

Important Reminders and 2018–19 Funding Authorization and Disbursement Information Attachment to March 2018 Electronic Announcement

This document covers important reminders for the 2018–19 Award Year as well as 2018–19 funding authorization and disbursement information.

Important Reminders

We take this opportunity to remind schools of the following:

- For the 2018–19 Award Year, a school must send and the COD System will acknowledge Common Record documents for all origination and disbursement information using COD Common Record Extensible Markup Language (XML) Schema Version **4.0c**. Unsolicited system-generated responses and COD Web Activity responses for all award years will be sent by the COD System using COD Common Record XML Schema Version **4.0c**.

For complete information about the schema version, refer to [COD Common Record XML Schema Version 4.0c](#) on the Information for Financial Aid Professionals (IFAP) website.

Reminder: Federal Student Aid fully validates Common Record files against the published COD Common Record XML Schema (schema). This means that if a school submits a Common Record that does not conform to the published schema format, it is not processed by the COD System and a school receives COD Reject Edit 210.

- For schools interested in testing with the COD System before sending production data for the 2018–19 Award Year, refer to the [COD School Testing for the 2018–19 Award Year Electronic Announcement](#) on the IFAP Web site, or refer to Volume V, Section 1 of the [2018–2019 COD Technical Reference](#).

If a school uses a third party software provider, it should check with the provider regarding the availability of the provider's 2018–19 software release.

Note for EExpress Users: EExpress for Windows 2018–2019, Release 2.0, scheduled for release in April 2018, will add Pell Grant, TEACH Grant, and Direct Loan functionality for the 2018–19 Award Year. We will communicate EExpress Release 2.0 information through forthcoming electronic announcements on the [IFAP website](#).

Beginning March 25, 2018, the following will be in place:

- All 2018–19 Award Year-specific message classes will include “19” as the award year indicator. All message classes are listed in Volume II, Section 2 of the 2018–2019 COD Technical Reference.
- The Direct Loan Master Promissory Note (MPN) ID will include “19” as the award year indicator. Direct Loan award IDs will include “19” as the award year indicator if the loan is originated for the 2018–19 Award Year.
- The TEACH Grant Agreement to Serve (ATS) ID will include “19” as the award year indicator if the ATS is completed for the 2018–19 Award Year.

- The default award year will be 2018–19 on all [COD Web Site](#) screens except the Request Post Deadline Processing screen. (The Request Post Deadline Processing screen defaults to the award year for which processing has most recently ended.)
- A school’s selected report format will default to the format specified by the school’s current report options. If desired, COD Web Site School User Levels 3–5 and Third Party Servicer User Levels 3–5 can change their schools’ report options by accessing the Report Selection screen for the 2018–19 Award Year after March 25, 2018.
 - To access the Report Selection screen, click on the Report Selection link on the [COD Web Site’s](#) School Information Options screen. Updates to report formats for reports that are not award-year specific will be applied to all award years. Updates to report formats for reports that are award-year specific will be applied only to the award year selected in the Award Year drop down menu on the Report Selection screen.
 - Complete details on report formats are available in Volume VI, Section 8 of the [2018–2019 COD Technical Reference](#).
- A school’s StudentLoans.gov website processing options will default to the current selections. For the options set with a date, we will increment the date by one year (for example, 4/1/2017 will become 4/1/2018). If desired, a COD Web Site School User Levels 3–5 and Third Party Servicer User Levels 3–5 can change the StudentLoans.gov website processing options on the [COD Web Site’s](#) School Information Options screen.

2018–19 Funding Authorization and Disbursement Information

2018–19 funding authorization and disbursement information is summarized below.

Campus-Based Programs

Following the transition of the Campus-Based programs in to the COD System, we will begin to process Campus-Based funding authorizations through the COD System. Schools will be provided information about 2018–19 Campus-Based funding authorizations in a separate announcement.

Direct Loan Program

Schools that receive funds under the Advanced funding method and historically report actual disbursements prior to July 1st will receive an initial Current Funding Level (CFL) for the 2018–19 Award Year the week of March 25, 2018. All other Advanced funded schools will receive an initial CFL for the 2018–19 Award year in June 2018. Additional CFL increases will occur in November 2018 and February 2019.

Schools on Heightened Cash Monitoring (HCM1 and HCM2), Reimbursement, foreign schools, and those that request to be “records first” will not receive an initial CFL, but instead will receive funding increases based on actual disbursement records that are submitted to and accepted by the COD System.

The COD System will accept 2018–19 actual disbursement data (DRI = “True”) for Direct Loan awards beginning **March 25, 2018**.

Iraq and Afghanistan Service Grant Program

Until June 2018, these grants will continue to be processed as they are for the 2017–18 Award Year. **Note:** With the next COD System implementation, planned for June 2018, we will make changes to the process as described in the “Beginning in June 2018” section below.

All 2018–19 Iraq and Afghanistan Service Grants must be submitted via the COD Web Site; batch processing for these grants will not be available. To process an Iraq and Afghanistan Service Grant award successfully, a school must complete all of the following actions:

- Submit Iraq and Afghanistan Service Grant awards through the “Create Award/Pell” screen.
- Select CPS transaction number that contains the DoD Match Flag = “Y” and the Pell-Eligible Flag = “N”.
- Select the Iraq and Afghanistan Service Grant Indicator.

Between March 25, 2018 and June 15, 2018, the current process will be in place:

Funding for Iraq and Afghanistan Service Grants for the 2018–19 Award Year will continue to be an exception-based process and based on anticipated disbursements [(Disbursement Release Indicator (DRI) = “False”)]. Schools should only submit anticipated disbursements that they will fund prior to June 15, 2018.

All disbursements for Iraq and Afghanistan Service Grant awards must be submitted as anticipated disbursements (DRI = “False”). Any 2018–19 Iraq and Afghanistan Service Grant disbursements submitted with DRI = “True” will be rejected with COD Reject Edit 194.

A school will be able to draw down funds **after** it has submitted the Iraq and Afghanistan Grant award via the COD Web site. We will adjust the school’s CFL based on the amount of the accepted anticipated disbursements (DRI = “False”) of the award and send a Statement of Account (SOA) via e-mail to the school.

Once the SOA is received, the school can log in to the G5 Web site and draw down its 2018–19 Iraq and Afghanistan Service Grant funds. The funds will be posted under the G5 Award Number P408A18#### with the last four digits indicating the school's existing G5 Award Number for the Pell Grant Program. A school can expect to receive the SOA and be able to draw the funds within 3 business days of submitting the award.

Note: To receive funding, any future-dated Iraq and Afghanistan Service Grant anticipated disbursement submitted between March 25, 2018 and June 15, 2018 will need to be resubmitted with a (DRI) = “True” after the June 2018 COD System implementation. If a disbursement date is expected to be on or after June 16, 2018, we advise schools to hold the disbursement submission until after the June 2018 COD System implementation.

Beginning June 16, 2018, the following will be in place:

- Funding for Iraq and Afghanistan Service Grants for the 2017-18 and 2018–19 Award Years will be based only on actual disbursements [(DRI) = “True”].
- All disbursements for Iraq and Afghanistan Service Grant awards may be submitted as either anticipated disbursements (DRI = “False”) or actual disbursements (DRI = “True”) as with any other program.

- All CFL adjustments will post automatically based on accepted actual disbursements. Schools will receive ESOAs and will be able to draw down funds in G5 accordingly.
- All anticipated disbursements submitted prior to the June 2018 COD System implementation will need to be corrected to [(DRI) = "True"] in order to receive funding.
- COD Reject Edit 194 will be discontinued.

Note for EDEExpress Users: At this time, the EDEExpress for Windows software will not be updated to support the processing of Iraq and Afghanistan Service Grant transactions. EDEExpress schools that have Iraq and Afghanistan Service Grants may continue to process those transactions individually through the COD Web Site, and should be prepared to manually track Iraq and Afghanistan Service Grant disbursements and originations during their normal reconciliation activities.

Pell Grant Program

There is no Initial Authorization for the Pell Grant Program for the 2018–19 Award Year. Schools will receive a Current Funding Level (CFL) based on the accepted and posted actual disbursement records that they submit to the COD System.

The earliest date on which a school may disburse a Pell Grant for the 2018–19 Award Year, either with federal funds or its own funds, is **January 31, 2018**. The COD System will accept 2018–19 actual disbursement data [Disbursement Release Indicator (DRI) = "True"] for Pell Grant awards beginning **March 25, 2018**.

Note: Dear Colleague Letter [GEN-18-01](#) provides the payment and disbursement schedules for determining Pell Grant awards for the 2018–19 Award Year for full-time, three-quarter time, half-time, and less-than-half-time students. All 2018–19 Pell Grant awards must be based on the schedules attached to [GEN-18-01](#).

We will implement the 2018–19 Pell Grant payment and disbursement schedules in the COD System during this release. However, if subsequent 2018 appropriations legislation modifies the current schedules, we will publish revised schedules and post operational guidance about implementation of the revised schedules in our systems and software products and on the web.

TEACH Grant Program

There will be no Initial Authorization for the TEACH Grant Program for the 2018–19 Award Year. Schools will receive a CFL based on the accepted and posted actual disbursement records that they submit to the COD System.

The COD System will accept 2018–19 actual disbursement data (DRI = "True") for TEACH Grant awards beginning **March 25, 2018**.