August 18, 2006

Direct Loan Program

COD News

COD System Maintenance Planned For Sunday, August 20, 2006 (08/16/06)
The COD System will undergo routine maintenance on Sunday, August 20, 2006 from 2:00 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 2:00 A.M. and 8:00 A.M. (ET).
- Batches submitted by schools via the SAIG between 2:00 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 the CPS/SAIG Technical Support at 800/330-5947 or e-mail CPSSAIG@ed.gov.

Extended Direct Loan Electronic MPN Web Site Outage For Sunday, August 20, 2006 (08/16/06)
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 20, 2006, the Direct Loan Electronic MPN Web site will be unavailable for an extended period of time from 2:00 A.M. until 11:00 A.M. (ET). 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.

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

NEW!

2005-2006 & 2006-2007 COD Technical Reference August 2006 Updates Now Available (08/18/06)
The 2005-2006 COD Technical Reference August 2006 updates are available on the IFAP Web site. Additionally, the 2006-2007 COD Technical Reference August 2006 Updates is available on the IFAP Web site.

These updates include some final updates related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. For a complete list of updates, refer to the "0506 COD Technical Reference August 2006 Change Tracking Log" and the "0607 COD Technical Reference August 2006 Change Tracking Log." If you have any questions regarding information contained in these documents, please contact the COD School Relations Center.

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Unlocking And Resetting COD Web Site Passwords (08/18/06)
COD would like to remind COD Web site users that Security Administrators (COD Web site User Level 5) are able to unlock and reset passwords for the users (User Level 1-4) they established at their school or organization. However, if the Security Administrator needs his or her password unlocked or reset, the Security Administrator must contact the COD School Relations Center.

In order to unlock users, a Security Administrator should log in to the COD Web site, www.cod.ed.gov, and complete the following steps:

Step 1: From the Welcome to Common Origination & Disbursement Web Site screen, click on the User tab on the blue bar at the top of the screen. The User Search screen displays.
Step 2: Enter the search criteria for the user and click on the submit button at the bottom of the User Search screen. The Search Results screen displays and lists users that match the search criteria.
Step 3: On the Search Results screen, select the name of the user that needs to be unlocked. The User Information screen displays.
Step 4: Click on the Modify button at the bottom of the User Information screen. The Update User Profile screen displays.
Step 5: The Locked Out box on the Update User Profile screen contains a checkmark. Click on the Locked Out box to remove the checkmark.

Step 6: If a new temporary password is not needed, skip this item and go to Step 7. If a new temporary password is needed, enter the new temporary password in the New Password field. Then re-enter the new password in the Re-enter New Password field to confirm. The user will need to change this password to one of his or her choosing.

Step 7: Click on the submit button at the bottom of the Update User Profile screen. The Update Your Profile screen displays.

Step 8: On the Update Your Profile screen, click on the Submit button to confirm the updates made to the user's profile.

This information is also posted on the COD Web site in a document entitled "Unlocking And Resetting COD Web Site Passwords." To access the document *before* you log in to the Web site, click on the "Click here if you are looking for more information on Common Origination and Disbursement" Link. To access the document ***after*** you log in to the Web site, click on the "Today's Updates" link at the bottom of the page.

Schools can refer to the Electronic Announcement on the IFAP Web site, http://www.ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html, for information regarding COD Web site access. Third party servicers can refer to the Electronic Announcement on the IFAP Web site at http://www.ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html.

HERA-Related Additional COD System Functionality Implemented (08/14/06)
COD is pleased to announce the implementation of additional COD System functionality on August 11-12, 2006. COD implemented the system changes described in the Electronic Announcement posted on the IFAP Web site (http://www.ifap.ed.gov/eannouncements/0727HERAOIGAddCODFunc.html). This was the third release in a series of releases that will occur between July 1, 2006 and December 16, 2006 to implement provisions of the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171. Thank you for your understanding and patience while COD completed this important activity.

Note: Federal Student Aid has corrected the National Student Loan Data System (NSLDS) code for Direct PLUS Loans made to graduate and professional students that was provided in all applicable Electronic Announcements on the IFAP Web site. With the implementation of additional COD System functionality this past weekend, Direct PLUS Loans made to graduate and professional students will be coded in the NSLDS as "D3."

HERA Operational Implementation Guidance—Availability of EDExpress for Windows 2006-2007 Enhancement Release Adding Ability to Create Direct PLUS Loans for Graduate/Professional Students (08/14/06)
Federal Student Aid has posted operational guidance announcing the availability of an enhancement release for EDExpress for Windows 2006-2007, Release 2.0, to the U.S. Department of Education's Federal Student Aid Download (FSAdownload) Web site (located at http://fsadownload.ed.gov/). The enhancement release enables Federal Direct PLUS Loan (Direct PLUS) participants to begin using the EDExpress software to process Direct PLUS Loan data for graduate or professional students.

The Electronic Announcement is available on the IFAP Web site (http://ifap.ed.gov/eannouncements/0811HERAEDexpress0607.html). You can access the announcement by clicking on the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site and scrolling to the "Electronic Announcements" section.

HERA Guidance—Reminder Of Comment Period For Recently Published Interim Final Regulations (08/14/06)

Federal Student Aid has posted in the Federal Register two sets of interim final regulations amending the Title IV student assistance regulations to implement changes made to the Higher Education Act (HEA) by the Higher Education Reconciliation Act of 2005 (HERA) and other recently enacted legislation. Each set of regulations included a solicitation for comments from the public that may result in the publication of revised regulations. The deadline for submitting comments on the first set of interim final regulations (published July 3, 2006) was August 17, 2006. The deadline for submitting comments on the second set of interim final regulations (published August 9, 2006) is September 8, 2006. Further details regarding the interim final regulations are available on the IFAP Web site at http://ifap.ed.gov/eannouncements/0811RemCommentPeriodFinalReg.html.

HERA Guidance Available On IFAP Web Site (05/08/06)

Communications related to the Higher Education Reconciliation Act of 2005 (the HERA), Pub. L. 109-171 are posted on the Information for Financial Aid Professionals (IFAP) Web site (www.ifap.ed.gov). These communications include policy and operational guidance that impacts all student aid programs, systems, and processes. To assist users in easily locating HERA-related communications, they are available under the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site. (The link is at the top of the "On-Line References" section.)

Federal Student Aid has posted and will continue to post guidance related to the Central Processing System (CPS), Common Origination and Disbursement (COD) System, and EDExpress Suite, as Electronic Announcements. The summary for these Electronic Announcements will begin with "HERA Operational Implementation Guidance (CPS, COD System, EDExpress Suite)" so that they can be distinguished from other types of guidance. As explained above, the Electronic Announcements are available under the "Higher Education Reconciliation Act of 2005 (HERA) Information" link on the home page of the IFAP Web site.

Please plan to check the IFAP Web site on a regular basis.

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.

- Direct Loan Rebuild File— Schools in need of this file should contact the COD School Relations Center. (10/03/05)

ACG, National SMART Grant, and Pell Grant Programs

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Second 2005-2006 Verification Status Code "W" Warning Message (08/17/06)
Schools that have made an interim Pell Grant disbursement to a student selected for verification should be concluding verification activities and changing the student's verification status code from "W" to "V", "S", or "Blank", as appropriate. On August 16, 2006, COD began processing a message to schools that have one or more student records still reported with a verification status code of "W". 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 September 25, 2006.

This week, COD will send the August 16, 2006 warning message to schools' SAIG mailboxes in the message class PGTX06OP. Additionally, COD will send a file of student records reported to the COD System with a verification status code of "W" in the Reconciliation Records message class PGRC06OP. Schools that receive the warning message should review the accompanying Reconciliation Records file and report appropriate changes to the verification status codes for affected students before September 25, 2006.

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HERA Operational Implementation Guidance—Procedure For Fall 2006 Adjustments To ACG And National SMART Grant 2006-2007 Award Year Initial Authorizations (08/09/06)

As communicated on August 1, 2006, Federal Student Aid has processed the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Initial Authorizations, known in the Common Origination and Disbursement (COD) System as Current Funding Levels (CFLs), for the 2006-2007 Award Year. Federal Student Aid has also sent an Electronic Statement of Account (ESOA) for each program that lists the amount of a school's Initial CFL for the ACG Program and for the National SMART Grant Program for the 2006-2007 Award Year.

As explained previously, the Initial CFL does not represent expected expenditures for the entire award year. The Initial CFL listed on the ESOA is ***not*** intended to be a school's entire authorization for the 2006-2007 Award Year. Because these are new programs, Federal Student Aid did not yet have information that enabled the targeting of funds to schools based on prior history of ACG or National SMART Grant recipients. Instead, the Initial CFL was an estimate that Federal Student Aid anticipated would be sufficient for the school to disburse funds for the first (fall 2006) term—before the school is able to submit ACG and/or National SMART Grant disbursement records to the COD System beginning December 16, 2006. To obtain additional ACG and/or National SMART Grant funds for spring 2007 disbursements, the school will need to submit disbursement records to the COD System, and Federal Student Aid will adjust the CFL accordingly.

Between now and December 16, 2006, if a school needs additional ACG and/or National SMART Grant funds to cover disbursements for the first (fall 2006) term, it can request a funding increase via e-mail to the COD School Relations Center at CODSupport@acs-inc.com.

The school's e-mail must include—

- "ACG Authorization Increase Request" or "National SMART Grant Authorization Increase Request," as applicable, in the subject line of the e-mail.
- The following information in the body of the e-mail:
  1. School's name, contact person and telephone number, Pell ID, and GAPS award sequence number (if known)
  2. Total amount of additional funding needed for the first (fall 2006) term to fund disbursements for eligible students

The COD School Relations Center will verify that the school is eligible for the request and then submit the request to Federal Student Aid staff for action. If the request is approved, the school will receive a new ESOA that reflects the funding increase.

Note: A school that uses the Reimbursement or Heightened Cash Monitoring 2 (HCM2) funding method will not qualify for funding using this e-mail procedure. The school must contact its Payment Analyst for further guidance.

An Electronic Announcement with this same information is posted to the IFAP Web site (http://ifap.ed.gov/eannouncements/0809HERAOPACGSMARTFREA.html). You can access the announcement by clicking on the "Higher Education Reconciliation Act of 2005

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- Pell Year-to-Date (YTD) Records— The YTD Record can be used to assist a school with its year-end and ongoing reconciliation processes. Schools also use the YTD Record for the purpose of rebuilding a complete student record or Pell Grant database.
  - For rebuilds for the 2005-2006 Award Year, the school can submit the data request via the COD Web site or batch.
  - For rebuilds for the 2004-2005 and earlier award years, the school must contact the COD School Relations Center by e-mail to CODSupport@acs-inc.com. The school should include "Pell YTD" in the subject line. If a school is unable to e-mail its request, it can contact the COD School Relations Center by phone. [10/03/05 (Updated 10/27/05)]