



# COD Processing Update

September 6, 2013

NEWS/UPDATES

- **August 2013 Month End Reports Sent Early (9/5/13)**

During the weekend of August 31, 2013, Federal Student Aid generated the following August month end reports early:

- 30-Day Warning Report (DIWXXXXP)
- Direct Loan Duplicate Student Borrower Report (DUPLPXXP)
- Inactive Loans Report (INACCXXP)
- MPNs Due to Expire Report (MPNEXXXP)
- Pell Grant Verification Status Report (PGVRXXOP)

As a result, these reports may not include all data for the month of August. Federal Student Aid will re-send the above reports during the weekend of September 7, 2013. Schools can disregard any of the above reports received the weekend of August 31st.

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

- **Third and Final Pell Grant Administrative Cost Allowance Payments for 2011-2012 Award Year (08/27/13)**

Federal Student Aid began processing the third and final Pell Grant Administrative Cost Allowance (ACA) payments for the 2011-2012 Award Year on August 26, 2013. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For complete information about these ACA payments, refer to [the August 27, 2013 Electronic Announcement](#) that is posted on the IFAP Web site

- **Second Pell Grant Administrative Cost Allowance Payments for 2012-2013 Award Year (08/27/13)**

Federal Student Aid began processing the second Pell Grant Administrative Cost Allowance (ACA) payments for the 2012-2013 Award Year on August 26, 2013. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For complete information about these ACA payments, refer to [the August 27, 2013 Electronic Announcement](#) that is posted on the IFAP Web site.



- **2013-2014 COD System Peak Processing Reminders [(5/31/13) Updated 7/10/13]**

It is a peak processing period for the 2013-2014 Award Year. In a [May 31, 2013 Electronic Announcement on the IFAP Web site](#), Federal Student Aid provided COD System peak processing reminders to assist schools with planning and processing.

Mondays and Tuesdays are the heaviest processing days. Schools with flexibility may want to consider scheduling the transmission of their award data for later in the week.

Thank you for your patience and understanding during this peak processing period.

- **Update on Direct Loan Interest Rates Effective July 1, 2013 (8/12/13)**

On August 9, 2013, Federal Student Aid posted on the Information for Financial Aid Professionals (IFAP) Web site an update on the Direct Loan interest rates effective July 1, 2013. This communication provides important information on the new law that amends the Direct Loan interest rate section of the Higher Education Act of 1965, as amended (the HEA). For more information, refer to the [Electronic Announcement](#).

- **Credit Check Expiration Dates (8/5/13)**

As explained in previous communications, Federal Student Aid advised schools to delay sending some originations to the COD System until after June 28, 2013 when the system would be ready to process awards with the new origination fees. Federal Student Aid also explained that in the cases where more than 90 days had elapsed between the date a borrower's credit check was completed and June 30, 2013, Federal Student Aid would not initiate another credit check if those awards are submitted to and accepted by the COD System by August 1, 2013.

Federal Student Aid understands that many schools are still adapting to the origination fee and other system changes. As a result, Federal Student Aid has implemented an additional 60 day window in which it will not initiate another credit check provided that the awards are **submitted to and accepted by the COD System by October 1, 2013**. On October 1, 2013, Federal Student Aid will initiate a credit check if it has been more than 90 days since the last credit check (or one is not on file) for awards submitted and credit checks completed on or after October 1, 2013. In addition, all credit checks expiration dates on file will change back to the original 90 day timeframe.

If you have additional questions about credit check processing, contact the COD School Relations Center.

- **Preliminary Information About New COD Common Record XML Schema 4.0a Planned for March 2014 (7/11/13)**

In March 2014, we plan to implement a new version of the Common Origination and Disbursement (COD) Common Record XML Schema. The new version - **4.0a** - of the COD Common Record XML Schema incorporates new tags related to the 150% Direct Subsidized Loan Limit.



Also in March 2014, we will begin to fully validate all Common Record files against the published COD Common Record XML Schema (versions 3.0d, 3.0e, and 4.0a). This means that if a school submits a Common Record that does not conform to the published schema format, **it will not be acknowledged or processed** by the COD System. The COD School Relations Center will contact a school that sends a Common Record that fails schema validation.

For more information, refer to a [July 11, 2013 Electronic Announcement](#) posted to the IFAP Web site.

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## CURRENT ISSUES

### DIRECT LOANS

#### **RESOLVED - Incorrect Reductions to Direct Loan Award Amounts July 18-29, 2013 [Updated 8/28/13 (07/30/13)]**

In July 2013, Federal Student Aid determined that the COD System incorrectly reduced the award amount of Direct Loan awards to \$0 when a school sent in a downward adjustment to the award amount. The award was reduced to \$0 regardless of the downward adjustment amount sent in by the school and occurred on Direct Loan awards sent between July 18, 2013 and July 29, 2013.

Federal Student Aid fixed the issue on July 29, 2013. A clean-up of affected awards occurred on August 24-25, 2013. The correct loan amount information will be provided to the National Student Loan Data System (NSLDS) within the existing 7 to 10 day processing timeframe.

We apologize for any inconvenience this issue caused schools. If you have additional questions about the issue or the clean-up, contact the COD School Relations Center.

### GRANTS

There are no Grant-related issues at this time.

## REMINDERS

### **Keep School Contact Information Current in the COD System (9/6/13)**

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.](#)