COD Processing Update

August 19, 2011

NEWS/UPDATES

- **Second 2010-2011 Pell Grant Deobligation Due To Verification Status "W" (08/18/11)**

  On August 17, 2011, Federal Student Aid deobligated 2010-2011 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 August 3, 2011, 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 231 schools.

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

  - Receive a PGTX (PGTX11OP 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 (CRND11OP 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: If a school did not have students with a verification status of "W" just prior to August 17, 2011, it was not affected by the deobligation process.

  A school affected by the deobligation should carefully review the following information:

  Verification Completed or Not Required

  If verification has been completed as required or is not required and a school believes a student's 2010-2011 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 September 28, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site.

  - In the following two cases, it is acceptable for the verification status code field to be blank:

- o 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").

- o 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 2010-2011 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 "Applications, Reports, and Other Records for the 2010-2011 Award Year Notice" published in the <u>Federal Register</u> on June 7, 2011. The [June 7, 2011 notice](#) is also posted on the IFAP Web site.

If a school needs additional time to complete verification for an individual student in accordance with the allowable timeframe in the <u>Federal Register</u> notice, the school may resubmit a disbursement record with a value greater than zero ($0.00) until September 30, 2011. After September 30, 2011, the COD System will no longer accept "W" as a valid verification status code for 2010-2011 Pell Grant awards.

If you have any questions regarding the 2010-2011 Pell Grant deobligation of disbursements due to verification status "W," contact the COD School Relations Center.

CURRENT ISSUES

ALL PROGRAMS

COD Web site Returning Errors When Updating Person Information (07/12/11)

Federal Student Aid has identified an issue when schools attempt to update person information via the COD Web site. Specifically, when a user is updating person information, the Award list defaults to an award from a "closed" Award Year.

When attempting to submit the updated information, a user will receive an error message stating, "Updates are not allowed for this School and Award Year, either because the Award Year is closed and the School is not in extended processing or because FSA has confirmed closeout. If you have any questions, please contact COD Support. Please select a different Award for this person or select cancel."

To update person information a user must first select an award from the current Award Year from the Award list. Federal Student Aid is working to resolve this issue and will provide updates as more information becomes available.

We apologize for any convenience this issue may cause schools. If you have any questions contact the COD School Relations Center.

DIRECT LOANS

There are no Direct Loan specific issues to report at this time.

GRANTS

There are no Grant specific issues to report at this time.

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This edition 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

REMINDERS

COD Computer-Based Training (08/19/11)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT).

The COD CBT consists of component simulations and CBTs. 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](#).

Sending Addresses for U.S. Territories and Foreign Countries on the Common Record or the COD Web site (08/19/11)

When submitting student or borrower addresses or address changes to the Common Origination and Disbursement (COD) System, it is important that the correct tags are used, particularly when the student or borrower address is located in a U.S. Territory or Foreign Country. If these addresses are not submitted correctly, important correspondence from the COD System and the federal loan servicers is delayed or not received.

- When a student or borrower address is located in a U.S. Territory it is considered a domestic address. Do not submit a Country Code.
- When a student or borrower address is located in a Foreign Country, it is treated as a foreign address.

See below for the correct procedures for submitting U.S. Territories and Foreign Country addresses via the Common Record batch submission or COD Web site.

Submitting Addresses for U.S. Territories and Foreign Countries via the Common Record

When creating or updating a person record via the Common Record batch submission, a school should send the address block with the following tags:

Schema Version	*Included* Tags for Domestic Address, including U.S. Territories	*Excluded* Tags for Domestic Address, including U.S. Territories	Included Tags for Foreign Addresses
3.0c or 3.0d	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>	<AddressLine> <City> <StateProvince> (Optional) <PostalCode> (Optional) <CountryCode>

Submitting Addresses for U.S. Territories and Foreign Countries via the COD Web site

When creating or updating a person record on the COD Web site, a school should select the U.S. Territory from the dropdown box in the State/Province field. A school should select the Country field as "Blank".

A complete list of State Codes (including U.S. Territories), Jurisdictions, and Country Codes are provided in Volume VI, Section 4 of the [2010-2011 COD Technical Reference](#). If you have questions about this information, contact the COD School Relations Center.