

COD Processing Update

August 3, 2017

NEWS/UPDATES

- **Second 2016-2017 Pell Grant Deobligation Due To Verification Status “W” (7/27/17)**

On July 26, 2017, Federal Student Aid deobligated 2016-2017 Award Year Federal Pell Grant (Pell Grant) disbursements that did not have a verification status updated from “W” to a valid status of “V” or “S”. As noted in the warning message that Federal Student Aid sent to affected schools on July 12, 2017, these 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 Pell Grant disbursements at approximately 139 schools.

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

- Receive a PGTX (PGTX17OP message class) file 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 (CRND17OP message class/ND document type)
- Receive a new Electronic Statement of Account (ESOA) 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

Note: This deobligation process will not affect a school that did not have students with a verification status of “W” just prior to July 26, 2017.

A school affected by the deobligation should carefully review the information below.

Verification Completed or Not Required

If verification has been completed as required or is not required and a school believes a student’s 2016-2017 disbursement should not have been reduced to zero, the school must complete the following steps in this order:

- 1) The school must send an update to the verification status of the award, and the COD System must accept the update.
- 2) Once the verification status is updated to “V” or “S”, the school may submit the actual disbursement (Disbursement Release Indicator or DRI equals “True”) for the correct amount to the COD System for processing.

Notes:

- For the conditions under which each verification status code should be used, refer to the “Application and Verification Guide” of the [2016-2017 Federal Student Aid Handbook](#).

Contact Information: If you have questions, contact the COD School Relations Center at 800/474-7268 for Grants or 800/848-0978 for Direct Loans. You may also email CODSupport@ed.gov.

- In the following two cases, it is acceptable for the verification status code field to be blank:
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported the verification status code as “W”, the school should change the “W” to blank (nil = “True”).
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported no verification status code to date, the school does not need to submit a verification status code and should leave the field blank (nil = “True”).
- The school can perform steps 1 and 2 above in the same submission to the COD System if reported in the same student record.

Verification Deadline

Some of the 2016-2017 disbursements that were reduced to zero (\$0.00) may have been for students who are still within the allowable timeframe for submitting verification documentation/completing the verification process by the deadlines specified in the “Notice of Deadline Dates for Receipt of Applications, Reports, and Other Records for the 2016 -2017 Award Year” published in the Federal Register on April 4, 2016. The [April 4, 2016 notice](#) is also posted on the IFAP website.

If a school needs additional time to complete verification for an individual student in accordance with the allowable timeframe in the Federal Register notice, the school may resubmit a disbursement record with a value greater than zero (\$0.00) until September 29, 2017. After September 29, 2017, the COD System will no longer accept “W” as a valid verification status code for 2016-2017 Pell Grant awards.

If you have any questions regarding the 2016-2017 Pell Grant deobligation of disbursements due to verification status “W,” contact the COD School Relations Center.

- **Issue with Print Batch Functionality on COD Web Site (7/19/17)**

Federal Student Aid has determined there is an issue with the Print Batch functionality on the COD Web Site, and users are receiving a Log ID error when trying to print. Federal Student Aid has identified a fix and plans to implement it on July 30, 2017. In the meantime, schools can use the “Export to CSV” feature to download and print the batch information.

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

- **RESOLVED – COD Web Site Processing Issue (7/19/17)**

On July 17, 2017, Federal Student Aid identified an issue in which some batches submitted via the COD Web Site did not get processed and schools did not receive a response. This issue affected only web batches submitted and processed via the COD Web Site since Saturday, July 15, 2017. Batches submitted via the Student Aid Internet Gateway were not impacted.

Federal Student Aid resolved the issue around 11:30 A.M. (ET) on Monday, July 17, 2017 and all web batches are now processing correctly. Schools that may have submitted web batches during the impacted time (Saturday, July 15 through 11:30 A.M. on Monday, July 17, 2017) can resubmit their batches at this time.

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

- **COD System Changes for 150% Direct Subsidized Loan Limit to be Implemented on July 14-16, 2017 (7/5/17)**

In a [June 29, 2017 Electronic Announcement](#) posted on the IFAP website, we highlight the COD System changes specific to the 150% Direct Subsidized Loan Limit to be implemented on July 14-16, 2017. The changes are being made to improve processing and the accuracy of 150% Subsidized Loan Limit calculations.

For complete information regarding the COD System changes for 150% Direct Subsidized Loan Limit, refer to the [June 29, 2017 Electronic Announcement](#) posted on the IFAP website.

- **FY 2018 Sequester Required Changes to the Title IV Student Aid Programs (6/20/17)**

On June 19, 2017, the Department of Education posted updated information about the impact of sequestration on the Title IV Student Aid Programs. For more information, refer to the [June 19, 2017 Electronic Announcement posted on the IFAP website](#).

- **REMINDER – How To Access Information From the COD Web Site File Share (6/8/17)**

As a reminder, Federal Student Aid shares student-specific information through uploaded files via the COD Web Site. We upload these files to the File Share section of the “File Share & Messages” page of the COD Web Site. Authorized school users are able to view and download the customized documents from the COD Web Site. Schools can access the “File Share & Messages” page by completing the following steps:

- 1) Log in to the COD Web Site.
- 2) Click on the “School” tab.
- 3) Enter the required school identifiers and click on “Search.” This will open the “School Summary Information” page.

Contact Information: If you have questions, contact the COD School Relations Center at 800/474-7268 for Grants or 800/848-0978 for Direct Loans. You may also email CODSupport@ed.gov.

4) Click on the “File Share/Messages” link on the left-hand side of the page to open the “File Share & Messages” page.

From the File Share section of the page, an authorized COD Web Site user will see a list of uploaded files. A user will click on the “Download” icon to download the File Share document to his or her computer. **Note:** Authorized school users are able to view and download the customized documents from the COD Web Site for a limited period of time.

The COD Web Site will only display File Share documents associated with the school’s Entity ID. If there are no files uploaded for a school, the File Share list will be blank. Schools will be notified via email (or in some cases via a phone call) when a File Share document is available.

CURRENT ISSUES

DIRECT LOANS

RESOLVED - Inactive Awards Incorrectly Considered for MPN Processing Options [(4/6/17) Updated 7/17/17]

In April 2017, Federal Student Aid identified an issue in which the COD System was incorrectly evaluating inactive awards (award and disbursement amounts reduced to \$0) when considering if a loan origination record is on file. As a result, schools may have received Master Promissory Note responses (message class: CRPN) prematurely.

On Sunday, July 16, 2017, Federal Student Aid resolved this issue and is no longer evaluating inactive awards before sending CRPN responses.

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

GRANTS

There are no Grants-related issues at this time.

Keep School Contact Information Current in the COD System (8/3/17)

We remind schools and third party servicers that contact information in the COD System must be kept current. Contact information is extremely important for us to be able to reach the right people at the school, particularly about program-specific issues. The e-mail addresses for the President, Financial Aid Administrator, Pell Grant Financial Aid Officer, and Direct Loan Financial Aid Officer are used to deliver time-sensitive materials and critical COD processing information to the school.

Having current contact information for the Pell Grant Financial Aid Officer and Direct Loan Financial Aid Officer is most critical for a school that is an additional location to a main campus. The information allows us to contact those officers directly at the additional location rather than needing to contact the main campus.

For more information on updating School Contact Information, please refer to [the December 20, 2012 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site.](#)