



**July 2, 2010**

\*\*This edition of the COD Processing Update will remain on the [COD Web site](#) until Tuesday, July 6, 2010. We will notify schools via a COD Web Message when a new edition has been posted.\*\*

## *Direct Loan Program*

### COD News



#### **RESOLVED-COD Response File Issue (7/2/10)**

On June 28, 2010, Federal Student Aid determined that there was an issue with response files returned by the Common Origination and Disbursement (COD) System and suspended response file transmission to further research the issue. Over the course of the last several days, Federal Student Aid identified two underlying issues (listed below), implemented a fix for both, and began transmitting all response file types.

- Issue #1: Response files contained the <ScheduledGrant> tag and the <LifetimeEligibilityUsed> tag in an incorrect order.
- Issue #2: Certain responses contained the <EntranceCounseling> tag when the tag should not have been included.

Both issues have been corrected. Around 2:00 P.M. (ET) on June 29, 2010, Federal Student Aid began transmitting all response file types except for Direct Loan Entrance Counseling Acknowledgements (CRECMYOP) and Direct PLUS Loan Request Acknowledgements (CRSPxxOP). Around 5:00 P.M. (ET) on June 30, 2010, Federal Student Aid began transmitting the two remaining response file types.

Most schools should have received all response files that were on hold since June 28, 2010. *If a school is missing a response file or needs a corrected response file for records sent in during the period June 26-28, 2010, it should contact the COD School Relations Center for assistance.*

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

#### **2010-2011 COD Technical Reference June 2010 Update Now Available (07/01/10)**

The [2010-2011 COD Technical Reference June 2010 Update](#) is available on the Information for Financial Aid Professionals (IFAP) Web site. The 2010-2011 COD Technical Reference contains development information for the 2010-2011 Award Year. For a complete list of updates, refer to the "[June 2010 Change Tracking Log](#)." If you have any questions about this material, contact the COD School Relations Center.

#### **FedLoan Servicing (PHEAA) Begins Servicing Direct Loans (07/01/10)**

In a [June 23, 2010 Electronic Announcement](#) posted on the Information for Financial Aid Professionals (IFAP) Web site, Federal Student Aid informed the community that it was ready to



begin assigning William D. Ford Federal Direct Loan (Direct Loan) Program Direct loans to the new federal loan servicers, and began doing so with Nelnet on June 23, 2010.

At this time, Federal Student Aid is pleased to announce that it began assigning Direct Loans to FedLoan Servicing (PHEAA) on June 30, 2010. This means that the Direct Loan Servicing Center (ACS), Nelnet, and FedLoan Servicing (PHEAA) are the three federal loan servicers to which we currently will assign new Direct Loans. Federal Student Aid anticipates that it will begin assigning Direct Loans to the other two servicers—Great Lakes Educational Loan Services, Inc. and Sallie Mae—in the coming weeks. Federal Student Aid will inform the community of each servicer's start through an Electronic Announcement on the [IFAP Web site](#).

For more information, refer to the [June 30, 2010 Electronic Announcement](#) on the [IFAP Web site](#).

### **Additional System Functionality For 2010-2011 Award Year Implemented (06/28/10)**

Federal Student Aid is pleased to announce the implementation of additional COD System functionality during the period June 25-26, 2010. These system changes support the processing of William D. Ford Federal Direct Loan (Direct Loan) awards for the 2010-2011 Award Year. Federal Student Aid implemented all of the system changes described in [a June 24, 2010 Electronic Announcement](#) on the IFAP Web site.

Thank you for your understanding and patience while Federal Student Aid completed this important activity. If you have any questions about the system changes, contact the COD School Relations Center.

### **COD Holiday Schedule For July 5, 2010 (06/28/10)**

The COD School Relations Center will be closed on Monday, July 5, 2010 in observance of the Independence Day Federal holiday. The COD System will accept and process data from schools and send back responses/acknowledgements on July 5, 2010, 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, July 6, 2010.

Further information regarding Independence Day processing and customer service hours for COD and other Federal Student Aid/ED call centers that is posted in [a June 25, 2010 Electronic Announcement](#) on the IFAP Web site.

### **COD School Testing Dates Extended for 2010-2011 Award Year (06/28/10)**

In a [November 20, 2009 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), we provided information about Common Origination and Disbursement (COD) School Testing for the 2010-2011 Award Year. To assist in meeting the needs of new schools, we are extending the first two phases of testing, Common Record Manual Verification and Structured Application Testing, through October 1, 2010. Optional Unstructured Testing will remain open now through October 1, 2010.

For complete information about this additional 2010-2011 COD School Testing, refer to [the June 25, 2010 Electronic Announcement](#) posted on the IFAP Web site.



### **Master Promissory Note, Entrance Counseling, and PLUS Search Issues [(4/22/10) Updated 6/16/10]**

Federal Student Aid has identified four 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”.

#### **RESOLVED-Issue 3: Direct Loan Entrance Counseling date range search is unavailable.**

The date range search functionality for Direct Loan Entrance Counseling is now available. In order to return the best results when performing a date range search, the maximum search period is 7 days.

#### **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 disabled the date range search on the PLUS Application Response Request Search page (under the Batch Search menu).

Federal Student Aid is continuing its work 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.

Until the issues with search functionality are resolved, schools can use the Batch Search page to locate the desired information. When using this workaround, a school should perform a general date range search (up to 60 days) for ALL batches. After the results are displayed, the school can filter the results for the specific batch type: “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.



### **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.

### **Weekly Reminders**



#### **COD Computer-Based Training (07/02/10)**

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](mailto: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*

### COD News



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### **COD System Update Needed to Accept New National SMART Grant Eligible Majors for 2010-2011 Award Year (06/25/10)**

In [Dear Colleague Letter GEN-10-12 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), the Department of Education (the Department) announced the eligible majors for the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program for the 2010-2011 Award Year. The Classification of Instructional Programs (CIP) 2000 has been updated to the CIP 2010 edition corresponding with the 2010-2011 Award Year. CIP 2010 includes many new CIP codes within the National SMART Grant-eligible fields.

In the very near future, we will update the Common Origination and Disbursement (COD) System to accept the new CIP codes of academic majors eligible for the National SMART Grant Program for the 2010-2011 Award Year. Schools should not submit National SMART Grant records with these CIP codes to the COD System via batch or the COD Web site until we communicate the readiness of the COD System. We will communicate when those codes may be submitted in a forthcoming Electronic Announcement.

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