



May 28, 2010

This edition of the COD Processing Update will remain on the [COD Web site](#) until Tuesday, June 1, 2010. We will notify schools via a COD Web Message when a new edition has been posted.

Direct Loan Program

COD News



Online Direct Loan Entrance Counseling Functionality (05/28/10)

An Electronic Announcement was released to schools from the COD School Relations Center on May 28, 2010 and is posted on the [Information for Financial Aid Professionals \(IFAP\) Web site](#). This announcement and its two attachments supplement the information provided in a [March 19, 2010 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#) by explaining the two Web sites where a borrower may complete online entrance counseling and how the processing impact to schools differs based on which Web site a borrower uses to complete entrance counseling.

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".

Impact on COD Processing May 30-31, 2010 (05/21/10)

Federal Student Aid is planning several system maintenance activities during the period May 30-31, 2010. In addition, the Student Aid Internet Gateway (SAIG) will be unavailable from 3:00 A.M. until 11:00 A.M. (ET) on Sunday, May 30, 2010 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.

Routine COD System Maintenance

On **Sunday, May 30, 2010**, we will perform system maintenance on the COD System. The impact to COD users is outlined below.

- Users will not be able to submit or retrieve data via the [COD Web site](#) between 12:30 A.M. and 11:00 A.M. (ET).
- An individual will not be able to complete online Direct Loan Entrance Counseling, complete a new Master Promissory Note (MPN) electronically, or complete a Direct PLUS Loan Request electronically via the [StudentLoans.gov Web site](#) between 12:30 A.M. and 11:00 A.M. (ET).



- 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](#) between 12:30 A.M. and 11:00 A.M. (ET).
- Between 12:30 A.M. and 11:00 A.M (ET), 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.

Memorial Day Federal Holiday

Monday, May 31, 2010 is the Memorial Day Federal holiday.

- The COD School Relations Center will be closed.
- The COD System will accept and process data from schools and send back responses/acknowledgements, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, June 1, 2010.

Complete information regarding processing and customer service hours for COD and other Federal Student Aid/Department of Education call centers on the holiday is posted in a [May 21, 2010 Electronic Announcement on the IFAP Web site](#).

Live Internet Webinar - Direct Loan Questions and Answers (05/26/10)

In [Dear Colleague Letter ANN-10-22 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid announced instructor-led, online training that will provide answers to common questions about the transition to the William D. Ford Federal Direct Loan (Direct Loan) Program. The webinar is designed for financial aid administrators at schools currently transitioning to the Direct Loan Program.

Federal Student Aid staff will present this information in a 90-minute session offered on Tuesday, June 8, 2010 at 1:30 P.M. (ET) and once again on Tuesday, June 29, 2010 at 11:00 A.M. (ET).

Advance registration is required for this training and will be available on a first-come, first-served basis.

For complete session descriptions, training schedule, and registration information, refer to [ANN-10-22](#).

Federal Student Aid looks forward to your participation in this instructor-led, online training opportunity.

2010 Federal Student Aid Conference (05/25/10)

The 2010 Federal Student Aid Conference will be held November 30, 2010 through December 3, 2010 in Lake Buena Vista, FL.

The fall Federal Student Aid Conference will offer premiere financial aid training, expert presenters and valuable networking opportunities for financial aid professionals. Registration for the conference is now open.



For further information regarding the upcoming 2010 Federal Student Aid Conference, refer to [Federal Student Aid's Conferences Web site](#).

Reminder of Origination Fee Reduction for Direct Subsidized Loans and Direct Unsubsidized Loans (05/14/10)

As explained in a [February 4, 2010 Electronic Announcement](#) posted on the Information for Financial Aid Professionals (IFAP) Web site, the origination fee for Direct Subsidized Loans and Direct Unsubsidized Loans was reduced for 2010-2011. This announcement provides operational guidance for schools and third party software providers on implementing these latest reductions in the origination fee.

Last year, many Direct Subsidized Loan and Direct Unsubsidized Loan awards rejected because the correct origination fee was not included with the award and/or was not used to calculate the award and its disbursements. For this reason, we want to remind schools of the previously provided guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards.

Schools should refer to [the February 4, 2010 Electronic Announcement](#) for complete information about the origination fee reduction.

If your school needs assistance with COD System processing, including making changes to origination fees, contact the COD School Relations Center.

Master Promissory Note, Entrance Counseling, and PLUS Search Issues [(4/22/10) Updated 5/13/10]

Federal Student Aid has identified several issues when schools search for Direct Loan Master Promissory Notes (MPNs), Direct Loan Entrance Counseling results, or Direct PLUS Loan Requests via the [COD Web site](#).

Issue 1: MPN Search by SSN-The search results do not return all MPNs associated with the student.

The search results should include any MPNs from any school associated with a student. Federal Student Aid has determined that in some cases, a search by student SSN is not pulling all MPNs associated with that student. For example, the search results will not always include a Direct PLUS Loan MPN associated with that student. In other cases, no search results are returned at all, even if an MPN is on file.

Issue 2: MPN Search by Date Range-The search results of more than 100 records do not display correctly and school cannot move to "Page 2" of the results.

The search results should include all MPNs within the date range. Federal Student Aid has determined that a date range search will only display the first 100 records and the school receives an error message when it attempts to view results on "Page 2".

Issue 3: Direct Loan Entrance Counseling date range search is unavailable.

Federal Student Aid has determined that the date range search functionality for Direct Loan Entrance Counseling is not working correctly. As a result, the functionality has been disabled



temporarily. **Note:** On the Entrance Counseling search screen the date range option is still displayed for users; however TEACH Grant is the only option in the drop-down menu at this time.

Issue 4: Direct PLUS Loan Request (PLUS Acknowledgement) date range search is unavailable.

Federal Student Aid has determined that the date range search functionality for Direct PLUS Loan Requests is not working correctly. As a result, the functionality has been disabled temporarily. **Note:** In order to further research this issue, on May 13, 2010, Federal Student Aid also temporarily disabled the date range search on the PLUS Application Response Request Search page (under the Batch Search menu).

Federal Student Aid is working to resolve all of these issues as soon as possible and will provide updates as more information becomes available. We will post these updates through the COD Processing Update.

In the meantime, schools can use the Batch Search page to locate the desired information. In the Batch Type drop-down box, a school can select “EC” for Entrance Counseling batches, “PN” for MPN batches, and “SP” for PLUS Request Acknowledgement batches.

We apologize for any inconvenience these issues cause schools. If you have questions, contact the COD School Relations Center.

Weekly Reminders



COD Computer-Based Training (05/28/10)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the [COD Web site](#), and associated Web sites and software products through June 27, 2009.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. 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](#).

Note: With the implementation of the [StudentLoans.gov Web site](#) at the end of March 2010, the three electronic Master Promissory Note (MPN) simulations no longer reflected the process for electronically completing Direct Loan MPNs and have been removed. We will post updated electronic MPN simulations when we next update the full version of the COD CBT.

The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the [COD Web site](#) screens and functionality available to a school administrator. There are 14 lessons with text to guide a user through each area of the [COD Web site](#). By entering fictitious data, the user



can explore basic navigation and functions of the [COD Web site](#) and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes several sections that explain the COD reports a school can use to assist with the administration of and reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBTs – The Grant Reports CBTs are four separate lessons that explain the COD reports a school can use to assist with the administration of and reconciliation process for Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), and Teacher Education Assistance for College and Higher Education (TEACH) Grant awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDEExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not use the EDEExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

TEACH Grant Web Site Simulation – The TEACH Grant Web site Simulation guides the user through the [TEACH Grant Web site](#) and includes a step-by-step walk through of the process for completing TEACH Grant counseling and completing a TEACH Grant Agreement to Serve (ATS).

If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include “COD CBT Question/Comment” in the subject line.



Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

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RESOLVED - Two Common Record XML Tags for Pell Grant Awards Sent in Incorrect Order [(05/13/10) Updated 5/26/10]

Previously, Federal Student Aid determined that two Common Record XML tags were being returned in both Pell Grant Common Record Responses and Pell Grant System-Generated Responses (Negative Disbursement Responses) in the incorrect order. As a result, some schools were unable to import the response files.

The <ScheduledGrant> tag was being returned in the response block after the <LifetimeEligibilityUsed> tag. However, the <ScheduledGrant> tag should have been placed before the <LifetimeEligibilityUsed> tag in order to match the Common Record XML Schema 3.0c.

Federal Student Aid corrected the order of the tags on May 25, 2010. Schools using software that edits on the order of the tags may now send 2010-2011 Pell Grant origination and disbursements records to the COD System for processing.

Federal Student Aid apologizes for any inconvenience this issue may have caused. If you have additional questions, contact the COD School Relations Center.

Webinar Recordings - Year-Round Pell Grant Webinar for Term-Based Schools and Year-Round Pell Grant Webinar for Clock-Hour/Non-Term Schools (05/26/10)

In [Dear Colleague Letter ANN-10-21 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid announced the availability of the recorded version of our online, instructor-led training on implementation of the year-round Federal Pell Grant (Pell Grant) provision. The Higher Education Opportunity Act (the HEOA), Pub. L. 110-315, enacted on August 14, 2008, authorizes schools to disburse up to two Pell Grants in a single award year, beginning with the 2009-2010 Award Year, for Pell-eligible students. Final regulations related to this change to the Pell Grant Program were published in the Federal Register on [October 29, 2009](#). The focus of this training is implementation of the year-round Pell Grant provision for the 2009-2010 Award Year, including Summer 2010, and subsequent award years. It is intended for all schools that participate in the Pell Grant Program.

Federal Student Aid staff presented this information in one 90-minute session in late March 2010, with one version of the training designed for term-based schools and the other version designed for clock-hour/non-term schools.

No registration is required to view the recorded training sessions. For complete session descriptions, refer to [ANN-10-21](#).

Thank you for your continued interest in and support of our training efforts.



2010 Federal Student Aid Conference (05/25/10)

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2009-2010 National SMART Grant Deobligation Due to No Corresponding Pell Grant Warning Message (05/21/10)

On May 20, 2010, Federal Student Aid began processing a message to schools that have reported 2009-2010 National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) actual disbursements for a student who does not have a 2009-2010 Federal Pell Grant (Pell Grant) actual disbursement recorded in the COD System. The message is a warning that these disbursements will be considered overawards and reduced to a zero dollar amount (\$0.00), even if the disbursements were previously accepted in the COD System. The reduction of the affected disbursements is scheduled to occur on June 3, 2010.

Federal Student Aid sent the May 20, 2010 warning message to schools' Student Aid Internet Gateway (SAIG) mailboxes in the message class SGTX10OP. Additionally, Federal Student Aid sent a file of student records reported to the COD System that do not have a corresponding 2009-2010 Pell Grant actual disbursement in the Reconciliation Report message class SGRC10OP. Schools that receive the warning message should review the accompanying Reconciliation Report and, if applicable, report 2009-2010 Pell Grant disbursements for affected students before June 3, 2010.

Note Regarding Exception Process for No Corresponding 2009-2010 Pell Grant Due to R2T4 Calculation:

Some of the student records included in the Reconciliation Report may be for students who do not have a corresponding Pell Grant for the 2009-2010 Award Year due to the documented full repayment of the Pell Grant as a result of a Return of Title IV Funds (R2T4) calculation. A school can inform Federal Student Aid of the student records to which this exception applies by calling the COD School Relations Center by June 2, 2010. A customer service representative will collect the following information from the school via the phone:

- School's Name
- School's Pell ID and G5 Award Number
- Student's First and Last Names
- Student's Social Security Number (SSN)
- Student's Grade Level
- National SMART Grant Award ID
- National SMART Grant Award Amount



- National SMART Grant Award Year-to-Date Disbursement Amount

Upon notification that an R2T4 exception applies, Federal Student Aid will exclude the applicable student records from the reduction scheduled for June 3, 2010.

For complete information, refer to [the May 21, 2010 Electronic Announcement that is posted on the IFAP Web site](#). If you have questions about the warning message or need to report an R2T4 exception (by June 2, 2010 as explained above) contact the COD School Relations Center.

Federal Pell Grant 2010-2011 Award Year Initial Authorization for Advanced Funded Schools (05/13/10)

We have begun processing the Federal Pell Grant (Pell Grant) Initial Authorization for the 2010-2011 Award Year, for schools that receive Pell Grant funds under the advanced funding method. A school's Initial Authorization, known in the Common Origination and Disbursement (COD) System as Current Funding Level (CFL), is determined based on a percentage of the disbursement data submitted and accepted during the 2009-2010 Award Year.

For the 2010-2011 Award Year, the Pell Grant appropriation has been supplemented with funds from the American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. 111-5. To comply with federal financial and accounting requirements of the ARRA, the funding of the Initial Authorization will be done in two parts as follows:

- On May 11, 2010, we generated an Electronic Statement of Account (ESOA) that lists the amount of a school's Initial CFL for the 2010-2011 Award Year and sent it to the school's Student Aid Information Gateway (SAIG) mailbox (Message Class PGAS11OP).
- Subsequent to the May 11, 2010 Initial CFL processing, we generated a second CFL increase and a second ESOA. We sent the second ESOA to the school's SAIG mailbox (Message Class PGAS11OP).

For complete information about the Federal Pell Grant 2010-2011 Award Year Initial Authorization for Advanced Funded schools, refer to [the May 13, 2010 Electronic Announcement that is posted on the IFAP Web site](#).

Note: On May 20, 2010, Federal Student Aid updated this Electronic Announcement to correct the earliest date on which a school may disburse a Pell Grant for the 2010-2011 Award Year.



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