



COD Processing Update

October 17, 2014

NEWS/UPDATES

- **2014-2015 COD Technical Reference (October 2014 Update) Now Available (10/17/14)**

The updated [2014-2015 COD Technical Reference](#) is now available on the Information for Financial Aid Professionals (IFAP) Web site. The 2014-2015 COD Technical Reference contains development information for the 2014-2015 Award Year. If you have any questions about this material, contact the COD School Relations Center.

- **Third 2013-2014 Pell Grant Deobligation Due to Verification Status “W” (10/16/14)**

On October 15, 2014, Federal Student Aid deobligated 2013-2014 Award Year Federal Pell Grant (Pell Grant) disbursements that did not have a verification status updated from “W” to a valid status of “V” or “S”. As noted in the warning message that Federal Student Aid sent to affected schools on October 7, 2014, 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 90 schools.

A school affected by the deobligation will receive or see the following information:

- Receive a PGTX (PGTX14OP 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 (CRND14OP message class/ND document type)
- Receive a new Electronic Statement of Account (ESOA) that reflects the decrease unless there are other offsetting increase adjustments
- See a change in the school’s Current Funding Level (CFL) that reflects the reduced disbursements

Note: This deobligation process will not affect a school that did not have students with a verification status of “W” just prior to October 15, 2014.

A school affected by the deobligation should carefully review the following information:

Verification Completed or Not Required

If verification has been completed as required or is not required and a school believes a student’s 2013-2014 disbursement should not have been reduced to zero, the school must complete the following steps in this order:



1. The school must ask for administrative relief according to the instructions in the September 5, 2014 Electronic Announcement and attachment posted on the Information for Financial Aid Professionals (IFAP) Web site.
2. The school must send an update to the verification status of the award, and the COD System must accept the update.
3. Once the verification status is updated to “V” or “S”, the school may submit the actual disbursement (Disbursement Release Indicator or DRI equals “True”) for the correct amount to the COD System for processing.

Notes:

- For the conditions under which each verification status code should be used, refer “Application and Verification Guide” of the 2013-2014 Federal Student Aid Handbook.
- In the following two cases, it is acceptable for the verification status code field to be blank:
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported the verification status code as “W”, the school should change the “W” to blank (nil = “True”).
 - If the student was not selected for verification or if a selected transaction was received by the school after the student was no longer enrolled and the school has reported no verification status code to date, the school does not need to submit a verification status code and should leave the field blank (nil = “True”).
- The school can perform steps 2 and 3 above in the same submission to the COD System if reported in the same student record.

For more information on how to request Administrative Relief or Extended Processing for the Iraq and Afghanistan Service Grant or Pell Grant Program schools should refer to the September 5, 2014 Electronic Announcement and attachment posted on the Information for Financial Aid Professionals (IFAP) Web site.

If you have any questions regarding the 2013-2014 Pell Grant deobligation of disbursements due to verification status “W,” contact the COD School Relations Center.

- **Some Schools Incorrectly Received September DL School Account Statement for 2012-2013 and 2013-2014 Award Years (10/9/14)**

During the weekend of October 5, 2014, the September month-end Direct Loan (DL) School Account Statement (SAS) for both the 2012-2013 and 2013-2014 award years were incorrectly generated and sent to



schools that had **no** financial activity during the month of September and had successfully closed out the applicable award year.

In these cases, schools can disregard the September month-end DL SAS.

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

• **REMINDER - Direct Loan Origination Fees Increased October 1, 2014 (10/3/14)**

As a reminder, the origination fees for Direct Subsidized Loans, Direct Unsubsidized Loans, and Direct PLUS Loans (for both parent and graduate student borrowers) increased as of October 1, 2014 (see [Dear Colleague Letter \(DCL\) GEN-14-10](#)). Schools should review their records to ensure the correct origination fee is being used. In a [May 9, 2014 Electronic Announcement](#), Federal Student Aid provided some operational updates and information about COD System readiness for processing Direct Loans with the new origination fees.

• **Availability of Report Readers for Pell Grant Reconciliation File, Pell Grant Year to Date (YTD) File, and School Account Statement (SAS) Disbursement Detail on Demand File (9/10/14)**

As a reminder, Federal Student Aid has posted three report readers for the following reports:

- Pell Grant Reconciliation File
- Pell Grant YTD File
- SAS Disbursement Detail on Demand File

The readers provide a simplified way of importing the report files into an Excel spreadsheet for school reconciliation purposes. To use the readers, a school must receive the **fixed-length format** of the reports.

The readers, along with instructions on how to use them, are posted on the [Common Origination and Disbursement \(COD\) Web site](#) and can be accessed by clicking on the “COD Resources” link located on the gray bar at the bottom of the home page.

The table below will assist schools in finding the correct reader for the appropriate award year(s).

| File Name on COD Resources page | Report and Award Year(s) |
|---|---|
| PELL Recon Reader 2008-2009 AY – 2013-2014 AY.xlsm | Pell Grant Reconciliation File, 2013-2014 and prior |
| PELL Recon Reader 2014-2015 AY.xlsm | Pell Grant Reconciliation File, 2014-2015 |
| PELL YTD Reader 2008-2009 AY – 2013-2014 AY.xlsm | Pell Grant YTD File, 2013-2014 and prior |
| PELL YTD Reader 2014-2015 AY.xlsm | Pell Grant YTD File, 2014-2015 |
| SAS Disb On Demand Reader v1.1.xlsm | SAS Disbursement Detail on Demand, all award years |
| Note: While there are multiple Pell Grant report readers covering different award years, there is only one instruction file posted for the report reader type. | |



If you have questions about the readers or need additional assistance with using them, contact the COD School Relations Center.

- **COD System Warning Edit 211 (5/20/14)**

Since the April 2014 COD System implementation, many schools may have received COD Warning Edit 211 (Failure of Full Schema Enforcement). As a reminder, this warning edit is intended to help schools and software providers identify and fix invalid XML, but still allow the data to be processed by the COD System. Eventually, Federal Student Aid will reject batches sent with invalid XML and the data will not be processed by the COD System.

Since the cause of invalid XML can vary widely, Federal Student Aid cannot provide specific XML error(s) in the response when returning Warning Edit 211. However, some examples of common errors are:

- Submitting tags out of order
- Submitting a string longer than the posted maximum length value specified by the COD XML Schema
- Submitting an integer or decimal outside of the posted value range specified by the COD XML Schema
- Neglecting to submit a required tag within a complex element (for example, <City> in the <PermanentAddress> block)
- Submitting tag names that do not match the COD XML Schema (tag names are case-sensitive)

In addition, Federal Student Aid has posted guidance about using an XML validator tool to help schools identify XML errors. This guidance is posted on the IFAP Web site in a document titled "COD XML Schema Validation Instructions."

When using an XML validator tool, schools should keep a few things in mind:

- Use of an XML validator tool is optional and a school will need to find the right XML validator tool based on its individual circumstances. Some schools may need to work directly with their technical staff or software provider to select an XML validator tool.
- In some cases, a school can download an XML validator tool to a computer. In other cases, a school can upload files to a Web-based XML validator tool. If a school opts to use a Web-based XML validator tool and it has to upload files to run the validation, for security purposes, the school should use test data for the file upload.
- Federal Student Aid has validated the published COD XML Schema with some of the independent XML validator tools available, including XMLSpy, www.xmlvalidation.com, and XML Notepad 2007.

Finally, schools using a software vendor should consult with that vendor for additional assistance. In many cases, a school may need to ensure it is using the latest version of the chosen product.



Additional information about the COD XML Schema can be found on the IFAP Web site at <https://ifap.ed.gov/ifap/codXMLSchema.jsp>. For additional questions about COD System processing or the COD XML Schema, contact the COD School Relations Center.

CURRENT ISSUES

DIRECT LOANS

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

GRANTS

There are no Grant-related issues at this time.

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.](#)

Keep School Contact Information Current in the COD System (10/17/14)

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.