



COD Processing Update

September 23, 2011

NEWS/UPDATES

- **Forthcoming COD System Update to Accept Single Disbursement Loans Based on Cohort Default Rate (09/23/11)**

An [Electronic Announcement](#) was released to schools from the COD School Relations Center on September 22, 2011 and is posted on the Information for Financial Aid Professionals (IFAP) Web site. This announcement provides information regarding the forthcoming COD System update to accept single disbursement loans based on cohort default rate.

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".

- **Direct Loan Processing Information – Master Promissory Note (09/19/11)**

An [Electronic Announcement](#) was released to schools from the COD School Relations Center on September 16, 2011 and is posted on the Information for Financial Aid Professionals (IFAP) Web site. This is the third in a series of announcements providing processing information for schools participating in the William D. Ford Federal Direct Loan (Direct Loan) Program. Each announcement is intended to provide operational guidance about a particular aspect of the Direct Loan process.

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".

- **Loan Servicing Information – Federally-Owned Loan Transfer Initiatives Planned for September – October 2011 (09/16/11)**

Federal Student Aid continues its efforts related to borrowers who have more than one servicer of their William D. Ford Federal Direct Loan (Direct Loan) Program loans and Federal Family Education Loan (FFEL) Purchased Loans, more simply referred to as their federally-owned loans. As promised when Federal Student Aid transitioned to a multi-servicer, borrower-centric approach to servicing, we resolve these situations through transfers that ultimately result in one servicer servicing all of a borrower's federally-owned loans.

Based on experience gained through each transfer initiative, Federal Student Aid continuously refines and improves the transfer process. Our goal is to execute each transfer in a manner that is as orderly and smooth as possible for the affected borrowers. During the September - October 2011 period, Federal Student Aid plans to implement the next two transfer initiatives.

For complete information about the transfer initiatives, refer to [the September 16, 2011 Electronic Announcement](#) on the IFAP Web site.

- **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.

CURRENT ISSUES

ALL PROGRAMS

COD Web site Returning Errors When Updating Person Information [(07/11/11) Updated 09/23/11]

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 the issue and plans to implement a fix in October 2011.

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

Pell Grant Awards Rejecting Incorrectly for Edit 38 When Last Name Change Involved (09/09/11)

Federal Student Aid has discovered an issue when a school submits a Pell Grant award and the student's "original" and "current" last name field tags do not match. The COD System is incorrectly trying to link the CPS transaction using the original last name instead of the current last name. The school is then receiving COD Reject Edit 38 (Student not Pell eligible) incorrectly because the last name on the CPS transaction and the Pell Grant award record do not match.



Federal Student Aid is working on a fix for the issue and plans to implement it in late October 2011. As a temporary workaround until the system fix, a school should submit the student's "current" last name in **both** the <LastName> tag in the Student Identifier/Index block and the <LastName> change tag.

- Batches submitted by schools via the SAIG will be held or schools will receive an error message informing them that the SAIG is unavailable and that the data must be transmitted at a later time.

REMINDERS

Impact on COD Processing September 25, 2011 (09/20/11)

Federal Student Aid is planning several system maintenance activities on September 25, 2011. 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. These activities will result in outages of certain COD System functionality for a period of time.

An explanation of how these activities will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

Extended COD System Maintenance

From 1:30 A.M. (ET) until 11:30 A.M. (ET) on Sunday, September 25, 2011—

- Users will not be able to submit or retrieve data via the [COD Web site](#).
- An individual will not be able to complete online Direct Loan Entrance Counseling, complete a new Master Promissory Note (MPN) electronically, complete a Direct PLUS Loan Request electronically, endorse a Direct PLUS Loan electronically or view loan correspondence via the [StudentLoans.gov Web site](#).
- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the [TEACH Grant Web site](#).

Contact Information

Federal Student Aid appreciates your patience and understanding as it completes this important activity. If you have any questions about the COD System, the StudentLoans.gov Web site, or the TEACH Grant 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 School Relations Center and Applicant Services Department Reminder (09/09/11)

Federal Student Aid would like to remind the financial aid community of how the COD School Relations Center assists schools, borrowers, and endorsers. The COD School Relations Center is available to assist **schools** with questions or concerns related to successful COD System processing. This includes questions or concerns that schools raise on behalf of a borrower or endorser of a Direct PLUS loan, as well as any school reconciliation issues affecting Grants and Direct Loans.

The Applicant Services Department is available to assist **Direct Loan borrowers and endorsers** of Direct PLUS loans with questions or concerns related to the following:

- Credit status and denied credit decision appeals
- Obligations/responsibilities of Direct PLUS Loan endorsers
- All actions performed on the StudentLoans.gov Web site

Federal Student Aid believes the specialized services provided via each area allow for more efficient and timely responses across all customer types.



School Relations Center:

- For the Grants Division schools should contact 800/474-7268.
- For the Direct Loans Division schools should contact at 800/848-0978.

Applicant Services Department:

- Borrowers and endorsers of Direct PLUS Loans should contact 800/557-7394.

COD Computer-Based Training (09/23/11)

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 (09/23/11)

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.