF PRIN & INT CANCELLED - MILITARY SERVICE - 07/01/72 AND A	0.00		0.00	0.00
23.2 COST OF PRIN & INT CANCELLED - PEACE CORPS/VISTA	0.00		0.00	0.00
23.3 COST OF PRIN & INT CANCELLED - LAW ENFORCEMENT	0.00		0.00	0.00
23.4 COST OF PRIN & INT CANCELLED - TEACHING SVC-SHORTAGE	0.00		0.00	0.00
23.5 COST OF PRIN & INT CANCELLED - HEALTH SVC-NURSE/MED	0.00		0.00	0.00
23.6 COST OF PRIN & INT CANCELLED - SVCS-HIGH RISK CHILDREN	0.00		0.00	0.00
TOTAL FUNDS 07/01/72 AND AFTER	<u>646.88</u>	<u>0.00</u>	<u>0.00</u>	<u>420.64</u>
24. COST OF PRIN & INT CANCELLED - DEATH	0.00		0.00	0.00
25. COST OF PRIN & INT CANCELLED - DISABILITY	0.00		0.00	0.00
26. COST OF PRIN & INT CANCELLED - BANKRUPTCY	0.00		0.00	0.00
COST OF PRIN & INT CANCELLED - OTHER			0.00	0.00
TOTAL COST OF PRIN & INT CANCELLED	<u>646.88</u>	<u>0.00</u>	<u>0.00</u>	<u>420.64</u>
27.A COST OF DEFAULTED PRIN & INT ACCEPTED BY THE U.S.	0.00		0.00	0.00
27.B COST OF DEFAULTED FEES ACCEPTED BY THE U.S.	0.00		0.00	0.00
27.1 OTHER COSTS & LOSSES - PRIN, INT, & FEES WRITTEN OFF	90.14	53.35	80.12	334.18
*** RECONCILING ITEMS ***				
PMTS ON LOANS ASSIGNED/ACCEPTED BY U.S. - REJECTED (*)		0.00		
- RELEASED (*)	0.00			
PMTS ON LOANS ALREADY WRITTEN OFF - REJECTED (*)		166.03		
- RELEASED (*)	0.00			
GRAND TOTALS	<u>136,590.49</u>	<u>136,590.49</u>	<u>9,035.47</u>	<u>9,035.47</u>
TOTAL DEBITS	145,625.96			
TOTAL CREDITS	145,625.96			
DIFFERENCE	<u>0.00</u>			

(IF DEBITS AND CREDITS DO NOT BALANCE, PLEASE REFER TO SECTION 1, CASH RECONCILEMENT, FOR "OTHER RECONCILING ITEMS")

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## File Reconciliation - Section 3

The File Reconciliation is designed to show cumulative totals of major general ledger accounts. (These accounts are not closed at the end of the accounting period.) After posting each month to your general ledger accounts, you must reconcile the general ledger balances to the Current Month totals on the File Reconciliation.

The File Reconciliation has ten major sections with each section showing the balance brought forward from the previous accounting period. Activity processed during the current accounting period is obtained from the transaction file and is added or subtracted from the account's beginning balance to obtain the ending balance or current month's totals. The ending balance (or current month's totals) is the beginning balance for the subsequent month.

On the following page is a brief description of each section (account) on the File Reconciliation. For more information, please refer to Section 420 of the Operations manual.

- I. Funds Advanced to Students** – This section is used to monitor the amount of money lent to students.
- II. Capitalized Amount** – The cumulative amount that has been capitalized on System III for this program.
- III. Outstanding Balance** – The current month total is the sum of all outstanding balances for loans on System III for this program.  
  
Activity that increases this amount (advances, new loans). Activity that decreases this amount (payments, deletions, write-offs, etc.).
- IV. Capitalized Balance** – The sum of all outstanding capitalized balances for loans on System III for this program.
- V. Funds Advanced Year to Date** – Monitor the amount of money lent for the fiscal year. It must be reconciled monthly with the school's disbursement records.
- VI. File Verification** – Verify the total funds advanced to students equal the sum of the total principal balance, cumulative principal collected, canceled, accepted, and written off.
- VII. Collections** – Reconcile cumulative and year-to-date amounts paid.
- VIII. Cancellations** – Reconcile cumulative and year-to-date principal and interest amounts canceled.
- IX. Defaulted Loans Accepted by the U.S.** – Reconcile loans accepted by the Department of Education.
- X. Write-Offs** – Reconcile cumulative amounts written off.



I. FUNDS ADVANCED TO STUDENTS		III. OUTSTANDING BALANCE		IV. CAPITALIZED BALANCE		V. FUNDS ADVANCED YTD		VI. FILE VERIFICATION	
PREVIOUS MONTH	45,487,835.41	PREVIOUS MONTH	19,526,628.78	PREVIOUS MONTH	0.00	PREVIOUS MONTH	1,207,175.00	LOAN AMT CURR MO	45,499,355.41
NEW LOANS	3,605.00	NEW LOANS	3,605.00	NEW LOANS	0.00	NEW LOANS	1,580.00	PRIN BAL CURR MO	19,426,423.43
LN CORRECTIONS	0.00	LN CORRECTIONS	0.00	LN CORRECTIONS	0.00	LN CORRECTIONS	0.00	PRIN COLL CUM	20,896,720.14
ADVANCES	14,645.00	ADVANCES	14,645.00	AMOUNT CAPIT	60.00	ADVANCE	13,945.00	PRIN CANC CUM	1,899,149.83
ADVANCES ADJ	1,350.00-	ADVANCE ADJ	1,350.00-	CAPIT ADJUST	0.00	ADVANCE ADJ	600.00-	CAP BAL CANC CUM	0.00
DELETED LOANS	5,380.00	COLLECTIONS	116,103.71-	COLLECTIONS	0.00	DELETED LOANS	5,380.00	ACCEPTED CUM	3,223,951.87
CURRENT MONTH	45,499,355.41	COLL ADJUST	4,408.99-	COLL ADJUST	0.00	CURRENT MONTH	1,216,720.00	WRITE-OFF CUM	53,232.32
		CANCELLATIONS	517.50-	CANCELLATIONS	0.00			TOTAL	45,499,355.41
		CANC ADJUST	345.00	CANC ADJUST	0.00			DIFFERENCE	0.00
		DELETED LOANS	5,380.00-	DELETED LOANS	0.00				
		ACCEPTED LOANS	0.00	WRITE-OFFS	0.00				
		ACCEPTED ADJ	0.00	WRITE-OFF ADJ	0.00				
		WRITE-OFFS	1.11-	CURRENT MONTH	60.00				
		WRITE-OFF ADJ	142.98						
		CURRENT MONTH	19,426,423.43						
II. CAPITALIZED AMOUNT									
PREVIOUS MONTH	0.00								
NEW LOANS	0.00								
LOAN CORRECTIONS	0.00								
AMOUNT CAPIT	60.00								
CAPIT ADJ	0.00								
DELETED LOANS	0.00								
CURRENT MONTH	60.00								
VII. COLLECTIONS		----- CUMULATIVE -----		-----		-----			
		PRINCIPAL	INTEREST	PENALTY CHG	LATE CHG	COLL FEES	OTHER CST		
PREVIOUS MONTH	20,785,025.42	2,823,469.42	63,821.19	1,908.39	119,364.53	32,623.36			
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT ACTIVITY	116,103.71	13,457.40	2,652.09	320.00	2,821.97	177.25			
NET ADJUSTMENTS	4,408.99-	246.42-	233.00-	20.00-	942.03-	0.00			
DELETED LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT MONTH	20,896,720.14	2,836,680.40	66,240.28	2,208.39	121,244.47	32,800.61			
		----- YEAR-TO-DATE -----		-----		-----			
		PRINCIPAL	INTEREST	PENALTY CHG	LATE CHG	COLL FEES	OTHER CST		
PREVIOUS MONTH	1,015,368.82	156,363.38	16,169.99	1,190.85	23,193.10	6,700.02			
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT ACTIVITY	116,103.71	13,457.40	2,652.09	320.00	2,821.97	177.25			
NET ADJUSTMENTS	4,408.99-	246.42-	233.00-	20.00-	942.03-	0.00			
DELETED LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
DELETED LOANS ADJ	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT MONTH	1,127,063.54	169,574.36	18,589.08	1,490.85	25,073.04	6,877.27			
VIII. CANCELLATIONS		----- CUMULATIVE -----		-----		----- YEAR-TO-DATE -----		-----	
		LOAN PRIN	CAP BAL	INTEREST	LOAN PRIN	CAP BAL	INTEREST		
PREVIOUS MONTH	1,898,977.33	0.00	222,847.41	20,933.64	0.00	2,314.06			
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT ACTIVITY	517.50	0.00	129.38	517.50	0.00	129.38			
NET ADJUSTMENTS	345.00-	0.00	75.64-	345.00-	0.00	75.64-			
DELETED LOANS	0.00	0.00	0.00	0.00	0.00	0.00			
DELETED LOANS ADJ	0.00	0.00	0.00	0.00	0.00	0.00			
CURRENT MONTH	1,899,149.83	0.00	222,901.15	21,106.14	0.00	2,367.80			

IX. DEFAULTED LOANS ACCEPTED BY THE U.S.

	LOAN AMOUNT	LOAN BALANCE	INTEREST	PENALTY CHG	LATE CHG	COLL FEES	OTHER CST
PREVIOUS MONTH	3,551,984.50	3,223,951.87	542,320.35	682.00	0.00	0.00	345.50
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CURRENT ACTIVITY	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NET ADJUSTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DELETED LOANS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CURRENT MONTH	3,551,984.50	3,223,951.87	542,320.35	682.00	0.00	0.00	345.50

X. WRITE-OFFS

	LOAN PRIN	CAP BAL	INTEREST	PENALTY CHG	LATE CHG	COLL FEES	OTHER CST
PREVIOUS MONTH	53,252.01	0.00	8,354.45	323.92	0.00	0.00	460.38
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOW BALANCE	45.14-	0.00	0.00	30.00	0.00	0.00	5.00
DUE DILIGENCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MANUAL	46.25	0.00	0.68	0.00	0.00	0.00	0.00
NET ADJUSTMENTS	142.98-	0.00	40.16-	65.92-	0.00	0.00	5.00-
CURRENT MONTH	53,110.14	0.00	8,314.97	288.00	0.00	0.00	460.38

VII. COLLECTIONS	----- CUMULATIVE -----				----- YEAR-TO-DATE -----			
	LOAN PRINCIPAL	CAP BALANCE			LOAN PRINCIPAL	CAP BALANCE		
PREVIOUS MONTH	20,785,025.42	0.00			1,015,368.82	0.00		
NEW LOANS	0.00	0.00			0.00	0.00		
LOAN CORRECTIONS	0.00	0.00			0.00	0.00		
CURRENT ACTIVITY	116,103.71	0.00			116,103.71	0.00		
NET ADJUSTMENTS	4,408.99-	0.00			4,408.99-	0.00		
DELETED LOANS	0.00	0.00			0.00	0.00		
DELETED LOANS ADJ	0.00	0.00			0.00	0.00		
CURRENT MONTH	20,896,720.14	0.00			1,127,063.54	0.00		

  

	----- CUMULATIVE -----				----- YEAR-TO-DATE -----			
	REPAY INTEREST	INT ON CAP BAL	INTERIM INTEREST	HRDSHIP INTEREST	REPAY INTEREST	INT ON CAP BAL	INTERIM INTEREST	HRDSHIP INTEREST
PREVIOUS MONTH	2,782,911.49	0.00	0.00	40,557.93	151,687.50	0.00	0.00	4,675.88
NEW LOANS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOAN CORRECTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CURRENT ACTIVITY	13,337.39	0.00	0.00	120.01	13,337.39	0.00	0.00	120.01
NET ADJUSTMENTS	308.35-	0.00	0.00	61.93	308.35-	0.00	0.00	61.93
DELETED LOANS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DELETED LOANS ADJ	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CURRENT MONTH	2,795,940.53	0.00	0.00	40,739.87	164,716.54	0.00	0.00	4,857.82

## **Cancellation Journal – Section 4**

This section of the **Accounting Reports** is a detailed listing of all cancellations processed or reversed during the month by type of cancellation.

This journal is intended as back-up detail for the general ledger entries. It is also useful as a control document to verify that all forms have been returned to you to place in each borrower's file.

**Cancellation Type** – The type of cancellation the borrower received represented by Campus Partners' code and brief description.

**Borrower Name** – Name of the borrower who received a cancellation.

**Prog #–Loan Number** – Program–Loan–Sequence number of the loans receiving cancellation.

**Loan Prin** – Amount of principal canceled.

**Cap Bal** – Amount of capitalized principal canceled.

**Interest** – Amount of interest canceled.

**Total** – Total amount of the cancellation processed.

**Start Date** – Beginning date of the cancellation.

**End Date** – Ending date of the cancellation.

**Post Date** – Date the cancellation transaction was entered on System III.

00006-001-001-00006  
 CAMPUS PARTNERS-DEMO UNIV-PERK

ACCOUNTING REPORT - NDSL/INST  
 MONTH ENDING 07/31/04

SECTION 4  
 CANCELLATION JOURNAL

RUN DATE: 07/31/04  
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CANCELLATION TYPE	BORROWER NAME	PROG#-LOAN NUMBER	LOAN PRIN	CAP BAL	INTEREST	TOTAL	START DATE	END DATE	POST DATE
T3 - TEACHING 07/72 & AFTER-15%	DEMO, ABBEY	00006-111-11-1111-03	172.50	0.00	48.86	221.36	07/22/93	07/21/94	08/21/94
			172.50	0.00	31.66	204.16	07/22/93	07/21/94	08/21/94
			172.50	0.00	48.86	221.36	07/22/93	07/21/94	08/21/94
	TOTAL CANCELLATIONS		<u>517.50</u>	<u>0.00</u>	<u>129.38</u>	<u>646.88</u>			
REVERSALS	DEMO, ABBEY	00006-111-11-1111-03	345.00-	0.00	75.64-	420.64-	07/22/93		02/21/95
	TOTAL REVERSALS		<u>345.00-</u>	<u>0.00</u>	<u>75.64-</u>	<u>420.64-</u>			
	NET TOTAL		172.50	0.00	53.74	226.24			
	GRAND TOTAL - NET		175.50	0.00	53.74	226.24			

## **Write-Off Journal – Section 5**

This section of the **Accounting Reports** is a detailed listing of all write offs processed or reversed during the month by type of write off. The journal is intended as a back-up detail for the general ledger entries.

**Description** – Type of write off/reversal processed during the reporting period.

**Borrower Name** – Name of the borrower.

**Prog #–Loan Number** – Program–Loan–Sequence number for the loans being written off.

**Loan Prin** – Principal written off.

**Cap Bal** – Capitalized balance written off.

**Interest** – Interest written off.

**Pen Chg** – Penalty charges written off.

**Lt Chg** – Late charges written off.

**Coll Fees** – Collection fees written off.

**Other Cst** – Other costs written off.

DESCRIPTION	BORROWER NAME	PROG#-LOAN NUMBER	LOAN PRIN	CAP BAL	INTEREST	PEN CHG	LT CHG	COLL FEES	OTHER CST	
AUTO - LOW BAL	DEMO, LAURIE	00006-111-22-3333-03	0.01	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, TERRIE	00006-111-22-3333-01	0.25	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, MARY	00006-111-22-3333-03	0.05	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, LYNN	00006-111-22-3333-03	5.30-	0.00	0.00	6.00	0.00	0.00	0.00	
	DEMO, ANTHONY	00006-111-22-3333-01	0.03-	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, JOEL	00006-111-22-3333-03	0.08-	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, JERRY	00006-111-22-3333-01	0.02	0.00	0.00	0.00	0.00	0.00	0.00	
	DEMO, DANIEL	00006-111-22-3333-03	0.98	0.00	0.00	0.00	0.00	0.00	0.00	
	TOTAL WRITEOFFS			* 45.14-	0.00	0.00	30.00	0.00	0.00	5.00
	REVERSALS	DEMO, MIMI	00006-111-22-3333-01	0.02-	0.00	0.00	0.00	0.00	0.00	0.00
DEMO, ELIE		00006-111-22-3333-03	7.15	0.00	0.00	0.00	0.00	0.00	5.00-	
DEMO, JOSEPH		00006-111-22-3333-01	3.27-	0.00	0.00	0.00	0.00	0.00	0.00	
DEMO, TONI		00006-111-22-3333-02	0.28-	0.00	0.00	0.00	0.00	0.00	0.00	
DEMO, THOMAS		00006-111-22-3333-03	26.63	0.00	0.00	24.00-	0.00	0.00	0.00	
DEMO, JOEL		00006-111-22-3333-03	0.22-	0.00	0.00	0.00	0.00	0.00	0.00	
DEMO, BOBBIE		00006-111-22-3333-01	4.41	0.00	0.00	0.00	0.00	0.00	0.00	
DEMO, MARY		00006-111-22-3333-02	41.93	0.00	0.00	41.92-	0.00	0.00	0.00	
DEMO, DANIEL		00006-111-22-3333-03	0.98-	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL REVERSALS			75.35	0.00	0.00	65.92-	0.00	0.00	5.00-	
NET TOTAL			30.21	0.00	0.00	35.92-	0.00	0.00	0.00	
MANUAL-AMT>\$200	DEMO, ELEANOR	00006-111-22-3333-01	11.27	0.00	0.11	0.00	0.00	0.00	0.00	
	DEMO, WAYNE	00006-111-22-3333-01	1.86	0.00	0.02	0.00	0.00	0.00	0.00	
	DEMO, ROY	00006-111-22-3333-02	2.45	0.00	0.02	0.00	0.00	0.00	0.00	
	DEMO, ROBERTA	00006-111-22-3333-01	5.81	0.00	0.02	0.00	0.00	0.00	0.00	
	DEMO, TROY	00006-111-22-3333-01	4.51	0.00	0.02	0.00	0.00	0.00	0.00	
	DEMO, GAYE	00006-111-22-3333-03	6.27	0.00	0.07	0.00	0.00	0.00	0.00	
	DEMO, TINA	00006-111-22-3333-01	9.72	0.00	0.16	0.00	0.00	0.00	0.00	
	DEMO, MARGIE	00006-111-22-3333-03	4.36	0.00	0.26	0.00	0.00	0.00	0.00	
	TOTAL WRITEOFFS			46.25	0.00	0.68	0.00	0.00	0.00	0.00
	REVERSALS	DEMO, GEORGE	00006-111-22-3333-01	125.00-	0.00	30.21-	0.00	0.00	0.00	0.00
DEMO, MAGGIE		00006-111-22-3333-01	93.33-	0.00	9.95-	0.00	0.00	0.00	0.00	
TOTAL REVERSALS			218.33-	0.00	40.16-	0.00	0.00	0.00	0.00	
NET TOTAL			172.08-	0.00	39.48-	0.00	0.00	0.00	0.00	
GRAND TOTAL- NET			* 141.87-	0.00	39.48-	35.92-	0.00	0.00	0.00	

\* THIS SAMPLE REPORT DOES NOT SHOW THE WRITE-OFFS INCLUDED IN THE TOTAL.

**Fiscal Operations Analysis Report (FISCOP) & Supplement**  
**(Standard Report)**

<b>REPORT SEQUENCE:</b>	400, 410
<b>PURPOSE:</b>	To provide your loan portfolio information in the format required by the Department of Education
<b>INTENDED USE:</b>	To help you complete your yearly reports for submission to the federal government
<b>REPORT FREQUENCY:</b>	<b>Standard</b> - Semiannually (December and June) <b>Options</b> - Monthly or Quarterly (for an additional charge)
<b>SUGGESTED RETENTION:</b>	Permanent
<b>FORMAT:</b>	The format of this report is determined yearly by the Department of Education for the Perkins Loan Program. The sample in this section conforms to the specifications for 1988.  A page will follow for each page of the sample report and one page of the supplement.
<b>MISCELLANEOUS NOTES:</b>	Each year, we send you the report along with documentation and report descriptions if needed.



112345-001-001-01111  
SAMPLE UNIVERSITY

CAMPUS PARTNERS  
NDSL FISCAL OPERATIONS ANALYSIS  
(EFFECTIVE DATE: 12/31/97)

112345-001-001-01111  
SAMPLE UNIVERSITY

PART III - SECTION A - FISCAL REPORT (CUMULATIVE)

RUN DATE: 01/02/98  
PAGE: 1

NDSL ACCT NUMB	ITEM (COLUMN A)	NUMBER OF BORROWERS (COLUMN B)	DEBIT BALANCES (COLUMN C)	CREDIT BALANCES (COLUMN D)
4	FUNDS ADVANCED TO STUDENTS	369	143,763.29	---
5	LOAN PRINCIPAL COLLECTED	331	---	113,265.36
6	DEFAULTED LOAN PRINCIPAL ASSIGNED TO AND ACCEPTED BY THE UNITED STATES	40	---	12,880.40
7	LOAN PRINCIPAL CANCELLED ON LOANS MADE PRIOR TO JULY 1, 1972	15	---	6,595.10
8	LOAN PRINCIPAL CANCELLED FOR CERTAIN SUBJECT MATTER ON LOANS MADE JULY 23, 1992 AND AFTER	0	---	0.00
9	LOAN PRINCIPAL CANCELLED FOR ALL OTHER AUTHORIZED TEACHING SERVICE ON LOANS JULY 1, 1972 AND AFTER	3	---	248.25
10	LOAN PRINCIPAL CANCELLED FOR MILITARY SERVICE ON LOANS MADE JULY 1, 1972 AND AFTER	0	---	0.00
11	LOAN PRINCIPAL CANCELLED - VOLUNTEER SERVICE	0	---	0.00
12	LOAN PRINCIPAL CANCELLED - LAW ENFORCEMENT	0	---	0.00
13	LOAN PRINCIPAL CANCELLED FOR CHILD/FAMILY/EARLY INTERVENTION SERVICE MADE JULY 23, 1992 AND AFTER	0	---	0.00
14	LOAN PRINCIPAL CANCELLED FOR NURSE/MEDICAL TECHNICIAN ON LOANS MADE JULY 23, 1992 AND AFTER	0	---	0.00
15	LOAN PRINCIPAL CANCELLED - DEATH DISABILITY	1	---	816.53
16	LOAN PRINCIPAL CANCELLED - BANKRUPTCY	5	---	2,258.62
17	LOAN PRINCIPAL ADJUSTMENTS - OTHER	69	---	47.99
22	INTEREST INCOME ON LOANS	---	---	12,162.70
23	OTHER INCOME	1	---	50.00
26	COST OF PRIN. AND INTEREST CANCELLED FOR TEACHING & MILITARY SERVICE ON LOANS MADE PRIOR TO JULY 1, 1972	---	7,491.08	---
27	COST OF LOAN PRINCIPAL INTEREST CANCELLED FOR CERTAIN SUBJECT MATTER TEACHING SERVICE MADE ON LOANS MADE JULY 23, 1992 AND AFTER	---	0.00	---
28	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR TEACHING SERVICE ON LOANS MADE JULY 1, 1972 AND AFTER	---	273.74	---
29	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR MILITARY SERVICE ON LOANS MADE JULY 1, 1972 AND AFTER	---	0.00	---
30	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR VOLUNTEER SERVICE	---	0.00	---
31	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED FOR LAW ENFORCEMENT	---	0.00	---
32	COST OF LOAN PRIN/INT CANCELLED CHILD/FAM/EARLY INTERVENTION SERVICE MADE JULY 23, 1992 AND AFTER	---	0.00	---
33	COST OF LOAN PRIN/INT CANCELLED FOR NURSE/MEDICAL TECHNICIAN ON LOANS MADE JULY 23, 1992 AND AFTER	---	0.00	---
34	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF DEATH/DISABILITY	---	824.69	---
35	COST OF LOAN PRINCIPAL AND INTEREST CANCELLED BECAUSE OF BANKRUPTCY	---	2,526.39	---
36	COST OF DEFAULTED LOAN PRINCIPAL AND INTEREST ASSIGNED TO AND ACCEPTED BY THE UNITED STATES	---	14,124.74	---
37	OTHER COST OR LOSSES	69	50.58	---

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PART III SECTION B - FUND ACTIVITY DURING THE AWARD YEAR

ITEM NUMBER AND DESCRIPTION	NUMBER OF BORROWERS (COLUMN A)	AMOUNT (COLUMN B)
5. LOANS ADVANCED TO STUDENTS FROM THE LOAN FUND DURING THE AWARD YEAR	0	0.00
7. TOTAL PRINCIPAL AND INTEREST REPAYED BY BORROWERS FROM ALL SOURCES DURING THE AWARD YEAR	0	0.00
8. NAME AND ADDRESS OF BILLING AGENTS(S) CAMPUS PARTNERS P. O. BOX 2902 WINSTON-SALEM, NC 27102		

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PART III - SECTION C - CUMULATIVE REPAYMENT INFORMATION AS OF THE EFFECTIVE DATE

STATUS OF BORROWERS AS OF THE EFFECTIVE DATE A	NUMBER OF BORROWERS B	AMOUNT LENT C	PRINCIPAL AMOUNT OUTSTANDING D
1. BORROWERS WHOSE LOANS ARE FULLY RETIRED	306	117,298.29	50.00-
2. ALL ACCEPTED LOANS	40	14,150.00	12,880.40
3. TOTAL BORROWERS NOT IN REPAYMENT	0	---	0.00
4. BORROWERS ON SCHEDULE IN REPAYMENT STATUS	0	---	0.00
5.1 IN DEFAULT LESS THAN 240 DAYS OR 270 DAYS	0	0.00	0.00
5.2 IN DEFAULT > OR = TO 240 DAYS OR 270 DAYS BUT < OR = TO 2 YEARS	0	0.00	0.00
5.3 IN DEFAULT > 2 YEARS BUT < OR = 5 YEARS	0	0.00	0.00
5.4 IN DEFAULT > 5 YEARS	23	12,315.00	7,651.04

PART III - SECTION D - COHORT DEFAULT RATE

INSTITUTIONS WITH 30 OR MORE BORROWERS WHO ENTERED REPAYMENT IN THE 1996-97 AWARD YEAR.

NUMBER OF  
BORROWERS

- 1.1 BORROWERS WHO ENTERED REPAYMENT ON 1996-97
- 1.2 BORROWERS IN ITEM 1.1 WITH LOANS IN DEFAULT ON 12/31/97
- 1.3 COHORT DEFAULT RATE (ITEM 1.2 / ITEM 1.1 X 100) =

INSTITUTIONS WITH LESS THAN 30 BORROWERS WHO ENTERED REPAYMENT IN THE 1996-97 AWARD YEAR.

- 2.1 - BORROWERS WHO ENTERED REPAYMENT IN:
  - (A) 1994-95 (7/1/94-6/30/95)
  - (B) 1995-96 (7/1/95-6/30/96)
  - (C) 1996-97 (7/1/96-6/30/97)
- 2.2 - BORROWERS WITH LOANS IN DEFAULT ON:
  - (A) JUNE 30, 1996 (2.1(A) ONLY)
  - (B) JUNE 30, 1997 (2.1(B) ONLY)
  - (C) JUNE 30, 1998 (2.1(C) ONLY)
- 2.3 - TOTAL BORROWERS WHO ENTERED REPAYMENT DURING THE THREE YEARS (2.1(A) + 2.1(B) + 2.1(C))
- 2.4 - TOTAL BORROWERS WITH LOANS IN DEFAULT (2.2(A) + 2.2(B) + 2.2(C))
- 2.5 - COHORT DEFAULT RATE (ITEM 2.4 / ITEM 2.3 X 100) =

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 NDSL FISCAL OPERATIONS ANALYSIS  
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 SAMPLE UNIVERSITY

RUN DATE: 01/02/98  
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PART VI - SECTION A - INCOME DISTRIBUTION OF PROGRAM RECIPIENTS

INCOME RANGE	STUDENTS	AMOUNTS
0 - 5999	584	501,790.50
6000 - 11999	0	0.00
12000 - 17999	0	0.00
18000 - 23999	0	0.00
24000 - 29999	0	0.00
30000 & OVER	0	0.00
INDEPENDENT	0	0.00
GRADUATE	0	0.00
UNKNOWN	0	0.00
TOTALS	584	501,790.50

BILLING FORECAST

MONTH OF BILLING	NUMBER OF BILLS	TOTAL AMT BILLED
01-98	20	531.16
02-98	19	394.87
03-98	21	510.65
04-98	20	531.16
05-98	19	394.87
06-98	21	510.65
07-98	20	531.16
08-98	19	394.87
09-98	21	510.65
10-98	20	531.16
11-98	19	394.87
12-98	21	510.65
TOTALS	240	5,746.72

PART III - SECTION C - ITEM 3.0 - STUDENT STATUS AT YOURS OR ANOTHER INSTITUTION

LOAN NUMBER	BORROWER#	NAME	LOAN AMOUNT	PRIN AMOUNT OUTSTANDING	PRINCIPAL COLL/CANC	LST DATE LOAN ACTIVITY STAT	ACT PDUE	NOTI PDUE
888-02-0025-01	000586513	DEMONSTRATION, CYNTHIA R	3,000.00	3,000.00	0.00	00-00-00 20	0	0
888-02-0029-01	000586517	DEMONSTRATION, JULIE A	3,000.00	3,000.00	0.00	00-00-00 10	0	0
888-02-0033-01	000586521	DEMONSTRATION, MICHAEL L	9,000.00	8,474.81	525.19	08-25-03 51	0	0
888-02-0021-01	000586509	DEMONSTRATION, NATHAN D	3,000.00	3,000.00	0.00	00-00-00 10	0	0
888-02-0020-01	000586508	DEMONSTRATION, SALLY A	2,000.00	1,286.44	713.56	06-16-04 50	0	0
888-02-0026-01	000586514	DEMONSTRATION, SAMANTHA D	1,500.00	1,500.00	0.00	09-02-03 20	0	0
TOTALS OF ITEM 3.0			21,500.00	20,261.25	1,238.75			

00006-001-001-00006  
CAMPUS PARTNERS-DEMO UNIV-PERK

CAMPUS PARTNERS  
NDSL FISCAL OPERATIONS SUPPLEMENT  
(EFFECTIVE DATE: 07/31/04)

RUN DATE: 07/31/04  
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PART III - SECTION C - ITEM 4.0 - BORROWERS ON SCHEDULE IN REPAYMENT STATUS

LOAN NUMBER	BORROWER#	NAME	LOAN AMOUNT	PRIN AMOUNT OUTSTANDING	PRINCIPAL COLL/CANC	LST DATE LOAN ACTIVITY STAT	ACT PDUE	NOT/SB A PDUE F
888-02-0030-01	000586518	DEMONSTRATION, JASON C	3,000.00	1,877.11	1,122.89	05-03-04 61	0	0
TOTALS OF ITEM 4.0			3,000.00	1,877.11	1,122.89			

PART III - SECTION C - ITEM 5.1 - LESS THAN 240 OR 270 DAYS

LOAN NUMBER	BORROWER#	NAME	LOAN AMOUNT	PRIN AMOUNT OUTSTANDING	PRINCIPAL COLL/CANC	LST DATE LOAN ACTIVITY STAT	ACT NOT/SB A PDUE PDUE F	PRINCIPAL PAST DUE	COLL AGCY
888-02-0027-01	000586515	DEMONSTRATION, AMANDA	3,000.00	2,546.84	453.16	06-03-02 49	121 106	49.64	00000
888-02-0024-01	000586512	DEMONSTRATION, CLINT	3,400.00	1,095.99	2,304.01	04-21-04 49	60 46	70.01	00000
888-02-0023-01	000586511	DEMONSTRATION, DIANA L	1,500.00	1,244.49	255.51	06-05-04 48	30 30 Y	35.24	00000
888-02-0028-01	000586516	DEMONSTRATION, LENA D	6,000.00	1,697.20	4,302.80	06-16-04 49	30 30	57.93	00000
888-02-0032-01	000586520	DEMONSTRATION, MATTHEW K	1,000.00	500.00	500.00	05-01-04 49	30 29	10.62	00000
888-02-0032-02	000586520	DEMONSTRATION, MATTHEW K	2,000.00	1,000.00	1,000.00	05-01-04 49	30 30	21.24	00000
888-02-0022-01	000586510	DEMONSTRATION, RYDER G	2,500.00	1,346.27	1,153.73	09-02-03 49	30 30	34.49	00000
TOTALS OF ITEM 5.1			19,400.00	9,430.79	9,969.21			279.17	

DUP BORR

00006-001-001-00006  
CAMPUS PARTNERS-DEMO UNIV-PERK

CAMPUS PARTNERS  
NDSL FISCAL OPERATIONS SUPPLEMENT  
(EFFECTIVE DATE: 07/31/04)

RUN DATE: 07/31/04  
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PART III - SECTION C - ITEM 5.2 - IN DEFAULT >= 240 OR 270 DAYS BUT <= 2 YEARS

LOAN NUMBER	BORROWER#	NAME	LOAN AMOUNT	PRIN AMOUNT OUTSTANDING	PRINCIPAL COLL/CANC	LST DATE LOAN ACTIVITY STAT	ACT NOT/SB A PDUE PDUE F	PRINCIPAL PAST DUE	COLL AGCY
888-02-0031-01	000586519	DEMONSTRATION, BIRDIE G	1,500.00	1,500.00	0.00	00-00-00 49	638 616	1,491.96	00000
TOTALS OF ITEM 5.2			1,500.00	1,500.00	0.00				
1,491.96									



## Funds Advanced Year-to-Date Report

(Optional Report)

<b>PURPOSE</b>	The Funds Advanced Year-to-Date Report provides a list of all loans that have received advances in the current fiscal year.
<b>INTENDED USE</b>	This report can be used to reconcile the funds disbursed by the institution with the Amount Advanced YTD on the Campus Partners' system.
<b>REPORT FREQUENCY</b>	<p><b>Standard:</b> Quarterly</p> <p><b>Options:</b> Monthly (for an additional charge), Semi-annually, Annually, or on request.</p>
<b>SUGGESTED RETENTION</b>	One fiscal year.
<b>CONSOLIDATION LEVELS</b>	Program, Sublender, Lender or System
<b>SELECTION CRITERIA</b>	All loans for that Advances YTD is greater than \$0.
<b>SORT SEQUENCES</b>	<p><b>Standard:</b> Borrower Name/Borrower Number/Program Number/Loan Number/Sequence Number</p> <p><b>Options:</b></p> <ol style="list-style-type: none"> <li>1. Loan Number/Sequence Number/Program Number</li> <li>2. Division of Labor (alpha on name)/Borrower Name/Borrower Number/Program Number/Loan Number/Sequence Number</li> <li>3. Division of Labor (numeric or loan number)/Loan Number/Sequence Number/Program Number</li> </ol>
<b>TOTALS</b>	See sample report. If several programs are combined on one report, a total will be printed for each program.
<b>MISCELLANEOUS NOTES</b>	<ul style="list-style-type: none"> <li>• If a borrower's loans fall sequentially, the name will be printed with the first loan. However, if one or more of a borrower's loans appear at the bottom of a column and one or more appear at the top of the next column, the name will be printed again at the top of the second column. An asterisk (*) to the left of the name in the second column will indicate that this is the same borrower. This might occur when moving from the left to the right column and when starting a new page.</li> </ul>

BORROWER NAME	PROG#	LOAN NUMBER	ST	ADV YTD	BORROWER NAME	PROG#	LOAN NUMBER	ST	ADV YTD	
DEMO, DARLENE	01111	888-33-8888-01	20	1,000.00	DEMO, TERRENCE L	01111	888-46-8888-01	10	800.00	
DEMO, DEBBIE	01111	888-43-8888-01	10	1,000.00	DEMO, THOMASENA	01111	888-49-8888-01	10	1,000.00	
DEMO, FRANKLIN R	01111	888-47-8888-01	11	1,213.00	DEMO, CALVIN	01111	888-62-8888-01	11	700.00	
DEMO, JAMES A	01111	888-31-8888-01	11	2,000.00	DEMO, MARGARET K	01111	888-58-8888-01	11	1,500.00	
DEMO, JOSEPH B	01111	888-43-8888-01	10	938.00	DEMO, STEPHEN	01111	888-96-8888-01	10	1,000.00	
DEMO, JOSIE R	01111	888-43-8888-01	10	1,000.00	DEMO, DOUGLAS R	01111	888-68-8888-02	10	750.00	
DEMO, KIMBERLY M	01111	888-51-8888-01	10	1,000.00	DEMO, LEROY	01111	888-02-8888-01	10	750.00	
DEMO, LORI E	01111	888-23-8888-01	10	750.00	DEMO, MARY ANNE	01111	888-25-8888-01	10	637.00	
DEMO, MALENTHA R	01111	888-43-8888-01	10	462.00	DEMO, JOHNNY V.	01111	888-13-8888-01	10	750.00	
DEMO, MICHELLE V	01111	888-55-8888-01	10	837.00	DEMO, ROGER	01111	888-94-8888-02	11	750.00	
DEMO, REGINALD J	01111	888-58-8888-01	10	1,000.00	DEMO, CRAIG	01111	888-30-8888-01	10	1,000.00	
TOTAL ADV YTD - PROGRAM 01111				20,837.00						
- GRAND TOTAL				20,837.00						

## General Ledger Entries

**Summary:** Now that you have a general knowledge of the required general ledger accounts and of Campus Partners' accounting reports, let's walk through the reconciliation process. The objective of this process is to:

**Step 1.** Reconcile your bank statement with the Cash Activity/Accounting Report.

**Step 2.** Make general ledger entries or compare to entries already made during the period.

**Step 3.** Reconcile your general ledger accounts to Campus Partners' cumulative totals.

The items needed for this process are:



- Accounting Report
- Bank Statement
- Cash Activity Report
- Transactions and Adjustments Journal

## **Definition**

**Cash Payments** – Payments processed by Campus Partners with a corresponding deposit made by Campus Partners to the customer's bank account.

Cash payments may include checks received by Campus Partners:

- directly from borrowers,
- from the customer on a Payment Transmittal with corresponding check(s),
- from a collection agency, with a corresponding check,\* or
- from a tax offset program.

\*A check may not be included if the agency fees exceed the amount collected by the agency (for example, because of fees on direct payments); however, these payments would be processed as "cash."

**Noncash Payments** – Payments received by the school and forwarded to Campus Partners without corresponding checks. The customer makes the deposit to its local bank account. These payments may be forwarded to Campus Partners on a Payment Transmittal or entered on line by the client via DataLink.

Noncash payments may include payments received by the client:

- from borrowers,
- from collection agencies, or
- from a tax offset program.

**Step 1. - Reconciling the Bank Statement With the Accounting Report**

The reconciliation of cash is a confirmation that cash shown on the Campus Partners Accounting Report is in agreement with the amounts reflected on the bank statement. Differences between the Accounting Report and your bank statement can be caused by timing variances, errors or unrelated entries such as:

- Bank service charges,
- Debit and/or credit memoranda,
- Error corrections,
- Interest earned, and
- Bank errors.

The person performing the reconciliation should be able to identify and account for:

- Delays in deposits,
- Checks outstanding for a long period of time,
- Irregularities in transfers and adjustments.

The items needed to reconcile the bank statement are:

- Campus Partners' Accounting Report,
  - your bank statement,
- Campus Partners' Cash Activity Report.

**Deposits to your Bank Account**

1. A borrower mails a check to Campus Partners.
2. Campus Partners credits the borrower's account for the payment.
3. System III adds all cash payments, and subtracts all cash reversals for a particular program nightly. On the following day, System III transmits the net amount via ACH to your bank account. The deposit to your bank account occurs two business days after the payments are posted to System III.

**Reconciling Your Bank Statement**

1. Compare daily deposits shown on the **Cash Activity Report, Summary Totals – Cash** to the daily deposits described on your bank statement from Campus Partners (refer to Section 4, page 411). If needed, a detailed listing of each day's payments can be found within the Cash Activity Report.

As a result of this process, you may find that deposits made by Campus Partners on the last two days of the month (as shown on the Cash Activity Report) are not listed on your bank statement. The credit for these payments will post to the bank account the first two business days of the next month.

112345-001-001-01111 SAMPLE UNIVERSITY		CASH ACTIVITY REPORT MONTH ENDING 12/31/97					SUMMARY TOTALS CASH				RUN DATE: 01/02/98 PAGE 26	
DATE	CASH PMTS - REGULAR ITEMS AMOUNT	CASH PMTS - LOCKBOX ITEMS AMOUNT	CASH PMTS - COLL AGCY ITEMS AMOUNT	CASH REV - REG/AGCY ITEMS AMOUNT	CASH REV - LOCKBOX ITEMS AMOUNT	NET CASH ITEMS	ACTIVITY AMOUNT					
12/04/97	140 14,000.70	0 0.00	0 0.00	0 0.00	0 0.00	140	14,000.70					
12/05/97	63 4,234.56	0 0.00	0 0.00	0 0.00	0 0.00	63	4,234.56					
12/06/97	41 3,519.00	0 0.00	5 220.00	0 0.00	0 0.00	46	3,739.00					
12/07/97	31 2,533.82	0 0.00	5 163.33	0 0.00	0 0.00	36	2,697.15					
12/08/97	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0	0.00					
12/10/97	42 3,125.95	0 0.00	0 0.00	0 0.00	0 0.00	42	3,125.95					
12/11/97	82 5,853.99	0 0.00	0 0.00	0 0.00	0 0.00	82	5,853.99					
12/12/97	21 5,143.24	0 0.00	95 6,672.19	0 0.00	0 0.00	116	11,815.43					
12/13/97	44 3,432.39	0 0.00	30 943.35	0 0.00	0 0.00	74	4,375.74					
12/14/97	64 4,167.24	0 0.00	0 0.00	1 90.00-	0 0.00	65	4,077.24					
12/15/97	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0	0.00					
12/17/97	38 2,580.05	0 0.00	0 0.00	0 0.00	0 0.00	38	2,580.05					
12/19/97	69 6,547.25	0 0.00	0 0.00	0 0.00	0 0.00	69	6,547.25					
12/20/97	15 2,531.66	0 0.00	28 909.56	0 0.00	0 0.00	43	3,441.22					
12/21/97	31 2,875.03	0 0.00	15 1,396.23	1 20.00	0 0.00	47	4,291.26					
12/22/97	1 97.00	0 0.00	4 98.00	0 0.00	0 0.00	5	195.00					
12/24/97	21 1,729.53	0 0.00	0 0.00	0 0.00	0 0.00	21	1,729.53					
12/25/97	74 5,931.66	0 0.00	0 0.00	0 0.00	0 0.00	74	5,931.66					
12/26/97	37 4,039.99	0 0.00	25 2,344.15	0 0.00	0 0.00	62	6,384.14					
12/27/97	55 3,676.70	0 0.00	25 2,408.07	2 139.45-	0 0.00	82	5,945.32					
12/28/97	0 0.00	0 0.00	0 0.00	0 0.00	0 0.00	0	0.00					
<b>GRAND TOTALS</b>	<b>869 76,019.76</b>	<b>0 0.00</b>	<b>232 15,154.88</b>	<b>4 209.45-</b>	<b>0 0.00</b>	<b>1,105</b>	<b>90,965.19</b>					

- Record the missing deposits as reconciling items to balance back to Campus Partners' Accounting Report and/or Cash Activity Report.

**Note:** To reconcile, you may also need to account for the previous month's reconciling items, such as deposits made by Campus Partners at the end of the previous month which are on your current month's bank statement, as illustrated below:

No Enclosures		CHECKING STATEMENT				Page 1 of 2	
c o		September 1, XXXX - September 30, XXXX (30 days)					
<b>Commercial Interest Checking Summary</b>							
Account Number 8730-999999							
Previous Balance	+ Deposits & Other Credits		- Checks & Other Debits		= Closing Balance		
\$29,584.48	Deposits	Other Credits	Checks	Other Debits			
	0.00	\$85,019.87	0.00	\$30,298.57			\$84,305.78
Average Ledger Balance	\$14,858.31		Average Collected Balance		\$14,858.51		
Interest Paid this Statement	\$22.73		Interest Paid Year-to-Date		\$228.75		
The annual percentage yield earned on your average collected balance of \$14,858.51 was 1.81% for 30 days.							
The interest rate as of your statement date was 1.80% (rate subject to change daily).							

**Daily Activity and Balance**

Date	Deposits & Credits		Checks & Debits		Balance
	Qty	Amount	Qty	Amount	
09-06	1	1,400.70	2	30,298.57	13,286.61
09-07	1	4,234.56	0	0.00	17,521.17
09-08	1	3,739.00	0	0.00	21,260.17
09-10	1	2,697.15	0	0.00	23,957.32
09-12	1	3,125.95	0	0.00	27,083.27
09-13	1	5,853.99	0	0.00	32,937.26
09-14	1	11,815.43	0	0.00	44,752.69
09-15	1	4,375.74	0	0.00	49,128.43
09-20	1	6,657.29	0	0.00	55,785.72
09-21	1	6,547.25	0	0.00	62,332.97
09-22	1	3,441.22	0	0.00	65,774.19
09-25	1	4,291.26	0	0.00	70,065.45
09-26	1	1,924.53	0	0.00	71,989.98
09-28	1	5,931.66	0	0.00	77,921.64
09-29	1	6,384.14	0	0.00	84,305.78

**Other Credits**

Date	Amount	Description			
09-06	1,400.70	Sys III AMS	123456 01234	01234	012345678901234
09-07	4,234.56	Sys III AMS	123456 01234	01234	012345678901234
09-08	3,739.00	Sys III AMS	123456 01234	01234	012345678901234
09-10	2,697.15	Sys III AMS	123456 01234	01234	012345678901234
09-12	3,125.95	Sys III AMS	123456 01234	01234	012345678901234
09-13	5,853.99	Sys III AMS	123456 01234	01234	012345678901234
09-14	11,815.43	Sys III AMS	123456 01234	01234	012345678901234
09-15	4,375.74	Sys III AMS	123456 01234	01234	012345678901234
09-20	6,657.29	Sys III AMS	123456 01234	01234	012345678901234
09-21	6,547.25	Sys III AMS	123456 01234	01234	012345678901234
09-22	3,441.22	Sys III AMS	123456 01234	01234	012345678901234
09-25	4,291.26	Sys III AMS	123456 01234	01234	012345678901234
09-26	1,924.53	Sys III AMS	123456 01234	01234	012345678901234
09-28	5,931.66	Sys III AMS	123456 01234	01234	012345678901234
09-29	6,384.14	Sys III AMS	123456 01234	01234	012345678901234

3. To reconcile the bank statement to Campus Partners’ accounting records, you will also need to take into account the items unrelated to borrower payments, such as service charges, interest earnings and previous reconciling items. The following is a suggested procedure:

<b>Bank Account Balance</b>		\$ _____
- interest earnings	\$ _____	
- deposits unrelated to borrower payments received by Campus Partners	\$ _____	
- less last two day's deposits from previous month from Campus Partners credited to bank account this month	\$ _____	
<b>Total Deductions</b>		- \$ _____
+ miscellaneous service charges	\$ _____	
+ ACH/wire transfer charges	\$ _____	
+ check printing charges, etc.	\$ _____	
+ last two-day's deposits this month from Campus Partners that will be credited next month (See Cash Activity Report)	\$ _____	
<b>Total Additions</b>		+\$ _____ \$ _____
<b>Cash Deposited by AMS Servicing</b> (line 1.A. less line 1.B. on the Accounting Report or the Grand Total of cash from Cash Activity Report, Summary Totals – Cash page)	\$ _____	

4. If your institution sends noncash payments to Campus Partners (either by Payment transmittal or by posting payments on line) and makes the corresponding deposits in this same bank account, the deposits shown on the bank statement must reconcile to both the cash and noncash entries reported by Campus Partners, as illustrated below:

112345-001-001-01111 SAMPLE UNIVERSITY		CASH ACTIVITY REPORT MONTH ENDING 12/31/97						SUMMARY TOTALS CASH			RUN DATE: 01/02/98 PAGE 26	
DATE	CASH PMTS - REGULAR ITEMS	AMOUNT	CASH PMTS - LOCKBOX ITEMS	AMOUNT	CASH PMTS - COLL AGCY ITEMS	AMOUNT	CASH REV - REG/AGCY ITEMS	AMOUNT	CASH REV - LOCKBOX ITEMS	AMOUNT	NET CASH ACTIVITY ITEMS	AMOUNT
12/04/97	140	14,000.70	0	0.00	0	0.00	0	0.00	0	0.00	140	14,000.70
12/05/97	63	4,234.56	0	0.00	0	0.00	0	0.00	0	0.00	63	4,234.56
12/06/97	41	3,519.00	0	0.00	5	220.00	0	0.00	0	0.00	46	3,739.00
12/07/97	31	2,533.82	0	0.00	5	163.33	0	0.00	0	0.00	36	2,697.15
12/08/97	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00

112345-001-001-01111 SAMPLE UNIVERSITY		CASH ACTIVITY REPORT MONTH ENDING 12/31/97						SUMMARY TOTALS NON-CASH			RUN DATE: 01/02/98 PAGE 27	
DATE	NON-CASH - REGULAR ITEMS	AMOUNT	NON-CASH - LOCKBOX ITEMS	AMOUNT	NON-CASH - COLL AGCY ITEMS	AMOUNT	NON-CASH REV - REG/AGCY ITEMS	AMOUNT	NET NON-CASH ACTIVITY ITEMS	AMOUNT	NET OTHER ACTIVITY ITEMS	AMOUNT
12/04/97	6	1,027.25	0	0.00	0	0.00	0	0.00	6	1,207.25	0	0.00
12/05/97	3	768.68	0	0.00	0	0.00	2	693.00-	5	75.68	0	0.00
12/06/97	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
12/07/97	3	115.00	0	0.00	0	0.00	0	0.00	3	115.00	0	0.00
12/08/97	5	305.00	0	0.00	42	93.12	11	822.00-	58	423.88-	0	0.00
12/10/97	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00



You will be able to identify the Campus Partners deposits (or debits) by the message describing the transaction on your statement. The message should include at least:

- source (Campus Partners)
- entry description (SYS III)
- identification number (program number)

In addition, the message may also provide the transaction date (post date on System III) and/or the school name.

5. Cash and non-cash entries may be reconciled separately, using the above description to identify the deposits made by AMS Servicing. The deposits made by the client for borrower payments can be checked against the **Summary Totals – Noncash** on the Cash Activity Report, as illustrated in number 4.
6. Clients which send non-cash payments to Campus Partners will also have to reconcile non-cash payment reversals against the debits reported on the bank statement, following the procedure suggested in number 3. above.

The entries made by Campus Partners are described as follows on your bank statement:

<b>Other Credits</b>					
<u>Date</u>	<u>Amount</u>	<u>Description</u>			
09-06	1,400.70	Sys III AMS	123456 01234	01234	012345678901234
09-07	4,234.56	Sys III AMS	123456 01234	01234	012345678901234
09-08	3,739.00	Sys III AMS	123456 01234	01234	012345678901234
09-10	2,697.15	Sys III AMS	123456 01234	01234	012345678901234
09-12	3,125.95	Sys III AMS	123456 01234	01234	012345678901234
09-13	5,853.99	Sys III AMS	123456 01234	01234	012345678901234
09-14	11,815.43	Sys III AMS	123456 01234	01234	012345678901234
09-15	4,375.74	Sys III AMS	123456 01234	01234	012345678901234
09-20	6,657.29	Sys III AMS	123456 01234	01234	012345678901234
09-21	6,547.25	Sys III AMS	123456 01234	01234	012345678901234
09-22	3,441.22	Sys III AMS	123456 01234	01234	012345678901234
09-25	4,291.26	Sys III AMS	123456 01234	01234	012345678901234
09-26	1,924.53	Sys III AMS	123456 01234	01234	012345678901234
09-28	5,931.66	Sys III AMS	123456 01234	01234	012345678901234
09-29	6,384.14	Sys III AMS	123456 01234	01234	012345678901234

**Step 2. - Make General Ledger Entries Report**

**Summary:** The general ledger accounts maintained by the client must have balances for the individual accounts on which activity occurred during the period. Account balances are reported to the Federal government for all federally funded programs. All subsidiary accounts are closed to controlling accounts at the end of the accounting period (usually monthly).

Posting figures to the general ledger on a monthly basis should require only the Accounting Report provided by Campus Partners. However, some clients will post more frequently than monthly which can cause a reconciling process when balances do not match.

Updating general ledger accounts is accomplished by using one of the following methods.

1. Transfer figures from Section 2 of the Campus Partners Accounting Report directly to the general ledger accounts.
2. Compare the account balances in the general ledger from amounts previously entered during the posting period to the Accounting Report balance for each account.

**Note:** If the client uses the comparison method and the general ledger account balance does not match the Campus Partners account balance, a reconciling process must take place to locate the figures that make up the account balance.

The Campus Partners Accounting Reports include only selected accounts from the clients' general ledger. These are the accounts that are directly involved with the collection of student loans. Contra entries also must be recorded when the books are closed.

1. Transfer Figures From Section 2 of the Accounting Report.

112345-001-001-01111 SAMPLE UNIVERSITY		ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97	SECTION 2 ACCOUNTING ENTRIES	RUN DATE: 01/02/98 PAGE 15	
		***** DEBITS	***** CREDITS	*** DEBITS	**** CREDITS
1.	CASH ON HAND (REF SECTION 1)				
A.	CASH PAYMENTS - BORROWER PAYMENTS	76,019.76			
	- LOCKBOX PAYMENTS	0.00			
	- COLLECTION AGENCY PAYMENTS	15,154.88			
	- TAX OFFSET PAYMENTS	0.00			
B.	CASH PAYMENT REVERSALS				209.45
	TOTAL CASH PAYMENTS	91,174.64			209.45
C.	NON-CASH PAYMENTS - BORROWER PAYMENTS	32,979.76			
	- COLLECTION AGENCY PAYMENTS	156.40			
	- TAX OFFSET PAYMENTS	150.00			
D.	NON-CASH PAYMENT REVERSALS				4,431.70
	TOTAL NON-CASH PAYMENTS	33,286.16			4,431.70
E.	CREDIT BALANCE REFUNDS			0.00	463.85
F.	NET REPROCESSING ADJUSTMENTS			1,220.99	1,220.99
G.	OTHER PAYMENT ADJUSTMENTS			90.00	200.50
5.	PRINCIPAL COLLECTED (REF SECTION 1)				
A.	LOAN PRINCIPAL COLLECTED		116,103.71		
B.	LOAN PRINCIPAL ADJUSTED - CASH PAYMENT REVERSALS			209.11	
	- NON-CASH PAYMENT REVERSALS			4,559.98	
	- CREDIT BALANCE REFUNDS			463.85	0.00
	- OTHER ADJUSTMENTS			204.02	1,027.97
	TOTAL LOAN PRINCIPAL COLLECTED		116,103.71	5,436.96	1,027.97
C.	CAPITALIZED BALANCE COLLECTED		0.00		
D.	CAPITALIZED BALANCE ADJUSTED - CASH PAYMENT REVERSALS			0.00	
	- NON-CASH PAYMENT REVERSALS			0.00	
	- OTHER ADJUSTMENTS			0.00	0.00
	TOTAL CAPITALIZED BALANCE COLLECTED		0.00	0.00	0.00
5.1	DEFAULTED LOAN PRINCIPAL ACCEPTED BY THE U.S.		0.00	0.00	0.00
6.	LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72				
	6.1 TEACHING SERVICE - 10%		0.00	0.00	0.00
	6.2 TEACHING SERVICE - 15%		0.00	0.00	0.00
	6.3 MILITARY SERVICE		0.00	0.00	0.00
	TOTAL LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72		0.00	0.00	0.00

Principal Collected				September XXXX	
Date	Item	Debit	Credit	Balance	
				Debit	Credit
09/30	Collected		116,103.71		116,103.71
09/30	Reversed	209.11			115,894.60
09/30	Reversed	4,559.98			111,334.62
09/30	Credit Refund	463.85			110,870.77
09/30	Adjusted	204.02	1,027.97		111,694.72
Closing Balance \$111,694.72					
					\$116,103.71
					- 209.11
					- 4,559.98
					- 463.85
					- 204.02
					+ 1,027.97
					\$111,694.72

2. Compare the Account Balances From Previously Entered Amounts to the Accounting Report Balance for Each Account.

112345-001-001-01111 SAMPLE UNIVERSITY		ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97		SECTION 2 ACCOUNTING ENTRIES		RUN DATE: 01/02/98 PAGE 15	
		***** DEBITS	***** CREDITS	***** DEBITS	***** CREDITS	*** REVERSALS & ADJUSTMENTS *** DEBITS	*** REVERSALS & ADJUSTMENTS *** CREDITS
1.	CASH ON HAND (REF SECTION 1)						
A.	CASH PAYMENTS - BORROWER PAYMENTS	76,019.76					
	- LOCKBOX PAYMENTS	0.00					
	- COLLECTION AGENCY PAYMENTS	15,154.88					
	- TAX OFFSET PAYMENTS	0.00					
B.	CASH PAYMENT REVERSALS						209.45
	TOTAL CASH PAYMENTS	91,174.64					209.45
C.	NON-CASH PAYMENTS - BORROWER PAYMENTS	32,979.76					
	- COLLECTION AGENCY PAYMENTS	156.40					
	- TAX OFFSET PAYMENTS	150.00					
D.	NON-CASH PAYMENT REVERSALS						4,431.70
	TOTAL NON-CASH PAYMENTS	33,286.16					4,431.70
E.	CREDIT BALANCE REFUNDS					0.00	463.85
F.	NET REPROCESSING ADJUSTMENTS					1,220.99	1,220.99
G.	OTHER PAYMENT ADJUSTMENTS					90.00	200.50
5.	PRINCIPAL COLLECTED (REF SECTION 1)						
A.	LOAN PRINCIPAL COLLECTED		116,103.71				
B.	LOAN PRINCIPAL ADJUSTED - CASH PAYMENT REVERSALS					209.11	
	- NON-CASH PAYMENT REVERSALS					4,559.98	
	- CREDIT BALANCE REFUNDS					463.85	0.00
	- OTHER ADJUSTMENTS					204.02	1,027.97
	TOTAL LOAN PRINCIPAL COLLECTED		116,103.71			5,436.96	1,027.97
C.	CAPITALIZED BALANCE COLLECTED		0.00				
D.	CAPITALIZED BALANCE ADJUSTED - CASH PAYMENT REVERSALS					0.00	
	- NON-CASH PAYMENT REVERSALS					0.00	
	- OTHER ADJUSTMENTS					0.00	0.00
	TOTAL CAPITALIZED BALANCE COLLECTED		0.00			0.00	0.00
5.1	DEFAULTED LOAN PRINCIPAL ACCEPTED BY THE U.S.		0.00			0.00	0.00
6.	LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72						
6.1	TEACHING SERVICE - 10%		0.00			0.00	0.00
6.2	TEACHING SERVICE - 15%		0.00			0.00	0.00
6.3	MILITARY SERVICE		0.00			0.00	0.00
	TOTAL LOAN PRINCIPAL CANCELLED - PRIOR TO 07/01/72		0.00			0.00	0.00

Principal Collected				September XXXX	
Date	Item	Debit	Credit	Balance	
				Debit	Credit
09/03	Collected		19,717.00		19,717.00
09/03	Reversed	2,177.25			17,539.75
09/15	Collected		25,386.71		42,926.46
09/16	Adjusted		1,027.97		43,954.43
09/17	Reversed	2,033.27			41,921.16
09/18	Collected		31,000.00		72,921.16
09/21	Collected		20,000.00		92,921.16
09/22	Reversed	1,226.44			91,694.72
09/30	Collected		20,000.00		111,694.72
Closing Balance \$111,694.72					\$116,103.71 - 5,436.96 ± 1,027.97 \$111,694.72

**Step 3. Reconciling the School's General Ledger Accounts**

This verification process ensures that Campus Partners and the client are in agreement with cumulative and year-to-date figures.

112345-001-001-01111 SAMPLE UNIVERSITY	ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97	SECTION 3 - FILE RECONCILEMENT SUPPORTING COLLECTION DETAIL	RUN DATE: 01/02/98 PAGE 22
<b>VII. COLLECTIONS</b>			
	CUMULATIVE		YEAR-TO-DATE
	LOAN PRINCIPAL      CAP BALANCE	LOAN PRINCIPAL      CAP BALANCE	
PREVIOUS MONTH	20,785,025.42      0.00	1,015,368.82      0.00	
NEW LOANS	0.00      0.00	0.00      0.00	
LOAN CORRECTIONS	0.00      0.00	0.00      0.00	
CURRENT ACTIVITY	116,103.71      0.00	116,103.71      0.00	
NET ADJUSTMENTS	4,408.99-      0.00	4,408.99-      0.00	
DELETED LOANS	0.00      0.00	0.00      0.00	
DELETED LOANS ADJ	0.00      0.00	0.00      0.00	
CURRENT MONTH	20,896,720.14      0.00	1,127,063.54      0.00	
	CUMULATIVE		YEAR-TO-DATE
	REPAY INTEREST      INT ON CAP BAL      INTERIM INTEREST      HRDSHIP INTEREST	REPAY INTEREST      INT ON CAP BAL      INTERIM INTEREST      HRDSHIP INTEREST	
PREVIOUS MONTH	2,782,911.49      0.00      0.00      40,557.93	151,687.50      0.00      0.00      4,675.88	
NEW LOANS	0.00      0.00      0.00      0.00	0.00      0.00      0.00      0.00	
LOAN CORRECTIONS	0.00      0.00      0.00      0.00	0.00      0.00      0.00      0.00	
CURRENT ACTIVITY	13,337.39      0.00      0.00      120.01	13,337.39      0.00      0.00      120.01	
NET ADJUSTMENTS	308.35-      0.00      0.00      61.93	308.35-      0.00      0.00      61.93	
DELETED LOANS	0.00      0.00      0.00      0.00	0.00      0.00      0.00      0.00	
DELETED LOANS ADJ	0.00      0.00      0.00      0.00	0.00      0.00      0.00      0.00	
CURRENT MONTH	2,795,940.53      0.00      0.00      40,739.87	164,716.54      0.00      0.00      4,857.82	

Principal Collected				September XXXX	
Date	Item	Debit	Credit	Balance	
				Debit	Credit
08/30	Balance Brought Forward				20,785,025.42
09/03	Collected		19,717.00		
09/03	Reversed	2,177.25			
09/15	Collected		25,386.71		
09/16	Adjusted		1,027.97		
09/17	Reversed	2,033.27			
09/18	Collected		31,000.00		
09/21	Collected		20,000.00		
09/22	Reversed	1,226.44			
09/30	Collected		20,000.00		
					20,896,720.14
Closing Balance \$ <u>20,896,720.14</u>					

## Collection Agency Payments

**Summary:** **Collection Agency Payments** – Collection payments are payments borrowers send to a collection agency and that the agency forwards to Campus Partners or to you for posting to the borrowers' loans.

Each month, collection agencies generate a statement or listing of payments, payment reversals (returned checks), and the applicable fees. An agency may send its statements and checks directly to Campus Partners with a copy to you or may send both the statement and check to you. In this case, the client must take one of the following steps:

1. Forward the statement and check to Campus Partners.
2. Deposit the check locally and forward the statement to Campus Partners.

Collection payments will be recorded as **cash** or **noncash**, depending on how they are sent to Campus Partners.

- **Cash Collection Payments** (payment types 30 or 31) are payments for which there will be a corresponding deposit on the bank statement, i.e. Campus Partners received both **the agency statement and the check(s)**.

If the fees due to the agency exceed the amount of payments the agency received, no check would be issued by the agency; however, the payments may be processed as "cash" if historically the checks are forwarded to Campus Partners.

- **Noncash Collection Payments** (payment types 40 or 41) are payments for which there is no corresponding deposit made by Campus Partners, because the agency sent its statement and check to the client, the client deposited the check locally and forwarded only the agency statement to Campus Partners. When these payments are processed, we report an offsetting Debit on line 1.C. of the Accounting Report.

### Payment Types

- 30 Cash – net check, collections fees deducted from borrower payments
- 31 Cash – gross check, collection fees will be billed to you separately
- 40 Noncash – net check, collection fees deducted from borrower payments
- 41 Noncash – gross check, collections fees will be billed to you separately

Below is a sample transmittal sent to Campus Partners by 123 Collection Agency on behalf of Sample College. The collection agency number (assigned by Campus Partners is 00776) and borrowers are placed manually. The agency issued a net check.

The borrower paid collection costs are automatically assessed when payments are entered.

This agency charges a 33.33% commission rate. The Accounting Report for the transactions on this statement is at the end of this section.

123 Collection Agency Anytown, USA 54321-0899		Sample College Test, NC				
DATE	NAME/ACCOUNT NUMBER	CODE	AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
8/31	Balance Forward				20.00	(20.00)
XXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXX	XXXXXX
9/1	Doe, John/00001-221-14-5412-11	1	50.00		16.67	33.33
9/3	Doe, John/00001-221-14-5412-11	1	(50.00)		(16.67)	(33.33)
9/2	Cox, Jane/00001-532-20-9876-01	2		100.00	33.33	(33.33)
9/4	Bell, Flo/00001-245-41-8887-01	1	100.00		33.33	66.67
9/5	Will, Rod/00001-224-42-4211-01	1	100.00		33.33	66.67
	Totals		200.00	100.00	119.99	80.01
<p>9/15 Total Amt. Pd. Us = 200.00      Balance Forward = 20.00                  Total Amt. Pd. You = 100.00      Amt. Pd. Us <u>less</u> Amt. Due Us = 80.01                  Total Amt. Due Us = 119.99</p> <p>Total Amt. Due You = 80.01      Check Enclosed = 80.01</p>						

<b>123 Collection Agency</b> Anytown, USA	Date <u>9/15/XX</u>
Pay to the order of: <u>Sample College</u>	<u>\$80.01</u>
<u>Eighty and 01/100</u> ----- dollars	
<u>September Collection Payments</u>	<u>Ace Collector</u>

**Date** – The date the payment was received by the agency. This will be the transaction date used on System III.

**Name/Account Number** – This is the name and account number of the debtor. Encourage agencies to use our program/loan/sequence number.

**Amt Paid Us** – This is the amount paid to the collection agency by the debtor (the amount that Campus Partners will apply to principal, interest, late charges, and collection cost for each borrower).

**Amt Paid You** – This is the amount borrowers have paid to Campus Partners or to the client, instead of to the agency. These are "direct payments." (The debtors should have sent their payments to the collection agency.)

**Amt Due Us** – This is the amount of fees due to the collection agency as a commission for collecting the payments. The amount of these fees, generally a percentage, is contracted between the school and the agency. (This agency charges 33.33%.)

**Amt Due You** – This is the amount due the school from payments received by the collection agency. Any amounts owed to the collection agency by the school will be subtracted from the remittance amount. The total of this column will equal the amount of the check.

**Balance Forward/Balance Owed** – This is either a balance due the collection agency (Balance Forward) from the school or a balance due to the school (Balance Owed) from the collection agency from the previous reporting period. This amount either decreases or increases the amount due from the school. In this example, the school owes \$20.00 to the agency from the previous month.

#### **PAYMENT DESCRIPTION:**

**Returned Check** – John Doe's payment was received by the collection agency and later returned by the borrower's bank for insufficient funds. If this payment has already been processed by Campus Partners, we must reverse the payment. The school owes the agency for the net amount (\$33.33 in this example). This reversal transaction creates a debit to the client's bank account, a credit to cash, and a debit to principal, interest, and fees.

**Direct Payments** – Jane Cox's payment was mailed directly to Campus Partners (or to the school); it was processed as a regular payment (type 10). Because the agency reduces its remittance amount for this period by the fees due on Direct Payments, Campus Partners will also reduce the amount deposited into your bank account by the fees due to the agency on direct payments. In this example, the agency reduced its remittance by \$33.33 for the collection fee on a direct payment. The \$33.33 collection fee is a part of Other Collection Costs - Paid by the Institution, line 19.3.A.

**Regular Collection Payments** – Payments for Flo Bell and Rod Will were received by the collection agency and reported to Campus Partners (or to the school) for processing. In this example, the commission is taken out first and the agency remits the net amount (payments less commission).



The Accounts Payable transaction is reported to a credit or debit on Campus Partners's Accounting Report, line 19.3.D.

112345-001-001-01111 SAMPLE UNIVERSITY		ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97		SECTION 1 CASH RECONCILEMENT	RUN DATE: 01/02/98 PAGE 2
		DEBITS		CREDITS	
17.	OTHER INCOME				
A.	PENALTY CHARGES COLLECTED			2,652.09	
B.	PENALTY CHARGES ADJUSTED - CASH PAYMENT REVERSALS (*)	6.00			
	- NON-CASH PAYMENT REVERSALS (*)	147.00			
	- OTHER ADJUSTMENTS (*)	80.00		0.00	
	TOTAL PENALTY CHARGES COLLECTED	233.00		2,652.09	
C.	LATE CHARGES COLLECTED			320.00	
D.	LATE CHARGES ADJUSTED - CASH PAYMENT REVERSALS (*)	0.00			
	- NON-CASH PAYMENT REVERSALS (*)	0.00			
	- OTHER ADJUSTMENTS (*)	20.00		0.00	
	TOTAL LATE CHARGES COLLECTED	20.00		320.00	
19.1	OTHER COSTS				
A.	OTHER COSTS - INCURRED BY INSTITUTION (*)	855.25		90.00	
B.	OTHER COSTS - PAID BY BORROWER			177.25	
C.	OTHER COSTS - ADJUSTED - CASH PAYMENT REVERSALS (*)	0.00			
	- NON-CASH PAYMENT REVERSALS (*)	0.00			
	- OTHER ADJUSTMENTS (*)	0.00		0.00	
	TOTAL OTHER COSTS - PAID BY BORROWER	0.00		177.25	
19.3	COLLECTION FEES				
A.	COLLECTION FEES - INCURRED BY INSTITUTION (*)	10,484.07		544.94	
B.	COLLECTION FEES - PAID BY BORROWER (*)			2,821.97	
C.	COLLECTION FEES - ADJUSTED - CASH PAYMENT REVERSALS (*)	12.50			
	- NON-CASH PAYMENT REVERSALS (*)	154.57			
	- OTHER ADJUSTMENTS (*)	774.96		0.00	
	TOTAL COLLECTION FEES - PAID BY BORROWER	942.03		2,821.97	
D.	ACCOUNTS PAYABLE - COLLECTION FEES AND OTHER COSTS (*)	0.00		101.67	

Using the agency statement below, lets walk through the journal entries for each transaction.

- Directions:** 1) Amount due the agency from the previous month.  
 2-4) John Doe and Jane Cox have Direct notes and are not required to pay collection cost.  
 5) Flo Bell has a Direct note that includes the collection cost provision with a 25% maximum.  
 6) Rod Will has a Federal Perkins note and must pay the full cost.

123 Collection Agency Anytown, USA 54321-0899		Sample College Test, NC				
DATE	NAME/ACCOUNT NUMBER	CODE	AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
8/31	Balance Forward				20.00 ❶	(20.00)
XXXXXX	XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX	XXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXX	XXXXXX
9/1	Doe, John/00001-221-14-5412-11	1	50.00 ❷		16.67	33.33
9/3	Doe, John/00001-221-14-5412-11	1	(50.00) ❸		(16.67)	(33.33)
9/2	Cox, Jane/00001-532-20-9876-01	2		100.00 ❹	33.33	(33.33)
9/4	Bell, Flo/00001-245-41-8887-01	1	100.00 ❺		33.33	66.67
9/5	Will, Rod/00001-224-42-4211-01	1	100.00 ❻		33.33	66.67
	Totals		200.00	100.00	119.99	80.01
9/15 Total Amt. Pd. Us = 200.00		Balance Forward = 20.00				
Total Amt. Pd. You = 100.00		Amt. Pd. Us <u>less</u> Amt. Due Us = 80.01				
Total Amt. Due Us = 119.99						
Total Amt. Due You = 80.01		Check Enclosed = 80.01				

DR	Cash	CR
❷ 33.33		20.00 ❶
❺ 66.67		33.33 ❸
❻ 66.67		33.33 ❹
166.67		86.66
<b>Net: 80.01 DR</b>		

DR	Collection Cost	CR
❷ 16.67		16.67 ❸
❹ 33.33		25.00 ❺
❺ 33.33		33.33 ❻
❻ 33.33		
116.66		75.00
<b>Net: 41.66 DR</b>		

DR	Prin/Int/LC	CR
❸ 50.00		50.00 ❷
		75.00 ❺
		66.67 ❻
50.00		191.67
<b>Net: 141.67 CR</b>		

DR	A/P	CR
❶ 20.00		
<b>Net: 20.00 DR</b>		

## Journal Entries

		Debit	Credit
1	Accounts Payable (19.3.D) Cash (1.)	20.00	20.00
	To record a reduction of the amount due to the collection agency		
2	Cash (1.) Collection Cost (19.3.A) Prin, Int, and LC collected (5.A, 16.A, 17.C)	33.33 16.67	50.00
	To record a payment received by the agency from a borrower who is not liable for the cost.		
3	Prin, Int, and LC collected (5.B, 16.B, 17.D) Collection Cost (19.3.A) Cash (1.)	50.00	16.67 33.33
	To record returned check received by the agency. Cost was originally charged to the Fund.		
4	Collection Cost (19.3.A) Cash (1.)	33.33	33.33
	To record collection cost on a direct payment made by a borrower not liable for the cost. Direct payment already journalled.		
5	Cash (1.) Collection Cost (19.3.A) Collection Cost (19.3.B) Prin, Int, and LC collected (5.A, 16.A, 17.C)	66.67 33.33	25.00 75.00
	To record payment received by the agency from a borrower who pays 25% maximum collection cost.		
6	Cash (1.) Collection Cost (19.3.A) Prin, Int, and LC (5.A, 16.A, 17.C) Collection Cost (19.3.B)	66.67 33.33	66.67 33.33
	To record a payment received by the agency from a borrower who must pay the cost.		
		<u>353.33</u>	<u>353.33</u>

To practice what you have just learned, complete the "T" accounts below, using this sample collection agency statement. In this case, all the borrowers must pay the cost.

August			XYZ COLLECTION AGENCY			
			AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
Balance Brought Forward XXXXXXXXXXXXXXXXXXXXXXXXXXXX			XXXXXXX	XXXXXXXXXX	100.00 ❶ XXXXXXXXXX	(100.00) XXXXXXXXXX
Date Debtors Transactions						
8/1	John Doe	123-45-6789	270 ❷		90	180
8/4	Jane Doe	234-56-7890	(30) ❸		(10)	(20)
8/10	Henry Smith	345-67-8901		150 ❹	50	(50)
8/17	Harvey Snow	456-78-9012		(120) ❺	(40)	40
240			30	190	50	
Check No. 6789 Enclosed.....\$50.00						

Number each entry as we did in the previous example.

DR	<b>Cash</b>	CR

DR	<b>Principal &amp; Interest</b>	CR

DR	<b>Coll Cost</b>	CR

DR	<b>Accounts Payable</b>	CR

## Special Notes

**Net Amount:** When the collection agency check is net of collection cost, we use the following calculation to determine the amount to be deposited to your bank account.

**To calculate the net amount:**

Amount of Cash Payments  
 - collection cost on payments to agency  
 - collection cost on payments to creditor  
 + or - accounts payable amount (Line 19.3.D) (\*)  
 Amount of Deposit

(\*) **Add** credit (school owes money to agency)  
 Example: When the agency reports more fees than payments, the school will owe the agency the difference.

**Subtract** debit (A/P account has been reduced)  
 Example: When the agency collects enough to pay the current month's fees and clear the balance owed by the school.

- Returned Checks:**
1. The amount deposited (credit to the borrower) will be more than the agency check when there are returned items on the collection agency report of payments.
  2. Cash reversals resulting from returned checks shown on the collection agency report of payments will create a **debit** to the school's bank account (credit to cash).
  3. a. Payment reversals due to returned items appear on lines 1.B. (Cash Payment Reversals) or 1.D. (Non-Cash Payment Reversals) on the Accounting Report.

112345-001-001-01111 SAMPLE UNIVERSITY	ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97	SECTION 1 CASH RECONCILEMENT	RUN DATE: 01/02/98 PAGE 1
	DEBITS	CREDITS	
1. CASH ON HAND			
A. CASH PAYMENTS - BORROWER PAYMENTS	76,019.76		
- LOCKBOX PAYMENTS	0.00		
- COLLECTION AGENCY PAYMENTS (*)	15,154.88		
- TAX OFFSET PAYMENTS	0.00		
B. CASH PAYMENT REVERSALS (*)		209.45	
TOTAL CASH PAYMENTS	91,174.64	209.45	
C. NON-CASH PAYMENTS - BORROWER PAYMENTS	32,979.76		
- COLLECTION AGENCY PAYMENTS (*)	156.40		
- TAX OFFSET PAYMENTS	150.00		
D. NON-CASH PAYMENT REVERSALS (*)		4,431.70	
TOTAL NON-CASH PAYMENTS	33,286.16	4,431.70	
E. CREDIT BALANCE REFUND (*)	0.00	463.85	
F. NET REPROCESSING ADJUSTMENTS (*)	1,220.99	1,220.99	

b. Corresponding collection cost reversals appear on lines 19.2.A., B. or C. of the Accounting Reports depending on the collection cost type.

112345-001-001-01111 SAMPLE UNIVERSITY	ACCOUNTING REPORT - NDSL/INST MONTH ENDING 12/31/97	SECTION 1 CASH RECONCILEMENT	RUN DATE: 01/02/98 PAGE 2
17. OTHER INCOME	DEBITS	CREDITS	
A. PENALTY CHARGES COLLECTED		2,652.09	
B. PENALTY CHARGES ADJUSTED - CASH PAYMENT REVERSALS (*)	6.00		
- NON-CASH PAYMENT REVERSALS (*)	147.00		
- OTHER ADJUSTMENTS (*)	80.00	0.00	
TOTAL PENALTY CHARGES COLLECTED	233.00	2,652.09	

19.3 COLLECTION FEES			
A. COLLECTION FEES - INCURRED BY INSTITUTION (*)	10,484.07	544.94	
B. COLLECTION FEES - PAID BY BORROWER (*)		2,821.97	
C. COLLECTION FEES - ADJUSTED - CASH PAYMENT REVERSALS (*)	12.50		
- NON-CASH PAYMENT REVERSALS (*)	154.57		
- OTHER ADJUSTMENTS (*)	774.96	0.00	
TOTAL COLLECTION FEES - PAID BY BORROWER	942.03	2,821.97	
D. ACCOUNTS PAYABLE - COLLECTION FEES AND OTHER COSTS (*)	0.00	101.67	

4. Reconciling items occur on the Accounting Report and bank account if the payment reversal is not processed in the same month as the payment. That amount must be carried as outstanding until the reversal is completed the following month.

**Direct Payments:**

1. A direct payment is a payment sent by the borrower directly to Campus Partners or to the school on a loan placed with a collection agency.

**Note:** When a borrower is placed with a collection agency, all payments from the borrower should be remitted to the collection agency.

2. When a borrower who is placed with a collection agency sends a payment to the school or to Campus Partners, the agency will collect a fee because the borrower is placed with that agency.

3. Each week Campus Partners notifies the collection agency of direct payments on the Transactions Against Loans in Collection report.

4. "Borrower Paid" Collection Cost (BPCC) is assessed on a direct payment if:

- The loan is coded with the correct special fees flag (C, D, or P).
- A percentage is on the loan.
- The payment is applied using the Program, Loan, and Sequence Number (i.e., at the loan level).

112345-001-001-01111 SAMPLE UNIVERSITY	TRANSACTIONS AGAINST LOANS IN COLLECTION WEEK ENDING 12/31/97							COLLECTORS OF AMERICA	RUN DATE: 01/02/98 (03154)	PAGE 1
PROG#	LOAN NUMBER	BORROWER NAME	ACTIVITY	DATE	S	PAYMENT AMOUNT	CANCELLATION AMOUNT	CHANGE TO TOTAL DUE	COMMENTS	TRAN DATE
01111	250-30-3090-01	BABER, SANDRA	PAYMENT - 10	12/05/97	W	30.00		30.00	*** LOAN BROUGHT CURRENT ***	12/05/97
01111	250-30-3090-02	COOPER, JANE	STOP CODES	12/07/97	D				NEW: 0-0-0-0-0-0	12/07/97

**Direct  
Payments  
(continued):**

5. All payments processed through the Campus Partners Lockbox are processed at the consolidation level, i.e. using the Account Number (Borrower Number + Consolidation Number). Therefore, the BPCC is not automatically assessed because payments are processed at the consolidation level.
  - a. **If the percentage is on the loan, we assess the cost the next day** by adding the amount of fees due on the loan using a date one day prior to the payment transaction date. Reprocessing then calculates the payment application and makes the adjustment from principal, interest and/or late charge to collection cost paid.
  - b. **If the percentage is not on the loan, we assess the cost manually when the payment is reported by the collection agency.** The fees shown on the agency's report are added to the loan as explained in the previous paragraph.
6. When a direct payment is reversed, the BPCC portion is reversed at the same time, if it was assessed as described in #4. The user is prompted to reverse this cost by a message displayed on the on-line screen – **FEES MAY NEED REVERSING.**

If the BPCC was assessed the day after the payment was posted or from the collection agency report (as described in #5), the BPCC will be reversed with the payment. However, we will wait until the reversal is shown on the agency report to reverse the cost charged to the Fund.

**Accounts  
Payables:**

An Accounts Payable entry is created when either the school owes the agency for items such as returned checks, fees on direct payments, or if more fees are due to the agency than payments received for the period. An entry to Accounts Payable is also created when the school requests that we post payments for the gross amount (payment type 31), and also report collection fees paid.

On the following page is an example of the two different types of Accounts Payable entries.

**Example 1:**

ABC Collection Agency fees are \$10.00 more than the payments they received during this reporting period.

**Sample Collection Agency Statement**

September		ABC COLLECTION AGENCY			
		AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
Date	Debtors Transactions				
9/03	Joe Borrower 01111 123456789 01		50.00	16.67	-16.67
9/10	Mary Simms 01111 333882229 01	50.00		16.67	33.33
9/11	Kathy Walker 01111 401101102 02		100.00	33.33	-33.33
9/30	David Tucker 01111 201111001 01	10.00		3.33	6.67
		60.00	150.00	70.00	-10.00
		payments		fees	
AMT PAID = 60.00					
AMT PD YOU = 150.00					
AMT DUE US = 70.00					
<b>YOU OWE US = 10.00</b>					

Since ABC was due more collection fees than they received in payments (because of their fees on direct payments), there is a balance due to the agency (an Accounts Payable from the school's perspective). This outstanding balance may be cleared with the following month proceeds.



**Example 2:**

The following month, ABC Collection Agency reduces the amount of the check they will send to Sample College by the \$10.00 due to them from the previous period.

**Sample Collection Agency Statement**

October		ABC COLLECTION AGENCY			
		AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
Balance Brought Forward XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX		XXXXXXX	XXXXXXX	10.00 XXXXXXX	(10.00) XXXXXXX
Date	Debtors Transactions				
10/04	Don Jones 01111 456789233 01	10.00		3.33	6.67
10/05	Thomas Martin 01111 876543229 01	50.00		16.67	33.33
10/10	Jennifer Shelton 01111 567892342 02	100.00		33.33	66.67
10/11	Christy O'Brien 01111 456789090 01	10.00		3.33	6.67
		170.00		66.66	103.34
		payments		fees	
AMT PAID = 170.00					
AMT PD YOU = -0-					
AMT DUE US = 66.66					
<b>AMT DUE YOU = 103.34 (check enclosed)</b>					

The amount Sample College owed the agency was brought forward and paid without the client having to write a check.

**Accounts Payable** entries are reported in section 19.3.D. of the Accounting Report. This account was created by Campus Partners and is not an account recommended by ED. However, it must be reconciled with the controlling "Cost of Collection" account (19.3) which is necessary for reconciling cash.

**Note:** Clients may post this amount directly to the "Cost of Collection" general ledger account, or they may keep it separate. In any case, it should always be closed into the "Cost of Collection" general ledger account.

### Teacher's Page

To practice what you have just learned, complete the "T" accounts below, using this sample collection agency statement. In this case, all the borrowers must pay the cost.

August			XYZ COLLECTION AGENCY			
			AMT PAID US	AMT PAID YOU	AMT DUE US	AMT DUE YOU
Balance Brought Forward XXXXXXXXXXXXXXXXXXXXXXXXXXXX			XXXXXXX	XXXXXXXXXX	100.00 ❶ XXXXXXXXXX	(100.00) XXXXXXXXXX
Date	Debtors	Transactions				
8/1	John Doe	123-45-6789	270 ❷		90	180
8/4	Jane Doe	234-56-7890	(30) ❸		(10)	(20)
8/10	Henry Smith	345-67-8901		150 ❹	50	(50)
8/17	Harvey Snow	456-78-9012		(120) ❺	(40)	40
			240	30	190	50
Check No. 6789 Enclosed.....\$50.00						

Number each entry as we did in the previous example.

DR	Cash	CR
❷ 180.00	100.00 ❶	
❺ <u>40.00</u>	20.00 ❸	
220.00	<u>50.00</u> ❹	
	170.00	

DR	Principal & Interest	CR
❸ 20.00	180.00 ❷	
	<u>40.00</u> ❺	
20.00	220.00	

DR	Coll Cost	CR
❷ 90.00	90.00 ❷	
❹ 10.00	10.00 ❸	
❸ 50.00	50.00 ❺	
❺ <u>40.00</u>	<u>40.00</u> ❹	
190.00	190.00	

DR	Accounts Payable	CR
❶ 100.00		
❹ <u>50.00</u>		
150.00		