

December 31, 2008

This edition of the COD Processing Update will remain on the <u>COD Web site</u> 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 School Testing For The 2009-2010 Award Year (12/29/08)

The COD School Relations Center will conduct Common Record Manual Verification and Structured Application Testing for the 2009-2010 Award Year from January 5, 2009 through June 26, 2009. Optional Unstructured Testing will be available June 1, 2009 through September 29, 2009.

School Testing provides schools, third party servicers, and software vendors an opportunity to test Academic Competitiveness Grant (ACG), National Science and Mathematics Access to Retain Talent Grant (National SMART Grant), Federal Pell Grant (Pell Grant), Teacher Education Assistance for College and Higher Education (TEACH Grant), and William D. Ford Federal Direct Loan (Direct Loan) business processes and system software with the COD System prior to the transmission and processing of actual production data using COD Common Record XML Schema Version 3.0b. It also allows schools, third party servicers, and software providers the opportunity to make corrections or enhancements to software applications and processes prior to sending data to the "live" production environment.

All entities that wish to participate in COD School Testing must submit the "COD School Testing 2009-2010 Sign-Up Sheet" to the COD School Relations Center. The sign-up document is posted on the COD Web site under the "Click here if you are looking for more information on Common Origination and Disbursement." link.

For additional information, refer to the December 29, 2008 Electronic Announcement posted on the IFAP Web site.

COD Holiday Schedule For December 31, 2008 And January 1, 2009 [12/12/08 (Updated 12/29/08)]

The COD School Relations Center will close at 3:00 P.M. (ET) on Wednesday, December 31, 2008. The COD School Relations Center will reopen at 8:00 A.M. (ET) on Friday, January 2, 2009.

The COD System will accept and process data from schools and send back responses/acknowledgments on Thursday, January 1, 2009, but schools will not be able to receive any Federal funds on those days. Requests for changes in funding levels and for funds will not be processed until Friday, January 2, 2009.



Further information regarding New Year's Day processing, funding impact, and customer service hours for COD and other Federal Student Aid/Department systems and call centers is available in a December 12, 2008 Electronic Announcement on the IFAP Web site.

Reminder-Acceptance of Prior Versions of Paper Direct Loan Master Promissory Notes for Direct PLUS Loans and Direct Subsidized/Unsubsidized Loans ending January 1, 2009 (12/19/08)

Federal Student Aid reminds schools using paper Direct Loan Master Promissory Notes (MPN) that we will no longer accept old versions of the Direct PLUS Loan MPN and the Direct Subsidized/Unsubsidized Loan MPN as of January 1, 2009.

For Direct PLUS Loans, we will accept only the revised Direct PLUS Loan MPN (revision date of 3/2008). If a previous version of the Direct PLUS Loan MPN (no revision date) is submitted on or after January 1, 2009, it will be rejected.

For Direct Subsidized/Unsubsidized Loans, we will accept only the revised Direct Subsidized/Unsubsidized Loan MPN (expiration date 05/31/2011). If a previous version of the Direct Subsidized/Unsubsidized Loan MPN (expiration date 10/31/2005) is submitted on or after January 1, 2009, it will be rejected.

Complete details can be found in <u>DLB-08-14</u> and <u>DLB-08-15</u> posted on the <u>IFAP Web site</u>.

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.



Grant Programs

ACG, National SMART Grant, Pell Grant, and TEACH Grant

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TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary [07/01/08 (Updated 10/03/08)]

The College Cost Reduction and Access Act (the CCRAA), Pub. L. 110-84, authorized the Teacher Education Assistance for College and Higher Education (TEACH) Grant Program for implementation beginning with the 2008-2009 Award Year. The TEACH Grant Program provides up to \$4,000 a year in grant assistance to a student who agrees to serve for at least four years as a full-time teacher in a high-need field in a public or private elementary or secondary school that serves students from low-income families. A TEACH Grant recipient who does not complete the required teaching within a specified timeframe, or fails to meet certain other requirements of the TEACH Grant Program, will be required to repay the TEACH Grant as a Direct Unsubsidized Loan under the William D. Ford Federal Direct Loan Program.

During the period June 27-28, 2008, Federal Student Aid implemented COD System functionality that supports the processing of TEACH Grant awards for the 2008-2009 and subsequent award years. This functionality included implementation of the <u>TEACH Grant Agreement to Serve (ATS) Web site</u>. During the period September 26-27, 2008, Federal Student Aid implemented COD System functionality that supports TEACH Grant reporting functions.

For TEACH Grant guidance refer to the following postings on the <u>Information for Financial Aid</u> Professionals (IFAP) Web site:

- <u>Final Rule published on June 23, 2008 (73 FR 35472)</u> in the <u>Federal Register</u> provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.
- <u>Dear Colleague Letter GEN-08-01</u> provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.
- <u>Dear Colleague Letter GEN-08-07</u> provides information on institutional eligibility for the TEACH Grant Program.
- <u>June 19, 2008 Electronic Announcement</u> provides information on Federal Student Aid's operational implementation of TEACH Grant Program functionality.
- <u>June 27, 2008 Electronic Announcement</u> provides information on the student aspects of the TEACH Grant Program that will be operational for July 1, 2008. This communication includes a "TEACH Grant Agreement to Serve (ATS) Web Site User Guide" designed to assist a student in completing his or her first electronic ATS.
- <u>September 3, 2008 Electronic Announcement</u> that provides information on Federal Student Aid's implementation of system functionality that supports TEACH Grant reporting functions.
- <u>2008-2009 COD Technical Reference</u> provides technical information related to the processing of TEACH Grant awards.

Note: On an ongoing basis, Federal Student Aid posts updated listings of schools that are eligible to participate in the TEACH Grant Program for the 2008-2009 Award Year. These listings are posted as Electronic Announcements.



Federal Student Aid will continue to inform the community of the implementation of additional TEACH Grant functionality scheduled for implementation over the next several months. Please monitor the IFAP Web site for the forthcoming communications.

TEACH Grant – Institutional Participation Request Process Information (11/14/08)On June 3, 2008, the Department of Education posted <u>Dear Colleague Letter GEN-08-07 on the Information for Financial Aid Professionals (IFAP) Web site</u>. This Dear Colleague Letter clarifies how an institution will establish eligibility to participate in the TEACH Grant Program.

For complete information about the Institutional Participation Request Process, refer to <u>Dear Colleague Letter GEN-08-07</u>.

- Questions about the issues discussed in the letter should be directed to Gail McLarnon by e-mail at gail.mclarnon@ed.gov or by phone at 202/219-7048.
- Questions about the participation request process should be directed to the School Participation Team for a school's state. Contact information is available on the <u>Electronic Application for Approval to Participate in Federal Student Financial Aid</u> <u>Programs (E-App) Web site.</u>

Participation Request Process Steps – As outlined in the 10-step participation request process included in <u>Dear Colleague Letter GEN-08-07</u>, a school must complete Question 1, enter specified language in Section K/Question 69, and complete Section L via the <u>E-App Web site</u>. After completing these steps, the school must mail its signed and dated signature page to the Department of Education (the Department) per the instructions provided on the "Submit Application" page. To aid in expediting receipt of the school's signature page by the Department, the school may want to use an overnight delivery method.

Participation Request Process Follow Up – If a school does not receive a response regarding its request to participate in the TEACH Grant Program within two weeks of submitting the request, the school should contact the School Participation Team for the school's state. Contact information is available on the E-App Web site.

School Addition to ATS Web Site – Once a school is determined to be eligible to participate in the TEACH Grant Program, the school's name will be added to the TEACH Grant Agreement to Serve (ATS) Web site. As a general rule, Federal Student Aid will update the TEACH Grant ATS Web site on the Tuesday or Thursday most closely following notification of the school's eligibility. If a school has questions about the TEACH Grant ATS Web site, it should contact the COD School Relations Center.



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RESOLVED – Multiple Issues With 2008-2009 ACG, National SMART Grant, and Pell Grant MRRs [10/10/08 (Updated 12/23/08)]

On September 12, 2008, Federal Student Aid identified a format issue with 2008-2009 Multiple Reporting Records (MRRs) for the Academic Competitiveness Grant (ACG), Federal Pell Grant (Pell Grant), and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) programs that were sent to schools' Student Aid Internet Gateway (SAIG) mailboxes since March 16, 2008. These reports were either automatically generated by the COD System or were requested by a school via the COD Web site or batch data request.

Through its work to resolve the issue that was identified initially, Federal Student Aid identified other issues with the 2008-2009 ACG MRR (AGMR09OP), National SMART Grant MRR (SGMR09OP), Pell Grant MRR (PGMR09OP) and the 2007-2008 ACG MRR (AGMR08OP), National SMART Grant MRR (SGMR08OP), and Pell Grant MRR (PGMR08OP). None of the issues identified to date impact a school's ability to import the affected reports.

Federal Student Aid has completed its work and implemented code fixes to resolve the issues with the various 2008-2009 and 2007-2008 reports. If needed, a school can now request corrected reports via the COD Web site or batch data request.

Federal Student Aid apologizes for the inconvenience caused by these issues. If you have questions about these issues, or experience issues with any COD reports, contact the COD School Relations Center.