



COD Processing Update

September 2, 2011

NEWS/UPDATES

• **End of Federal Fiscal Year 2011 – Impact on Funds Availability (09/02/11)**

Friday, September 30, 2011 marks the end of the Federal fiscal year for the Department of Education (the Department). Some of the Department's core financial systems, including G5, will be on a modified processing schedule while the Department finalizes its processing and accounting for Fiscal Year 2011. These interruptions will impact how the COD System will process financial data and when schools can obtain funds for the Federal student aid programs as follows:

- ***Wednesday, September 28, 2011 through Monday, October 3, 2011*** – The COD System will accept ACG, Iraq and Afghanistan Service Grant, National SMART Grant, Pell Grant, TEACH Grant, and Direct Loan records. However, after 10:00 A.M. (ET) on Wednesday, September 28, 2011, CFL changes (as a result of actual disbursements) and funding will not be processed by G5 until October 3, 2011.

All actual disbursements with a disbursement date from September 28, 2011 through October 3, 2011 must be received by the COD System ***no later than 10:00 A.M. (ET) on Wednesday, September 28, 2011***, and subsequently accepted by the COD System, in order to generate the appropriate funding level increase prior to the G5 shutdown. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after October 3, 2011 will be funded after G5 re-opens on October 3, 2011.

- ***9:00 P.M. (ET) on Friday, September 30, 2011 through 6:00 A.M. (ET) on Monday, October 3, 2011*** – The [G5 Web site](#) will not be available. Schools will not be able to draw down Campus-Based, ACG, Iraq and Afghanistan Service Grant, National SMART Grant, Pell Grant, TEACH Grant, or Direct Loan funds during this period. Schools will be able to draw down under their existing authorizations after 6:00 A.M. (ET) on Monday, October 3, 2011.

See also a [September 1, 2011 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

• **ACG, Iraq and Afghanistan Service Grant, National SMART Grant, and Pell Grant 2010-2011 Award Year Processing Deadline (09/02/11)**

The ACG and National SMART Grant Program regulations at 34 CFR 691.83(a) and the Pell Grant regulations at 34 CFR 690.83(a) establish the deadline by which a school must submit student payment data each award year. The data must be submitted to the Department of Education (the Department) by September 30th following the end of the award year in which the ACG, Iraq and Afghanistan Service Grant, National SMART Grant, or Pell Grant is made.

As required by regulations, and consistent with the "Notice of Deadline dates for the receipt of documents and other information from institutions and applicants for the Federal student aid programs authorized under Title IV of the Higher Education Act", the deadline for electronically transmitting ACG, Iraq and Afghanistan Service Grant, National SMART Grant, and Pell Grant records for the 2010-2011 Award Year to the Common Origination and Disbursement (COD) System is ***Friday, September 30, 2011***. The notice was originally published in the [Federal Register](#) on June 7, 2011.



In an attachment to this announcement titled “ACG, Iraq and Afghanistan Service Grant, National SMART Grant, and Pell Grant 2010-2011 Award Year Processing Deadline,” we provide comprehensive information related to the ACG, Iraq and Afghanistan Service Grant, National SMART Grant, and Pell Grant 2010-2011 Award Year processing deadline.

Additional information is posted in a [September 1, 2011 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

• **Additional TEACH Grant Closeout Information for 2010-2011 Award Year (09/02/11)**

In a [June 21, 2011 Electronic Announcement](#), we provided Teacher Education Assistance for College and Higher Education (TEACH) Grant Closeout information for the 2010-2011 Award Year. This announcement provides additional information to supplement the previous guidance. As a reminder, to be considered successfully closed out, a school must—

- Have an Ending Cash Balance of \$0 and Total Net Unbooked Disbursements of \$0, as reflected on its TEACH Grant School Account Statement (SAS) Report

The processing deadline to submit records is **8:00 P.M. (ET) on Friday, September 30, 2011**. The COD System subsequently must accept all records submitted by the processing deadline in order for them to be included in the school's final TEACH Grant Ending Cash Balance for 2010-2011. Any 2010-2011 Award Year batches or records received after the processing deadline will be rejected and returned to the school.

For detailed information about TEACH Grant Closeout for the 2010-2011 Award Year, refer to [the September 1, 2011 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

• **Loan Servicing Information – Transition to New Direct Loan Servicing Center (ACS) System and Web Sites Planned for Fall 2011 (Update #4) (09/02/11)**

Over the past few months, Federal Student Aid has communicated that the Direct Loan Servicing Center (ACS), one of the Department of Education's five federal loan servicers, plans to transition to a new loan servicing system in fall 2011. In addition to the new system, the Direct Loan Servicing Center (ACS) will launch new Web sites for schools as well as William D. Ford Federal Direct Loan (Direct Loan) borrowers and Teacher Education Assistance for College and Higher Education (TEACH) Grant recipients.

For complete information about the transition, refer to [the September 1, 2011 Electronic Announcement](#) on the IFAP Web site.

2010-2011 2nd ACG Deobligation Due To No Corresponding Pell Grant (09/01/11)

On August 31, 2011, Federal Student Aid deobligated 2010-2011 Award Year Academic Competitiveness Grant (ACG) disbursements for students who did not have a 2010-2011 Federal Pell Grant (Pell Grant) actual disbursement recorded in the COD System. As noted in the warning message that Federal Student Aid sent to affected schools on August 24, 2011, these ACG 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 ACG disbursements at approximately 241 schools.

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

- Receive an AGTX file (AGTX11OP message class) in the school's Student Aid Internet Gateway (SAIG) mailbox indicating the number of students and total amount of the decrease



This edition of the COD Processing Update will remain on the [COD Web site](#) until Tuesday, September 6,, 2011. We will notify schools via a COD Web Message when a new edition has been posted.

- Receive a system-generated negative disbursement file (CRND11OP message class/ND document type) in the school's SAIG mailbox
- Receive a new Electronic Statement of Account (AGAS11OP message class) in the school's SAIG mailbox 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

Notes:

- If all of the ACG recipients at a school had a corresponding 2010-2011 Pell Grant actual disbursement on August 29, 2011, the school was not affected by the August 31st deobligation process.
- Some ACG recipients do not have a corresponding 2010-2011 Pell Grant actual disbursement due to the documented full repayment of the Pell Grant as a result of a Return of Title IV Funds (R2T4) calculation. If a school informed the COD School Relations Center of the student records to which this exception applies, these student records were excluded from the August 31st deobligation process.

If you have any questions about the 2010-2011 ACG deobligation of disbursements due to no corresponding 2010-2011 Pell Grant actual disbursement, contact the COD School Relations Center.

• **Loan Servicing Information – Transition to New Direct Loan Servicing Center (ACS) System and Web Site’s Planned for Fall 2011 (Update #3) (08/29/11)**

As previously communicated, the Direct Loan Servicing Center (ACS), one of the Department of Education's five federal loan servicers, plans to transition to a new loan servicing system in fall 2011. In addition to the new system, the Direct Loan Servicing Center (ACS) will launch new Web sites for schools as well as William D. Ford Federal Direct Loan (Direct Loan) borrowers and Teacher Education Assistance for College and Higher Education (TEACH) Grant recipients.

For complete information about the transition, refer to [the August 26, 2011 Electronic Announcement](#) on the IFAP Web site.

• **Direct Loan Processing Information – Master Promissory Note Print Option and Promissory Print Code Tag in Common Record (08/26/11)**

An [Electronic Announcement](#) was released to schools from the COD School Relations Center today and is posted on the Information for Financial Aid Professionals (IFAP) Web site. This is announcement will assist schools in understanding the difference between the MPN Print Option (set on the COD Web site) and using the Promissory Note Print Code tag (sent in the Common Record with Direct Loan award information).

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

CURRENT ISSUES

ALL PROGRAMS

COD Web site Returning Errors When Updating Person Information (07/12/11)

Federal Student Aid has identified an issue when schools attempt to update person information via the COD Web site. Specifically, when a user is updating



person information, the Award list defaults to an award from a “closed” Award Year.

When attempting to submit the updated information, a user will receive an error message stating, “Updates are not allowed for this School and Award Year, either because the Award Year is closed and the School is not in extended processing or because FSA has confirmed closeout. If you have any questions, please contact COD Support. Please select a different Award for this person or select cancel.”

To update person information a user must first select an award from the current Award Year from the Award list. Federal Student Aid is working to resolve this issue and will provide updates as more information becomes available.

We apologize for any inconvenience this issue may cause schools. If you have any questions contact the COD School Relations Center.

DIRECT LOANS

There are no Direct Loan specific issues to report at this time.

GRANTS

There are no Grant specific issues to report at this time.

REMINDERS

COD Holiday Schedule For September 5, 2011 (08/29/11)

The COD School Relations Center will be closed on Monday, September 5, 2011 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 5, 2011, 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 6, 2011.

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 25, 2010 Electronic Announcement](#) on the Information for Financial Aid Professionals (IFAP) Web site.

COD Computer-Based Training (09/02/11)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT).

The COD CBT consists of component simulations and CBTs. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the “Tools for Schools” section on the home page, click on [COD Computer-Based Training](#).

Sending Addresses for U.S. Territories and Foreign Countries on the Common Record or the COD Web site (09/02/11)

When submitting student or borrower addresses or address changes to the Common Origination and Disbursement (COD) System, it is important that the correct tags are used, particularly when the student or borrower address is located in a U.S. Territory or Foreign Country. If these addresses are not submitted correctly, important correspondence from the COD System and the federal loan servicers is delayed or not received.

- When a student or borrower address is located in a U.S. Territory it is considered a domestic address. Do not submit a Country Code.
- When a student or borrower address is located in a Foreign Country, it is treated as a foreign address.

See below for the correct procedures for submitting U.S. Territories and Foreign Country addresses via the Common Record batch submission or COD Web site.



Submitting Addresses for U.S. Territories and Foreign Countries via the Common Record

When creating or updating a person record via the Common Record batch submission, a school should send the address block with the following tags:

Schema Version	Included Tags for Domestic Address, including U.S. Territories	Excluded Tags for Domestic Address, including U.S. Territories	Included Tags for Foreign Addresses
3.0c or 3.0d	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>	<AddressLine> <City> <StateProvince> (Optional) <PostalCode> (Optional) <CountryCode>

Submitting Addresses for U.S. Territories and Foreign Countries via the COD Web site

When creating or updating a person record on the COD Web site, a school should select the U.S. Territory from the dropdown box in the State/Province field. A school should select the Country field as “Blank”.

A complete list of State Codes (including U.S. Territories), Jurisdictions, and Country Codes are provided in Volume VI, Section 4 of the [2010-2011 COD Technical Reference](#). If you have questions about this information, contact the COD School Relations Center.