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**August 17, 2007**

\*\*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

#### **COD System Maintenance Planned For Sunday, August 19, 2007 (08/15/07)**

The COD System will undergo routine maintenance on Sunday, August 19, 2007 from 1:30 A.M. until 8:00 A.M. (ET). In addition, the Student Aid Internet Gateway (SAIG) will be unavailable from 3:00 A.M. until 11:00 A.M. (ET) due to its regular Sunday morning maintenance. The impact of these overlapping outages is as follows:

- Users will not be able to submit or retrieve data via the COD Web site between 1:30 A.M. and 8:00 A.M. (ET).
- Batches submitted by schools via the SAIG between 1:30 A.M. and 3:00 A.M. (ET) will be held and not acknowledged back to schools until after the SAIG comes back up at 11:00 A.M. (ET).
- Schools attempting to transmit batches via the SAIG between 3:00 A.M. and 11:00 A.M. (ET) will receive an error message informing them that the SAIG is unavailable and that the data must be transmitted at a later time.

Federal Student Aid apologizes for any inconvenience these outages may cause. If you have any questions about the COD System, contact the COD School Relations Center. If you have any questions about the SAIG, contact CPS/SAIG Technical Support at 800/330-5947 or by e-mail at [CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov).

#### **Extended Direct Loan Electronic MPN Web Site Outage For Sunday, August 19, 2007 (08/15/07)**

As a reminder, the Direct Loan Electronic Master Promissory Note (MPN) Web site is unavailable every Sunday morning from 5:00 A.M. until 11:00 A.M. (ET) while routine maintenance is performed. During this period, individuals are not able to complete new MPNs electronically or retrieve existing MPNs that were completed electronically.

Due to the need for additional maintenance on Sunday, August 19, 2007, the Direct Loan Electronic MPN Web site will be unavailable for an extended period of time from 1:30 A.M. until 11:00 A.M. (ET). Individuals starting the process by 12:30 A.M. (ET) on Sunday, August 19, 2007 will be able to complete their MPNs before the Web site becomes unavailable.



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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.

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

### **2008-2009 COD Technical Reference Draft Second Installment Now Available (08/14/07)**

The second installment of the [2008-2009 COD Technical Reference Draft](#) is available on the Information for Financial Aid Professionals (IFAP) Web site. The 2008-2009 COD Technical Reference consists of multiple volumes that contain development information for the 2008-2009 Award Year. Federal Student Aid plans to post other draft volumes in September 2007.

### **End of Federal Fiscal Year 2007 – Impact on Funds Availability (08/14/07)**

September 30, 2007 marks the end of the Federal fiscal year for the Department of Education (the Department). Some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be on a modified processing schedule while the Department finalizes its processing and accounting for Fiscal Year 2007. These interruptions will impact how the COD System will process financial data and when schools can obtain funds for the Federal student aid programs as follows:

- **Monday, September 17, 2007 through Wednesday, September 26, 2007**– Financial processing between the COD System and EDCAPS/GAPS will be reduced to once every evening (instead of the normal twice-a-day, morning/evening processing). As a result, early morning processing will be completed in the evening. Current Funding Level (CFL) changes and funding could be delayed by a day.
- **Thursday, September 27, 2007 through Monday, October 1, 2007** – The COD System will accept Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) disbursements, but CFL changes and funding will not be processed by EDCAPS/GAPS until Tuesday, October 2, 2007.

All actual disbursements with a disbursement date from September 27, 2007 through October 2, 2007 must be received and accepted by the COD System **no later than 10:00 A.M. (ET) on Wednesday, September 26, 2007**, in order for them to be included in the drawdown prior to the shutdown. Disbursements submitted after this time and disbursements with a disbursement date after October 2, 2007 will be funded after EDCAPS/GAPS re-opens on October 2, 2007.

- **8:00 P.M. (ET) on Sunday, September 30, 2007 through 6:00 A.M. (ET) on Tuesday, October 2, 2007** – The GAPS [e-Payments Web site](#) will not be available. Schools will not be able to draw down Campus-Based, ACG, National SMART Grant, Pell Grant, or Direct Loan funds during this period.

This same information is posted in [an August 13, 2007 Electronic Announcement](#) posted on the Information for Financial Aid Professionals (IFAP) Web site. The Department appreciates your patience and understanding as it completes the required activities during the upcoming period. All financial processing is expected to be caught up by Friday, October 5, 2007.



### **Direct Loan Bulletin 07-17 Released (08/10/07)**

[Direct Loan Bulletin 07-17](#) was released to schools from the COD School Relations Center on August 10, 2007 and will be posted on the Information for Financial Aid Professionals (IFAP) Web site shortly. This bulletin highlights some guidance that is critical to successfully implementing the origination fee reduction for Direct Subsidized Loan and Direct Unsubsidized Loan awards that became effective on July 1, 2007.

Currently, many Direct Subsidized Loan and Direct Unsubsidized Loan awards are rejecting because the correct origination fee has not been included for the award and/or used to calculate the award and its disbursements. At this time, Federal Student Aid asks that you share this bulletin with the appropriate staff at your school. If you have questions about Federal Student Aid's origination fee guidance or need assistance with implementing the origination fee reduction, contact the COD School Relations Center.

If you would like to be added to or removed from the Direct Loan Bulletin distribution list, please submit an e-mail to [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com) with the subject line of "DLB Distribution".

### **Publication of ACG and National SMART Grant NPRM (08/09/07)**

On August 7, 2007, the Department of Education (the Department) posted a Notice of Proposed Rulemaking (NPRM) in the [Federal Register](#) (72 FR 44050). This NPRM proposes changes to the regulations governing the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs.

The [NPRM](#) is available on the Information for Financial Aid Professionals (IFAP) Web site. As stated in the NPRM, the Department must receive comments on the NPRM on or before September 6, 2007. Comment submission information is provided on page 44050 of the NPRM.

### **Publication of Student Assistance General Provisions NPRM (08/09/07)**

On August 8, 2007, the Department of Education (the Department) posted a Notice of Proposed Rulemaking (NPRM) in the [Federal Register](#) (72 FR 44620). This NPRM proposes changes to the regulations on Student Assistance General Provisions and the Title IV programs.

The [NPRM](#) is available on the Information for Financial Aid Professionals (IFAP) Web site. As stated in the NPRM, the Department must receive comments on the NPRM on or before September 7, 2007. Comment submission information is provided on page 44620 of the NPRM.

### **G5 Implementation Coming Soon (06/29/07)**

Recently, the Department of Education (the Department) announced the development of ***G5—a state-of-the-art electronic system for grants management and payments***. G5 will replace the current Grant Administration and Payments System (GAPS), including the e-Payments functionality used by schools to draw down Campus-Based, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) funds. G5 will provide a number of performance, processing, and customer enhancements.



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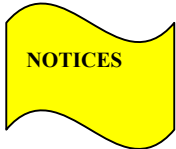
The Department will implement G5 in three phases over several years. Phase I of G5 will address e-Payments and provide improved drawdown functionality. Full implementation of Phase I is currently targeted for the last quarter of calendar year 2007—most likely over the Veterans Day holiday weekend (November 8-12, 2007).

Over the next several months, the Department will provide additional information about Phase I of G5. This information will usually be posted first on the GAPS [e-Payments Web site](#) and then will be followed by an Electronic Announcement on the [Information for Financial Aid Professionals \(IFAP\) Web site](#), an update to this item in the COD Processing Update, and a message on the [COD Web site](#). Please monitor these communications and share the information, as appropriate, with others at your school/organization.

The most current G5 information is posted on the GAPS [e-Payments Web site](#) and in a [June 28, 2007 Electronic Announcement](#) on the IFAP Web site.

If you have any questions about the status and/or implementation of G5, you may e-mail [G5\\_Admin@ed.gov](mailto:G5_Admin@ed.gov) (G5\_Admin@ed.gov).

### **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.



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# *ACG, National SMART Grant, and Pell Grant Programs*

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### **Second Pell Grant Administrative Cost Allowance Payments for 2006-2007 Award Year (08/13/07)**

Federal Student Aid began processing the second Pell Grant Administrative Cost Allowance (ACA) payments for the 2006-2007 Award Year on August 11, 2007. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For more information about these ACA payments, refer to [the August 13, 2007 Electronic Announcement posted on the IFAP Web site](#).

### **Third And Final Pell Grant Administrative Cost Allowance Payments for 2005-2006 Award Year (08/13/07)**

Federal Student Aid began processing the third and final Administrative Cost Allowance (ACA) payments for the 2005-2006 Award on August 11, 2007. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For more information about these ACA payments, refer to [the August 13, 2007 Electronic Announcement posted on the IFAP Web site](#).



### **Publication of ACG and National SMART Grant NPRM (08/09/07)**

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The most current G5 information is posted on the GAPS e-Payments Web site and in a June 28, 2007 Electronic Announcement on the IFAP Web site.

If you have any questions about the status and/or implementation of G5, you may e-mail G5\_Admin@ed.gov (G5\_Admin@ed.gov).



### ACG and National SMART Grant Resources (08/17/07)

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](#) and the [2007-2008 COD Technical Reference](#), and has posted some volumes of the [2008-2009 COD Technical Reference Draft](#). 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 EDEExpress Users:* Volume III of the 2006-2007, 2007-2008, and 2008-2009 COD technical references provides additional guidance for schools that use EDEExpress in combination with another system. If your school needs help locating information related to EDEExpress, contact CPS/SAIG Technical Support at 880/330-5947 or by e-mail at [CPSSAIG@ed.gov](mailto:CPSSAIG@ed.gov).





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## 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:

- 2006-2007 ACG Pending Disbursement Lists—

On August 11, 2007, Federal Student Aid sent the reports to schools' Student Aid Internet Gateway (SAIG) mailboxes. These reports are now available on the COD Web site. Federal Student Aid apologizes for any inconvenience the delay in posting these reports on the COD Web site may have caused schools. [08/14/07 (Updated 08/16/07)].

- 2006-2007 National SMART Grant Pending Disbursement Lists—

On August 12, 2007, Federal Student Aid sent the reports to schools' Student Aid Internet Gateway (SAIG) mailboxes. These reports are now available on the COD Web site. Federal Student Aid apologizes for any inconvenience the delay in posting these reports on the COD Web site may have caused schools. [08/14/07 Updated 08/16/07)].