



# Common Origination and Disbursement COD Processing Update

September 29, 2006

## *Direct Loan Program*

### COD News

**NEW!**

#### **COD Holiday Schedule For October 9, 2006 (9/29/06)**

The COD School Relations Center will be open on Monday, October 9, 2006, Columbus Day. The COD System will accept and process data from schools and send back responses/acknowledgments on October 9th; however, schools will not be able to receive any Federal funds on that day. Further information regarding Columbus Day processing and customer service hours for COD and other Federal Student Aid/ED call centers will be available in an Electronic Announcement on the IFAP Web site at <http://www.ifap.ed.gov>.

**Reminder:** In addition to no Federal funds being available on Monday, October 9, 2006, the Department of Education (the Department) will be completing its transition to a new financial operating environment. As explained in [an Electronic Announcement posted on August 23, 2006](#) and in the COD Processing Update, the Department expects financial processing backlogged during the transition to be caught up by Thursday, October 12, 2006.

#### **New Financial Operating Environment— Impact on Funds Availability for Campus-Based and Direct Loan (EDCAPS/GAPS and COD) (08/24/06)**

The Department of Education (the Department) is transitioning to a new financial operating environment in conjunction with the year-end close out of Fiscal Year 2006. As a result, some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be shut down and unavailable while the Department completes the transition. This shutdown will impact how the COD System will process financial data and when schools can obtain funds for their Federal Student Aid programs as follows:

- **Monday, September 18, 2006 through Friday, September 29, 2006**  
Financial processing between the COD System and EDCAPS/GAPS will be reduced to only 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.
- **Saturday, September 30, 2006 through Monday, October 9, 2006**  
The COD System will accept Direct Loan disbursements, but CFL changes and funding requests will not be processed by EDCAPS/GAPS until Tuesday, October 10, 2006.

***Actual disbursements must be received and accepted by the COD System no later than 10:00 A.M. (ET) on Thursday, September 28, 2006, in order for them to be included in a drawdown prior to the shutdown.*** Disbursements submitted after this time will be funded after EDCAPS/GAPS resumes processing on October 10, 2006.



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**Note:**

A school on Heightened Cash Monitoring 2 (HCM2) or Reimbursement should notify its Payment Analyst as soon as possible of the amount of disbursements that it expects to make during the shutdown period. If, in the view of the Payment Analyst, the requested amount is reasonable, we will provide those funds to the school prior to the shutdown period and in advance of receiving the formal reimbursement requests. ***To ensure that funds are available to the school when needed, the school must notify its Payment Analyst no later than Friday, September 8, 2006.***

In addition, prior to the shutdown period, we will advance to a school Federal Student Aid program funds related to pending reimbursement requests.

- ***8:00 P.M. (ET) on Saturday, September 30, 2006 through 8:00 A.M. (ET) on Tuesday, October 10, 2006***

The GAPS e-Payments system (the GAPS Web site) will not be available. Schools will not be able to draw down Campus-Based or Direct Loan funds during this period.

**Note:** In some cases, a school will be unable to operationally comply with returning cash to the Department within the timeframes specified in the Cash Management regulations at 34 CFR 668.166. We will consider the school to be in compliance with the excess cash requirements provided that the school disburses such funds to eligible students (or parents) by the end of the shutdown period and/or promptly returns such funds to the Department when EDCAPS/GAPS resumes processing on October 10, 2006.

An Electronic Announcement with this same information is posted on the [IFAP Web site](#). Thank you for your patience and understanding as the Department completes this important activity. The Department expects financial processing to be caught up by Thursday, October 12, 2006.



### **Unlocking And Resetting COD Web Site Passwords (09/29/06)**

COD would like to remind COD Web site users that Security Administrators (COD Web site User Level 5) are able to unlock and reset passwords for the users (User Level 1-4) they established at their school or organization. However, if the Security Administrator needs his or her password unlocked or reset, the Security Administrator must contact the COD School Relations Center.

In order to unlock users, a Security Administrator should log in to the COD Web site, [www.cod.ed.gov](http://www.cod.ed.gov), and complete the following steps:

Step 1: From the Welcome to Common Origination & Disbursement Web Site screen, click on the User tab on the blue bar at the top of the screen. The User Search screen displays.



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- Step 2: Enter the search criteria for the user and click on the submit button at the bottom of the User Search screen. The Search Results screen displays and lists users that match the search criteria.
- Step 3: On the Search Results screen, select the name of the user that needs to be unlocked. The User Information screen displays.
- Step 4: Click on the Modify button at the bottom of the User Information screen. The Update User Profile screen displays.
- Step 5: The Locked Out box on the Update User Profile screen contains a checkmark. Click on the Locked Out box to remove the checkmark.
- Step 6: If a new temporary password is not needed, skip this item and go to Step 7. If a new temporary password is needed, enter the new temporary password in the New Password field. Then re-enter the new password in the Re-enter New Password field to confirm. The user will need to change this password to one of his or her choosing.
- Step 7: Click on the submit button at the bottom of the Update User Profile screen. The Update Your Profile screen displays.
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This information is also posted on the COD Web site in a document entitled "Unlocking And Resetting COD Web Site Passwords." To access the document *before* you log in to the Web site, click on the "Click here if you are looking for more information on Common Origination and Disbursement" Link. To access the document *after* you log in to the Web site, click on the "Today's Updates" link at the bottom of the page.

Schools can refer to the Electronic Announcement on the IFAP Web site, <http://www.ifap.ed.gov/eannouncements/0201UpdatedCODWebsiteSchools.html>, for information regarding COD Web site access. Third party servicers can refer to the Electronic Announcement on the IFAP Web site at <http://www.ifap.ed.gov/eannouncements/UpdatedCODWebsiteThirdPartyServ.html>.

### 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. (10/03/05)



## Common Origination and Disbursement COD Processing Update

# *ACG, National SMART Grant, and Pell Grant Programs*

### COD News

#### **2005-2006 Pell Grant Processing Deadline is October 2, 2006 [09/05/06 (Updated 09/07/06)]**

The deadline for electronically transmitting Pell Grant records for the 2005-2006 Award Year to the COD System is *Monday, October 2, 2006*. To meet this deadline, a school's transmissions must be completed by midnight (in the school's local time zone) on October 2, 2006.

To assist schools with final reporting before the October 2nd deadline, COD sent a Reconciliation Report for the 2005-2006 Award Year (message class PGRC06OP) to the Student Aid Internet Gateway (SAIG) mailboxes of all Pell Grant reporting schools with at least one funded 2005-2006 disbursement.

For additional information about the deadline, refer to the Electronic Announcement available on the [IFAP Web site](#).

#### **New Financial Operating Environment— Impact on Funds Availability for Campus-Based, ACG, National SMART Grant, and Pell Grant (EDCAPS/GAPS and COD) (08/24/06)**

The Department of Education (the Department) is transitioning to a new financial operating environment in conjunction with the year-end close out of Fiscal Year 2006. As a result, some of the Department's core financial systems, including the Grant Administration and Payment System (GAPS), will be shut down and unavailable while the Department completes the transition. This shutdown will impact how the COD System will process financial data and when schools can obtain funds for their Federal Student Aid programs as follows:

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*included in a drawdown prior to the shutdown.* Disbursements submitted after this time will be funded after EDCAPS/GAPS resumes processing on October 10, 2006.

### *Notes:*

1. A school is not yet able to submit Academic Competitiveness Grant (ACG) and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) records to the COD System. However, the school is allowed to draw down and disburse ACG and National SMART Grant funds.

***If a school will need additional ACG and/or National SMART Grant funds during the shutdown period, it must request the funding increase by 5:00 P.M. (ET) on Wednesday, September 27, 2006.*** The school must submit this request per the guidelines we provided in an [Electronic Announcement posted on August 9, 2006](#).

2. A school on Heightened Cash Monitoring 2 (HCM2) or Reimbursement should notify its Payment Analyst as soon as possible of the amount of disbursements that it expects to make during the shutdown period. If, in the view of the Payment Analyst, the requested amount is reasonable, we will provide those funds to the school prior to the shutdown period and in advance of receiving the formal reimbursement requests. ***To ensure that funds are available to the school when needed, the school must notify its Payment Analyst no later than Friday, September 8, 2006.***

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***Note:*** In some cases, a school will be unable to operationally comply with returning cash to the Department within the timeframes specified in the Cash Management regulations at 34 CFR 668.166. We will consider the school to be in compliance with the excess cash requirements provided that the school disburses such funds to eligible students (or parents) by the end of the shutdown period and/or promptly returns such funds to the Department when EDCAPS/GAPS resumes processing on October 10, 2006.

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### **Second 2005-2006 Pell Grant Deobligation Due To Verification Status “W” (09/26/06)**

On September 25, 2006, the COD System deobligated 2005-2006 Award Year Pell Grant disbursements that did not have a verification status updated from “W” to a valid status of “V”, “S”, or “Blank”. As noted in the warning message that we sent to affected schools on August 16, 2006, these disbursements were considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. This deobligation affected Pell Grant disbursements at approximately 155 schools.

A school affected by the September 25, 2006 deobligation will:

- Receive a PGTX (PGTX06OP message class) file in the school’s Student Aid Internet Gateway (SAIG) mailbox indicating the number of students and total amount of the decrease;
- Receive a system-generated negative disbursement file (COMRECOP message class/ND document type);
- Receive a new Electronic Statement of Account (ESOA) that reflects the decrease unless there are other offsetting increase adjustments; and
- See a change in the school's Current Funding Level (CFL) that reflects the reduced disbursement(s).

**Note:** This deobligation process will not affect a school that did not have students with a verification status of “W” on September 25, 2006.

If verification has been completed as required or is not required and a school believes a student’s 2005-2006 disbursement should not have been reduced to zero, the school must complete the following steps in this order:

- 1) The school must send an update to the verification status of the award, and the COD System must accept the update.
- 2) Once the verification status is updated to “V”, “S”, or “Blank”, the actual disbursement (DRI = true) for the correct amount may be submitted to the COD System for processing.





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**Note:** The school can perform steps 1 and 2 in the same submission to the COD System if reported in the same student record.

If the verification status for a student's award continues to be "W", **do not resubmit the disbursement to the COD System**. If the disbursement is resubmitted, the COD System will reject it.

If you have any questions, contact the COD School Relations Center.



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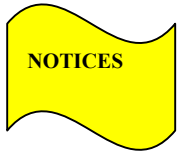


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### Reports And Data Requests



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- Pell Year-to-Date (YTD) Records—  
The YTD Record can be used to assist a school with its year-end and ongoing reconciliation processes. Schools also use the YTD Record for the purpose of rebuilding a complete student record or Pell Grant database.
  - For rebuilds for the 2005-2006 and 2006-2007 Award Year, the school can submit the data request via the COD Web site or batch.
  - For rebuilds for the 2004-2005 and earlier award years, the school must contact the COD School Relations Center by e-mail to [CODSupport@acs-inc.com](mailto:CODSupport@acs-inc.com). The school should include "Pell YTD" in the subject line. If a school is unable to e-mail its request, it can contact the COD School Relations Center by phone. [10/03/05 (Updated 10/27/05)]