



April 13, 2007

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 Batch Processing Suspension And Web Site Outages April 13-14, 2007 (04/05/07)

As explained in an Electronic Announcement posted on the [IFAP Web site](#), during the period April 13-14, 2007, COD plans to implement additional COD System functionality that supports the processing of ACG, National SMART Grant, Pell Grant, and Direct Loan awards for the 2007-2008 Award Year. As part of this 2007-2008 release, we plan to implement ACG and National SMART Grant report and overpayment edit functionality. This will complete the implementation of COD functionality required by the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171.

In order to install the system changes that will allow the COD System to receive and process 2007-2008 records—

- COD will suspend COD batch processing beginning at 8:00 P.M. (ET) on Friday, April 13, 2007. Records submitted after 8:00 P.M. (ET) will be held and processed after 4:00 P.M. (ET) on Saturday, April 14, 2007.
- The [COD Web site](#) will be unavailable from 8:00 P.M. (ET) on Friday, April 13, 2007 until 4:00 P.M. (ET) on Saturday, April 14, 2007.

Additionally—

- The [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) will be unavailable from 8:00 P.M. (ET) on Friday, April 13, 2007 until 4:00 P.M. (ET) on Saturday, April 14, 2007.

Individuals starting the process by 7:00 P.M. (ET) on April 13th will be able to complete their MPNs before the Web site becomes unavailable. Individuals attempting to access the Web site after the cutoff time will see a Web site maintenance message and will not be able to start the process or retrieve an existing MPN.

Note: Periodically throughout this outage, the [Direct Loan Electronic MPN Web site](#) will be available for testing purposes. Individuals who begin an activity during one of these periods may not be able to complete the activity before the Web site becomes unavailable again. For this reason, we urge individuals not to access the Web site until after the outage ends at 4:00 P.M. (ET) on April 14th.

- As a reminder, the [Direct Loan Electronic MPN Web site](#) is unavailable every Sunday morning from 5:00 A.M. until 11:00 A.M. (ET) while routine maintenance is performed.



As previously noted, individuals will not be able to complete or retrieve MPNs during this period.

COD apologizes for any inconvenience the batch processing suspension and Web site outages may cause and appreciates your understanding and patience while COD completes this important activity.

Resetting Your School's Report Options In The COD System (04/09/07)

As a reminder, with the implementation of the COD System for the 2007-2008 Award Year, a school's selected report format will default to the format specified in the [2007-2008 COD Technical Reference](#). After the implementation of the COD System for the 2007-2008 Award Year (scheduled to occur during the period April 13-14, 2007), COD Web site School User Levels 3-5 and Third Party Servicer User Levels 3-5 will be able to reset their schools' report options by accessing the Report Selection screen.

To access the Report Selection screen, click on the Report Selection link under the [COD Web site's](#) School Summary Information 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.

Complete details on report formats are available in Volume VI, Section 8 of the [2007-2008 COD Technical Reference](#).

Direct Loan Bulletin 07-07 Released (04/12/07)

Direct Loan Bulletin 07-07 was released to schools from the COD School Relations Center on April 11, 2007 and is posted on the [IFAP Web site](#).

As part of the changes to the student loan programs made by the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171, some (but not all) of the annual loan limits that apply to Direct Subsidized Loan and Direct Unsubsidized Loan borrowers will increase for loans first disbursed on or after July 1, 2007. Through a series of questions and answers, Direct Loan Bulletin 07-07 provides operational guidance for schools and third party software providers on processing Direct Subsidized Loan and Direct Unsubsidized Loan awards affected by the increased annual loan limits.

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

Direct Loan Bulletin 07-06 Released (04/06/07)

Direct Loan Bulletin 07-06 was released to schools from the COD School Relations Center on April 6, 2007 and is posted on the [IFAP Web site](#).

As part of the changes to the student loan programs made by the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans will be gradually reduced over the next three years. Through a series of questions and answers, Direct Loan Bulletin 07-06 provides operational guidance for schools and third party software providers on implementing the first reduction in the origination fee.



- For *all* Direct Subsidized Loans and Direct Unsubsidized Loans that are first disbursed on or after July 1, 2007 and before July 1, 2008, the origination fee is changing from 3.0 percent to 2.5 percent.
- The Direct PLUS Loan origination fee is not changing and will remain at 4 percent for Direct PLUS Loans made to both parent and graduate/professional student borrowers.
- The up-front interest rebate amount is also not changing and will remain at 1.5 percent for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans.

Refer to the bulletin for complete guidance.

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Unlocking and Resetting COD Web Site Passwords (04/13/07)

COD would like to remind COD Web site users that Security Administrators (COD Web site User Level 5) are able to unlock and reset passwords for the users (User Level 1-4) they established at their school or organization. However, if the Security Administrator needs his or her password unlocked or reset, the Security Administrator must contact the COD School Relations Center.

In order to unlock users, a Security Administrator should log in to the [COD Web site](#) and complete the following steps:

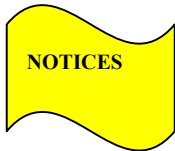
- Step 1: From the Welcome to Common Origination & Disbursement Web Site screen, click on the User tab on the blue bar at the top of the screen. The User Search screen displays.
- Step 2: Enter the search criteria for the user and click on the submit button at the bottom of the User Search screen. The Search Results screen displays and lists users that match the search criteria.
- Step 3: On the Search Results screen, select the name of the user that needs to be unlocked. The User Information screen displays.
- Step 4: Click on the Modify button at the bottom of the User Information screen. The Update User Profile screen displays.
- Step 5: The Locked Out box on the Update User Profile screen contains a checkmark. Click on the Locked Out box to remove the checkmark.
- Step 6: If a new temporary password is not needed, skip this item and go to Step 7. If a new temporary password is needed, enter the new temporary password in the New Password field. Then re-enter the new password in the Re-enter New Password field to confirm. The user will need to change this password to one of his or her choosing.
- Step 7: Click on the submit button at the bottom of the Update User Profile screen. The Update Your Profile screen displays.
- Step 8: On the Update Your Profile screen, click on the Submit button to confirm the updates made to the user's profile.

This information is also posted on the COD Web site in a document entitled "Unlocking And Resetting COD Web Site Passwords." To access the document *before* you log in to the Web site, click on the "Click here if you are looking for more information on Common

Origination and Disbursement” Link. To access the document *after* you log in to the Web site, click on the “Today’s Update” link at the bottom of the page.

Schools can refer to the Electronic Announcement on the IFAP Web site, <http://www.ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html>, for information regarding COD Web site access. Third party servicers can refer to the Electronic Announcement on the IFAP Web site at <http://www.ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html>.

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.



ACG, National SMART Grant, and Pell Grant Programs

COD News

COD Batch Processing Suspension And Web Site Outage April 13-14, 2007 (04/05/07)

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Federal Student Aid Online Training—COD Basics: Resolving Issues with Title IV Grants (04/13/07)

Federal Student Aid has announced online, instructor-led training on COD Basics: Resolving Issues with Title IV Grants. The training will be provided by two Federal Student Aid trainers in a one hour and thirty minute session offered on three different days—May 15, 16, and 17, 2007.

The COD Basics: Resolving Issues with Title IV Grants training is for *beginner level users* of the COD System. Aimed specifically toward resolving issues with Federal Pell Grant (Pell Grant), Academic Competitiveness Grant (ACG), and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) awards, this training will provide practical step-by-step guidance on how to research issues via the [COD Web site](#).

For additional information about this training, including registration information, refer to [Training Announcement ANN-07-05 on the Information for Financial Aid Professionals \(IFAP\) Web site](#).



Resetting Your School's Report Options In The COD System (04/09/07)

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Complete details on report formats are available in Volume VI, Section 8 of the [2007-2008 COD Technical Reference](#).

2007-2008 Federal Pell Grant Payment And Disbursement Schedules [02/22/07 (Updated 04/05/07)]

As explained previously in a number of Electronic Announcements posted on the [IFAP Web site](#), the Revised Continuing Appropriations Resolution, 2007, (P.L. 110-5) established the minimum and maximum Pell Grant amounts for the 2007-2008 Award Year. In an [Electronic Announcement posted on March 6, 2007](#), Federal Student Aid informed schools *that it plans to update the 2007-2008 COD System with the Pell Grant payment and disbursement schedules during the period May 11-12, 2007.*

Federal Student Aid decided to perform this update through a separate release to avoid delaying the April 13-14, 2007 implementation of COD System functionality that supports 2007-2008 award-year processing. This approach will allow Federal Student Aid to begin accepting and processing all 2007-2008 Pell Grant origination and anticipated disbursement records after it has updated the 2007-2008 COD System with the Pell Grant payment and disbursement schedules. In addition, this approach will eliminate the need for schools to resubmit Pell Grant origination and anticipated disbursement records to the COD System.

- *After implementation of COD System functionality that supports 2007-2008 award-year processing during the period April 13-14, 2007 and before the 2007-2008 COD System is updated with the Pell Grant payment and disbursement schedules during the period May 11-12, 2007, the COD System will reject origination and anticipated disbursement records for 2007-2008 Pell Grant awards.*
- *After Federal Student Aid completes the May 11-12, 2007 update to the 2007-2008 COD System, the COD System will accept origination and anticipated disbursement records for 2007-2008 Pell Grant awards.*

Notes:

- 1) It is not necessary for the COD System to accept a 2007-2008 Pell Grant record for a student before it can accept a 2007-2008 ACG or National SMART Grant record for that student. (Federal Student Aid will perform a COD System-wide job to check for a



corresponding Pell Grant award later in the award year.) Therefore, a school that wishes to submit 2007-2008 ACG and/or National SMART Grant origination and anticipated disbursement records to the COD System before the COD System begins accepting 2007-2008 Pell Grant origination and anticipated disbursement records may do so.

- 2) When a school submits a 2007-2008 Pell Grant origination or anticipated disbursement record to the COD System after May 12, 2007, the record must include a Central Processing System (CPS) transaction number for a transaction that has been designated as "Pell Grant Eligible." If the record does not include a CPS transaction number for a transaction that has been designated as "Pell Grant Eligible," the COD System will reject the record.

Note for EExpress Users: On March 19, 2007, Federal Student Aid posted an [Electronic Announcement](#) informing schools of its plans for updating the appropriate modules in EExpress with the 2007-2008 Pell Grant amounts. Federal Student Aid plans to issue an updated EExpress software release on May 18, 2007. Federal Student Aid will communicate the details related to this release through forthcoming Electronic Announcements on the [IFAP Web site](#).



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Schools can refer to the Electronic Announcement on the IFAP Web site, <http://www.ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html>, for information regarding COD Web site access. Third party servicers can refer to the Electronic Announcement on the IFAP Web site at <http://www.ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html>.



ACG and National SMART Grant Resources (04/13/07)

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, COD has updated the [2006-2007 COD Technical Reference](#) and the [2007-2008 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 and 2007-2008 COD technical references for complete information about the ACG and National SMART Grant programs.

More specifically, the 2006-2007 and 2007-2008 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:

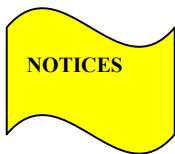
- Financial Award ID and Financial Award Number (Award Sequence Number)
Volume II, Section 1 “Implementation Guide”
- Citizenship and Student Level Code
Volume II, Section 1 “Implementation Guide”
- Message Classes
Volume II, Section 2 “Message Classes”
- Common Record Layout
Volume II, Section 3 “Common 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 EExpress Users: Volume III of the 2006-2007 and 2007-2008 COD technical references provides additional guidance for schools that use EExpress in combination with another system. If your school needs help locating information related to EExpress, contact CPS/SAIG Technical Support at 880/330-5947 or by e-mail at CPSSAIG@ed.gov.

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.

- Pell Year-to-Date (YTD) Records—

The YTD Record can be used to assist a school with its year-end and ongoing reconciliation processes. Schools also use the YTD Record for the purpose of rebuilding a complete student record or Pell Grant database.

- For rebuilds for the 2005-2006 and 2006-2007 Award Year, the school can submit the data request via the COD Web site or batch.
- For rebuilds for the 2004-2005 and earlier award years, the school must contact the COD School Relations Center by e-mail to CODSupport@acs-inc.com. The school should include "Pell YTD" in the subject line. If a school is unable to e-mail its request, it can contact the COD School Relations Center by phone.