



June 20, 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

Impact On Web Site Availability And Processing June 20 – 23, 2008 (06/17/08)

Federal Student Aid plans to implement its final data center relocation phase during the period June 20 – 23, 2008. In addition, Federal Student aid plans to execute a COD System maintenance activity on June 22, 2008. Federal Student Aid appreciates your patience and understanding as it completes these important activities.

An explanation of how these activities will impact COD-related Web site availability and processing follows below. Please review this information to determine if processing at your school will be affected.

June 20 – 23, 2008 Final Data Center Relocation

From **5:00 P.M. (ET) on Friday, June 20, 2008 until 8:00 A.M. (ET) on Monday, June 23, 2008**, Federal Student Aid will complete its 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. For complete impact information, refer to the “Data Center Relocation Work” item and Federal Student Aid’s [May 28, 2008 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#). COD-related impact information is as follows:

- During the entire period, file transmission via the SAIG will be interrupted. Users attempting to transmit files via the SAIG during the outage period will receive an error message informing them that the SAIG is unavailable and that data must be transmitted at a later time.
- During the entire period, the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) will be unavailable. Individuals will not be able to complete new MPNs electronically or retrieve existing MPNs that were completed electronically.

Individuals starting the process by 4:00 P.M. (ET) on Friday, June 20, 2008 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.



June 22, 2008 COD System Maintenance

On **Sunday, June 22, 2008**, Federal Student Aid will perform system maintenance on the COD System from 1:30 A.M. until 9:00 A.M. (ET). During this period, users will not be able to submit or retrieve data via the [COD Web site](#).

Federal Student Aid appreciates your patience and understanding as it completes the required activities during the June 20 – 23, 2008 period.

Data Center Relocation Work – June 20 – 23, 2008 Outage Reminder [05/29/08 (Updated 06/13/08)]

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.

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. Federal Student Aid will complete its final implementation work **from 5:00 P.M. (ET) Friday, June 20, 2008 until 8:00 A.M. (ET) Monday, June 23, 2008**. Please review the information in [the May 28th Electronic Announcement](#) and evaluate impact to your school or organization during this period.

Note Regarding EDconnect and TDClient Upgrades: In a [June 12, 2008 Electronic Announcement posted on the IFAP Web site](#), Federal Student Aid reminded the community about upgrading to EDconnect v7.2 and replacing the initialization file (tdclient.ini) to be used with all versions of the Transaction Delivery (TD) Client and Easy Access (EA) Client mainframe and midrange transmission software. These upgrades are associated with the data center relocation. We urge 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 additional information about these upgrades, refer to [the June 12th Electronic Announcement](#).

Federal Student Aid appreciates the community's patience and understanding as it completes the required activities during the June 20 – 23, 2008 period. In addition, Federal Student Aid appreciates the cooperation of EDconnect and TDClient users who must still upgrade in doing so immediately.



The Ensuring Continued Access To Student Loans Act Of 2008 (06/20/08)

In a [June 19, 2008 Dear Colleague Letter GEN 08-08 posted on the Information For Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid provided a summary of the recently enacted Ensuring Continued Access to Student Loans Act of 2008 (ECASLA), Pub. L. 110-227. The letter also explains the actions the Department is taking to help ensure that postsecondary students and their parents have access to Federal student loans. For complete information about the ECASLA, refer to [Dear Colleague Letter GEN 08-08](#).



Direct Loan Electronic MPN Web Site Issue During June 17-18, 2008 Period Resolved (06/18/08)

During the period June 17-18, 2008, Federal Student Aid experienced an issue with the [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#). The issue resulted in users not being able to proceed beyond Step 1 in the process for completing an MPN.

Federal Student Aid resolved the issue at 11:00 A.M. (ET) on June 18, 2008, and users can now complete the electronic MPN process without issue.

Federal Student Aid apologizes for the inconvenience caused by this issue and will continue to closely monitor [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) operations. Thank you for your patience and understanding.

Direct Loan Program Overview -- Online, Instructor-Led Training (06/12/08)

Federal Student Aid is pleased to announce an online, instructor-led training—Direct Loan Program Overview—for school financial aid administrators and their staff. This one hour and thirty minute session will be offered on July 11, 2008 from 10:00 A.M. to 11:30 P.M. (Central Time).

The Direct Loan Program Overview training session is intended to provide introductory level information to staff new to the Direct Loan Program, as well as for those who may be interested in learning more about the program.

For additional information about the online training, including registration information, refer to [the June 9, 2008 Training Announcement ANN 08-08 on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

Reports and Data Requests



NOTICES

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.

- Funded Disbursement Lists for June 12, 2008—
Have been sent to schools' Student Aid Internet Gateway (SAIG) mailboxes. These reports are also now available on the COD Web site for the appropriate schools. Federal Student Aid apologizes for any inconvenience caused by this delay. [06/16/08 (Updated 06/19/08)]
- Direct Loan Rebuild File—
Schools in need of this file should contact the COD School Relations Center.



Grant Programs

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

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NEW!

The Ensuring Continued Access To Student Loans Act Of 2008 (06/20/08)

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NEW!

2007-2008 National SMART Grant Deobligation Due to No Corresponding Pell Grant Warning Message (06/20/08)

On June 19, 2008, Federal Student Aid began processing a message to schools that have reported 2007-2008 National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) 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 July 16, 2008.



Federal Student Aid sent the June 19, 2008 warning message to schools' Student Aid Internet Gateway (SAIG) mailboxes in the message class SGTX08OP. 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 SGRC08OP. 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 July 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 July 14, 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
- 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 July 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 July 14, 2008 as explained above) contact the COD School Relations Center.

UPDATED!

TEACH Grant Operational Implementation Guidance – Additional/Updated Operational Guidance Posted [02/12/08 (Updated 06/20/08)]

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 institutional eligibility for the TEACH Grant Program, refer to [Dear Colleague Letter GEN-08-07 on the IFAP Web site](#).

June 19, 2008 Additional/Updated TEACH Grant Operational Implementation Information Electronic Announcement

In a [June 19, 2008 Electronic Announcement posted on the IFAP Web site](#), Federal Student Aid provided updates to the TEACH Grant operational implementation information provided in an earlier (April 9, 2008) Electronic Announcement. For complete information prior to June 27-28, 2008 implementation of COD System functionality that supports the processing of TEACH Grant awards for the 2008-2009 and subsequent award years, refer to [the June 19th Electronic Announcement](#).

Note: During the week of June 23, 2008, Federal Student Aid will post an Electronic Announcement that provides additional information about the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. Please monitor the [IFAP Web site](#) for this guidance.

Draft of Final Rule for TEACH Grant Program

In a [June 17, 2008 Electronic Announcement posted on the IFAP Web site](#), the Department of Education informed the community of the posting of a draft of the Final Rule for the TEACH Grant Program. This draft was transmitted to the [Federal Register](#) for official publication and will be effective July 1, 2008 for the 2008-2009 Award Year.

The draft of the Final Rule for the TEACH Grant Program is available in the “What’s New” box at <http://www.ed.gov/policy/highered/reg/hearulemaking/2008/index2008.html>.

2007-2008 ACG Deobligation Due To No Corresponding Pell Grant (06/17/08)

On June 16, 2008, Federal Student Aid deobligated 2007-2008 Award Year Academic Competitiveness Grant (ACG) disbursements for students who did not have a 2007-2008 Federal Pell Grant (Pell Grant) actual disbursement recorded in the COD System. As noted in the warning message that Federal Student Aid sent to affected schools on May 29, 2008, these ACG disbursements were considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. This deobligation affected ACG disbursements at approximately 270 schools.

A school affected by the deobligation will receive or see the following information:

- Receive an AGTX file (AGTX08OP message class) in the school’s Student Aid Internet Gateway (SAIG) mailbox indicating the number of students and total amount of the decrease
- Receive a system-generated negative disbursement file (CRND08OP message class/ND document type) in the school’s SAIG mailbox
- Receive a new Electronic Statement of Account (AGAS08OP message class) in the school’s SAIG mailbox that reflects the decrease, unless there are other offsetting increase adjustments



- See a change in the school's Current Funding Level (CFL) that reflects the reduced disbursements

Notes:

- If all of the ACG recipients at a school had a corresponding 2007-2008 Pell Grant actual disbursement on June 16, 2008, the school was not affected by the June 16th deobligation process.
- Some ACG recipients do not have a corresponding 2007-2008 Pell Grant actual disbursement due to the documented full repayment of the Pell Grant as a result of a Return of Title IV Funds (R2T4) calculation. If a school informed the COD School Relations Center of the student records to which this exception applies, these student records were excluded from the June 16th deobligation process.

If you have any questions about the 2007-2008 ACG deobligation of disbursements due to no corresponding 2007-2008 Pell Grant actual disbursement, contact the COD School Relations Center.

Maximum Award Amounts For ACG And National SMART Grant Programs For 2008-2009 Award Year (06/16/08)

Federal Student Aid has announced the maximum award amounts for the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs for the 2008-2009 Award Year. Complete information regarding the award amounts is available in [a June 13, 2008 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site.](#)