Workaround for COD Reject Edit 205 and Loan Period Adjustments
Attachment to August 2014 Electronic Announcement

The examples below describe various scenarios in which adjusting a loan period will cause a change record to hit COD Reject Edit 205 (Payment Period Start Date is outside the Award Begin and End dates). The steps below each example provide the workaround, to allow the school to adjust the loan period without triggering the edit. This workaround should be used until the COD System implementation scheduled for spring 2015. At that time, we will modify COD Reject Edit 205 to allow the Payment Period Start Date to be outside the loan period when the disbursement has been reduced to $0.

Example 1: Student Does Not Return for Spring Term

Note: Example 1 assumes anticipated or actual disbursements.

	Begin/Start Date	End Date
Academic Year	09/01/2014	04/30/2015
Loan Period (Financial Award)	09/01/2014	04/30/2015
Fall Payment Period	09/01/2014	12/15/2014
Spring Payment Period	01/15/2015	04/30/2015
Disbursement 1	09/01/2014	
Disbursement 2	01/15/2015	

Student does not return for the Spring term, or withdraws early in the Spring term and the Return of Title IV (R2T4) calculation results in a return of all Direct Loan funds for the Spring term. As a result, the 2nd disbursement must be reduced to $0 and the loan period must be adjusted to reflect the Fall term only, i.e., 09/01/2014 – 12/15/2014.

Steps for the Workaround:

Submit a change record to the COD System that includes the following changes:

1. Reduce the 2nd disbursement amount to $0.

2. Update the Spring Payment Period Start Date to a date within the new loan period. In this example, prior to 12/15/2014.

3. Update the Loan Period (Financial Award) End Date to 12/15/2014.

These three changes may be submitted within the same record to the COD System.

Example 2: Student Does Not Enroll Until Spring Term

Note: Example 2 assumes only anticipated disbursements.

	Begin/Start Date	End Date
Academic Year	09/01/2014	04/30/2015
Loan Period (Financial Award)	09/01/2014	04/30/2015
Fall Payment Period	09/01/2014	12/15/2014
Spring Payment Period	01/15/2015	04/30/2015
Disbursement 1	09/01/2014	
Disbursement 2	01/15/2015	

Student does not enroll until the Spring term. As a result, the 1st disbursement must be reduced to $0 and the loan period must be adjusted to reflect the Spring term only, i.e., 01/15/2015 – 04/30/2015.

Steps for the Workaround:

1. Submit a change to the COD System moving the 1st disbursement date to **10 days BEFORE** the new Loan Period Begin Date. In this example, the new date would be 01/05/2015. The disbursement date must be **BEFORE** the new Loan Period Begin Date to avoid incorrect Subsidized Usage calculation results.

   Note: In September 2014, we will update COD Reject Edit 50 to ignore disbursements that have an amount of $0. After September 2014, moving the disbursement date will no longer be necessary.

2. Wait for a response.

3. Submit a record to the COD System that includes the following changes:

   a. Reduce the 1st disbursement amount to $0.

   b. Update the Fall Payment Period Start Date to a date equal to, or after, the Spring Payment Period Start Date, i.e., on or after 01/15/2015.

   c. Update the Loan Period (Financial Award) Begin Date to 01/15/2015.

   d. These three changes may be submitted within the same record to the COD System.

Example 3: Student Does Not Enroll Until Spring Term

Note: Example 3 assumes actual disbursements.

	Begin/Start Date	End Date
Academic Year	09/01/2014	04/30/2015
Loan Period (Financial Award)	09/01/2014	04/30/2015
Fall Payment Period	09/01/2014	12/15/2014
Spring Payment Period	01/15/2015	04/30/2015
Disbursement 1	09/01/2014	
Disbursement 2	01/15/2015	

Student withdraws in the Fall term and the R2T4 calculation results in a return of all Direct Loan funds for the Fall term. In the case where a *previous actual disbursement* has been made, such as Disbursement 1 in this scenario, the award must be reduced to $0 and a new loan originated for the Spring-only term.

Steps for the Workaround:

1. Submit a change to the COD System to reduce the existing award to $0.

2. Submit a new origination record to the COD System for the Spring term.