Spring Conference

Tradition, Transformation, Innovation

Baltimore, Maryland

THE U.S. Department of EDUCATION

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Tradition, Transformation, Innovation
Baltimore, Maryland

Session 35

Pell Grant Processing Changes for 2002-03

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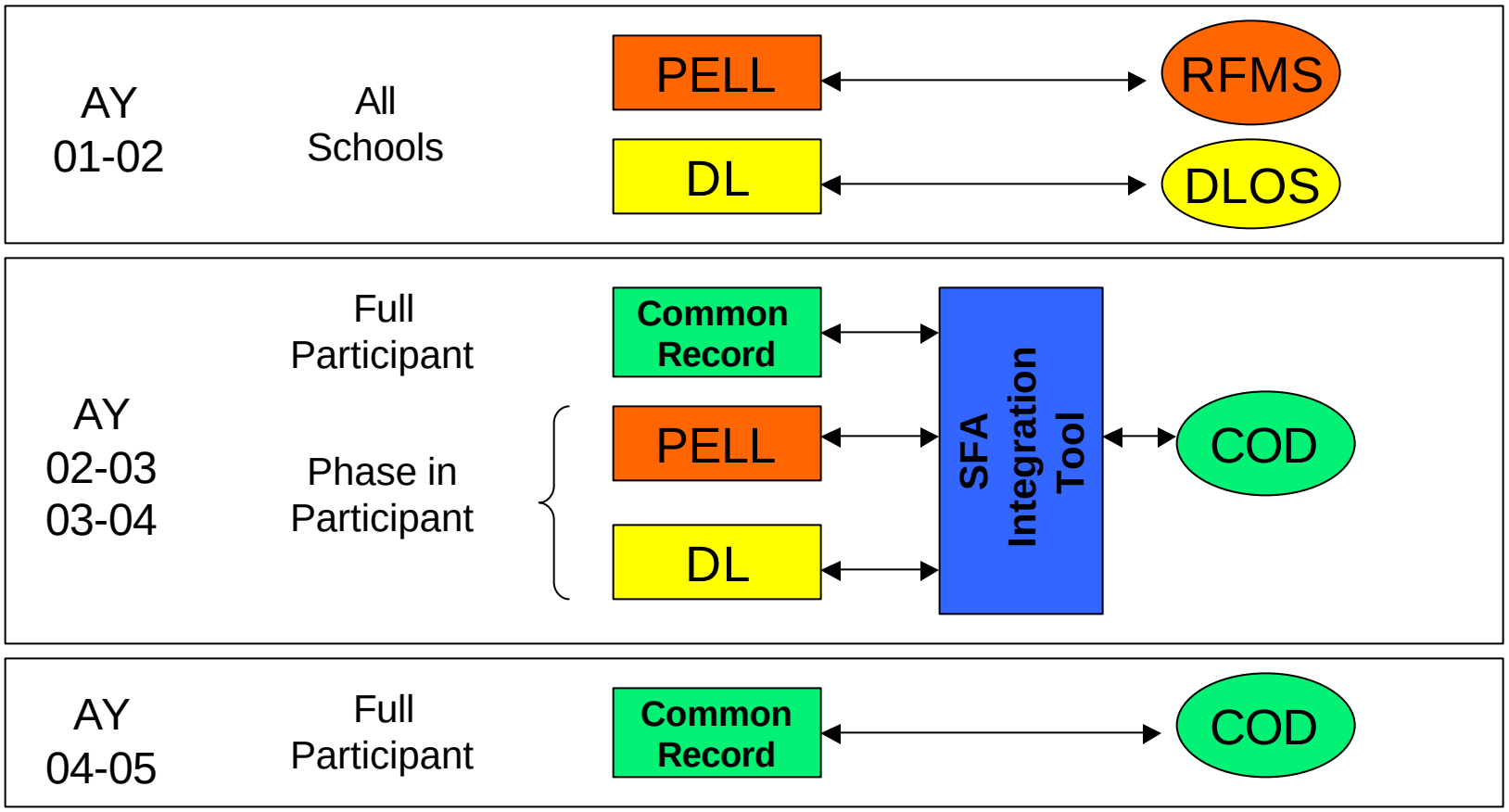
Objectives

- Where do I fall in the COD picture?
- What are the Pell changes for 02-03?
- Tools for Funds Management
- What is coming next 03-04?
- What is the status of COD?

Who does COD affect?

- **All Schools are going to be processed by the Common Origination and Disbursement (COD) System**
- **Not all schools are going to be using the Common Record (XML record)**
- **Which schools are Full Participants and which are Phase-In Schools?**

COD Features and Improvements

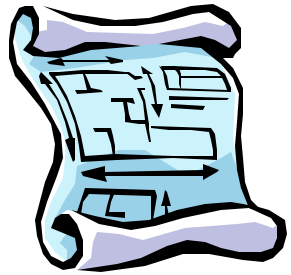


Pell Changes For 02-03

- Record Layouts
- Process
  - Identifier Changes
  - POP
  - Edits
  - Institutional Data Record Removed
  - Verification
  - Enrollment Status
  - Pennies
- Web
- Customer Service

Changes for 02-03: Record Layouts: Phase-In Participants

- Added Negative Pending Amount to Origination Acknowledgement
- Added Cents to the Award Amount on the Origination (and Acknowledgement) Record(s)
- Addition of five new fields to multiple records:
  - Current SSN
  - Date of Birth
  - Last Name, First Name, and Middle Initial



- Added to the Origination, Data Request, MRR and YTD records

Changes for 02-03: Student Identifier

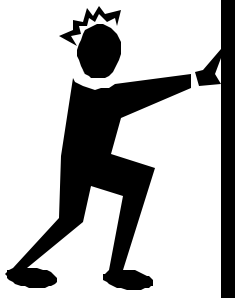
- New demographic info used for the new student identifier information in COD
- Current SSN, Date of Birth and Last Name

(CPS Transaction Number)

- These components used to tie student to CPS information
- To make changes to these fields, CPS must be updated
- Update COD by re-originating the student with a new CPS Transaction Number

Student Identifier

Step 1 – Student Files
FAFSA (Transaction 01)



Original SSN: 12354 6789
Last Name: Janes
DOB: 01-01-1981

Current SSN: 12354 6789
Current Last Name: Janes

CPS

The Student Makes a mistake on SSN and Last Name

Student Identifier

Step 2 – School Sends in Origination to COD

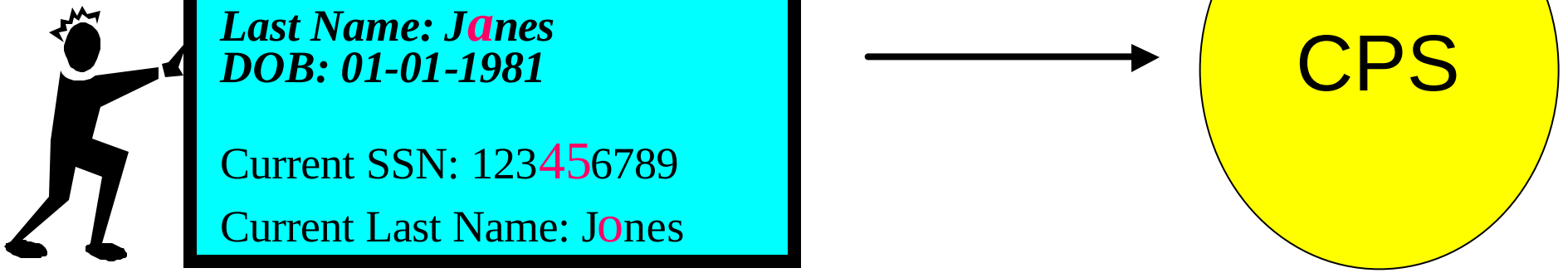
SSN: 123546789
Last Name: Janes
DOB: 01-01-1981
Transaction Number - 01

→

COD

Student Identifier

Step 3 – Student Corrects SSN & Last Name (Transaction 02)



Student Identifier

Step 4 – Submission to COD

SSN: 123456789
Last Name: Jones
DOB: 01-01-1981
Transaction Number - 02

COD

Changes for 02-03: POP

NEW	OLD
Overawards allowed to exist for 30 days	Pell did not allow overawards for any period of time
MRR is produced informing all schools involved of the situation and providing contact information	MRR is produced informing all schools involved of the situation and providing contact information
If after 30 days the situation has not been remedied, all schools involved will receive a negative disbursement. Eligible school submits positive disbursement.	Required submission first of a negative disbursement and then a positive disbursement

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Changes for 02-03: Verification

- **Valid Values for Verification are now "W" (Without Documentation), "V" (Verified) and "Blank"**
- **All previous values – A, C, N, R, S, and T are no longer valid**
- **Schools may report a Verification of Status of "W" for students that do not have completed documentation**
- **Once the student's documentation has been completed report a status of "V" in order not to have that student's disbursements limited.**

Changes for 02-03: Pennies

- **We've added the ability to report pennies in the Origination Award Amount**
- **If the school is using whole dollars, they must zero fill the two places after the decimal (implied decimal)**

Changes for 02-03: Edits

- **Adding edits for the new identifier fields**
  - **Current SSN –332**
  - **DOB - 333**
  - **Student's Name - 334, 335, 336**

- **Verification Status – Only "V", "W" or "Blank" will be accepted**

- **Enrollment Status – Will not be edited**

Changes to Pell Edits

- **Edit on Pell Eligibility - 337 “Student Not Pell Eligible for Award Year 2003 and beyond”**
- **Duplicate Match on CPS - 338 “Duplicate Match on CPS for Award Year 2003 and beyond”**
- **Origination Award Amount of Zero - 339 “Origination Reported with Zero Award Amount for Award Year 2003 and beyond”**

Tools for Schools

Current Funding Level

- The CFL is set at a level sufficient to make funds available to schools to cover their initial disbursement needs for each school receiving funds under advance payment method

- The CFL is akin to the authorization or obligation level in the current process for Pell Grants and the Cash Control Amount for Direct Loans

CFL

How does the CFL increase?

- The CFL increases throughout the year as schools submit and COD accepts actual (not anticipated) disbursement records which substantiate funds that have been drawn.

Substantiating Drawdowns

- To substantiate a draw means to submit and have COD accept actual disbursement records that equal the amount of cash drawn or sent to the school.

- All draws must be substantiated timely in order to comply with the 30 day reporting requirement.

Substantiating Drawdowns

- COD will match actual disbursements to drawdowns on a first-in/first-out basis.

- Each drawdown will be aged to see how long it takes a school to “substantiate” the draw.

Unsubstantiated Cash Balance

- The unsubstantiated cash balance is the difference between cash at school and substantiated draws.
- It lets a school know at any point how much funds haven't been substantiated.
- Viewable on the Web.

Unsubstantiated Cash Balance

If a school does not substantiate cash drawn in a timely manner:

- Call from Customer Service and warning messages
- Freeze cash request (further funds will be temporarily stopped until draws have been substantiated)
- Call for cash (school will be required to return unsubstantiated amounts)

Aging of Drawdowns

From the COD website, schools, Customer Service and SFA will be able to see:

- Each draw,
- How much has been substantiated,
- How many days since the drawdown

Available Balance

- The difference between the CFL and drawdowns (cash at school).
- The available balance is the amount a school can request at any point prior to substantiating more draws.

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School Funding Information

SAMPLE SCREEN

SAMPLE

Student Financial Information

U.S. Department of Education
Common Origination & Disbursement

Tues July 2 11:06:06 EDT 2002

Person | School | Batch | Award | Reports | User

- Financial Aid Contact
- Eligibility
- General
- Options
- Events
- Funding Info
- Summary Financial Info
- Excess Cash
- Drawdowns
- Historical
- Message List
- Message Detail

Pell	Direct
School Funding Information	
University of North Georgia	
For year	2002-2003
Entity Id	123400
School Type	
CFL	$5,000,000.00
Cash at School	$3,000,000.00
Available Balance	$2,000,000.00
Amount of Substantiated Cash	$0.00
Amount of Unsubstantiated Cash	$3,000,000.00
As of Date	7/2/02
Date of Last Account Activity	7/1/02

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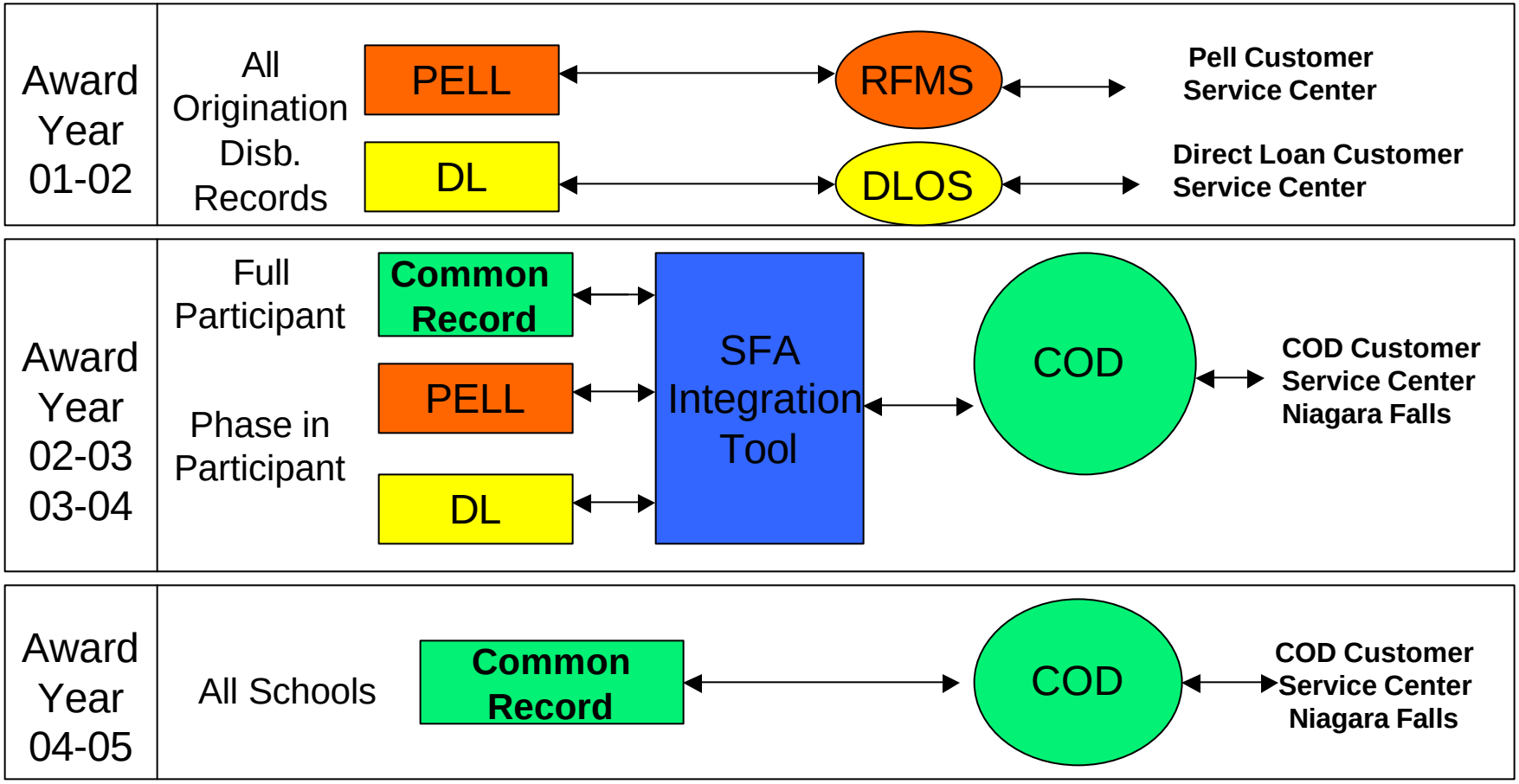
Pell 2003-2004 - It's Never Too Early!!!

- **What changes that we've made, or haven't made, are making your processing easier?**
- **What changes would you like to see?**
- **What changes are you planning on making to prepare for COD or due to changes in your business processes at your institution?**
- **What would you like to see on the web?**

COD Timeline

2002				
March	April	May	June	July
• March 4 – COD Application Testing begins • March 22 – SFA User Acceptance Test complete • March 22 – InterSystem Test complete • March 22 – COD Application Testing ends	• **APRIL 1 – COD RELEASE 1.0**	• **MAY 13 – COD RELEASE 1.1** • May 20 – Post Rollout Application Test begins (through Sept. 30)		• July 1 – Additional COD Capabilities

Customer Service Transition



COD Release 1.0 – April 1, 2002

- Receive, edit, process and return origination and disbursement records for Pell, Direct Loan (except PLUS)
- New COD Website: **http://cod.sfa.ed.gov**
  - Search for a batch of records, student, award, school or Promissory Note
  - View details about batches, students, awards, disbursements, schools or Promissory Notes
  - Update students, awards and disbursements

COD Release 1.0 – April 1, 2002

- New Customer Service Center
  - Call the same numbers – 1(800) 4PGRANT for Pell Grants and 1(800) 848-0978 for Direct Loans
  - Enter the Award Year related to your question. Award Year 2002-03 questions will be handled by the new Customer Service Center
  - Prior year questions will be routed to the existing Pell and Loan Origination Centers

COD Release 1.0 – April 1, 2002

- Available Reports
  - Pending Disbursement List
  - Funded Disbursement List
  - SSN/ Name/ DOB Change Report
  - Duplicate Student Borrower Report
  - 30 Day Warning Report
  - Inactive Loans Report

COD Release 1.0 – April 1, 2002

- Available Reports (continued)
  - ESOA - origination*
  - MRR*
  - Year to Date Record - origination*
  - SAS*
  - Reconciliation File*

* Can be requested via on-line data request

COD Release 1.1 – May 13, 2002

- COD Interface with NSLDS
- Enhanced Pell and Disbursement Information
- Additional Reports available

More Information on COD

- Other Spring Conference Sessions
  - Session 11 – COD and Commonline: Dispel the Myths
  - Session 24 – Direct Loan Processing Changes for 2002-2003
  - Session 33 – COD Options and Access
  - Session 36 – 2003-2004 COD Full Participation Invitation
  - Session 37 – Common School ID
  - Session 42 – COD: Direct Loan and Pell Processing

More Information on COD

- IFAP Website (www.IFAP.ed.gov)
  - Pell Grant and Direct Loan Technical References
  - Common Origination and Disbursement section
  - COD Technical Reference:
    - Full Participant Implementation Guide
    - COD Testing Guide
  - Updates and Frequently Asked Questions

- SFA Spring Training Series
  - 75 locations, beginning in May 2002
  - Day 2 Focuses on COD

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Feedback and Comments

Customer Service Call Center (until April 1, 2002)

- (800) 433-7327
- Mon-Fri 9:00AM-5:00PM ET

COD Contacts – Kitty Wooley, James Crown

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- James.A.Crown@accenture.com

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Pell Grants

E-Mail Address

- pell.systems@ed.gov

Pell Grant Hotline

- 1-800-4PGRANT
- 1-800-474-7268

Pell Grant Technical Reference

- IFAP
- SFA Download

Questions