



September 28, 2007

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.

Direct Loan Program

COD News

End of Federal Fiscal Year 2007 – Impact on Funds Availability [08/14/07 (Updated 09/27/07)]

September 30, 2007 marks the end of the Federal fiscal year for the Department of Education (the Department). Some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be on a modified processing schedule while the Department finalizes its processing and accounting for Fiscal Year 2007. These interruptions will impact how the COD System will process financial data and when schools can obtain funds for the Federal student aid programs as follows:

- **Thursday, September 27, 2007 through Monday, October 1, 2007** – The COD System will accept Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) disbursements, but CFL changes and funding will not be processed by EDCAPS/GAPS until Tuesday, October 2, 2007.

All actual disbursements with a disbursement date from September 27, 2007 through October 2, 2007 needed to have been received and accepted by the COD System by 10:00 A.M. (ET) on Wednesday, September 26, 2007, in order for them to have been included in the drawdown prior to the shutdown. Disbursements submitted after this deadline and disbursements with a disbursement date after October 2, 2007 will be funded after EDCAPS/GAPS re-opens on October 2, 2007.

- **8:00 P.M. (ET) on Sunday, September 30, 2007 through 6:00 A.M. (ET) on Tuesday, October 2, 2007** – The GAPS [e-Payments Web site](#) will not be available. Schools will not be able to draw down Campus-Based, ACG, National SMART Grant, Pell Grant, or Direct Loan funds during this period.

This same information is posted in [an August 13, 2007 Electronic Announcement](#) posted 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 Friday, October 5, 2007.



Federal Student Aid Online Training – Improving Direct Loan Processing (09/11/07)

Federal Student Aid has announced online, instructor-led training on Improving Direct Loan Processing. The training will be provided by two Federal Student Aid trainers in a one hour and thirty minute session offered three times—once each day on October 2, 3, and 4, 2007.

The Improving Direct Loan Processing training is for *intermediate level users* of Federal Student Aid's Web sites. The class will focus on improving processing and resolving issues with Direct Loans using Federal Student Aid's [Direct Loan Electronic Master Promissory Note \(MPN\)](#), [Common Origination and Disbursement \(COD\)](#), and [Direct Loan Servicing Online](#) Web sites. In addition, a brief overview of the Direct Loan (DL) Tools software will be provided. The information presented in the class will assist a school in successfully participating in the Direct Loan Program.

For additional information about this training, including registration information, refer to [Training Announcement ANN-07-17 on the Information for Financial Aid Professionals \(IFAP\) Web site](#).



Impact on COD Processing October 7-8, 2007 (09/28/07)

Federal Student Aid is planning to execute a Common Origination and Disbursement (COD) System maintenance activity on October 7, 2007. 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. In addition, funding requests will not be processed on October 8, 2007, the Columbus Day Federal holiday.

An explanation of how this activity and the holiday will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

COD System Maintenance

On **Sunday, October 7, 2007**, we will perform system maintenance on the COD System. The impact to COD users is as follows—

For Grant and Direct Loan Participants—

- Users will not be able to submit or retrieve data via the COD Web site between 2:00 A.M. and 6:00 A.M. (ET).

For Direct Loan Participants—

- The [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) will be unavailable for an extended period of time from 2:00 A.M. until 11:00 A.M. (ET). During this extended period, individuals will not be able to complete new MPNs electronically or retrieve existing MPNs that were completed electronically.

Individuals starting the process by 1:00 A.M. (ET) will be able to complete their MPNs before the Web site becomes unavailable. Individuals 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.



Columbus Day Federal Holiday

Monday, October 8, 2007 is the Columbus Day Federal holiday.

For Grant and Direct Loan Participants—

- The COD School Relations Center will be open.
- The Common Origination and Disbursement (COD) System will accept and process data from schools and send back responses/acknowledgments on Monday, October 8, 2007, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, October 9, 2007.

Complete information regarding processing and customer service hours for COD and other Federal Student Aid/Department of Education call centers on the holiday will be posted in an Electronic Announcement on the [Information for Financial Aid Professionals \(IFAP Web site\)](#).

G5 Phase 1 Implementation Overview Now Available (09/25/07)

In June 2007, the Department of Education (the Department) announced the development of **G5—a state-of-the-art electronic system for grants management and payments**. G5 will replace the current Grant Administration and Payments System (GAPS), including the e-Payments functionality used by schools to draw down Campus-Based, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) funds. G5 will provide a number of performance, processing, and customer enhancements.

As previously explained, the Department will implement G5 in three phases over several years. Phase I of G5 will address e-Payments and provide improved drawdown functionality. Full implementation of Phase I is targeted for the last quarter of calendar year 2007—most likely over the Veterans Day holiday weekend (November 8-12, 2007).

Recently, the Department posted a “G5 Phase 1 Implementation Overview” presentation on the GAPS [e-Payments Web site](#). This overview is also available at the following URL:

http://www.g5.gov/PPT_for_G5_v082707.pps

Please share the information, as appropriate, with others at your school/organization.

As explained in the overview, G5 online training will be available in October 2007. Information about the availability of the online training and other training opportunities will be provided in forthcoming communications. Information about the service outage that will be necessary when Phase 1 is implemented will also be provided in forthcoming communications.

The most current G5 information is posted on the GAPS [e-Payments Web site](#) and in a [September 25, 2007 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).



If you have any questions about the status and/or implementation of G5, contact the GAPS hotline at 888/336-8930 or e-mail G5_Admin@ed.gov (G5_Admin@ed.gov).

NEW!

Updating School Contact Information in the COD System (09/28/07)

Federal Student Aid wants to remind all schools and third party servicers that contact information in the Common Origination and Disbursement (COD) System must be kept current. Contact information is extremely important for the COD School Relations Center. Of utmost importance are e-mail addresses and mailing addresses.

- The e-mail address for the Financial Aid Administrator is used to deliver time-sensitive materials and critical COD processing information to the school.
- For a Direct Loan school, correct mailing address information ensures that Direct Loan closeout letters are delivered timely and to the correct place.

Please ensure that all contact information is updated as needed.

Submitting Updates to School Contact Information

Depending on the type of information to be updated, a school must submit updates in one of the following two ways:

1. In accordance with 34 CFR 600.21, most changes must be reported using the Electronic Application for Approval to Participate in Federal Student Financial Aid Programs (E-App). This includes changes to the following information:
 - School name
 - School address (including any branches and locations)
 - Names of the President (or equivalent title), Chief Financial Officer (or equivalent title), and Financial Aid Administrator (or equivalent title)
 - Telephone numbers and e-mail addresses for the above officials

Once the E-App is processed, the [COD Web site](#) is updated within 24 hours. It may take longer if there is additional information required by the School Participation Team (formerly known as the Case Management and Oversight Division).

2. Two specific changes can *only* be made via the [COD Web site](#). These are changes to the Direct Loan Officer contact information/ mailing address and the Pell Grant Officer contact information/ mailing address. To view and/or update the current contact information for these officers, complete the following steps:
 - Log in to the [COD Web site](#).
 - From the School tab, select the “Financial Aid Contact” link (located under the School Information menu). The School Financial Aid Contact Information screen displays the current information for the school.
 - Update or add new contact information by clicking on the “Update” or “Add New” button in the heading for the officer to be updated.
 - Complete the new information and submit the changes.

This information will be processed and updated immediately on the [COD Web site](#).



An Electronic Announcement with this same information is posted on the Information for Financial Aid Professionals (IFAP) Web site. If you have any questions about updating your school’s contact information, contact the COD School Relations Center.

Reports and Data Requests



This section contains important notices regarding reports and/or data requests. While we encourage you to review this section, note that some schools may not be impacted by the information presented below.

- Direct Loan Rebuild File— Schools in need of this file should contact the COD School Relations Center.

Resolved Issues

Described below are “Current Issues” that have been resolved. If a clean up is required, the title of the issue will then be moved to “Resolved Issues In Clean Up.”

For the full description of a resolved issue after it is removed from this section, refer to previous postings of the COD Processing Update on the [IFAP Web site](#). The COD Processing Update is posted to the [IFAP Web site](#) each Friday.

Incorrect Occurrences of COD Edit 39 [09/07/07 (Updated 09/27/07)]

As previously reported, Federal Student Aid discovered an issue with COD Edit 39 (Incorrect Award Amount) being returned incorrectly at the award level for some 2007-2008 Direct Loan records submitted to the COD System.

Federal Student Aid implemented a code fix to resolve the issue, and the COD School Relations Center has worked with the affected schools to resubmit COD records. In the future, if a school suspects that COD Edit 39 has been returned incorrectly, the school should contact the COD School Relations Center.

Federal Student Aid apologizes for any inconvenience this issue caused schools.



ACG, National SMART Grant, and Pell Grant Programs

COD News

2006-2007 Grant Processing Deadline Is October 1, 2007 (09/05/07)

The deadline for electronically transmitting Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), and Federal Pell Grant (Pell Grant) records for the 2006-2007 Award Year to the COD System is **11:59 P.M (ET) on Monday, October 1, 2007**. To meet this deadline, a school's transmissions must be completed and accepted by 12:00 midnight (ET).

For additional information about the deadline, refer to [the September 4, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

Note: As explained in [the September 4th Electronic Announcement](#), Federal Student Aid sent 2006-2007 Reconciliation Reports to schools' Student Aid Internet Gateway (SAIG) mailboxes during the period September 6 - 8, 2007. Due to the mass generation of these Reconciliation Reports, the Pell ID in the header and trailer of each file will not necessarily 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 4th 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 [2006-2007 COD Technical Reference](#).

End of Federal Fiscal Year 2007 – Impact on Funds Availability [(08/14/07 (Updated 09/27/07)]

September 30, 2007 marks the end of the Federal fiscal year for the Department of Education (the Department). Some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be on a modified processing schedule while the Department finalizes its processing and accounting for Fiscal Year 2007. These interruptions will impact how the COD System will process financial data and when schools can obtain funds for the Federal student aid programs as follows:

- **Thursday, September 27, 2007 through Monday, October 1, 2007** – The COD System will accept Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) disbursements, but CFL changes and funding will not be processed by EDCAPS/GAPS until Tuesday, October 2, 2007.



All actual disbursements with a disbursement date from September 27, 2007 through October 2, 2007 needed to have been received and accepted by the COD System by 10:00 A.M. (ET) on Wednesday, September 26, 2007, in order for them to have been included in the drawdown prior to the shutdown. Disbursements submitted after this deadline and disbursements with a disbursement date after October 2, 2007 will be funded after EDCAPS/GAPS re-opens on October 2, 2007.

- **8:00 P.M. (ET) on Sunday, September 30, 2007 through 6:00 A.M. (ET) on Tuesday, October 2, 2007** – The GAPS [e-Payments Web site](#) will not be available. Schools will not be able to draw down Campus-Based, ACG, National SMART Grant, Pell Grant, or Direct Loan funds during this period.

This same information is posted in [an August 13, 2007 Electronic Announcement](#) posted 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 Friday, October 5, 2007.



Impact on COD Processing October 7-8, 2007 (09/28/07)

Federal Student Aid is planning to execute a Common Origination and Disbursement (COD) System maintenance activity on October 7, 2007. 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. In addition, funding requests will not be processed on October 8, 2007, the Columbus Day Federal holiday.

An explanation of how this activity and the holiday will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

COD System Maintenance

On **Sunday, October 7, 2007**, we will perform system maintenance on the COD System. The impact to COD users is as follows—

For Grant and Direct Loan Participants—

- Users will not be able to submit or retrieve data via the COD Web site between 2:00 A.M. and 6:00 A.M. (ET).

Columbus Day Federal Holiday

Monday, October 8, 2007 is the Columbus Day Federal holiday.

For Grant and Direct Loan Participants—

- The COD School Relations Center will be open.
- The Common Origination and Disbursement (COD) System will accept and process data from schools and send back responses/acknowledgments on Monday, October 8, 2007, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, October 9, 2007.



Complete information regarding processing and customer service hours for COD and other Federal Student Aid/Department of Education call centers on the holiday will be posted in an Electronic Announcement on the [Information for Financial Aid Professionals \(IFAP Web site\)](#).

Updated National SMART Grant Major/CIP Codes for 2007-2008 Award Year in COD System (09/27/07)

As explained in [Dear Colleague Letter GEN-07-06](#), the Department of Education (the Department) has added new eligible academic majors under the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program for the 2007-2008 Award Year. The list of the new eligible academic majors for the 2007-2008 Award Year and a complete list of all eligible academic majors for the 2007-2008 Award Year are attached to [Dear Colleague Letter GEN-07-06](#).

In accordance with the addition of the new eligible academic majors for the 2007-2008 Award Year, Federal Student Aid has updated the Major/Classification of Instructional Program (CIP) codes for 2007-2008 National SMART Grant awards in the COD System. The COD System will accept a 2007-2008 National SMART Grant award that includes one of the newly added eligible academic majors in the Major/CIP Code field of the Common Record document submitted via batch processing or provided online via the [COD Web site](#).

Federal Student Aid plans to update the Major/CIP Code information in the 2007-2008 COD Technical Reference by the end of September 2007.

Note to EDEExpress Users: The addition of eligible academic majors for the 2007-2008 Award Year does not impact any of the EDEExpress modules.

This same information is posted in [a September 26, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

Updated Operational Guidance for Action – How to Accurately Report Verification Status Codes to COD System (09/25/07)

The regulations that govern the verification of Title IV Federal student aid application information are set forth in 34 CFR Part 668 Subpart E (34 CFR 668.51 - 668.61). In accordance with these regulations, a school is required to complete verification of information submitted by an applicant on the Free Application for Federal Student Aid (FAFSA) in connection with the calculation of the applicant's expected family contribution (EFC) for the Title IV Federal student aid programs if the application has been selected for verification.

In [a September 24, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid provided schools with updated operational guidance on the codes to use when reporting verification status in Federal Pell Grant (Pell Grant) awards. Please refer to [the September 24th Electronic Announcement](#) for the updated guidance.

If you have questions about reporting verification status codes to the COD System, contact the COD School Relations Center.



Updated ACG Recognized Rigorous Secondary School Programs of Study for 2007 Graduates and Updated/Expanded Resource Guide (09/25/07)

As schools are aware, one of the components of a student's eligibility for an Academic Competitiveness Grant (ACG) award is the completion of a rigorous secondary school program of study. State recognized plans are one of the options for meeting this requirement.

Recently, Federal Student Aid discovered that six state recognized plans approved by the Secretary of Education for 2007 high school graduates in January 2007 were not programmed in the Central Processing System (CPS) and in the COD System. The previously missing plans are for Kentucky, Missouri, New Hampshire, South Carolina, South Dakota, and Wyoming. Both systems have now been modified to include these plans.

In a [September 24, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid informed schools of the system modifications and updated and expanded the "Quick Reference to the ACG Recognized State Rigorous Secondary School Programs of Study," which has been available for schools since July 2006. Specifically, there are now two versions of this operational resource guide—one for 2005 and 2006 high school graduates and the other for 2007 high school graduates. Schools can use each version of the operational resource guide as a quick reference to the recognized rigorous secondary school programs of study for each state for the applicable high school graduation year.

Please refer to [the September 24th Electronic Announcement](#) for additional information about the updated ACG Recognized Rigorous Secondary School Programs of Study for 2007 graduates and the updated/expanded resource guide.

If you have questions about the ACG rigorous secondary school program of study requirement, contact the COD School Relations Center.

G5 Phase 1 Implementation Overview Now Available (09/25/07)

In June 2007, the Department of Education (the Department) announced the development of *G5—a state-of-the-art electronic system for grants management and payments*. G5 will replace the current Grant Administration and Payments System (GAPS), including the e-Payments functionality used by schools to draw down Campus-Based, Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), and William D. Ford Federal Direct Loan (Direct Loan) funds. G5 will provide a number of performance, processing, and customer enhancements.

As previously explained, the Department will implement G5 in three phases over several years. Phase I of G5 will address e-Payments and provide improved drawdown functionality. Full implementation of Phase I is targeted for the last quarter of calendar year 2007—most likely over the Veterans Day holiday weekend (November 8-12, 2007).

Recently, the Department posted a "G5 Phase 1 Implementation Overview" presentation on the GAPS [e-Payments Web site](#). This overview is also available at the following URL:

http://www.g5.gov/PPT_for_G5_v082707.pps



Please share the information, as appropriate, with others at your school/organization.

As explained in the overview, G5 online training will be available in October 2007. Information about the availability of the online training and other training opportunities will be provided in forthcoming communications. Information about the service outage that will be necessary when Phase 1 is implemented will also be provided in forthcoming communications.

The most current G5 information is posted on the GAPS [e-Payments Web site](#) and in [a September 25, 2007 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

If you have any questions about the status and/or implementation of G5, contact the GAPS hotline at 888/336-8930 or e-mail G5_Admin@ed.gov (G5_Admin@ed.gov).



Updating School Contact Information in the COD System (09/28/07)

Federal Student Aid wants to remind all schools and third party servicers that contact information in the Common Origination and Disbursement (COD) System must be kept current. Contact information is extremely important for the COD School Relations Center. Of utmost importance are e-mail addresses and mailing addresses.

- The e-mail address for the Financial Aid Administrator is used to deliver time-sensitive materials and critical COD processing information to the school.
- For a Direct Loan school, correct mailing address information ensures that Direct Loan closeout letters are delivered timely and to the correct place.

Please ensure that all contact information is updated as needed.

Submitting Updates to School Contact Information

Depending on the type of information to be updated, a school must submit updates in one of the following two ways:

1. In accordance with 34 CFR 600.21, most changes must be reported using the Electronic Application for Approval to Participate in Federal Student Financial Aid Programs (E-App). This includes changes to the following information:
 - School name
 - School address (including any branches and locations)
 - Names of the President (or equivalent title), Chief Financial Officer (or equivalent title), and Financial Aid Administrator (or equivalent title)
 - Telephone numbers and e-mail addresses for the above officials

Once the E-App is processed, the [COD Web site](#) is updated within 24 hours. It may take longer if there is additional information required by the School Participation Team (formerly known as the Case Management and Oversight Division).

2. Two specific changes can *only* be made via the [COD Web site](#). These are changes to the Direct Loan Officer contact information/ mailing address and the Pell Grant Officer



contact information/ mailing address. To view and/or update the current contact information for these officers, complete the following steps:

- Log in to the [COD Web site](#).
- From the School tab, select the “Financial Aid Contact” link (located under the School Information menu). The School Financial Aid Contact Information screen displays the current information for the school.
- Update or add new contact information by clicking on the “Update” or “Add New” button in the heading for the officer to be updated.
- Complete the new information and submit the changes.

This information will be processed and updated immediately on the [COD Web site](#).

An [Electronic Announcement](#) with this same information is posted on the Information for Financial Aid Professionals (IFAP) Web site. If you have any questions about updating your school’s contact information, contact the COD School Relations Center.



ACG and National SMART Grant Resources (09/28/07)

As a reminder, the Department of Education (the Department) has posted a number of Dear Colleague Letters and Electronic Announcements that communicate regulatory, policy, and operational information related to the implementation of the Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs. In addition, Federal Student Aid has updated the [2006-2007 COD Technical Reference](#) and the [2007-2008 COD Technical Reference](#), and has posted some volumes of the [2008-2009 COD Technical Reference Draft](#). A school should refer to the [communications posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#) and to the 2006-2007, 2007-2008, and 2008-2009 COD technical references for complete information about the ACG and National SMART Grant programs.

More specifically, the 2006-2007, 2007-2008, and 2008-2009 COD technical references cover all aspects of the operational implementation of the ACG and National SMART Grant programs. This includes information on the following key aspects of ACG and National SMART Grant processing:

- Financial Award ID and Financial Award Number (Award Sequence Number)
Volume II, Section 1 “Implementation Guide”
- Citizenship and Student Level Code
Volume II, Section 1 “Implementation Guide”
- Message Classes
Volume II, Section 2 “Message Classes”
- Common Record Layout
Volume II, Section 3 “Common Record Layout”
- Reports Generated by COD System



Volume VI, Section 8 “COD Reports”

- Eligibility/Payment Reason and Rigorous High School Program Code for ACG
Volume VI, Section 9 “Rigorous Secondary School Programs of Study, and Eligible
Majors”
- Major/Classification of Instructional Program (CIP) Code for National SMART Grant
Volume VI, Section 9 “Rigorous Secondary School Programs of Study, and Eligible
Majors”

If your school needs help locating information related to the operational implementation of the ACG and National SMART Grant programs, contact the COD School Relations Center.

Note for EExpress Users: Volume III of the 2006-2007, 2007-2008, and 2008-2009 COD technical references provides additional guidance for schools that use EExpress in combination with another system. If your school needs help locating information related to EExpress, contact CPS/SAIG Technical Support at 880/330-5947 or by e-mail at CPSSAIG@ed.gov.