



October 19, 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

COD System Maintenance Planned For Sunday, October 21, 2007 (10/17/07)

The COD System will undergo routine maintenance on Sunday, October 21, 2007 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. The impact of these overlapping outages is as follows:

- 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.

Federal Student Aid apologizes for any inconvenience these outages may cause. If you have any questions about the COD System, 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.

Extended Direct Loan Electronic MPN Web Site Outage For Sunday, October 21, 2007 (10/17/07)

As a reminder, the Direct Loan Electronic Master Promissory Note (MPN) Web site is unavailable every Sunday morning from 5:00 A.M. until 11:00 A.M. (ET) while routine maintenance is performed. During this period, individuals are not able to complete new MPNs electronically or retrieve existing MPNs that were completed electronically.

Due to the need for additional maintenance on Sunday, October 21, 2007, the Direct Loan Electronic MPN Web site will be unavailable for an extended period of time from 1:30 A.M. until 11:00 A.M. (ET). Individuals starting the process by 12:30 A.M. (ET) on Sunday, October 21, 2007 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.

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

Additional 2007-2008 COD System Functionality Implemented (10/15/07)

Federal Student Aid is pleased to announce the implementation of additional COD System functionality during the period October 12-13, 2007. These system changes supported the implementation of the revised Federal Direct PLUS Loan Application and Master Promissory Note (Direct PLUS Loan MPN). Federal Student Aid implemented all of the system changes described in [an October 10, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#). Complete Direct PLUS Loan MPN implementation guidance is provided in [Direct Loan Bulletin 07-20 posted on the IFAP Web site](#).

Thank you for your understanding and patience while Federal Student Aid completed this important activity. If you have any questions about the system changes, 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 (10/19/07)

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.



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- 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



NOTICES

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.



ACG, National SMART Grant, and Pell Grant Programs

COD News

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NEW!

Second 2006-2007 Verification Status Code “W” Warning Message (10/19/07)

With the end of processing for the 2006-2007 Award Year, schools that had made an interim 2006-2007 Federal Pell Grant (Pell Grant) disbursement to a student selected for verification should have concluded verification activities and changed the student’s verification status code from “W” to “V” or “S”, as appropriate.

On October 18, 2007, Federal Student Aid began processing a message to schools that have one or more 2006-2007 student records still reported with a verification status code of “W”. The message is a warning that disbursements to all students with a verification status code of “W” will be considered overawards and reduced to a zero dollar amount (\$0.00), even though the disbursements were previously accepted in the COD System. The reduction of the affected disbursements is scheduled to occur on November 5, 2007.



Federal Student Aid will send the October 18, 2007 warning message to affected schools' Student Aid Internet Gateway (SAIG) mailboxes in the message class PGTX07OP. Additionally, Federal Student Aid will send a file of 2006-2007 student records reported to the COD System with a verification status code of "W" in the Reconciliation Report message class PGRC07OP. A school that receives the warning message should review the accompanying Reconciliation Report and submit appropriate changes to the verification status codes for affected students before November 5, 2007.

Notes:

- As a reminder, Federal Student Aid recently posted updated operational guidance on how to accurately report verification status codes to the COD System. Refer to [the September 28, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#) for the conditions under which each verification status code should be used.
- A school does not need to submit a verification status code and should leave the field 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.

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

Additional 2007-2008 COD System Functionality Implemented (10/15/07)

Federal Student Aid is pleased to announce the implementation of additional COD System functionality during the period October 12-13, 2007. These system changes supported the implementation of the revised Federal Direct PLUS Loan Application and Master Promissory Note (Direct PLUS Loan MPN). Federal Student Aid implemented all of the system changes described in [an October 10, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#). Complete Direct PLUS Loan MPN implementation guidance is provided in [Direct Loan Bulletin 07-20 posted on the IFAP Web site](#).

Thank you for your understanding and patience while Federal Student Aid completed this important activity. If you have any questions about the system changes, contact the COD School Relations Center.

Operational Guidance for Action – Reporting and Adjusting 2007-2008 Federal Pell Grant Awards Based on Elimination of “Alternate” Payment and Disbursement Schedules (10/15/07)

As explained in [Dear Colleague Letter P-07-02 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), the College Cost Reduction and Access Act (the CCRAA), Pub.L. 110-84, modifies the award rules for the Federal Pell Grant (Pell Grant) Program. Specifically, the “tuition sensitivity” provision of section 401(b)(3) of the Higher Education Act of 1965, as amended (HEA), is repealed, retroactively to the 2007-2008 Award Year.

As a result of the CCRAA, the two-page “Alternate” Payment and Disbursement Schedules published in [Dear Colleague Letter P-07-01 posted on the IFAP Web site](#) may no longer be used.



All Pell Grant awards for the 2007-2008 Award Year must be determined using the four-page “Regular” Payment and Disbursement Schedules.

Federal Student Aid has begun the work needed to modify its systems, Web and software products, technical documents, training materials, and publications to reflect the repeal of the “tuition sensitivity” provision beginning with 2007-2008 Pell Grant awards. However, completion of this work is not necessary for each affected school to take the actions needed to submit new 2007-2008 Pell Grant awards to the COD System and/or to adjust previously submitted 2007-2008 Pell Grant awards.

In [an October 12, 2007 Electronic Announcement posted on the IFAP Web site](#), Federal Student Aid provides technical guidance on submitting and adjusting 2007-2008 Pell Grant awards. Refer to the [October 12th Electronic Announcement](#) for this technical guidance.

If you have any questions about submitting new or adjusting previously submitted 2007-2008 Pell Grant awards to the COD System, contact the COD School Relations Center.

Enrollment Requirements for the National SMART Grant Program (10/12/07)

As explained in [Dear Colleague Letter GEN-07-07](#), the Department of Education (the Department) has provided additional information on the course enrollment requirements for a student to receive payment under the National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) Program. Refer to [Dear Colleague Letter GEN-07-07](#) for the detailed additional guidance.

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forthcoming communications. Information about the service outage that will be necessary when Phase 1 is implemented will also be provided in forthcoming communications.

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2006-2007 Grant Processing Deadline was October 1, 2007 [09/05/07 (Updated 10/02/07)]

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 was 11:59 P.M (ET) on Monday, October 1, 2007.

From October 2, 2007 forward, the COD System will accept and reject 2006-2007 ACG, National SMART Grant, and Pell Grant data as follows:

ACG and National SMART Grant Programs

- Accept and process decreases to previously accepted 2006-2007 award originations and decreases to previously accepted 2006-2007 disbursements.
- Accept and process originations and disbursements of new 2006-2007 awards or 2006-2007 award amount increases only if the Department has granted Administrative Relief or Extended Processing for the 2006-2007 Award Year.

Pell Grant Program

- Accept and process decreases to previously accepted 2006-2007 award originations and decreases to previously accepted 2006-2007 disbursements.
- Accept and process originations and disbursements of new 2006-2007 awards or 2006-2007 award amount increases only if 1) the student was in a Potential Overaward Process (POP) situation during the 2006-2007 Award Year or 2) the Department has granted Administrative Relief or Extended Processing for the 2006-2007 Award Year.

Note: Unless one of the situations outlined above applies, the COD System will reject originations and disbursements of new 2006-2007 awards or 2006-2007 award amount increases and return COD Edit 43 (New Award Amount or Award Increase Received After End of Processing Year and Institution has Not Been Granted Extended Processing) or COD Edit 71 (New Disbursement Increase, or Disbursement Release Indicator to “True” Received After End of Processing Year and Institution Has Not Been Granted Administrative Relief).



For additional information about Administrative Relief and Extended Processing for the 2006-2007 Award Year, refer to [the September 4, 2007 Electronic Announcement posted on the Information for Financial Aid Professionals \(IFAP\) Web site.](#)



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ACG and National SMART Grant Resources (10/19/07)

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