



August 22, 2008

This edition of the COD Processing Update will remain on the [COD Web site](#) until a new edition is posted. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News

COD System Maintenance Planned For Sunday, August 24, 2008 (08/20/08)

The COD System will undergo routine maintenance on Sunday, August 24, 2008 from 1:30 A.M. until 9:00 A.M. (ET). In addition, the Student Aid Internet Gateway (SAIG) will be unavailable from 3:00 A.M. until 11:00 A.M. (ET) due to its regular Sunday morning maintenance. This activity will result in outages of certain COD System functionality for a period of time. Federal Student Aid appreciates your patience and understanding as it completes this important activity. An explanation of how this activity will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

COD Web Site and System

- Users will not be able to submit or retrieve data via the [COD Web site](#) between 1:30 A.M. and 9:00 A.M. (ET).
- Batches submitted by schools via the SAIG between 1:30 A.M. and 3:00 A.M. (ET) will be held and not acknowledged back to schools until after the SAIG comes back up at 11:00 A.M. (ET).
- Schools attempting to transmit batches via the SAIG between 3:00 A.M. and 11:00 A.M. (ET) will receive an error message informing them that the SAIG is unavailable and that the data must be transmitted at a later time.

Direct Loan Electronic Master Promissory Note Web Site

- An individual will not be able to complete a new MPN electronically or retrieve an existing MPN that was completed electronically via the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) between 1:30 A.M. and 11:00 A.M. (ET).

An individual starting the process by 12:30 A.M. (ET) will be able to complete his or her MPN before the Web site becomes unavailable. An individual attempting to access the Web site after the cutoff time will see a Web site maintenance message and will not be able to start the process or retrieve an existing MPN.

TEACH Grant Agreement to Serve Web Site

- An individual will not be able to complete a new ATS electronically or retrieve an existing ATS via the [TEACH Grant Agreement to Serve \(ATS\) Web site](#) between 1:30 A.M. and 11:00 A.M. (ET).



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Contact Information

Federal Student Aid apologizes for any inconvenience these outages may cause. If you have any questions about the COD System, the Direct Loan Electronic MPN Web site, or the TEACH Grant ATS Web site, contact the COD School Relations Center. If you have any questions about the SAIG, contact CPS/SAIG Technical Support at 800/330-5947 or by e-mail at CPSSAIG@ed.gov.

COD Holiday Schedule For September 1, 2008 (8/21/08)

The COD School Relations Center will be closed on Monday, September 1, 2008 in observance of the Labor Day Federal holiday. The COD System will accept and process data from schools and send back responses/acknowledgments on Monday, September 1, 2008, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, September 2, 2008.

Further information regarding Labor Day Federal holiday processing and customer service hours for COD and other Federal Student Aid/Department call centers is posted in [a August 21, 2008 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

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.

Weekly Reminders



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simulations of the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) have been developed and are available for download.

The electronic files for the CBTs and simulations, as well as instructions for downloading and using these files, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the “Tools for Schools” section, click on [COD Computer-Based Training](#).

The CBTs and simulations are as follows:

COD System Web Site CBT

The COD System Web site CBT simulates the COD System and functionality available to a school administrator. In the updated COD System Web site CBT, there are eight lessons with text and an open format to guide a user through each area of the COD System Web site simulation. The user can explore basic navigation and functions of the COD Web site and practice locating and creating information in a safe environment with tips for assistance.

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EMPN Online Simulations

The EMPN Online Simulations serve as a guide for understanding the Direct Loan Electronic MPN Web site. The four simulations are as follows:

- EMPN online Grad PLUS Pnote
- EMPN online Parent PLUS
- EMPN online School Administrator
- EMPN online Subsidized-Unsubsidized

If you have any questions or comments about the CBTs and simulations, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include “CBT Question/Comment” in the subject line.



Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

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Second 2007-2008 Pell Grant Deobligation Due To Verification Status "W" (08/20/08)

On August 19, 2008, Federal Student Aid deobligated 2007-2008 Award Year Federal Pell Grant (Pell Grant) disbursements that did not have a verification status updated from "W" to a valid status of "V" or "S". As noted in the warning message that Federal Student Aid sent to affected schools on August 5, 2008, these disbursements were considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. This deobligation affected Pell Grant disbursements at approximately 160 schools.

A school affected by the deobligation will receive or see the following information:

- Receive a PGTX (PGTX08OP message class) file in the school's Student Aid Internet Gateway (SAIG) mailbox indicating the number of students and total amount of the decrease
- Receive a system-generated negative disbursement file (CRND08OP message class/ND document type)
- Receive a new Electronic Statement of Account (ESOA) that reflects the decrease unless there are other offsetting increase adjustments
- See a change in the school's Current Funding Level (CFL) that reflects the reduced disbursements

Note: If a school did not have students with a verification status of "W" just prior to August 19, 2008, it was not affected by the deobligation process.

A school affected by the deobligation should carefully review the following information:



Verification Completed or Not Required

If verification has been completed as required or is not required and a school believes a student's 2007-2008 disbursement should not have been reduced to zero, the school must complete the following steps in this order:

- 1) The school must send an update to the verification status of the award, and the COD System must accept the update.
- 2) Once the verification status is updated to "V" or "S", the school may submit the actual disbursement (Disbursement Release Indicator or DRI equals "True") for the correct amount to the COD System for processing.

Notes:

- For the conditions under which each verification status code should be used, refer to [the September 28, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).
- In the following two cases, it is acceptable for the verification status code field to be blank:
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported the verification status code as "W", the school should change the "W" to blank (nil = "True").
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported no verification status code to date, the school does not need to submit a verification status code and should leave the field blank (nil = "True").
- The school can perform steps 1 and 2 above in the same submission to the COD System if reported in the same student record.

Verification Deadline

Some of the 2007-2008 disbursements that were reduced to zero (\$0.00) may have been for students who are still within the allowable timeframe for submitting verification documentation/completing the verification process as specified in [the "Notice of Deadline Dates for Receipt of Applications, Reports, and Other Records for the 2007-2008 Award Year" published on June 9, 2008 \(73 FR 32562\)](#) in the [Federal Register](#).

If a school needs additional time to complete verification for an individual student in accordance with the allowable timeframe in the [Federal Register](#) notice, the school may resubmit a disbursement record with a value greater than zero (\$0.00) until September 30, 2008. After September 30, 2008, the COD System will no longer accept "W" as a valid verification status code for 2007-2008 Pell Grant awards.

If you have any questions regarding the 2007-2008 Pell Grant deobligation of disbursements due to verification status "W," contact the COD School Relations Center.



TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (07/01/08)

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program for implementation beginning with the 2008-2009 Award Year. The TEACH Grant Program provides up to \$4,000 a year in grant assistance to a student who agrees to serve for at least four years as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves students from low-income families. A TEACH Grant recipient who does not complete the required teaching within a specified timeframe, or fails to meet certain other requirements of the TEACH Grant Program, will be required to repay the TEACH Grant as a Direct Unsubsidized Loan under the William D. Ford Federal Direct Loan Program. During the period June 27-28, 2008, Federal Student Aid implemented COD System functionality that supports the processing of TEACH Grant awards for the 2008-2009 and subsequent award years. This functionality included implementation of the [TEACH Grant Agreement to Serve \(ATS\) Web site](#).

For TEACH Grant guidance refer to the following postings on the [Information for Financial Aid Professionals \(IFAP\) Web site](#):

- [Final Rule published on June 23, 2008 \(73 FR 35472\)](#) in the [Federal Register](#) provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.
- [Dear Colleague Letter GEN-08-01](#) provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.
- [Dear Colleague Letter GEN-08-07](#) provides information on institutional eligibility for the TEACH Grant Program.
- [June 19, 2008 Electronic Announcement](#) provides information on Federal Student Aid's operational implementation of TEACH Grant Program functionality.
- [June 27, 2008 Electronic Announcement](#) provides information on the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. This communication includes a "TEACH Grant Agreement to Serve (ATS) Web Site User Guide" designed to assist a student in completing his or her first electronic ATS.
- [2008-2009 COD Technical Reference](#) provides technical information related to the processing of TEACH Grant awards.

Federal Student Aid will continue to inform the community of the implementation of additional TEACH Grant functionality scheduled for implementation over the next several months. Please monitor the [IFAP Web site](#) for the forthcoming communications.

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