



National Student Clearinghouse®
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Herndon, Virginia 20171

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www.studentclearinghouse.org

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Total Enrollment Reporting Process (TERP) Implementation Guide

To implement your TERP service, follow the steps below. Our staff will work with you to ensure your questions are answered and keep you on track for a rapid implementation.

1. ***Develop a preliminary consensus*** within your agency that you wish to participate in TERP (for a description of TERP, see Attachment I and II). Your agency contracts with the Clearinghouse to outsource all your enrollment data collection and dissemination functions. We collect data from the NSLDS on your behalf, and, acting as your appointed agent, distribute the enrollment data to you, your lenders, and your servicers.
2. ***Ensure that your agency is comfortable with the Clearinghouse's operational procedures*** for collecting and disseminating enrollment data on your behalf. Remember, the Clearinghouse acts as your agent for this important function. You shouldn't relinquish this responsibility unless you and your staff are assured we will handle the enrollment data exactly as you would like. We suggest you: 1) review our written operational procedures (Attachment III) to ensure your staff agrees with them, and 2) review your current enrollment data processes with Clearinghouse staff to determine your implementation methodology.
3. ***Establish internal procedures for forwarding foreign school enrollment data to the Clearinghouse*** (if you do not receive enrollment data directly from foreign schools, skip this step). Our staff will work with you to establish operational procedures at your agency for forwarding foreign school enrollment data to the Clearinghouse. If your agency acts as the foreign school's servicer, you may already have a process whereby your staff keys the foreign school's enrollment data onto the NSLDS's online enrollment update site. If so, the Clearinghouse will pick up the enrollment data from the NSLDS.
4. ***Establish internal procedures for forwarding school enrollment data to the Clearinghouse.*** Some agencies obtain and process enrollment data directly from schools and/or lenders. If you are one of these agencies, you will need to work with our staff to establish operational procedures for forwarding this data to the Clearinghouse. If your agency acts as the servicer or agent for schools, you may already have a process whereby your staff simply keys the school's enrollment data onto the NSLDS's online enrollment update site. If so, the Clearinghouse will pick up the enrollment data from the NSLDS.

5. **Establish internal procedures for reporting enrollment to servicers.** We advise TERP guarantors to adjust their computer systems to suppress the generation of outbound enrollment reports to servicers that are members of the Clearinghouse. (A list of Clearinghouse servicer members is available upon request.) The one-time cost of modifying your system will be repaid by eliminating the computer time and operational expense associated with generating and mailing enrollment reports. However, the choice is yours; you can eliminate your outbound enrollment reporting process to Clearinghouse members or continue to provide them, if you choose to defer these computer system modifications to a later date.

One guarantor discovered that it had very few loans *not* serviced by Clearinghouse-participating servicers. The guarantor suppressed *all* outbound enrollment reporting to servicers and assigned the Clearinghouse the responsibility of reporting enrollment to all of its servicers, even small servicers that were not members of the Clearinghouse. If you discover that you are similarly situated, give us a call.

6. **Sign two copies of the TERP agreement** appointing the Clearinghouse as your enrollment reporting servicer. We will return one signed agreement back to you.
7. **Identify the date your agency will transition to TERP.** From that day forward, the Clearinghouse will act as your enrollment processing agent, forwarding updated enrollment data to you and your servicers. On the “go live” date, your agency will implement the internal procedures you decided upon (steps 4-6). This includes removing enrollment reporting production jobs, if you decided to eliminate outbound enrollment reporting for Clearinghouse participants.
8. **Announce TERP participation to lenders and servicers.** Let the lenders and servicers you work with know you are implementing TERP and that, effective your implementation date, they will receive enrollment reports from the Clearinghouse on your behalf. Because lenders and servicers receive TERP data in the traditional Clearinghouse format, testing will not be necessary.

**Attachment I
Total Enrollment Reporting Process**

The Total Enrollment Reporting Process (TERP) was developed in response to NCHELP's and SLSA's request that the Clearinghouse provide FFELP participants with the option of receiving all their student enrollment information from a single source.

Under the TERP Process, guarantors can contract with the Clearinghouse and appointing us as their servicing agent for all enrollment reporting activities. Participating guarantors direct all enrollment data they receive to the Clearinghouse (e.g., weekly NSLDS enrollment updates and enrollment updates received from both US and foreign schools). TERP guarantors issue a "Certificate of Reliance," which allows servicers to rely on data provided by the Clearinghouse as the guarantor's agent as if it had come directly from the guarantor.

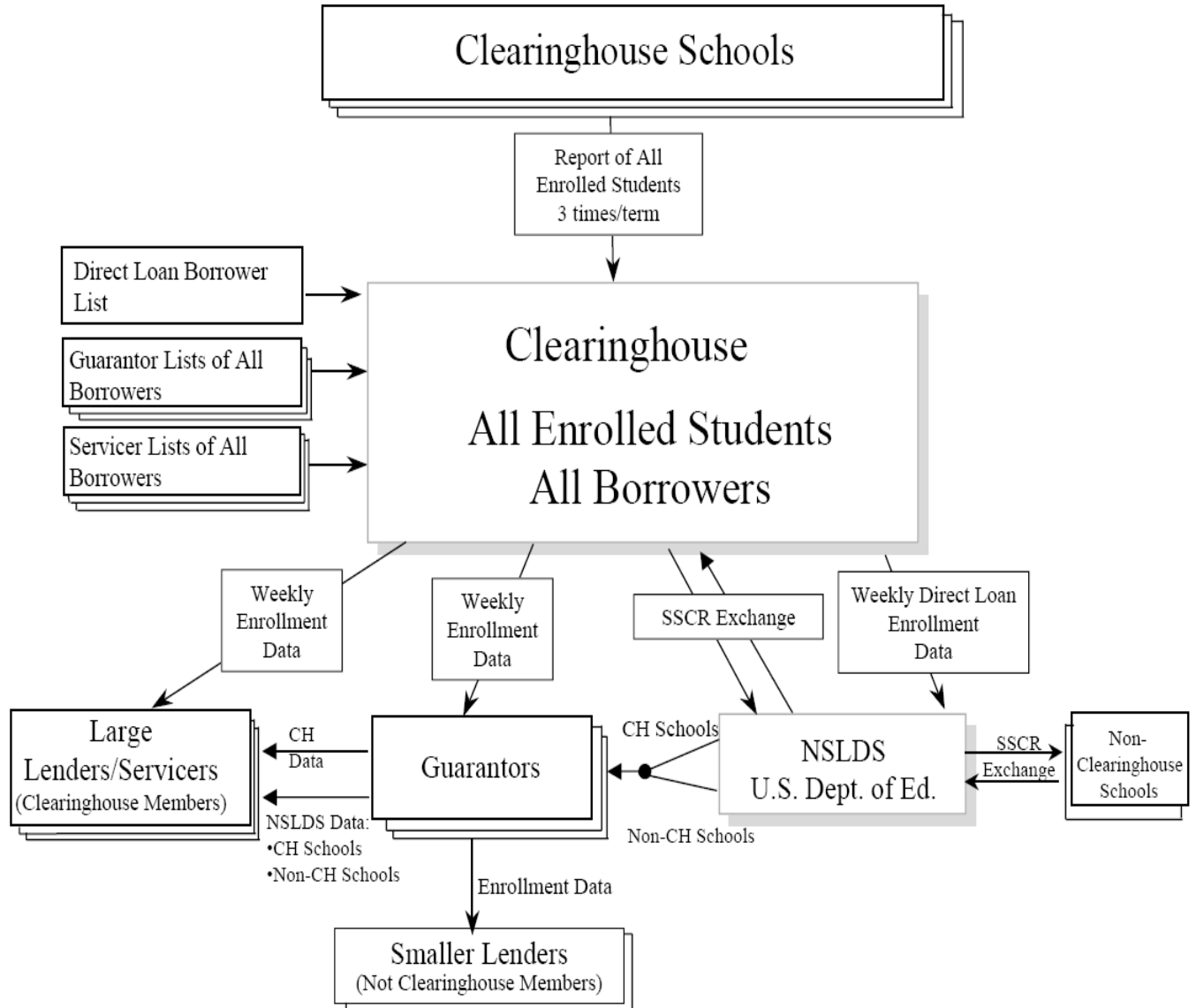
The Clearinghouse is responsible for:

- Receiving the guarantor's weekly enrollment data from NSLDS and any other enrollment updates the guarantor receives
- Filtering out redundant data (i.e., data previously reported by the Clearinghouse)
- Identifying "new" enrollment records not previously received or processed at the Clearinghouse. In most cases this is enrollment data that NSLDS has sourced from non-Clearinghouse schools. In a limited number of cases, the enrollment data may have originated from Clearinghouse schools that made individual online updates directly to NSLDS.
- Accurately reporting out "new" enrollment records to the guarantor and all servicers that participate in the Clearinghouse enrollment process.

TERP is free to Clearinghouse members. Guarantors that participate in TERP receive a discount on their monthly enrollment reporting fees (see Attachment IV for our fee schedule).

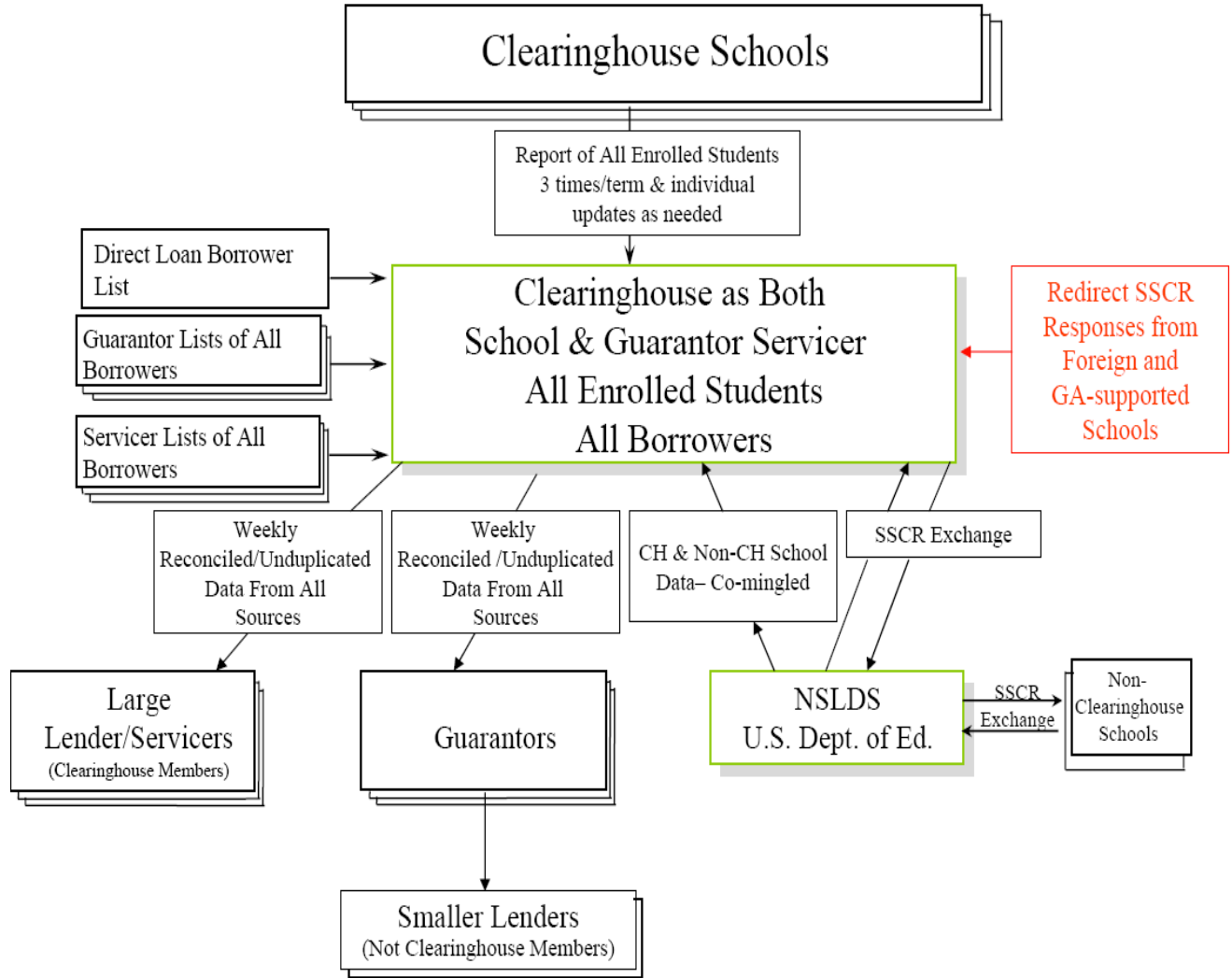
Attachment II

Current Data Flow



Attachment II

Data Flow Under TERP



****Application data, deferment data, and borrower self-certifications will flow through existing processes once electronically certified by the school.****

**Attachment III
TERP Filtering and Reporting Rules**

The TERP filtering and reporting rules will help you understand why certain records are eliminated through the TERP process and others are reported.

TERP eliminates...

- Records for Clearinghouse schools that match the enrollment and/or reporting histories maintained by the Clearinghouse.

The match is based upon a comparison of the status, status start date, and anticipated graduation date fields.

TERP reports...

- Records for non-Clearinghouse schools.
- Records for Clearinghouse schools that do *not* match the enrollment and/or reporting histories maintained by the Clearinghouse.
- Records for Clearinghouse schools if the specific borrower has not been included in the guarantor's overlay file.



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Fee Schedule for Guarantors/Lenders/Servicers

Effective September 1, 2008

Each Clearinghouse guarantor/lender/servicer (except as noted below) shall be assessed a monthly participation fee equal to \$0.035 times the number of “matches” between the Clearinghouse enrollment data and the guarantor/lender/servicer’s borrower listing, subject to a minimum fee of \$125.00 per month. The fee shall be calculated by multiplying \$0.035 times the sum of (1) the number of borrowers who attended a participating educational institution on a full-time or half-time basis during the month and whose loans are guaranteed or serviced by such guarantor/lender/servicer, and (2) the number of student beneficiaries of PLUS loans who attended a participating educational institution on a full-time or half-time basis during the month and whose loans are guaranteed or serviced by such guarantor/lender/servicer.

Guarantors participating in the “Total Enrollment Reporting Process” (TERP) shall be assessed a reduced monthly participation fee equal to \$0.025 times the number of “matches” between Clearinghouse enrollment data and the guarantor’s borrower listing, subject to a minimum fee of \$125.00 per month.

Lenders/Servicers participating in the Clearinghouse’s paperless deferment process shall be assessed a reduced monthly participation fee equal to \$0.025 times the number of “matches” between Clearinghouse enrollment data and the lender’s/servicer’s borrower listing, subject to a minimum fee of \$125.00 per month.

No fee shall be assessed for enrollment data that the Clearinghouse sources from the NSLDS through TERP.

Expenses for overnight postage and delivery service will be billed as incurred.