



May 30, 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

Data Center Relocation Work – Final Implementation Changed to June 20 – 23, 2008 (05/29/08)

As Federal Student Aid initially informed the community in a [March 28, 2008 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), it will soon implement the Federal Student Aid data center relocation of the Central Processing System (CPS), the National Student Loan Data System (NSLDS), the Student Aid Internet Gateway (SAIG), and several Web sites. To date, Federal Student Aid has communicated July 2008 as its target for this final implementation.

In a [May 28, 2008 Electronic Announcement posted on the IFAP Web site](#), Federal Student Aid informed the community of a change in schedule for the final data center relocation implementation. The test cycles have been very successful, and Federal Student Aid will be ready to complete the final implementation *during the period June 20 – 23, 2008*—two weeks earlier than originally planned.

Federal Student Aid appreciates the community's understanding of this schedule change. Please review the *updated information* in [the May 28th Electronic Announcement](#) and evaluate impact to your school or organization during the final implementation period.

Reminder for Action – Required EDconnect v7.2 And TDClient INI File Upgrade (05/30/08)

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Federal Student Aid strongly urges all EDconnect and TDClient users who have not already completed the applicable upgrade (or upgrades) to do so immediately. ***Failure to upgrade by the time Federal Student Aid begins the transition to the new data center—5:00 P.M. (ET) on Friday, June 20, 2008—will result in the inability to send and receive files.***

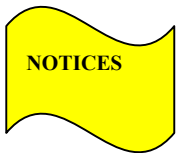


For complete information about these upgrades, refer to [the May 29, 2008 Electronic Announcement on the IFAP Web site](#).

Direct Loan Interest Rates Effective July 1, 2008 (05/28/08)

Federal Student Aid has posted [a May 27, 2008 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#) that provides the new interest rates for variable rate William D. Ford Federal Direct Loan (Direct Loan) Program loans that will be in effect from July 1, 2008 through June 30, 2009 as well as rates for fixed rate Direct Loan Program loans. The interest rates are based on formulas given by statutory authority at Section 455(b) of the Higher Education Act of 1965, as amended (HEA) and regulatory authority at 34 CFR 685.202(a).

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.

Weekly Reminders



Computer-Based Training Program for COD System Web Site, COD Reports, and Electronic MPN Web site (05/30/08)

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The electronic files for the CBTs and simulations, as well as instructions for downloading and using these files, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the “Tools for Schools” section, click on [COD Computer-Based Training](#).

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



Grant Programs

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

COD News



2007-2008 ACG Deobligation Due to No Corresponding Pell Grant Warning Message (05/30/08)

On May 29, 2008, Federal Student Aid began processing a message to schools that have reported 2007-2008 Academic Competitiveness Grant (ACG) actual disbursements for a student who does not have a 2007-2008 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 16, 2008.

Federal Student Aid sent the May 29, 2008 warning message to schools' Student Aid Internet Gateway (SAIG) mailboxes in the message class AGTX08OP. Additionally, Federal Student Aid sent a file of student records reported to the COD System that do not have a corresponding 2007-2008 Pell Grant actual disbursement in the Reconciliation Report message class AGRC08OP. Schools that receive the warning message should review the accompanying Reconciliation Report and, if applicable, report 2007-2008 Pell Grant disbursements for affected students before June 16, 2008.

Note Regarding Exception Process for No Corresponding 2007-2008 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 2007-2008 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 13, 2008. 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
- ACG Award ID



- ACG Award Amount
- ACG 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 16, 2008.

For complete information, refer to [the Electronic Announcement that will be posted on the IFAP Web site](#). If you have questions about the warning message or need to report an R2T4 exception (by June 13, 2008 as explained above) contact the COD School Relations Center.

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TEACH Grant Operational Implementation Guidance – Reminders [02/12/08 (Updated 05/16/08)]

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program for implementation beginning with the 2008-2009 Award Year. The TEACH Grant Program provides up to \$4,000 a year in grant assistance to a student who agrees to serve for at least four years as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves students from low-income families. A TEACH Grant recipient who does not complete the required teaching within a specified timeframe, or fails to meet certain other requirements of the TEACH Grant Program, will be required to repay the TEACH Grant 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 on the Information for Financial Aid Professionals \(IFAP\) Web site](#). For information on Federal Student Aid’s Regulatory and Legislative Update – Spring 2008 training workshops, which include a CCRAA module, refer to [Dear Colleague Letter ANN-08-02 on the IFAP Web site](#).

Reminders

Operational Implementation Overview – Federal Student Aid provided a high-level overview of how it will implement functionality for processing TEACH Grant awards in [an April 9, 2008 Electronic Announcement posted on the IFAP Web site](#). Over the next several months, Federal Student Aid will supplement this high-level overview through updates to technical references and guides as well as numerous operational communications posted on the [IFAP Web site](#). For complete information, refer to [the April 9th Electronic Announcement](#).

COD Technical Reference Updates – Federal Student Aid has posted updated sections of the [2008-2009 COD Technical Reference](#) that reflect TEACH Grant implementation information. On May 15, 2008, Federal Student Aid posted the most current updates on the IFAP Web site.

CCRAA School Testing – Federal Student Aid plans to implement COD System functionality that will support the processing of TEACH Grant Program awards for the 2008-2009 and subsequent award years during the period June 27-28, 2008. Implementation of TEACH Grant processing requires changes to the COD Common Record Extensible Markup Language (XML) schema. For this reason, it is important to Federal Student Aid to offer and conduct testing for participants before they send data to the “live” production environment using [COD Common Record XML Schema Version 3.0a](#). The new testing opportunity—COD CCRAA School Testing for the 2008-2009 Award Year—will impact the previously published schedule for COD School Testing for the 2008-2009 Award Year. For complete information about both school testing opportunities, refer to [the April 24, 2008 Electronic Announcement posted on the IFAP Web site](#). This information is also covered in the [2008-2009 COD Technical Reference](#).



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.

Updated Impact Information – YTD Disbursement Amount Not Returned When Actual Disbursements Equal Zero [04/30/08 (Updated 05/30/08)]

Federal Student Aid previously informed the community of an issue with returning Year-to-Date (YTD) Disbursement Amount information for certain Federal Pell Grant (Pell Grant), ACG, and National SMART Grant awards. The COD System was not returning the <YTDDisbursementAmount> tag when the sum of all actual disbursements was equal to zero (\$0.00) for one of the following reasons:

- Only anticipated disbursements (Disbursement Release Indicator or DRI equals “False”) were reported for the award.
- An adjustment to an award resulted in the sum of all actual disbursements (DRI equals “True”) for that award equaling zero (\$0.00).

Federal Student Aid implemented a code fix on May 20, 2008 and no new occurrences have been reported to date. Federal Student Aid apologizes for the inconvenience caused by this issue.

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ACG and National SMART Grant Resources (05/30/08)

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 EExpress Users: Volume III of the 2006-2007, 2007-2008, and 2008-2009 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.