



# COD Processing Update

September 27, 2013

NEWS/UPDATES

- **Extended Credit Check Expiration Dates End on October 1, 2013 [(08/5/13) Updated 9/27/13]**

As noted in earlier COD Processing Update messages, Federal Student Aid extended credit check expiration dates an additional 60 days to prevent the initiation of new credit checks when processing Direct PLUS Loans submitted to and accepted by the COD System between June 28, 2013 and October 1, 2013. Beginning October 1, 2013, Federal Student Aid will initiate a credit check if it has been more than 90 days since the last credit check and a Direct PLUS Loan Request is completed on the StudentLoans.gov Web site, a Direct PLUS Loan origination is processed, or a credit check is initiated on the COD Web site. In addition, on October 1, 2013 expiration dates for all existing credit checks on file will change back to the original 90 day timeframe. When the change occurs, Federal Student Aid will not send updated expiration dates to schools; however, the updated credit check date will be viewable on the COD Web site.

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

- **Internal Revenue Service Interface Unavailable September 28-29, 2013 – Impact to StudentLoans.gov and FAFSA On the Web (9/24/13)**

The Federal Student Aid system that interfaces with the Internal Revenue Service (IRS) will be unavailable from 7:00 A.M. (ET) Saturday, September 28, 2013 until 7:00 A.M. (ET) on Sunday, September 29, 2013. During this period, actions can be completed on the StudentLoans.gov and FAFSA on the Web sites. However, if an action requires entry of federal tax information, the tax information will need to be entered manually. This work is in addition to the regular weekly maintenance that occurs each weekend.

Federal Student Aid apologizes for any inconvenience this may cause and appreciates your understanding and patience.

- **Loan Servicing Information - Need Assistance in Limiting Misdirected Calls to Direct Loan Servicing Center (ACS) (9/23/13)**

As communicated through a series of Electronic Announcements posted on the Information for Financial Aid Professionals (IFAP) Web site, Federal Student Aid is preparing for the forthcoming end to its contract with the Direct Loan Servicing Center (ACS). Federal Student Aid delayed full closure of the Direct Loan Servicing Center until September 30, 2013 so that borrowers whose Direct Loans were transferred to new federal loan servicers in August (the last month of the transfer initiative) would have customer service representative support for a short period of time after transfer. The Direct Loan Servicing Center no longer has a borrower's loan information on its system; however, customer service representatives can assist the borrower by explaining the transfer and providing the new servicer's name and contact information.

Since the Direct Loan Servicing Center began operating at reduced hours on August 30, 2013, there has been a higher volume of calls to the center than anticipated. The majority of calls have not been from borrowers



seeking clarity related to the transfer initiative as intended. The callers are expecting to receive information that the Direct Loan Servicing Center cannot provide, and Federal Student Aid needs the financial aid community's assistance in limiting misdirected calls to the Direct Loan Servicing Center for the remainder of this month.

Please read the Electronic Announcement available at <http://ifap.ed.gov/eannouncements/092013LSINeedFAALimitMisdirectCallACS.html> for reminders about where to direct borrowers and financial aid personnel in need of assistance.

- **End of Federal Fiscal Year 2013 – Impact on Funds Availability (9/9/13)**

Monday, September 30, 2013 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 2013. 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:

- ***Monday, September 30, 2013 through Wednesday, October 2, 2013*** – The COD System will accept Federal Pell Grant (Pell Grant), Iraq and Afghanistan Service Grant, Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) records. However, after 8:00 A.M. (ET) on Monday, September 30, 2013, Current Funding Level (CFL) changes (as a result of actual disbursements) and funding will not be processed until G5 re-opens.

All actual disbursements with a disbursement date from September 30, 2013 through October 2, 2013 must be received by the COD System ***no later than 8:00 A.M. (ET) on Monday, September 30, 2013***, and subsequently accepted by the COD System, in order to generate the appropriate funding level increase prior to the G5 shutdown. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after October 2, 2013 will be funded once G5 re-opens.

- ***9:00 P.M. (ET) on Monday, September 30, 2013 through 5:00 P.M. (ET) on Tuesday, October 1, 2013*** – The [G5 Web site](#) will not be available. Schools will not be able to draw down Pell Grant, Campus-Based, Iraq and Afghanistan Service Grant, TEACH Grant, or Direct Loan funds during this period. Schools will be able to draw down under their existing authorizations after 5:00 P.M. (ET) on Tuesday, October 1, 2013.

- **Additional TEACH Grant Closeout Information for 2012-2013 Award Year (9/9/13)**

In a [June 7, 2013 Electronic Announcement](#), we provided Teacher Education Assistance for College and Higher Education (TEACH) Grant Closeout information for the 2012-2013 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 (Net Drawdowns – Total Net Booked Disbursements) of \$0 and Total Net Unbooked Disbursements of \$0, as reflected on its TEACH Grant School Account Statement (SAS) Report.

For detailed information about TEACH Grant Closeout for the 2012-2013 Award Year, refer to [the September 6, 2013 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

- **Pell Grant and Iraq and Afghanistan Service Grant 2012-2013 Award Year Processing Deadline (9/9/13)**

The Federal Pell Grant (Pell Grant) Program regulations at 34 CFR 690.83(a) establishes the deadline by which a school must submit student payment data each award year. The data must be submitted to the Department of Education (the Department) by September 30<sup>th</sup> following the end of the award year in which the Pell Grant or Iraq and Afghanistan Service Grant is made.

As required by regulations, and consistent with the “Applications, Reports, and Other Records for the 2012-2013 Award Year Notice” the final deadline for electronically transmitting Pell Grant and Iraq and Afghanistan Service Grant records for the 2012-2013 Award Year to the Common Origination and Disbursement (COD) System is **Monday, September 30, 2013**. The notice was originally published in the [Federal Register](#) on February 28, 2013.

In an attachment to this announcement titled “Pell Grant and Iraq and Afghanistan Service Grant 2012-2013 Award Year Processing Deadline,” we provide comprehensive information related to the Pell Grant and Iraq and Afghanistan Service Grant 2012-2013 Award Year processing deadline.

Additional information is posted in a [September 6, 2013 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

- **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

There are no Direct Loan-related issues at this time.

### GRANTS

There are no Grant-related issues at this time.

### REMINDERS

#### **Keep School Contact Information Current in the COD System (9/27/13)**

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.](#)