



COD Processing Update

April 28, 2006

Direct Loan

COD News

COD System Maintenance Planned For Sunday, April 30, 2006 (04/26/06)

The COD System will undergo routine maintenance on Sunday, April 30, 2006 from 2:00 A.M. until 8:00 A.M. (ET). During this period, users will not be able to submit or retrieve data via the COD Web site. Additionally, batches submitted by schools will be held and not processed until after the COD System comes back up. COD apologizes for any inconvenience this outage may cause. If you have any questions, contact the COD School Relations Center.

Extended Direct Loan Electronic MPN Web Site Outage For Sunday, April 30, 2006 (04/26/06)

As a reminder, the Direct Loan Electronic Master Promissory Note (MPN) Web site is unavailable every Sunday morning from 5:00 A.M. until 11:00 A.M. (ET) while routine maintenance is performed. During this period, borrowers are not able to complete new MPNs electronically or retrieve existing MPNs that were completed electronically. Due to COD System routine maintenance on Sunday, April 30, 2006, the Direct Loan Electronic MPN Web site will be unavailable for an extended period of time from 2:00 A.M. until 4:15 P.M. (ET). As previously noted, borrowers will not be able to complete or retrieve MPNs during this extended period.

Note: Periodically throughout this outage, the Direct Loan Electronic MPN Web site will be available for testing purposes. Borrowers who begin an activity during one of these periods may not be able to complete the activity before the Web site becomes unavailable again. For this reason, we urge borrowers not to access the Web site until after the outage ends at 4:15 P.M. (ET) on April 30th.

COD apologizes for any inconvenience this outage may cause. If you have any questions, contact the COD School Relations Center.



Unlocking And Resetting COD Web Site Passwords (04/28/06)

COD would like to remind COD Web site users that Security Administrators (COD Web site User Level 5) are able to unlock and reset passwords for the users (User Level 1-4) they established at their school or organization. However, if the Security Administrator needs his or her password unlocked or reset, the Security Administrator must contact the COD School Relations Center.

In order to unlock users, a Security Administrator should log in to the COD Web site, www.cod.ed.gov, and complete the following steps:



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- Step 1: From the Welcome to Common Origination & Disbursement Web Site screen, click on the User tab on the blue bar at the top of the screen. The User Search screen displays.
- Step 2: Enter the search criteria for the user and click on the submit button at the bottom of the User Search screen. The Search Results screen displays and lists users that match the search criteria.
- Step 3: On the Search Results screen, select the name of the user that needs to be unlocked. The User Information screen displays.
- Step 4: Click on the Modify button at the bottom of the User Information screen. The Update User Profile screen displays.
- Step 5: The Locked Out box on the Update User Profile screen contains a checkmark. Click on the Locked Out box to remove the checkmark.
- Step 6: If a new temporary password is not needed, skip this item and go to Step 7. If a new temporary password is needed, enter the new temporary password in the New Password field. Then re-enter the new password in the Re-enter New Password field to confirm. The user will need to change this password to one of his or her choosing.
- Step 7: Click on the submit button at the bottom of the Update User Profile screen. The Update Your Profile screen displays.
- Step 8: On the Update Your Profile screen, click on the Submit button to confirm the updates made to the user's profile.

This information is also posted on the COD Web site in a document entitled "Unlocking And Resetting COD Web Site Passwords." To access the document *before* you log in to the Web site, click on the "Click here if you are looking for more information on Common Origination and Disbursement" Link. To access the document *after* you log in to the Web site, click on the "Today's Updates" link at the bottom of the page.

Schools can refer to the Electronic Announcement on the IFAP Web site, <http://www.ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html>, for information regarding COD Web site access. Third party servicers can refer to the Electronic Announcement on the IFAP Web site at <http://www.ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html>.

Direct Loan Bulletin 06-03 Released (04/27/06)

Direct Loan Bulletin 06-03 was released to schools from the COD School Relations Center on April 26, 2006 and is posted on the IFAP Web site (<http://ifap.ed.gov/dlbulletins/DLB0603.html>). This bulletin informs schools of the 2006 HHS Poverty Guidelines and Income Percentage Factors.

If you would like to be added to or removed from the Direct Loan Bulletin distribution list, please submit an e-mail to CODSupport@acs-inc.com with the subject line of "DLB Distribution".



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Forthcoming Operational Guidance Related To The HERA Provisions (04/25/06)

Federal Student Aid continues to progress in finalizing the operational changes required to implement the provisions of the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. As Federal Student Aid completes this work, it will post operational guidance on the IFAP Web site. Federal Student Aid will communicate the operational guidance as expeditiously as possible and appreciates your patience and understanding.

Notes Regarding Master Promissory Note (MPN) Use:

- Schools should continue to use the Direct Subsidized/Unsubsidized MPN (with a 10/31/05 expiration date) and the Direct PLUS MPN (with a 1/31/2006 expiration date) for subsidized/unsubsidized loans for student borrowers and PLUS loans for parent borrowers, respectively. While these MPNs do not include changes to the terms and conditions of Direct Loans made by the HERA, completed/signed MPNs will **not** need to be replaced at a later date. Federal Student Aid will provide borrowers with the additional loan term information.
- In a separate communication, Federal Student Aid will provide guidance related to MPNs for graduate and professional students who are eligible for a Direct PLUS Loan.
- Federal Student Aid will explain changes to the terms and conditions of Direct Loans made by the HERA through the use of addenda to the MPNs and revised Plain Language Disclosures (PLDs). We are finalizing the addenda and PLDs and will post guidance and the documents as soon as possible.

Direct Loan Servicing Customer Satisfaction Survey For Schools (04/25/06)

As explained in an Electronic Announcement that is posted on the IFAP Web site (<http://ifap.ed.gov/eannouncements/0425DLServCustSatSurveySchools.html>), Federal Student Aid will solicit feedback from Financial Aid Administrators (FAAs) who have contacted the Direct Loan Servicing Center, School Services Group. In the survey, FAAs at a random sample of schools will be asked to rate the level and quality of service that the Direct Loan School Services Group has provided to them. The results of this survey will be used to measure the effectiveness of current services as well as to identify areas that may need improvement. For more details about this survey, refer to the Electronic Announcement.

Hurricane Information (09/14/05)

FSA has established a link on the IFAP Web site, <http://www.ifap.ed.gov/eannouncements/katrina.html>, as a central location for posting up-to-date hurricane information and guidance. Click on this link regularly for updates related to the impact of recent hurricanes on students, parents, borrowers, colleges and universities, and financial institutions that participate in the Federal higher education student assistance programs.



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Reports and Data Requests



This section contains important notices regarding reports and/or data requests. While we encourage you to review this section, note that some schools may not be impacted by the information presented below.

- 30-Day Warning Report (March 2006 Month-End)—
For 2005-2006, was sent to schools' SAIG mailboxes and posted on the COD Web site containing an incorrect period end date of 2/28/06. The correct period end date is 3/31/06. With the exception of the period end date, the data contained in the report is accurate. COD apologizes for any inconvenience this may cause schools. (04/11/06)
- Direct Loan Rebuild File—
Schools in need of this file should contact the COD School Relations Center. (10/03/05)



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Pell Grants

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NEW!

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2002-2003 Pell Grant CFL Reduction To GAPS Net Drawdown Clean Up On April 26, 2006 (04/27/06)

On April 26, 2006, the COD System reduced the Pell Grant 2002-2003 Award Year Current Funding Level (CFL) to equal the Net Drawdown amount found in the Grant Administration and Payment System (GAPS). This clean up applies to schools that had a CFL greater than their GAPS Net Drawdown and was completed to ensure that each school’s CFL is equal to the GAPS Net Drawdown amount. This clean up affected approximately 300 schools.

A school affected by the April 26, 2006 CFL reduction to GAPS Net Drawdown will—

- Receive a text message (PGTX03OP Message Class) in the school’s SAIG mailbox notifying the school of the reduction;
- Receive a new Electronic Statement of Account (ESOA) that reflects the reduction;
- See a change in the school’s CFL that reflects the reduction; and
- See a change in the school’s authorization in GAPS that reflects the reduction.

Note: The amount of the reduction will equal the difference between the school’s CFL and GAPS Net Drawdown. This means that the amount of the reduction could equal as little as \$0.01.

If you have any questions regarding the 2002-2003 CFL reduction to GAPS Net Drawdown or need to have funding reinstated, contact the COD School Relations Center.

Forthcoming Operational Guidance Related To The HERA Provisions (04/25/06)

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Reports And Data Requests



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- Pell Data Requests—

Electronic Statement of Account
Multiple Reporting Record
Pell POP Report
Reconciliation Report
Verification Status Report
Year-To-Date Record

COD may return COD Edit 609 (Requested/Matching Data Not Found) when a user submits a data request via batch or the COD Web site during a 4 ½ hour period each Monday through Friday night beginning at 10:00 P.M. (ET) and ending at 2:30 A.M. (ET) the next morning. This edit may be returned because the COD System is running its overnight processing/posting during the specified period, and, as a result, some data may not be available for the report. Users can avoid this potential situation by submitting data requests outside the specified period. COD apologizes for any inconvenience this may cause users. (04/19/06)

- Pell Year-to-Date (YTD) Records—

The YTD Record can be used to assist a school with its year-end and ongoing reconciliation processes. Schools also use the YTD Record for the purpose of rebuilding a complete student record or Pell Grant database.

- For rebuilds for the 2005-2006 Award Year, the school can submit the data request via the COD Web site or batch.
- For rebuilds for the 2004-2005 and earlier award years, the school must contact the COD School Relations Center by e-mail to CODSupport@acs-inc.com. The school should include "Pell YTD" in the subject line. If a school is unable to e-mail its request, it can contact the COD School Relations Center by phone. [10/03/05 (Updated 10/27/05)]