

NEW ORLEANS

N A S F A A C O N F E R E N C E 2 0 0 2

The NASFAA Conference 2002 ♪ July 21-24 ♪ New Orleans, LA



FSA
F E D E R A L
S T U D E N T A I D

We Help Put America Through School



Session 100

COD and PELL Processing



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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?



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Overview of COD

- Redefines aid origination and disbursement processes for Pell Grants and Direct Loans, and provides optional common reporting opportunities for campus-based programs
- Integrates a common process with a system designed to support origination, disbursement, and reporting
- Increases accountability and program integrity



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Overview of COD

- COD replaces the Recipient Financial Management System (RFMS) and the Direct Loan Origination System (DLOS) starting in 2002-2003
- ALL SCHOOLS data is processed by COD beginning in award year 2002-2003



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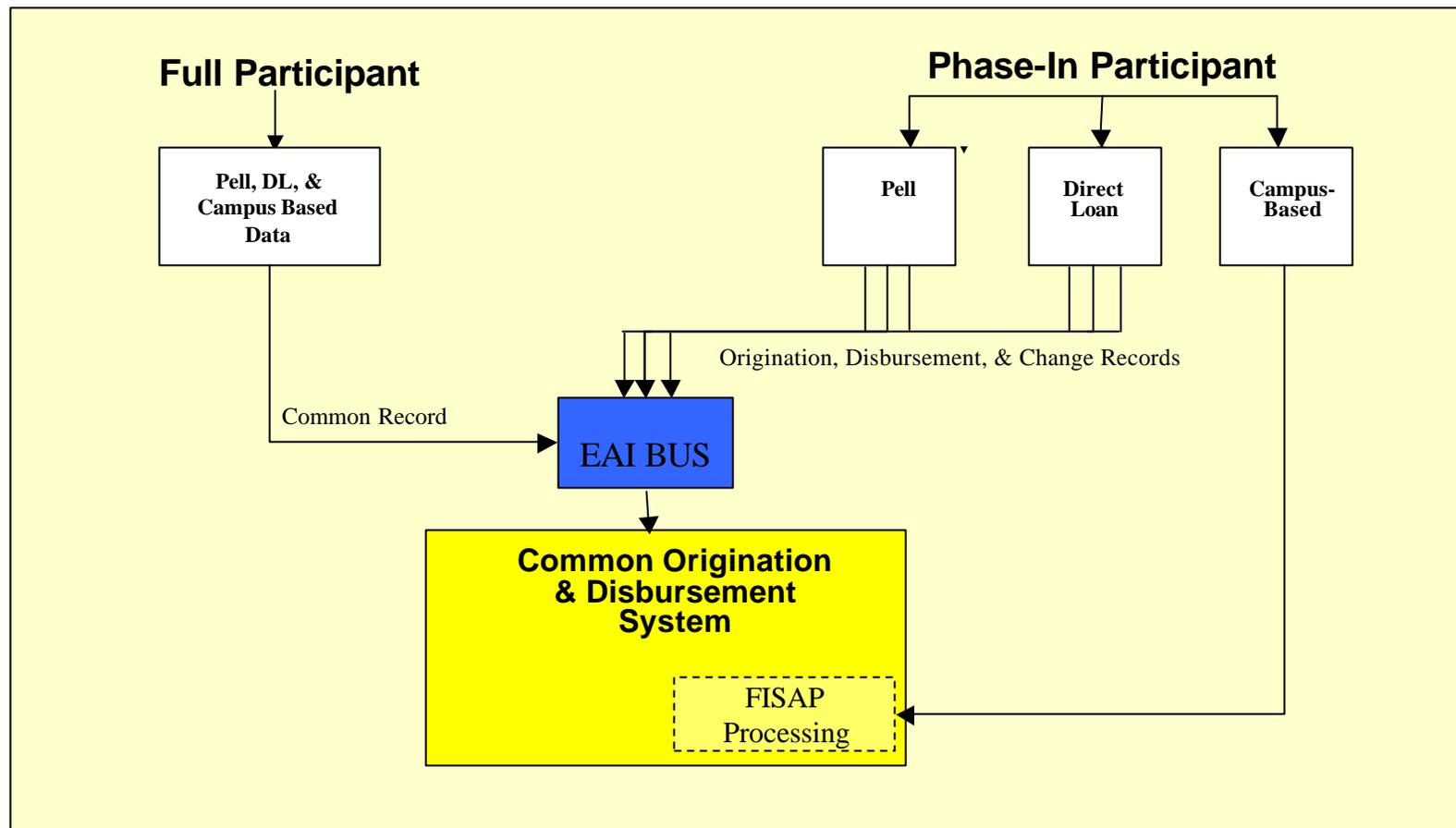
COD Participation

- Your school's "participant" status is determined by the method you use to transmit your data to COD:
 - Full Participants
 - Schools that submit data using the COD Common Record Layout in XML format
 - Phase-In Participants
 - Schools that submit data using Pell Grant/Direct Loan Record Layouts in fixed-length, flat file format



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COD Participation





Pell Changes For 02-03

- Record Layouts
- Process
 - Identifier Changes
 - POP
 - Edits
 - Institutional Data
 - Record Removed
- Web



Verification

Enrollment Status

Pennies



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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



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Changes for 02-03: Student Identifier

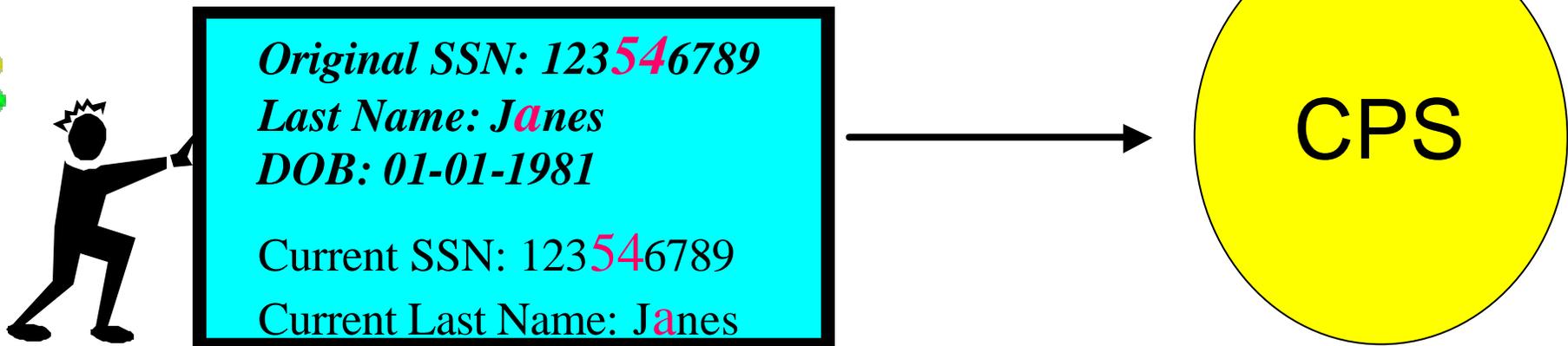
- New demographic info used for the new student identifier information in COD
- Current SSN, Date of Birth and First Two Characters of Last Name (CPS Transaction Number)
- These components used to tie student to CPS information
- To make changes to these fields, CPS must be updated
- Update COD by re-originating the student with a new CPS Transaction Number





Student Identifier

Step 1 – Student Files FAFSA (Transaction 01)



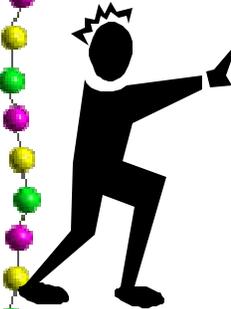
The Student Makes a mistake on SSN and Last Name



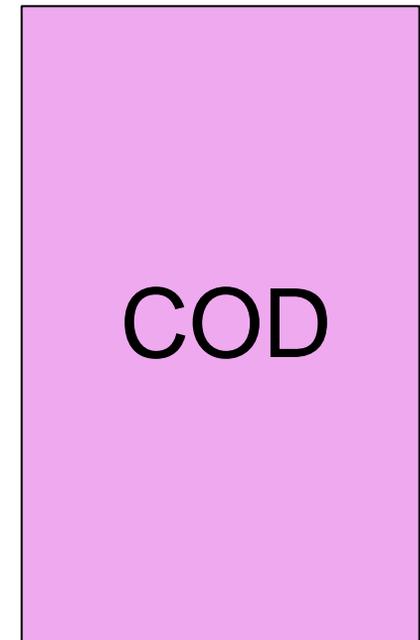


Student Identifier

Step 2 – School Sends in Origination to COD



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



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Student Identifier

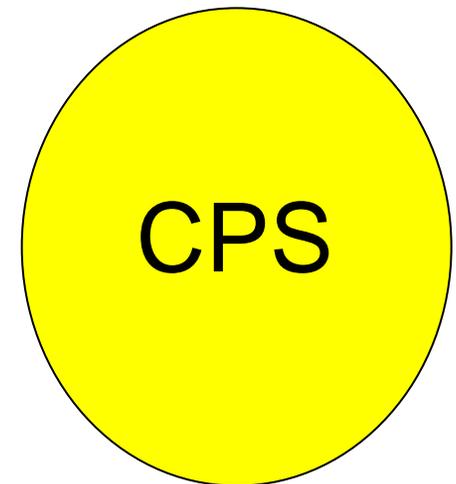
Step 3 – Student Corrects SSN & Last Name (Transaction 02)

Original SSN: 123546789

Last Name: Janes
DOB: 01-01-1981

Current SSN: 123456789

Current Last Name: Jones



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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: 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





02-03 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”





Processing Statistics

As of July 15, 2002

- Since implementation, COD has processed nearly 1.3 million records from over 1500 schools
 - Approximately 1.2 million of those records have been accepted
 - ~ 364,000 Pell Grant records accepted
 - ~ 20,000 Pell Grant records accepted with corrections
 - ~ 808,000 Direct Loan Stafford records accepted
 - ~ 6,000 Direct Loan PLUS records accepted
 - Approximately 83,000 of those records have been rejected
 - ~ 40,000 Pell Grant records rejected
 - ~ 38,000 Direct Loan Stafford records rejected
 - ~ 5,000 Direct Loan PLUS records rejected





Startup Issues

■ Batch Acknowledgement Records

Issue

- Timely Delivery of Acknowledgement Files

Resolution

- All system issues have been corrected
- Acknowledgements have been resent and the schools have been contacted regarding the outstanding acknowledgements
- Reconciliation procedures are being developed to track acknowledgement records





Startup Issues

■ Timing of Disbursements

Issue

- When an origination and a disbursement are sent to COD on the same batch or within a short period of each other, COD rejects the disbursement

Resolution

- COD rejects the disbursement because it processes the disbursement before the origination. The workaround is for schools to send disbursement records after the origination records are acknowledged
- COD is currently analyzing a long term solution to prevent this from happening





Startup Issues

■ MRR Reports

Issue

- COD is performing edits for Concurrent Enrollment and POP, but MRR Reports are not currently available to schools

Resolution

- MRR Reports will be produced beginning in August
- As of 7/12/02, there were only three occurrences of Concurrent Enrollment and no occurrences of POP
- Schools can view POP data on the COD Website





Startup Issues

■ Processing Originations

Issue

- COD requires a CPS match

Resolution

- Schools must ensure that the student identifier being submitted matches a transaction on CPS and that the student is Pell eligible
- COD Customer Service and Operations are doing analysis to provide guidance to schools on solutions





Cash Management Tools For All Schools

- COD provides schools tools for cash management:
 - Current Funding Level (CFL)
 - Substantiating Drawdowns
 - Unsubstantiated Cash Balance
 - Available Balance
 - Aging of Drawdowns





Current Funding Level (CFL)

- The CFL is set at a level sufficient to make funds available to cover the initial disbursement needs for each school receiving funds under advance payment method
- The CFL is akin to the authorization level for the Pell program
- 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 pushed to the school
- All draws must be substantiated timely in order to comply with the 30 day reporting requirement
- 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 difference between cash at school and substantiated draws
- Lets a school know at any point how much funds have not been substantiated
- 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)





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





Aging of Drawdowns

- Schools, Customer Service, and FSA can use the COD Website to see:
 - Each drawdown
 - Unsubstantiated Cash Balance
 - Available Balance
 - The number of days since the drawdown





Funding View



U.S. DEPARTMENT OF EDUCATION
COMMON ORIGATION & DISBURSEMENT



Person **School** Batch Award User

► **School Search**

▼ **School Information**

- School Summary
- Financial Aid Contact
- Eligibility
- General
- Options
- Funding Info
- Summary Financial Info
- Returned Funds
- Drawdowns
- Events
- Message List
- Yearly Totals

School Summary Financial Information

HELP

Summary Financial Information

Program Award Year

Entity Id	38833872
Beginning Cash Balance	\$0.00
Cash Receipts	\$39,850.00
Disbursement Amount	\$0.00
Disbursement Adjustments Amount	\$0.00
Returned Funds	\$5,253.25
Ending Cash Balance	\$34,596.75

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Funding View



U.S. DEPARTMENT OF EDUCATION
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School Drawdown Information

HELP

School Drawdown Information

Program Award Year

Totals Amount of Unsubstantiated cash over 30 days :
\$24,998.00

Date of Drawdown		01/10/2003	01/05/2003	12/21/2002
Time		10:16:00 AM	10:17:23 AM	10:19:11 AM
Drawdown Amount	\$39,850.00	\$10,000.00	\$15,000.00	\$14,850.00
Amount Of Unsubstantiated Cash	\$33,596.75	\$9,998.00	\$15,000.00	\$8,598.75
Percentage Of Unsubstantiated Cash	84.3%	100.0%	100.0%	57.9%
Days Left For On-time Reporting		000	000	000
Days Since Drawdown		46	41	26
Returned Funds Applied	\$5,253.25	\$2.00	\$0.00	\$5,251.25
Amount Of Substantiated Cash	\$1,000.00	\$0.00	\$0.00	\$1,000.00
Percentage Of Substantiated Cash	2.5%	0.0%	0.0%	6.7%
Drawdown Source System		FMS	FMS	FMS
Drawdown Status		AG	AG	AG
Payment Control Number		4042712000000	9798712000000	5528712000000

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COD Customer Service Statistics As of July 12, 2002

- The COD School Relations Center opened on April 29, 2002. What has happened since?
 - Total Inbound Calls 9,621
 - Average Speed of Answer 15 seconds
 - Total Outreach Calls 14,862
 - Total Number of COD Website Users 1,542





COD Customer Service

- What are you calling about?
 1. Promissory Note Acknowledgements
 2. Batch Rejects/Missing Batch
 3. Pending Credit Checks
 4. Plus Loans questions

- What are you emailing about?
 1. How to get access to COD
 2. Credit Checks –pending status
 3. Requesting passwords reset
 4. Promissory Note Issues

- Total of 86 staff at the call center to support Customer Service efforts





COD Customer Service: Behind the Scenes

- Calls are tracked on the COD system for every call received
- Issues are opened if your school representative cannot resolve the issue while on the phone with you
- Other resources are engaged to resolve the issue. These resources include:
 - Support Specialists
 - Business Analysts
 - Technical Support Specialists





COD Customer Service: Behind the Scenes

- Customer Service will provide updates on a regular basis
- Random quality control checks occur to ensure you received a resolution
- Management reports of issues and aging are produced daily to track responsiveness





What's Planned for 2003-2004?

- Common Record Layout changes
 - Modified Tag Names
 - Eliminating abbreviations from tag names [suggestion from the Post Secondary Education Standards Council (PESC)]
 - New Tag/Field: OPE ID





What's Planned for 2003-2004?

- EDEExpress users will become Full Participants in 2003-2004
 - EDEExpress Software will be modified to import and export XML to the COD System
 - For combo systems, external import and exports will continue to be in current fixed length formats
 - All reports will continue to be produced and imported in current formats not XML





What's Planned for 2003-2004?

- New Pell Verification Status Codes
 - “Blank” will be separated into two values: Not Selected and Selected, but Not Verified





COD Timeline

■ 2003 – 2004 Development Schedule:

- Requirements Complete July 2002
- Design Complete September 2002
- Development Complete November 2002
- School/Vendor Testing: February 2003
- System Start Up: March 2003





COD Communication Methods

- COD Website Postings
- Full Participant Conference Calls
- IFAP Postings
- P-messages
- Customer Service Outreach Campaigns, when necessary





How do I Obtain Access to the COD Website?

- COD is a web based application that can be accessed using Microsoft Internet Explorer 4.01 or Netscape Navigator 4.73
- The URL for COD is <http://cod.ed.gov>
- A username and password are required to access school data





How do I Obtain Access to the COD Website?

- Identify a Security Administrator for your school
 - Responsible for establishing other users within your school
 - Reporting/Funding school relationships will automatically allow access to other school codes
- Submit Security Administrator Request Letter on university or corporate letterhead
- Refer to the COD Website Access Announcement on IFAP for detailed instructions
 - Updated: COD Website Access for Schools – June 3, 2002
 - COD Website Access for Vendors/3rd Party Servicers – June 3, 2002





How do I Obtain Access to the COD Website

- Where do I send my Security Administrator Account Information?

U.S. Department of Education
COD School Relations Center
P.O. Box 9003
Niagara Falls, NY 14302





How do I become a 2003-2004 Full Participant?

- Schools must inform FSA of the decision of becoming full participant by contacting COD Schools Relations Center at 1-800-474-7268
- FSA will determine whether full participation is possible for that particular school
- If the school qualifies to become full participant, the school will be put in contact with the COD technical team





How do I contact COD Customer Service?

- Customer Service Telephone Numbers have NOT changed:
 - 1-800-4PGRANT for Pell Grant Assistance

- Enter the award year for your question
 - Award year 2002-2003 questions answered by new COD School Relations Center
 - Prior Award Year questions routed to Pell and LOC call centers
 - Three-way calling for cross year issue resolution

- Email questions to CODSupport@AFSA.com





How do I get more information on COD?

- IFAP Website (www.IFAP.ed.gov)
 - Common Origination and Disbursement page
 - Announcements and Frequently Asked Questions
 - Pell Grant and Direct Loan Technical References
 - COD Full Participant Technical Reference:
 - Full Participant Implementation Guide
 - COD Testing Guide
- FSA Spring Training: Tools for Ensuring Program Integrity
 - 75 locations; schedule available on IFAP
 - Day 2 Focuses on COD





Other COD Sessions:

- Session 101: COD and Direct Loan Processing
- Session #82 & 82R: Direct Loan Web Options





Questions

