Reminders and 2022–23 Funding Authorization and Disbursement Information
Attachment to March 2022 Electronic Announcement

This document covers reminders for the 2022–23 award year as well as 2022–23 funding authorization and disbursement information.

Reminders

We take this opportunity to remind schools of the following:

- For the 2022–23 award year, a school must send (and the COD System will acknowledge) Common Record documents for all origination and disbursement information using COD Common Record Extensible Markup Language (XML) Schema Version **5.0a**. Unsolicited system-generated responses and COD Web Activity responses for all award years will be sent by the COD System using COD Common Record XML Schema Version **5.0a**.

  For complete information about the schema version, refer to the [COD Common Record XML Schema Version 5.0a posting](#).

  Note: Federal Student Aid fully validates Common Record files against the published COD Common Record XML Schema (schema). This means that if a school submits a Common Record that does not conform to the published schema format, it is not processed by the COD System and a school receives COD Reject Edit 210.

- For schools interested in testing with the COD System before sending production data for the 2022–23 award year, refer to the [COD School Testing for the 2022–23 award year Electronic Announcement](#) or Volume V of the 2022–23 COD Technical Reference.

If a school uses a third-party software provider, it should check with the provider regarding the availability of the provider's 2022–23 software release.

Note for EDExpress Users: EDExpress for Windows 2022–23, Release 2.0, scheduled for release in April 2022, will add Pell Grant, TEACH Grant, and Direct Loan functionality for the 2022–23 award year. We will communicate EDExpress Release 2.0 information through forthcoming electronic announcements.

Beginning March 27, 2022, the following will be in place:

- All 2022–23 award year-specific message classes will include "23" as the award year indicator. All message classes are listed in Volume II, Section 2 of the [2022–23 COD Technical Reference](#).

- The Direct Loan *Master Promissory Note* (MPN) ID will include "23" as the award year indicator. Direct Loan award IDs will include "23" as the award year indicator if the loan is originated for the 2022–23 award year.

- The TEACH Grant Agreement to Serve ID will include "23" as the award year indicator if an *Agreement to Serve or Repay* is completed for the 2022–23 award year.

- Annual Student Loan Acknowledgment responses (message class: CRIB) will default to the 2022–23 award year.

- The default award year will be 2022–23 on all [COD website](#) screens except the Request Reopen/Extended Processing screen.

- A school's selected report format for 2022–23 will default to the format specified by the school's prior award year's report options. If desired, COD website School User Levels 3–5 and Third-Party Servicer User Levels 3–5 can change their schools' report options by accessing the Report Selection screen for the 2022–23 award Year after March 27, 2022.

    o To access the Report Selection screen, click on the Report Selection link on the COD website's School Information Options screen. Updates to report formats for reports that are not award-year specific will be applied to all award years. Updates to report formats for reports that are award-year specific will be applied only to the award year selected in the award Year drop down menu on the Report Selection screen.

    o Complete details on report formats are available in Volume VI, Section 7 of the 2022–23 COD Technical Reference.

- A school's StudentAid.gov website processing options will default to the current selections. For the options set with a date, we will increment the date by one year (for example, 4/1/2021 will become 4/1/2022). If desired, a COD website School User Levels 3–5 and Third-Party Servicer User Levels 3–5 can change the StudentAid.gov website processing options on the COD website's School Information Options screen.

2022–23 Funding Authorization and Disbursement Information

2022–23 funding authorization and disbursement information is summarized below.

Campus-Based Programs

We will process Campus-Based funding authorizations through the COD System. Schools will be provided information about 2022–23 Campus-Based funding authorizations in a separate announcement.

Direct Loan Program

Schools that receive funds under the Advanced funding method and historically report actual disbursements prior to July 1st will receive an initial Current Funding Level (CFL) for the 2022–23 award year the week of March 27, 2022. All other Advanced funded schools will receive an initial CFL for the 2022–23 award year in June 2022 in an amount of about 30% of prior year Net Accepted and Posted Disbursements (NAPD). Additional CFL increases will occur in August 2022 (another 30% of prior year NAPD), November 2022 (another 40% of prior year NAPD), and February 2023 (increased to equal year-to-date Origination totals).

Schools on a Heightened Cash Monitoring (HCM1 and HCM2) or Reimbursement funding method, foreign schools, and schools that request to be "records first" will not receive an initial CFL, but instead will receive funding increases based on actual disbursement records that are submitted to and accepted by the COD System.

The COD System will accept 2022–23 actual disbursement data (DRI = "True") for Direct Loan awards beginning **March 27, 2022**.

Iraq and Afghanistan Service Grant Program

All 2022–23 Iraq and Afghanistan Service Grants must be submitted via the COD website; batch processing for these grants is not available. To process an Iraq and Afghanistan Service Grant award successfully, a school must complete all of the following actions:

- Submit Iraq and Afghanistan Service Grant awards through the "Create Award/Pell" screen.

- Select CPS transaction number that contains the DoD Match Flag = "Y" and the Pell-Eligible Flag = "N".

- Select the Iraq and Afghanistan Service (IAS) Grant Indicator.

Disbursements and Funding

- Funding for Iraq and Afghanistan Service Grants for the 2017–18 award year and forward are based only on actual disbursements [(DRI) = "True"] as with any other program.

- All disbursements for Iraq and Afghanistan Service Grant awards may be submitted as either anticipated disbursements (DRI = "False") or actual disbursements (DRI = "True") as with any other program.

- All CFL adjustments post automatically based on accepted actual disbursements. A school will receive an Electronic Statement of Account (ESOA) and will be able to draw down funds in G5 accordingly.

- Funding for Iraq and Afghanistan Service Grants **prior to** the 2017–18 award year will continue to be an exception-based process. A school must request extended processing through the COD website. Once extended processing is granted, the school will be able to submit the award. Federal Student Aid will then process the funding for the school.

The earliest date on which a school may disburse an Iraq and Afghanistan Service Grant for the 2022–23 award year, either with federal funds or its own funds, is **Jan. 31, 2022**. The COD System will accept 2022–23 actual disbursement data [Disbursement Release Indicator (DRI) = "True"] for Iraq and Afghanistan Service Grant awards beginning March 27, 2022. Iraq and Afghanistan Service Grants amounts are based on the Pell Grant payment and disbursement schedules, but currently subject to reductions based on the Budget Control Act of 2011 (the sequester law). For more information, refer to a [May 17, 2021 Electronic Announcement](#).

Note for EDExpress Users: The EDExpress for Windows software does not support the processing of Iraq and Afghanistan Service Grant transactions. EDExpress schools that have Iraq and Afghanistan Service Grants may continue to process those transactions individually through the COD website and should be prepared to manually track Iraq and Afghanistan Service Grant disbursements and originations during their normal reconciliation activities.

Pell Grant Program

There is no Initial Authorization for the Pell Grant Program for the 2022–23 award year. Schools will receive a Current Funding Level (CFL) based on the accepted and posted actual disbursement records that they submit to the COD System.

The earliest date on which a school may disburse a Pell Grant for the 2022–23 award year, either with federal funds or its own funds, is **Jan. 31, 2022**. The COD System will accept 2022–23 actual disbursement data [Disbursement Release Indicator (DRI) = "True"] for Pell Grant awards beginning **March 27, 2022**.

Note: Due to development and timing constraints, the March 2022 COD System release will implement the 2022–23 Pell Grant payment and disbursement schedules published in Dear Colleague Letter, GEN-22-03 on Jan. 31, 2022, instead of the revised 2022–23 Pell Grant payment and disbursement schedules that are expected soon. We will implement the revised 2022–23 Pell

Grant payment and disbursement schedules in the COD System as soon as possible. After that implementation is complete, schools that have already awarded students based on the Jan. 31, 2022, Pell Grant schedules will need to re-evaluate how the revised Pell Grant schedules may impact those awards. There will not be any systematic correction to those records sent prior to the implementation of the revised payment and disbursement schedules.

We will provide more detail about the upcoming COD System implementation of the revised 2022–23 Pell Grant payment and disbursement schedules in a forthcoming Electronic Announcement on the Knowledge Center.

Important: All 2022–23 Pell Grant records sent to the COD System before the update of the revised schedules is in place will be processed by the COD System using the schedules published on Jan. 31, 2022, and will need to be corrected after the COD System implements the revised schedules. **If schools have flexibility with their system and processing timelines, we highly encourage them to refrain from submitting Pell Grant records to the COD System until after the revised schedules have been implemented in the COD System.**

TEACH Grant Program

There will be no Initial Authorization for the TEACH Grant Program for the 2022–23 award year. Schools will receive a CFL based on the accepted and posted actual disbursement records that they submit to the COD System.

The COD System will accept 2022–23 actual disbursement data (DRI = "True") for TEACH Grant awards beginning **March 27, 2022**.