



Common Origination and Disbursement COD Processing Update

September 1, 2006

Direct Loan Program

COD News



COD Processing Update Posting Schedule For September 4, 2006 (09/01/06)

On Monday, September 4, 2006, the COD Processing Update will not be updated or posted on the [COD Web site](#). Today's document will remain posted on the COD Web site until we post a new COD Processing Update on Tuesday, September 5, 2006.

COD Holiday Schedule For September 4, 2006 (8/25/06)

The COD School Relations Center will be closed on Monday, September 4, 2006 in observance of Labor Day. The COD System will accept and process data from schools and send back responses/acknowledgements on Monday, September 4, 2006, but schools will not be able to receive any Federal funds on that day. Further information regarding Labor Day processing and customer service hours for COD and other FSA/ED call centers is posted in an Electronic Announcement on the [IFAP Web site](#).

HERA Operational Implementation Guidance - Availability Of Enhancement Release To Direct Loan (DL) Tools For Windows, Release 6.0 (08/31/06)

Federal Student Aid is pleased to announce the posting of an enhancement release to Direct Loan (DL) Tools for Windows, Release 6.0. This enhancement release will enable DL Tools users to rebuild Direct PLUS Loan data for graduate or professional students (identified as "Grad PLUS loans" in the EDEExpress software) in EDEExpress for Windows 2006-2007 and display and print Grad PLUS totals separately in the Disbursement Measurement Tool report. The DL Tools Release 6.0 enhancement release is available on the [Federal Student Aid Download \(FSAdownload\) Web site](#). The complete announcement regarding the enhancement release is available on the [IFAP Web site](#).

HERA Operational Implementation Guidance – Availability Of EDEExpress For Windows 2006-2007 Release 3.0 (08/31/06)

Federal Student Aid is pleased to announce the availability of EDEExpress for Windows 2006-2007, Release 3.0 to the [US Department of Educations Federal Student Aid Download \(FSAdownload\) Web site](#). Release 3.0 is the first of three planned EDEExpress 2006-2007 enhancement releases that implement provisions of the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. EDEExpress 2006-2007, Release 3.0, updates Direct Loan functionality. The complete announcement regarding Release 3.0 is available on the [IFAP Web site](#).

Issue Alert: EDEExpress For Windows 2006-2007, Release 3.0 Resolves Direct PLUS Loan MPN Reprinting Issue (08/31/06)

Federal Student Aid would like to alert all EDEExpress Direct Loan users to an issue in the EDEExpress for Windows 2006-2007, Release 2.0 software regarding the printing of



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multiple Federal Direct PLUS Loan (Direct PLUS Loan) Master Promissory Notes (MPNs). This issue is resolved in EDEExpress for 2006-2007 Release 3.0, which is now available on the U.S. Department of Education's [Federal Student Aid Download \(FSAdownload\) Web site](#).

This issue occurs in EDEExpress 2006-2007, Release 2.0 when printing Direct PLUS MPNs outside of a student record by selecting File, Print, Direct Loan, MPN-PLUS. If you choose to print multiple Direct PLUS MPNs without applying selection criteria, the software prints all Direct PLUS MPNs for all students (regardless of the MPN status) and resets the MPN status to P (Printed). To resolve this issue, you must upgrade to EDEExpress for 2006-2007 Release 3.0, which is now available on the [FSAdownload Web site](#).

If you do not plan to upgrade to Release 3.0, there are two workarounds to this software issue:

- 1) When printing multiple Direct PLUS MPNs, attach the "MPN Status" pre-defined query and enter R on the Parameter Query Entry screen. The software will then select only those Direct PLUS loan records with an MPN Status equal to R.
- 2) Print Direct PLUS MPNs individually for your students from the Direct Loan Origination tab after selecting the student's Direct PLUS loan record.

To return the MPN Status on previously accepted records to A (Accepted), Federal Student Aid recommends requesting a Direct Loan Rebuild file from the COD School Relations Center. If the MPN Status on the Direct PLUS loan record had previously been S (Signed), you will need to enter the Signed MPN Received date again so that it will print on an MPN Manifest. If the MPN Status on the Direct PLUS record was M (Manifested), you simply need to wait for either the COD Common Record Response (message class CRAA07OP) or the MPN Response (message class CRPN07OP) to be returned by the COD System to update the status from P (Printed) to A (Accepted).

Federal Student Aid apologizes for any inconvenience this issue may have caused. If you have any questions regarding this message, contact CPS/SAIG Technical Support at 800/330-5947 (TDD/TTY 800/511-5806), or by e-mail at CPSSAIG@ed.gov.

Additional 2006-2007 COD Technical Reference August 2006 Updates Now Available (08/25/06)

Federal Student Aid has updated the 2006-2007 Common Origination and Disbursement (COD) Technical Reference for a second time in August 2006. This posting supplements the first set of August 2006 updates by providing updates to sections 1, 3, and 4 of Volume III, "Pell, ACG, National SMART Grant & Direct Loan Combination System Supplement." These sections provide technical guidance for schools with Pell Grant or Direct Loan systems used in combination with EDEExpress. The updates include some final updates related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. The additional updates are available on the [IFAP Web site](#). For a complete list of all updates made in August 2006, refer to the "0607 COD Technical Reference August 2006 Change Tracking Log." If you have any questions regarding information contained in this document, please contact the COD School Relations Center.



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2006 Federal Student Aid Conferences (08/24/06)

FSA's 2006 Federal Student Aid Conferences will be held October 30, 2006 through November 2, 2006 in Orlando, Florida, and November 28, 2006 through December 1, 2006 in Las Vegas, Nevada. These events were formerly known as the Electronic Access Conferences (EACs). The registration deadline for the Orlando conference is October 17, 2006, and the registration deadline for the Las Vegas conference is November 11, 2006. This year's agenda will feature a Direct Loan Track with a series of sessions focused on Direct Loan topics. Detailed information about the Federal Student Aid conferences is available in a [Dear Colleague letter](#) and on [FSA's conference Web site](#).

New Financial Operating Environment— Impact on Funds Availability For Campus-Based And Direct Loan (EDCAPS/GAPS and COD) (08/24/06)

The Department of Education (the Department) is transitioning to a new financial operating environment in conjunction with the year-end close out of Fiscal Year 2006. As a result, some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be shut down and unavailable while the Department completes the transition. This shutdown will impact how the COD System will process financial data and when schools can obtain funds for their Federal Student Aid programs as follows:

- ***Monday, September 18, 2006 through Friday, September 29, 2006***
Financial processing between the COD System and EDCAPS/GAPS will be reduced to only once every evening (instead of the normal twice-a-day, morning/evening processing). As a result, early morning processing will be completed in the evening. Current Funding Level (CFL) changes and funding could be delayed by a day.
- ***Saturday, September 30, 2006 through Monday, October 9, 2006***
The COD System will accept Direct Loan disbursements, but CFL changes and funding requests will not be processed by EDCAPS/GAPS until Tuesday, October 10, 2006.

Actual disbursements must be received and accepted by the COD System no later than 10:00 A.M. (ET) on Thursday, September 28, 2006, in order for them to be included in a drawdown prior to the shutdown. Disbursements submitted after this time will be funded after EDCAPS/GAPS resumes processing on October 10, 2006.

Note:

A school on Heightened Cash Monitoring 2 (HCM2) or Reimbursement should notify its Payment Analyst as soon as possible of the amount of disbursements that it expects to make during the shutdown period. If, in the view of the Payment Analyst, the requested amount is reasonable, we will provide those funds to the school prior to the shutdown period and in advance of receiving the formal reimbursement requests. ***To ensure that funds are available to the school when needed, the school must notify its Payment Analyst no later than Friday, September 8, 2006.***

In addition, prior to the shutdown period, we will advance to a school Federal Student Aid program funds related to pending reimbursement requests.



Common Origination and Disbursement COD Processing Update

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- **8:00 P.M. (ET) on Saturday, September 30, 2006 through 8:00 A.M. (ET) on Tuesday, October 10, 2006**
The GAPS e-Payments system (the GAPS Web site) will not be available. Schools will not be able to draw down Campus-Based or Direct Loan funds during this period.

Note: In some cases, a school will be unable to operationally comply with returning cash to the Department within the timeframes specified in the Cash Management regulations at 34 CFR 668.166. We will consider the school to be in compliance with the excess cash requirements provided that the school disburses such funds to eligible students (or parents) by the end of the shutdown period and/or promptly returns such funds to the Department when EDCAPS/GAPS resumes processing on October 10, 2006.

An Electronic Announcement with this same information is posted on the [IFAP Web site](#). Thank you for your patience and understanding as the Department completes this important activity. The Department expects financial processing to be caught up by Tuesday, October 12, 2006.

HERA Guidance Available On IFAP Web Site (05/08/06)

Communications related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171 are posted on the Information for Financial Aid Professionals (IFAP) Web site (www.ifap.ed.gov). These communications include policy and operational guidance that impacts all student aid programs, systems, and processes. To assist users in easily locating HERA-related communications, they are available under the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site. (The link is at the top of the "On-Line References" section.)

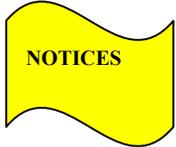
Federal Student Aid has posted and will continue to post guidance related to the Central Processing System (CPS), Common Origination and Disbursement (COD) System, and EDEXpress Suite, as Electronic Announcements. The summary for these Electronic Announcements will begin with "HERA Operational Implementation Guidance (CPS, COD System, EDEXpress Suite)" so that they can be distinguished from other types of guidance. As explained above, the Electronic Announcements are available under the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site.

Please plan to check the IFAP Web site on a regular basis.



Common Origination and Disbursement COD Processing Update

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.

- Direct Loan Rebuild File—

Schools in need of this file should contact the COD School Relations Center. (10/03/05)



Common Origination and Disbursement COD Processing Update

ACG, National SMART Grant, and Pell Grant Programs

COD News



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Additional 2006-2007 COD Technical Reference August 2006 Updates Now Available (08/25/06)

Federal Student Aid has updated the 2006-2007 Common Origination and Disbursement (COD) Technical Reference for a second time in August 2006. This posting supplements the first set of August 2006 updates by providing updates to sections 1, 3, and 4 of Volume III, "Pell, ACG, National SMART Grant & Direct Loan Combination System Supplement." These sections provide technical guidance for schools with Pell Grant or Direct Loan systems used in combination with EDEExpress. The updates include some final updates related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171.

The additional updates are available on the [IFAP Web site](#). For a complete list of all updates made in August 2006, refer to the "0607 COD Technical Reference August 2006 Change Tracking Log." If you have any questions regarding information contained in this document, please contact the COD School Relations Center.



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New Financial Operating Environment— Impact on Funds Availability For Campus-Based, ACG, National SMART Grant, And Pell Grant (EDCAPS/GAPS and COD) (08/24/06)

The Department of Education (the Department) is transitioning to a new financial operating environment in conjunction with the year-end close out of Fiscal Year 2006. As a result, some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be shut down and unavailable while the Department completes the transition. This shutdown will impact how the COD System will process financial data and when schools can obtain funds for their Federal Student Aid programs as follows:

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The COD System will accept Pell Grant disbursements, but CFL changes and funding requests will not be processed by EDCAPS/GAPS until Tuesday, October 10, 2006.

Actual disbursements must be received and accepted by the COD System no later than 10:00 A.M. (ET) on Thursday, September 28, 2006, in order for them to be included in a drawdown prior to the shutdown. Disbursements submitted after this time will be funded after EDCAPS/GAPS resumes processing on October 10, 2006.

Notes:

1. A school is not yet able to submit Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) records to the COD System. However, the school is allowed to draw down and disburse ACG and National SMART Grant funds.

If a school will need additional ACG and/or National SMART Grant funds during the shutdown period, it must request the funding increase by 5:00 P.M. (ET) on Wednesday, September 27, 2006. The school must submit this request per the guidelines we provided in an [Electronic Announcement posted on August 9, 2006](#).



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2. A school on Heightened Cash Monitoring 2 (HCM2) or Reimbursement should notify its Payment Analyst as soon as possible of the amount of disbursements that it expects to make during the shutdown period. If, in the view of the Payment Analyst, the requested amount is reasonable, we will provide those funds to the school prior to the shutdown period and in advance of receiving the formal reimbursement requests. ***To ensure that funds are available to the school when needed, the school must notify its Payment Analyst no later than Friday, September 8, 2006.***

In addition, prior to the shutdown period, we will advance to a school Federal Student Aid program funds related to pending reimbursement requests.

- ***8:00 P.M. (ET) on Saturday, September 30, 2006 through 8:00 A.M. (ET) on Tuesday, October 10, 2006***

The GAPS e-Payments system (the GAPS Web site) will not be available. Schools will not be able to draw down Campus-Based, ACG, National SMART Grant, or Pell Grant funds during this period.

Note: In some cases, a school will be unable to operationally comply with returning cash to the Department within the timeframes specified in the Cash Management regulations at 34 CFR 668.166. We will consider the school to be in compliance with the excess cash requirements provided that the school disburses such funds to eligible students (or parents) by the end of the shutdown period and/or promptly returns such funds to the Department when EDCAPS/GAPS resumes processing on October 10, 2006.

An Electronic Announcement with this same information is posted on the [IFAP Web site](#). Thank you for your patience and understanding as the Department completes this important activity. The Department expects financial processing to be caught up by Tuesday, October 12, 2006.

Second Pell Grant Administrative Cost Allowance Payments For 2005-2006 Award Year (08/21/06)

COD began processing the second Pell Grant Administrative Cost Allowance (ACA) payments for the 2005-2006 Award Year on August 19, 2006. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For more information about these ACA payments, refer to the electronic announcement that is available on the [IFAP Web site](#).

HERA Operational Implementation Guidance—Correction Alert: 2006-2007 COD Technical Reference Includes Incorrect “Data Type” For New ACG Common Record Field 81 (08/28/06)

Federal Student Aid has discovered an error in the 2006-2007 Common Origination and Disbursement (COD) Technical Reference that requires the immediate attention of schools and third party software providers who are coding their software for submission of Academic Competitiveness Grant (ACG) records to the COD System beginning December 16, 2006. The ACG Program is one of two new grant programs established by the Higher COD Processing Update



Common Origination and Disbursement COD Processing Update

Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. In short, Federal Student Aid included an incorrect “Data Type” for Field 81, <EligibilityPaymentReasonCode>, of the COD Common Record. This field provides the reason why a student is eligible to receive an ACG.

On page II-3-34 in Volume II, “Common Record Full Participant Technical Reference,” the “Data Type” for Field 81, <EligibilityPaymentReasonCode>, is defined as “integer.” However, the correct “Data Type” for Field 81, <EligibilityPaymentReasonCode>, is “string,” as defined in the COD Common Record Extensible Markup Language (XML) Schema Version 2.0e.

It is important that schools and third party software providers code Field 81, <EligibilityPaymentReasonCode>, as a string value. As illustrated in the “Format and Valid Field Values” for this tag, a two-character (string) value of 01, 02, or 03 is required for acceptance of the record by the COD System. The COD System will reject records that contain a single-character value or any two-character value other than 01, 02, or 03 for this tag.

Federal Student Aid will correct the incorrect information in the 2006-2007 COD Technical Reference and post an update within the first two weeks of September 2006. Per normal procedure, the updated technical reference will be posted to the [IFAP](#) and [FSAdownload](#) Web sites.

This same information is also available in an Electronic Announcement on the [IFAP Web site](#). Federal Student Aid regrets any inconvenience this error may have caused schools and third party software providers.

HERA Implementation Guidance—National SMART Grant - Revised List Of Eligible Majors (08/28/06)

In Dear Colleague Letter [GEN-06-06](#), the Department of Education (the Department) provided the list of eligible academic majors under the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program for the 2006-2007 Award Year. Recently, the Department became aware that certain majors were inadvertently omitted. The Department has updated the list of eligible academic majors for the 2006-2007 Award Year by adding 26.0908 Exercise Physiology and 26.1303 Evolutionary Biology. The updated list is posted on the IFAP Web site in [Dear Colleague Letter GEN-06-15](#). COD will update the 2006-2007 COD Technical Reference accordingly.

HERA Guidance Available On IFAP Web Site (05/08/06)

Communications related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171 are posted on the Information for Financial Aid Professionals (IFAP) Web site (www.ifap.ed.gov). These communications include policy and operational guidance that impacts all student aid programs, systems, and processes. To assist users in easily locating HERA-related communications, they are available under the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site. (The link is at the top of the “On-Line References” section.)

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www.cod.ed.gov



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Reports And Data Requests



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- 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)]