FASCore Documentation

FUNCTIONAL PROCESS: <u>Loans</u>
PROCEDURE: <u>Electronic Loan File Feed</u>
DATE: May 2008

<u>Overview</u>

These procedures describe the electronic loan file feed option and the steps for electing this option for an existing plan. The electronic loan file is a means of accumulating loan set up and loan change information and transmitting that to the employer on a payroll basis, via a report or a file that can be loaded directly to payroll. There is no additional charge to MetLife or the client for this option. This will <u>not</u> eliminate the Plan Loan Contact. That contact will continue to receive the Late Loan information.

<u>Procedure</u>

I.   Description of electronic loan file feed
    A. Electronic notification of loan payment setup and changes to the employer
    B. Employer paper loan documents suppressed and replaced by electronic file
        1. Employer Loan Payroll Deduct Letter
            a. Information to establish the loan deduction
            b. Or modify, in the case of a loan re-amortization
        2. Employer Loan Paid in Full Letter
        3. Employer Loan Offset Letter
    C. <u>All</u> of the above documents are suppressed – this option cannot be elected for a portion of these documents.

II.   Recipient of electronic loan file
    A. Assigned user at the client through PSC directory
    B. Can be set up on subset (divisional) basis, however, **all** subsets must be set up in order for any to be able to utilize the feature
    C. Each division will only receive the file feed for the participants in their respective division, except in the case where the participant has changed divisions.
    D. To change just the recipient of the file, contact PTS
        1. A verbal request can be made to change the assigned user.
        2. The user must have the proper PSC access level-FULL

III. Timing of delivery
    A. Customized for client
    B. Options
        1. Report can be sent with a lead time prior to frequency
        2. Reports can be sent the day before or after a holiday or weekend in which the report is regularly scheduled to produce
        3. Frequency
            a. Daily
            b. Weekly

        c. Bi-Weekly
        d. Semi-monthly
        e. Monthly
  C. Example

An employer has a bi-weekly payroll with a next payroll date of 14-Feb-2008. The employer elects to receive the report five calendar days prior to the payroll date to allow for processing of the report/file data. The employer defines the lead time of five days to be set up for the reports to be sent.

  D. An email notification is sent when report is ready to view (see sample in 'Loan File Feed' powerpoint presentation)
      1. If there is no activity, a report will be created indicating "No Activity".
      2. Multiple email addresses can be set up to receive notification (a trial file will be sent to any additional recipients)

IV.   Benefits
  A. No paper copies of client amortization schedules
  B. One report for all loan payroll changes within scheduled period
  C. Timely reporting
  D. Employer can electronically upload payroll changes
  E. Employer can print reports and manually load payroll changes
  F. More accurate updating of payroll system – eliminating re-entry of data or incorrect reading of faxed numbers

V.   Client options
  A. Scheduling
      1. Base date – first payroll date for which the file is to be received
      2. Frequency – payroll cycle
      3. Lead time – number of calendar days prior to the Base date that the file is to be received
  B. Format of reports (see samples in 'Loan File Feed' powerpoint presentation)
      1. A paper report can be generated for manual entry of information into the payroll system
      2. A file can be generated for uploading into payroll system
      3. The employer provided code ("client div code") should be provided in this field.
        a. The division number will only show if the file feed is set up to go to the subsets, divisions.
        b. This field will have an empty string if the information is not supplied or the employer does not have divisions.
      4. All dates will be provided in the "YYYYMMDD" format.
        a. Example: 20030630
        b. In the event that this attribute is not available, an empty string should be placed in this field.
      5. The Loan Status Code could have one of the following values
        a. A = Active
        b. P = Paid
        c. C = Cancelled
      6. The repay frequency code could have one of the following values

        a. BW = bi-weekly
        b. M = monthly
        c. Q = quarterly
        d. SM = semi-monthly
        e. W = weekly

7. The leave of absence reason code could have one of the following values
   a. LOA
   b. NOPAY
   c. MILITARY
8. Numbers will be right justified with a decimal point followed by two decimal digits.
   a. The decimal digits will be 0's for whole numbers.
   b. Leading 0's will occupy all reserved spaces.
9. Strings will be left justified for all character fields. Spaces will be filled in at the end of the field if the string is not long enough to fill up the entire reserved spaces.
10. The Loan term qualifier, meaning the term of the loan is expressed as years or months, could have one of the following values
    a. A = Annual
    b. M = Monthly
11. The transaction code could have one of the following values
    a. START = Loan start (for new loans)
    b. STOP = Loan stop (for loans cancelled or paid off during the period)
    c. CHANGE = Loan change (for loans with changes during the period including loans that were re-amortized or were coming up for maturity during the period)
    d. LOA = Leave of absence (for participants on a leave of absence recorded in the period)
       NOTE: LOA information must be submitted on the Loan Payment Change Form. The electronic loan file reflects the information provided via the form back to the payroll provider for updating payroll.
12. Convert Indicator.
    a. If the loan being reported is a converted loan (loan transferred from a prior recordkeeper) then this field will contain value of "Y".
    b. If the loan being reported is a new loan (not a converted loan) then the field will contain the value of "N".

C. Type of reports
   1. Summary Report
      a. Identifies participant by Name, SSN and Employee ID
      b. References Leave of Absence
      c. References Total Repayment Amount
   2. Detail Report -default
      a. References all information on Summary Report
      b. Breaks down repayment amount by loan number
      c. References status code and transaction code

   d. References total loan amount (principal and interest)
   e. References loan terms and original principal amount
   f. References status change date, first due date, maturity date and final payment date
 D. File content options
  1. Full File
   a. Would generate a Full File each time the report runs.
   b. Would include all loans ever administered at FASCore regardless of loan status.
   c. The first time a file runs for a group, it will always be a full report regardless of which option is selected.
  2. Changes Only File
   a. Only references loan changes that affect the current scheduled period
   b. Most common and easiest to use
 E. Sort order options
  1. SSN
  2. Name
  3. Employee ID Number
 F. Printing the report
  1. Ability to choose to get output as a text file or a PDF for the REPORT version of the loan feed. This is controlled on the FASCore side by setting up one of the following options:
   a. RT - for report text output
   b. RP - for report PDF output- most commonly used
   c. E - for electronic output
 G. What is on the report?
  1. Any loan that has an effective date of the next payroll date.
  Example:
   a. Weekly payroll – pay date is Friday – report to be received weekly on Tuesdays
   b. New loan created March 23, 2005 – first pay date is April 8, 2005. That loan will be on the weekly report received on April 5th. It will not be on the report received March 29th.
 H. A zero will be sent for all LOA reason codes when the participant has a LOA indicator.
 I. If a loan is reversed and cancelled and a new loan is set up with a first due date, the new loan will be reported even if it is not in the date range the feed is looking for.

VI. How to select this option for existing Plans
 A. They will be directed to contact their MetLife Account Executive to request this feature.
  1. The following information should be sent to the client:
   a. Loan File Feed presentation
   b. Loan File Feed Request Form
   c. File Layout – see Methome Account Manager
 B. MetLife AE works with client to complete the Authorization to Add/Change Electronic Loan File Feed Form

C. MetLife AE faxes form to Methome Team
   1. Methome will need 5 business day lead time to set up on ISIS prior to the expected run date of the file.
   2. Lead time is 5 business days prior to the date referenced under the "Indicate lead – time to receive report" section of the Loan File Feed Enrollment Form
D. The Online Loan File Feed attributes will be set up on ISIS
E. Methome Team provides confirmation to MetLife AE or Client who completes the form when the attributes are set up on ISIS
F. MetLife AE or AM notifies client contact who will receive file
G. Electronic Loan Feed File is downloaded to specified user's PSC Directory
H. E-mail notification is sent to user
I. User updates client payroll system with loan data
J. Payroll system processes as directed by Electronic Loan Feed File
K. Client user questions should be directed to Plan Technical Support at 800-856-7772. Option 1

VII. Loan contact versus contact for receiving electronic file
A. Plan must still have a loan contact established
   1. There can be one loan contact per plan or you may establish a loan contact by division or pay center.
   2. The loan contact continues to receive the Late Loan information
   3. The loan contact will continue to receive the Employer Loan Maturity Cease Payment Letter
      a. Nothing is sent via the file to identify that the loan is maturing or that the final payment is due.
B. The loan file contact established for the electronic loan file feed receives all other loan documents.