

June 5, 2003

Reestimates Checklist (Traditional Approach)

This checklist serves as a companion to the Consolidated Credit Tool (C-Credit) for agencies who calculate reestimates using the traditional approach. After completing reestimate calculations using the C-Credit, review the checklist to ensure that the C-Credit has been completed correctly. Agency staff should review the checklist before submitting reestimates to OMB. The checklist may also be helpful to auditors in reviewing agency reestimates. In the C-Credit, for each cohort and risk category, check:

General Information

- Does the appropriate number of months until apportionment appear on the General sheet?
- Does the most recent fiscal year appear on the General sheet?
- Does the appropriate interest rate reestimate method appear on each cohort sheet?

Discount Rates

- For the FY 1992-FY 2000 cohorts, does the average term entered in the C-Credit match the “maturity of loans” in the reestimate cash flows?
- For the FY 2001 and future cohorts, does a single effective rate appear on the Rates sheet?
- For the FY 2001 and future cohorts, does the single effective rate on the Rates sheet match the single effective rate generated by the Credit Subsidy Calculator (CSC)?¹

Disbursements

- Do the disbursements in the C-Credit match the disbursements in the technical reestimate cash flows?

Original Subsidy Rate

- Does the original subsidy rate match the most recent Federal Credit Supplement? If not, then the change must be discussed with OMB.

Credit Subsidy Calculator Output

- Does the CSC generate any error messages? Any outstanding error messages must be explained to OMB.

Interest Reestimates

- Has an interest rate reestimate been entered in the C-Credit?²
- Does the interest rate reestimate match the CSC reestimate output?

¹ Use the CSC output for the first technical reestimate that is performed after the loans are 100 percent disbursed.

² Use the most recent interest rate reestimate, whether that reestimate was performed in the current year or in a prior year. If no interest rate reestimate is available, then the original subsidy rate may be entered as the interest rate reestimate, if prior approval is provided by OMB.

Technical Reestimates

- Has a technical reestimate been entered in the C-Credit?
- Does the technical reestimate subsidy rate match the CSC reestimate output?

Previously Apportioned Reestimates

- Do the amounts entered as previously apportioned reestimates match the amounts of reestimates that have been executed for the cohort up until the present?

Draft version. Please submit comments to Elizabeth_Bernhard@omb.eop.gov.