COD System Processing Function Enhancements and Modifications for 2012-2013
Attachment to March 2012 Electronic Announcement

This document highlights the processing function enhancements and modifications we will implement during the March 9-10, 2012 period. We cover information in the following order:

- Changes Impacting All Programs
- Changes Impacting the Direct Loan Program
- Changes Impacting the Iraq and Afghanistan Service Grant Program
- Changes Impacting the Pell Grant Program
- Changes Impacting the TEACH Grant Program
- Changes Impacting Foreign Schools

If you have any questions about this document, contact the COD School Relations Center at 800/474-7268 for Grants or 800/848-0978 for Direct Loans. You may also e-mail CODSupport@acs-inc.com.

Changes Impacting All Programs

The following changes will impact the COD System processing of Iraq and Afghanistan Service Grant, Federal Pell Grant (Pell Grant), Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) awards.

Enrollment School Code

Beginning March 10, 2012, the COD System will begin to accept the <EnrollmentSchoolCode> tag for the 2012-2013 Award Year and forward. The <EnrollmentSchoolCode> tag will be required on every disbursement record for all award types when the disbursement is submitted for the first time (including at origination or during award maintenance). The Enrollment School Code is the OPE ID of the physical location where a student is attending classes.

When the tag is submitted, the COD System will validate that the value in the <EnrollmentSchoolCode> tag is the correct format of eight numeric digits. If not, the disbursement record will be rejected with existing COD Reject Edit 998 (Invalid Format). In addition, the COD System will evaluate that the value in the <EnrollmentSchoolCode> tag is an existing OPE ID on the COD System. If an invalid OPE ID is submitted, the disbursement record will be rejected with existing COD Reject Edit 996 (Invalid Value).

Additional processing rules for the <EnrollmentSchoolCode> tag will differ by award type as follows:

- If the <EnrollmentSchoolCode> tag is not submitted on a Direct Loan award, the COD System will reject the award and the disbursement with existing COD Reject Edit 117 (Disbursement Information Is Incomplete or Rejected) and COD Reject Edit 994 (Missing Value).

- If the <EnrollmentSchoolCode> tag is not submitted on a Pell Grant award, the COD System will accept the award but reject the disbursement with COD Reject Edit 994 (Missing Value). For Pell Grant awards without disbursements, the <EnrollmentSchoolCode> tag will not be required.

- If the <EnrollmentSchoolCode> tag is not submitted on a TEACH Grant award, the COD System will reject the award with existing COD Reject Edit 160 (Disbursement Information Is Incomplete or Rejected) and the disbursement with COD Reject Edit 994 (Missing Value).

When submitted, the <EnrollmentSchoolCode> tag will be returned on Common Record Responses for all programs.

For complete information about the Enrollment School Code, refer to Volume 2, Section 1 of the 2012-2013 COD Technical Reference.

Changes Impacting COD System-Generated Responses

Beginning March 10, 2012, the COD System will remove the leading zeros in the following tags from the COD System-Generated Response files:

- <AwardKey>
- <FinancialAwardNumber>
- <CounselingSequenceNumber>
- <DisbursementNumber>
- <DisbursementSequenceNumber>
- <PreviousSequenceNumber>
- <RoutingID>

Changes Impacting the Direct Loan Program

The following changes will impact COD System processing of Direct Subsidized Loan, Direct Unsubsidized Loan, and Direct PLUS Loan awards.

Note: As explained in a February 28, 2012 Electronic Announcement, system enhancements to address changes made to the Direct Loan Program by the Budget Control Act of 2011 will be made in April 2012. Information about these future enhancements will be provided in forthcoming Electronic Announcements.

Allow Maintenance to Declined/Pended Direct PLUS Loan Awards

Beginning March 10, 2012, the COD System will begin to accept changes to all student and borrower identifier fields (SSN, DOB, Last Name), including when submitted for Direct PLUS Loan awards with declined or pending credit decisions. The COD System will begin to use a borrower's person identifier change field (SSN, DOB, Last Name) values when running credit checks on Direct PLUS Loan awards.

To accommodate this change, COD Reject Edit 121 (SSN Change Requested Rejected As Person Is Also a PLUS Borrower) will be modified to accept borrower SSN changes submitted in maintenance records Direct PLUS Loan awards with declined or pending credit decisions.

In addition, COD Reject Edit 122 (Increase to PLUS Loan Award Amount Rejected) and COD Warning Edit 119 (COD has reduced the anticipated disbursements and made this loan inactive based upon your record reducing the Award Amount to $0) will be modified to be returned on Direct PLUS Loans with declined or pending credit decisions.

Finally, we will retire COD Reject Edits 181 (Invalid Identifier Change For PLUS Award With PLUS Credit Decision Status Pending/Declined) and 182 (Invalid Award Change For PLUS Award With PLUS Credit Decision Status Pending/Declined) from being returned on Direct PLUS Loan award records.

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For complete information about maintenance to declined/pended Direct PLUS Loan awards, refer to Volume 2, Section 1 of the 2012-2013 COD Technical Reference.

Add New MPN Code 'E'

Beginning March 10, 2012, the COD System will send a new Master Promissory Note (MPN) Status Code (<MPNStatusCode>) of 'E' for Direct PLUS Loans. The <MPNStatusCode> tag will have one of the following valid values:

- A – Accepted
- R – Valid MPN Not On File at COD
- P – Pending
- C – Closed
- I – Inactive
- E – Inactive/Endorsed (2012-2013 Award Year and forward)

For the 2012-2013 Award Year and forward, the MPN Status Code of 'E' will be returned in system-generated responses and Common Record responses when an endorsed Direct PLUS Loan award links to an MPN. The MPN will be expired, and it may not be linked to any other Direct PLUS Loan awards.

When the COD System processes a credit override for an endorser and the Direct PLUS Loan award links to an MPN, the MPN Status Code will be returned with a value of 'E' in the credit override (CO) acknowledgement. The MPN will be expired, and it may not be linked to other Direct PLUS Loan awards.

For 2011-2012 Award Year and prior, when the COD System processes a credit override for an endorser, and the Direct PLUS Loan award links to an MPN, the MPN Status Code will continue to be returned with a value of 'I' in the credit override acknowledgement. The MPN will be expired, and it may not be linked to other Direct PLUS Loan awards.

Changes Impacting the Iraq and Afghanistan Service Grant Program

Although we anticipated a change to the processing of Iraq and Afghanistan Service Grants beginning with the 2012-2013 Award Year, due to the small number of grants, the implementation of additional system functionality has been deferred. These grants will continue to be processed as they are for the 2011-2012 Award Year.

All 2012-2013 Iraq and Afghanistan Service Grants must be submitted via the COD Web site; batch processing for these grants will not be 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 the CPS transaction number that contains the DoD Match Flag = "Y" and the Pell-Eligible Flag = "N".
- Select the Iraq and Afghanistan Service Grant Indicator.

Funding for Iraq and Afghanistan Service Grants

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Funding for Iraq and Afghanistan Service Grants for the 2012-2013 Award Year will continue to be an exception-based process and based on anticipated disbursements [Disbursement Release Indicator (DRI) = "False").

All disbursements for Iraq and Afghanistan Service Grant awards must be submitted as anticipated disbursements (DRI = "False"). Any 2012-2013 Iraq and Afghanistan Service Grant disbursements submitted with DRI = "True" will be rejected with COD Reject Edit 194.

A school will be able to draw down funds *after* it has submitted the Iraq and Afghanistan Grant award via the COD Web site. We will adjust the school's Current Funding Level (CFL) based on the amount of the accepted anticipated disbursements (DRI = "False") of the award and send a Statement of Account (SOA) via e-mail to the school.

Once the SOA is received, the school can log in to G5 and draw down its 2012-2013 Iraq and Afghanistan Service Grant funds. The funds will be posted under the G5 Award Number P408A12#### with the last four digits indicating the school's existing G5 Award Number for the Pell Grant Program. A school can expect to receive the SOA and be able to draw the funds within 3 business days of submitting the award.

Changes Impacting the Pell Grant Program

There are no major changes to the Pell Grant Program for the 2012-2013 Award Year in this March 2012 system implementation. As noted in a February 17, 2012 Electronic Announcement, system enhancements for the Pell Grant Lifetime Eligibility Used (LEU) change will be made in July 2012. Schools will need to carefully evaluate a student's eligibility for Pell Grant disbursements between April and July 2012.

Information about these future enhancements will be provided in forthcoming Electronic Announcements.

Changes Impacting the TEACH Grant Program

There are no major changes to the TEACH Grant Program for the 2012-2013 Award Year.

Changes Impacting Foreign Schools

The following changes will impact COD System processing for Foreign Schools.

School Option Information Page Updates

Beginning March 10, 2012, the COD System will allow foreign school users to both view and update the following fields on the School Options Information page:

- Parent/Grad PLUS Application Response Option
- Parent/Grad PLUS Application Participation Date Range

The School Options Web page will be updated to include view access of the following fields for foreign school users:

- Participate in Electronic Parent/Grad PLUS Application