September 11, 2009

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.

Grant Programs
ACG, National SMART Grant, Pell Grant, and TEACH Grant

COD News

Additional TEACH Grant Closeout Information for the 2008-2009 Award Year (09/09/09)
In a May 29, 2009 Electronic Announcement, we provided Teacher Education Assistance for College and Higher Education (TEACH) Grant Closeout information for the 2008-2009 Award Year. This announcement provides additional information to supplement the previous guidance. As a reminder, to be considered successfully closed out, a school must--

- Have an Ending Cash Balance of $0 and Total Net Unbooked Disbursements of $0, as reflected on its TEACH Grant School Account Statement (SAS) Report.

The processing deadline to submit records is *8:00 P.M. (ET) on Wednesday, September 30, 2009.* The COD System subsequently must accept all records submitted by the processing deadline in order for them to be included in the school's final TEACH Grant Ending Cash Balance for 2008-2009. Any 2008-2009 batches or records received after the processing deadline will be rejected and returned to the school.

For detailed information about TEACH Grant Closeout for the 2009-2009 Award Year, refer to the September 8, 2009 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site.

Second 2008-2009 National SMART Grant Deobligation Due to No Corresponding Pell Grant Warning Message (09/09/09)
On September 8, 2009, Federal Student Aid began processing a message to schools that have reported 2008-2009 National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) actual disbursements for a student who does not have a 2008-2009 Federal Pell Grant (Pell Grant) actual disbursement recorded in the COD System. 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 16, 2009.

Federal Student Aid sent the September 8, 2009 warning message to schools' Student Aid Internet Gateway (SAIG) mailboxes in the message class SGTX09OP. Additionally, Federal Student Aid sent a file of student records reported to the COD System that do not have a corresponding 2008-2009 Pell Grant actual disbursement in the Reconciliation Report message class SGRC09OP. Schools that receive the warning message should review the accompanying

Reconciliation Report and, if applicable, report 2008-2009 Pell Grant disbursements for affected students before September 16, 2009.

Note Regarding Exception Process for No Corresponding 2008-2009 Pell Grant Due to R2T4 Calculation:

Some of the student records included in the Reconciliation Report may be for students who do not have a corresponding Pell Grant for the 2008-2009 Award Year due to the documented full repayment of the Pell Grant as a result of a Return of Title IV Funds (R2T4) calculation. A school can inform Federal Student Aid of the student records to which this exception applies by calling the COD School Relations Center by September 14, 2009. A customer service representative will collect the following information from the school via the phone:

- School's Name

- School's Pell ID and G5 Award Number

- Student's First and Last Names

- Student's Social Security Number (SSN)

- Student's Grade Level

- National SMART Grant Award ID

- National SMART Grant Award Amount

- National SMART Grant Award Year-to-Date Disbursement Amount

Upon notification that an R2T4 exception applies, Federal Student Aid will exclude the applicable student records from the reduction scheduled for September 16, 2009.

If you have questions about the warning message or need to report an R2T4 exception (by September 14, 2009 as explained above) contact the COD School Relations Center.

COD System Maintenance Planned For Sunday, September 13, 2009 (09/09/09)
The COD System will undergo routine maintenance on Sunday, September 13, 2009 from 1:30 A.M. until 9:00 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. This activity will result in outages of certain COD System functionality for a period of time. Federal Student Aid appreciates your patience and understanding as it completes this important activity.
An explanation of how this activity will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

COD Web Site and System

- Users will not be able to submit or retrieve data via the COD Web site between 1:30 A.M. and 9:00 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.

Direct Loan Electronic Master Promissory Note Web Site

- An individual will not be able to complete a new MPN electronically or retrieve an existing MPN that was completed electronically via the Direct Loan Electronic Master Promissory Note (MPN) Web site between 1:30 A.M. and 11:00 A.M. (ET).

  An individual starting the process by 12:30 A.M. (ET) will be able to complete his or her MPN before the Web site becomes unavailable. An individual 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.

TEACH Grant Web Site Outage Sunday, September 13, 2009

- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the TEACH Grant Web site between 1:30 A.M. and 11:00 A.M. (ET).

  An individual starting the process by 12:30 A.M. (ET) will be able to complete his or her TEACH Grant Initial and Subsequent Counseling or ATS before the Web site becomes unavailable. An individual 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 TEACH Grant Initial and Subsequent Counseling session, complete a new ATS, or retrieve an existing ATS.

Contact Information

Federal Student Aid apologizes for any inconvenience these outages may cause. If you have any questions about the COD System, the Direct Loan Electronic MPN Web site, or the TEACH Grant Web site, 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.

End of Federal Fiscal Year 2009 – Impact on Funds Availability (09/03/09)
Wednesday, September 30, 2009 marks the end of the Federal fiscal year for the Department of Education (the Department). Some of the Department's core financial systems, including G5, will be on a modified processing schedule while the Department finalizes its processing and accounting for Fiscal Year 2009. These interruptions will impact how the Common Origination and Disbursement (COD) System will process financial data and when schools can obtain funds for the Federal student aid programs as follows:

- *Tuesday, September 15, 2009 through Friday, September 25, 2009 –* Financial processing between the COD System and G5 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.

- *Friday, September 25, 2009 through Friday, October 2, 2009 –* The COD System will accept Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) records. However, after 9:00 P.M. (ET) on Friday, September 25, 2009, CFL changes (as a result of actual disbursements) and funding will not be processed by G5 until October 2, 2009.

   All actual disbursements with a disbursement date from September 25, 2009 through October 2, 2009 must be received by the COD System *no later than 9:00 P.M. (ET) on Friday, September 25, 2009,* and subsequently accepted by the COD System, in order for them to be included in the funds available for drawdown prior to the shutdown. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after October 2, 2009 will be funded after G5 re-opens on October 2, 2009.

   Note: In another Electronic Announcement posted on September 2, 2009, we provide comprehensive information related to activities and deadlines that coincide with the end of the Federal fiscal year. This announcement is about the September 30, 2009 deadline for 2008-2009 ACG, National SMART Grant, and Pell Grant awards. Schools should refer to both Electronic Announcements to ensure that 1) all necessary reports are obtained and 2) all applicable 2008-2009 ACG, National SMART Grant, and Pell Grant origination, disbursement, and change records are submitted and accepted prior to the outages.

- *8:00 P.M. (ET) on Wednesday, September 30, 2009 through 6:00 A.M. (ET) on Friday, October 2, 2009 –* The G5 Web site will not be available. Schools will not be able to draw down Campus-Based, ACG, National SMART Grant, Pell Grant, TEACH Grant, or Direct Loan funds during this period. Schools will be able to draw down under their existing authorizations after 6:00 A.M. (ET) on Friday, October 2, 2009.

This same information is posted in a September 2, 2009 Electronic Announcement 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 Monday, October 5, 2009.

2008-2009 ACG, National SMART Grant, And Pell Grant Processing Deadline (09/03/09)
The deadline for electronically transmitting ACG, National SMART Grant, and Pell Grant records for the 2008-2009 Award Year to the Common Origination and Disbursement (COD) System is *Wednesday, September 30, 2009.*

In another Electronic Announcement posted on September 2, 2009, we provide comprehensive information related to activities and deadlines that coincide with the September 30, 2009 deadline for 2008-2009 ACG, National SMART Grant, and Pell Grant awards. This announcement is about the September 30, 2009 end of the Federal fiscal year. Schools should to this Electronic Announcement to ensure that 1) all necessary reports are obtained and 2) all

applicable 2008-2009 ACG, National SMART Grant, and Pell Grant origination, disbursement, and change records are submitted and accepted prior to the outages.

As you will read in the other announcement, all actual disbursements with a disbursement date from September 25, 2009 through October 2, 2009 must be received by the COD System *no later than 9:00 P.M. (ET) on Friday, September 25, 2009,* and subsequently accepted by the COD System, in order for them to be included in the funds available for drawdown prior to the shutdown. This means that all new 2008-2009 ACG, National SMART Grant, and Pell Grant awards and increases to 2008-2009 ACG, National SMART Grant, and Pell Grant awards must be submitted by the 9:00 P.M. (ET) deadline on Friday, September 25, 2009.

For additional information about the 2007-2008 ACG, National SMART Grant, and Pell Grant deadline, refer to the September 2, 2009 Electronic Announcement on the Information for Financial Aid Professionals (IFAP) Web site.

Note: In the September 2nd Electronic Announcement, Federal Student Aid informed schools that it will send 2008-2009 Reconciliation Reports to schools' Student Aid Internet Gateway (SAIG) mailboxes on or about September 2, 2009. Due to the mass generation of these Reconciliation Reports, Federal Student Aid will use a "pseudo" Pell ID in the header and trailer of each file. This "pseudo" Pell ID will not be associated with the school that receives the report.

If a school is unable to download and then view, print, or import a report into a spreadsheet as explained in the September 2nd Electronic Announcement, the school can request the report via the COD Web site or by submitting the batch data request for the appropriate program/award year message class via the SAIG. For information about how to request these reports, refer to Volume VI, Section 8 of the 2008-2009 COD Technical Reference.

Reminder of Citizenship Status Code Processing for ACG, National SMART Grant, and Pell Grant Awards (09/02/09)
As explained in a March 20, 2009 Electronic Announcement posted on the Information for Financial Aid Professionals (IFAP) Web site, the COD System was updated to apply more consistent edit logic for the Citizenship Status Code for ACG, National SMART Grant, and Pell Grant awards. The Citizenship Status Code will be evaluated in the same manner across all the grant programs.

The Citizenship Status Code field on the Common Record is the primary source of evaluation for student's citizenship. If the Citizenship Status Code is not populated with a "1" (citizen) or a "2" (eligible non-citizen) by the institution on the incoming origination record, the COD system must determine the student's citizenship status based on the data matches supplied through the Central Processing System (CPS). The COD System does not evaluate based on the student reported citizenship status on the FAFSA, only the verified citizenship data match that was done through either the Social Security Administration (SSA), or the Department of Homeland Security (DHS).

If the Citizenship Status Code field is not populated on the incoming origination records, the COD System will now evaluate the values from the SSA Citizenship Flag match field, and if necessary, the DHS Match Flag field and the Secondary DHS Match Flag field supplied through CPS. If the student's citizenship status can be determined from these sources, the COD System will accept and build the record. If it cannot be determined from these sources, the COD system

will reject the award with Edit 14 (Citizenship Status is not eligible for this award.) *Note:* If the citizenship status is determined by using the CPS data, it will be stored on the COD System, but will not be returned on the Common Record response.

Schools should refer to Volume II, Section 1 of the 2009-2010 Common Origination and Disbursement (COD) Technical Reference for complete operational information about citizenship status code processing.

If your school needs assistance with COD System processing, including citizenship status code processing, contact the COD School Relations Center.

Weekly Reminders

NEW!

Sending Addresses for U.S. Territories on the Common Record or the COD Web site (09/11/09)
When submitting student or borrower addresses 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. These addresses are considered domestic addresses and should not be submitted as a foreign address with a Country Code. If these addresses are not submitted correctly, important correspondence from the COD System and the Direct Loan Servicing Center is delayed or not received.

When a student or borrower address is located in a U.S. Territory, the address should be treated as a domestic address and submitted to the COD System as follows:

Submitting Addresses for U.S. Territories 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
3.0b *Required for 2009-2010 Award Year and forward	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>
2.0e	<AddressForeignIndicator>false</AddressForeignIndicator> (optional) <AddressLine> <AddressCity> <AddressStateProvinceCode> <AddressPostalCode>	<AddressForeignIndicator>true</AddressForeignIndicator> <AddressCountryCode>

Submitting Addresses for U.S. Territories 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) is provided in Volume VI, Section 4 of the 2009-2010 COD Technical Reference. If you have questions about this information, contact the COD School Relations Center.

NEW!

COD Computer-Based Training (09/11/09)
Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the COD Web site, and associated Web sites and software products through June 28, 2008.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. 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.

The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the COD Web site screens and functionality available to a school administrator. There are 14 lessons (one with two parts) with text to guide a user through each area of the COD Web site. By entering fictitious data, the user can explore basic navigation and functions of the COD Web site and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBT – The Grant Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for Federal Pell Grant (Pell Grant), Academic Competitiveness Grant (ACG), and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not use the EDExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

eMPN Online Simulations – The eMPN Online Simulations offer a step-by-step walk through of the process for completing a Direct Loan Master Promissory Note (MPN) via the Direct Loan Electronic MPN Web site. There are three lessons with text to guide a user through student and parent aspects of the eMPN process.

Completing an Agreement to Serve (ATS) Website Simulation – The Completing an ATS Website Simulation provides a step-by-step walk through of the process for completing a Teacher Education Assistance for College and Higher Education (TEACH) Grant ATS via the TEACH Grant ATS Web site.

If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include "COD CBT Question/Comment" in the subject line.

NEW!

TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (09/11/09)
The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program beginning with the 2008-2009 Award Year.

For TEACH Grant policy and operational guidance refer to the following postings on the Information for Financial Aid Professionals (IFAP) Web site:

- Final Rule published on June 23, 2008 (73 FR 35472) in the Federal Register provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.

- Dear Colleague Letter GEN-08-01 provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.

- Dear Colleague Letter GEN-08-07 provides information on institutional eligibility for the TEACH Grant Program.

- June 19, 2008 Electronic Announcement provides information on Federal Student Aid's operational implementation of TEACH Grant Program functionality.

- June 27, 2008 Electronic Announcement provides information on the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. This communication includes a "TEACH Grant Agreement to Serve (ATS) Web Site User Guide" designed to assist a student in completing his or her first electronic ATS.

- September 3, 2008 Electronic Announcement that provides information on Federal Student Aid's implementation of system functionality that supports TEACH Grant reporting functions.

- 2008-2009 COD Technical Reference and 2009-2010 COD Technical Reference provides technical information related to the processing of TEACH Grant awards.

Note: On an ongoing basis, Federal Student Aid posts updated listings of schools that are eligible to participate in the TEACH Grant Program. These listings are posted as Electronic Announcements.

NEW!

TEACH Grant – Institutional Participation Request Process Information (09/11/09)
On June 3, 2008, the Department of Education posted Dear Colleague Letter GEN-08-07 on the Information for Financial Aid Professionals (IFAP) Web site. This Dear Colleague Letter clarifies how an institution will establish eligibility to participate in the TEACH Grant Program.

For complete information about the Institutional Participation Request Process, refer to Dear Colleague Letter GEN-08-07.

- Questions about the issues discussed in the letter should be directed to Gail McLarnon by e-mail at gail.mclarnon@ed.gov or by phone at 202/219-7048.

- Questions about the participation request process should be directed to the School Participation Team for a school's state. Contact information is available on the Electronic Application for Approval to Participate in Federal Student Financial Aid Programs (E-App) Web site.

Participation Request Process Steps – As outlined in the 10-step participation request process included in Dear Colleague Letter GEN-08-07, a school must complete Question 1, enter specified language in Section K/Question 69, and complete Section L via the E-App Web site. After completing these steps, the school must mail its signed and dated signature page to the Department of Education (the Department) per the instructions provided on the "Submit Application" page. To aid in expediting receipt of the school's signature page by the Department, the school may want to use an overnight delivery method.

Participation Request Process Follow Up – If a school does not receive a response regarding its request to participate in the TEACH Grant Program within two weeks of submitting the request, the school should contact the School Participation Team for the school's state. Contact information is available on the E-App Web site.

School Addition to ATS Web Site – Once a school is determined to be eligible to participate in the TEACH Grant Program, the school's name will be added to the TEACH Grant Agreement to Serve (ATS) Web site. As a general rule, Federal Student Aid will update the TEACH Grant ATS Web site on the Tuesday or Thursday most closely following notification of the school's eligibility. If a school has questions about the TEACH Grant ATS Web site, it should contact the COD School Relations Center.