



February 1, 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 Processing Alert – Batch Processing Caught Up Friday, January 25, 2008 [01/24/08 (Updated 01/28/08)]

On January 24, 2008, Federal Student Aid informed schools of an issue with the processing of batches submitted to the COD System. The issue required Federal Student Aid to temporarily place batch processing on hold. By the afternoon of January 24, 2008, Federal Student Aid had resolved the issue and resumed batch processing.

Federal Student Aid has now processed and acknowledged all outstanding batches.

Federal Student Aid again apologizes for the inconvenience caused by this issue and appreciates your patience and understanding as it worked to resolve the issue and resume normal operations.

New TEACH Grant Program Question Added To 2008-2009 FAFSA On The Web [12/24/07 (Updated 01/09/08)]

The College Cost Reduction and Access Act (the CCRAA), Pub.L. 110-84, created the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program (TEACH Program). This program is effective beginning with the 2008-2009 Award Year and provides up to \$4,000 a year in grant assistance to students who plan on becoming a teacher and meet certain specified requirements. If a student who receives a TEACH Grant does not complete the required teaching, the grant must be repaid as a Direct Unsubsidized Loan under the William D. Ford Federal Direct Loan Program.

Note: For policy information on all of the provisions of the CCRAA, including the TEACH Grant Program, refer to [Dear Colleague Letter GEN-08-01 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

Federal Student Aid posted [a December 21, 2007 Electronic Announcement on the IFAP Web site](#) that is the first in a series of communications intended to focus on the operational implementation of the CCRAA changes that will affect the Central Processing System (CPS), Common Origination and Disbursement (COD) System, and EDESuite. Federal Student Aid is very close to finalizing the operational changes that it must make to its Federal student aid processes and procedures to implement the provisions of the CCRAA, including the TEACH Grant Program for the 2008-2009 Award Year, and appreciates the community's patience as it completes this work. Forthcoming communications will fully explain the necessary changes and



implementation schedule. All participants in the Federal student aid programs should refer to the [IFAP Web site](#) for applicable guidance and information.

In [the December 21st Electronic Announcement](#), Federal Student Aid informs the community of a new question relating to the TEACH Grant Program that has been included on the 2008-2009 Free Application for Federal Student Aid (FAFSA). For 2008-2009, this question will only be on the [FAFSA on the Web](#) application and not on the paper FAFSA. The question is intended to assist in identifying potentially eligible TEACH Grant recipients and will be available on both the English and Spanish versions of [FAFSA on the Web](#). Please refer to [the December 21st Electronic Announcement](#) for important information about the implementation of the new TEACH Grant Program question.



Updating School Contact Information in the COD System (02/01/08)

Federal Student Aid wants to remind all schools and third party servicers that contact information in the Common Origination and Disbursement (COD) System must be kept current. Contact information is extremely important for the COD School Relations Center. Of utmost importance are e-mail addresses and mailing addresses.

- The e-mail address for the Financial Aid Administrator is used to deliver time-sensitive materials and critical COD processing information to the school.
- For a Direct Loan school, correct mailing address information ensures that Direct Loan closeout letters are delivered timely and to the correct place.

Please ensure that all contact information is updated as needed.

Submitting Updates to School Contact Information

Depending on the type of information to be updated, a school must submit updates in one of the following two ways:

1. In accordance with 34 CFR 600.21, most changes must be reported using the [Electronic Application for Approval to Participate in Federal Student Financial Aid Programs \(E-App\)](#). This includes changes to the following information:
 - School name
 - School address (including any branches and locations)
 - Names of the President (or equivalent title), Chief Financial Officer (or equivalent title), and Financial Aid Administrator (or equivalent title)
 - Telephone numbers and e-mail addresses for the above officials

Once the E-App is processed, the [COD Web site](#) is updated within 24 hours. It may take longer if there is additional information required by the School Participation Team (formerly known as the Case Management and Oversight Division).

2. Two specific changes can *only* be made via the [COD Web site](#). These are changes to the Direct Loan Officer contact information/ mailing address and the Pell Grant Officer contact information/ mailing address. To view and/or update the current contact information for these officers, complete the following steps:
 - Log in to the [COD Web site](#).



- From the School tab, select the “Financial Aid Contact” link (located under the School Information menu). The School Financial Aid Contact Information screen displays the current information for the school.
- Update or add new contact information by clicking on the “Update” or “Add New” button in the heading for the officer to be updated.
- Complete the new information and submit the changes.

This information will be processed and updated immediately on the [COD Web site](#).

An [Electronic Announcement](#) with this same information is posted on the Information for Financial Aid Professionals (IFAP) Web site. If you have any questions about updating your school’s contact information, contact the COD School Relations Center.

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.

Resolved Issues

Described below are “Current Issues” that have been resolved. If a clean up is required, the title of the issue will then be moved to “Resolved Issues In Clean Up.”

For the full description of a resolved issue after it is removed from this section, refer to previous postings of the COD Processing Update on the [IFAP Web site](#). The COD Processing Update is posted to the [IFAP Web site](#) each Friday.



Incorrect Occurrences of COD Edit 39 [12/12/07 (Updated 02/01/08)]

As previously reported, Federal Student Aid discovered an issue with COD Edit 39 (Incorrect Award Amount) being returned incorrectly at the award level for some 2007-2008 Direct Subsidized Loan records submitted to the COD System.

Federal Student Aid implemented a code fix to resolve the issue, and the COD School Relations Center has worked with the affected schools to resubmit their records. In the future, if a school suspects that COD Edit 39 has been returned incorrectly, the school should contact the COD School Relations Center.

Federal Student Aid apologizes for any inconvenience this issue caused schools.



ACG, National SMART Grant, and Pell Grant Programs

COD News

2007-2008 Pell Grant CFL Reduction To NAPD Warning Message (01/29/08)

At this time, the majority of Federal Pell Grant (Pell Grant) funds for the first payment period of the 2007-2008 Award Year should have been disbursed to students. In general, schools are to submit Pell Grant disbursements to the Department of Education (the Department) no later than 30 days after making an actual disbursement or becoming aware of the need to adjust a student's previously reported disbursement. Accordingly, the majority of disbursements for the first payment period of the 2007-2008 Award Year should have already been submitted to the COD System for processing.

2007-2008 Pell Grant CFL Reduction to NAPD Warning Message Sent on January 28, 2008

On January 28, 2008, Federal Student Aid sent a message to schools that have a Pell Grant Current Funding Level (CFL) for the 2007-2008 Award Year that is greater than their Net Accepted and Posted Disbursements (NAPD). The message warns an affected school that its 2007-2008 Pell Grant CFL will be reduced to the NAPD if the CFL is still greater than the NAPD on February 13, 2008. After the reduction, schools that have drawn down funds in the G5 System but that have not submitted the applicable disbursements to the COD System may be in an excess cash situation and must rectify the situation as soon as possible.

Federal Student Aid sent the January 28, 2008 warning message to an affected school's Student Aid Internet Gateway (SAIG) mailbox in the message class PGTX08OP. A school that receives the warning message should review its internal records and submit all outstanding Pell Grant disbursements for the 2007-2008 Award Year to the COD System as soon as possible but before February 13, 2008.

This same information is posted in [a January 29, 2008 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#). If you have any questions regarding the 2007-2008 Pell Grant CFL reduction to NAPD, contact the COD School Relations Center.

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ACG and National SMART Grant Resources (02/01/08)

As a reminder, the Department of Education (the Department) has posted a number of Dear Colleague Letters and Electronic Announcements that communicate regulatory, policy, and operational information related to the implementation of the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs. In addition, Federal Student Aid has updated the [2006-2007 COD Technical Reference](#), the [2007-2008 COD Technical Reference](#), and posted the [2008-2009 COD Technical Reference](#). A school should refer to the [communications posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#) and to the 2006-2007, 2007-2008, and 2008-2009 COD



technical references for complete information about the ACG and National SMART Grant programs.

More specifically, the 2006-2007, 2007-2008, and 2008-2009 COD technical references cover all aspects of the operational implementation of the ACG and National SMART Grant programs. This includes information on the following key aspects of ACG and National SMART Grant processing:

- Financial Award ID and Financial Award Number (Award Sequence Number)
Volume II, Section 1 “Implementation Guide”
- Citizenship and Student Level Code
Volume II, Section 1 “Implementation Guide”
- Message Classes
Volume II, Section 2 “Message Classes”
- Common Record Layout
Volume II, Section 3 “Common Record Layout”
- Reports Generated by COD System
Volume VI, Section 8 “COD Reports”
- Eligibility/Payment Reason and Rigorous High School Program Code for ACG
Volume VI, Section 9 “Rigorous Secondary School Programs of Study, and Eligible Majors”
- Major/Classification of Instructional Program (CIP) Code for National SMART Grant
Volume VI, Section 9 “Rigorous Secondary School Programs of Study, and Eligible Majors”

If your school needs help locating information related to the operational implementation of the ACG and National SMART Grant programs, contact the COD School Relations Center.

Note for EDEExpress Users: Volume III of the 2006-2007, 2007-2008, and 2008-2009 COD technical references provides additional guidance for schools that use EDEExpress in combination with another system. If your school needs help locating information related to EDEExpress, contact CPS/SAIG Technical Support at 880/330-5947 or by e-mail at CPSSAIG@ed.gov.