



February 13, 2009

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



Web Site Outages Planned for February 14, and 16, 2009 (02/13/09)

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The information below explains the impact to Web sites associated with the Common Origination and Disbursement (COD) System. Complete details about all impacted Federal Student Aid Web sites are available in a [February 12, 2009 Electronic Announcement posted on the Information of Financial Aid Professionals \(IFAP\) Web site](#).

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Note: Routine Web site maintenance that occurs each weekend will also be completed as scheduled and announced through other communications methods. In addition, we provided information about processing and customer service hours on the Washington's Birthday Federal



holiday (Monday, February 16, 2009) in [a February 6, 2009 Electronic Announcement posted on the Information for Financial Aid Professional \(IFAP\) Web site](#).

Impact on COD Processing February 15-16, 2009 (02/06/09)

Federal Student Aid is planning to execute a COD System maintenance activity on February 15, 2009. This activity will result in outages of certain COD System functionality for a period of time. Federal Student Aid appreciates your patience and understanding as it completes this important activity. Funding requests will not be processed on February 16, 2009, the Washington's Birthday Federal Holiday.

An explanation of how this activity and the holiday will impact COD System availability and processing follows below. Please review this information to determine if processing at your school will be affected.

COD System Maintenance

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Washington's Birthday Federal Holiday

Monday, February 16, 2009 is the Washington's Birthday Federal Holiday.

- The COD School Relations Center will be open.
- The COD System will accept and process data from schools and send back responses/acknowledgments on Monday, February 16, 2009, but schools will not be able to receive any Federal funds on that day. Requests for changes in funding levels and for funds will not be processed until Tuesday, February 17, 2009



Complete information regarding processing and customer service hours for the COD System and other Federal Student Aid/Department of Education call centers on the holiday is posted in [a February 6, 2009 Electronic Announcement on the IFAP Web site.](#)

NEW!

Live Internet Webinar on Direct Loan Processing for New Participants (02/13/09)

In [Dear Colleague Letter ANN-09-02 posted on the Information for Financial Aid Professionals \(IFAP\) Web site](#), Federal Student Aid announced instructor-led, online training that will focus on Direct Loan processing basics related to origination records, credit checks, electronic promissory notes, disbursements, funding, reconciliation, Direct Loan reports, Direct Loan servicing, resources for borrowers, and resources for schools. This training is geared to individuals on the financial aid staff at schools new to the Direct Loan Program or to individuals at schools that already process Direct Loans but who are new in their positions.

Federal Student Aid will present this training in a 90-minute session on the following dates:

- Tuesday, February 24, 2009, 3:00 P.M. (ET)
- Tuesday, March 31, 2009, 3:00 P.M. (ET)
- Tuesday, April 28, 2009, 3:00 P.M. (ET)
- Tuesday, May 26, 2009, 3:00 P.M. (ET)
- Tuesday, June 30, 2009, 3:00 P.M. (ET)
- Tuesday, July 28, 2009, 3:00 P.M. (ET)

Advance registration is required for this training and will be available on a first-come, first-served basis. For complete registration information, refer to [Dear Colleague Letter ANN-09-02](#) or click on this link:

<http://www.fsaregistration.ed.gov/profile/web/index.cfm?PKwebID=0x112117625&varPage=agenda>

Federal Student Aid looks forward to your participation in this instructor-led, online training opportunity.

Origination Fee and Up-Front Interest Rebate Reductions for Direct Subsidized Loans and Direct Unsubsidized Loans Electronic Announcement Released (02/09/09)

An Electronic Announcement was released to schools from the COD School Relations Center on February 6, 2009 and is posted on [the IFAP Web site](#). This announcement provides operational guidance for schools and third party software providers on implementing the latest reductions in the origination fee and the up-front interest rebate.

If you would like to be added to or removed from the Direct Loan Electronic Announcement distribution list, please submit an e-mail to CODSupport@acs-inc.com with the subject line of "DL Electronic Announcement Distribution".



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.

- 2007-2008 & 2008-2009 Pending Disbursement List (Message Classes DALC08OP & DALC09OP)—
- 2006-2007, 2007-2008, & 2008-2009 Pending Disbursement List (Message Classes DIAA07OP, DIAA08OP & DIAA09OP)—
- 2008-2009 Funded Disbursement List (Message Class DARC09OP)—
- 2007-2008 & 2008-2009 Funded Disbursement List (Message Classes DIAO08OP & DIAO09OP)—
- 2007-2008 & 2008-2009 30-Day Warning Report (Message Classes DIWC08OP & DIWC09OP)—
- 2006-2007, 2007-2008, & 2008-2009 30-Day Warning Report (Message Classes DIWR07OP, DIWR08OP & DIWR09OP)—
- Duplicate Student Borrower Report (Message Classes DUPLCDOP & DUPLPFOP)—
- Inactive Loans Report (Message Classes INACCDOP & INACPFOP)—
- MPN Discharge Report (Message Class MPNDISOP)—
- MPNs Due to Expire Report (Message Class MPNEXPOP)—

On Sunday, February 8, 2009, Federal Student Aid produced and transmitted weekly and monthly reports for all programs; however, due to an error, these reports contained no data. As a result, all reports sent to schools' Student Aid Internet Gateway (SAIG) mailboxes and available on the [COD Web site](#) will appear blank when opened. Federal Student Aid corrected the error and re-transmitted the reports on Monday, February 9, 2009. Federal Student Aid apologizes for any inconvenience this may have caused schools. (02/10/09)



- Expired MPN Report (Message Class MPNINAOP)—
- SSN/Name/Date of Birth Change Report (Message Classes SNDCCDOP & SNDCPFOP)

Weekly Reminders



COD Computer-Based Training (02/13/09)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT). The COD CBT includes enhancements that have been made to the COD System, the [COD Web site](#), and associated Web sites and software products through June 28, 2008.

The COD CBT consists of component simulations and CBTs. Each COD CBT component is explained below. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the “Tools for Schools” box on the home page, click on [COD Computer-Based Training](#).

The components of the COD CBT are as follows:

COD System Simulations – The COD System Simulations offer lessons that explain the [COD Web site](#) screens and functionality available to a school administrator. There are 14 lessons (one with two parts) with text to guide a user through each area of the [COD Web site](#). By entering fictitious data, the user can explore basic navigation and functions of the [COD Web site](#) and practice locating and creating information in a safe environment that includes tips for assistance.

Direct Loan Reports CBT – The Direct Loan Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for William D. Ford Federal Direct Loan (Direct Loan) awards.

Grant Reports CBT – The Grant Reports CBT includes three lessons that explain the COD reports a school can use to assist with the reconciliation process for Federal Pell Grant (Pell Grant), Academic Competitiveness Grant (ACG), and National Science and Mathematics Access to Retain Talent Grant (National SMART Grant) awards.

Direct Loan (DL) Tools Simulation – The DL Tools Simulation demonstrates how to use the DL Tools software to assist with the reconciliation process for Direct Loan awards. Although the simulation can be used both by schools that use the EDEExpress for Windows software and schools that do not use this software, the simulation is especially useful for schools that do not use the EDEExpress software on a regular basis but are interested in a Direct Loan reconciliation resource.

eMPN Online Simulations – The eMPN Online Simulations offer a step-by-step walk through of the process for completing a Direct Loan Master Promissory Note (MPN) via the [Direct Loan](#)



[Electronic MPN Web site](#). There are four lessons with text to guide a user through student, parent, and school administrator aspects of the eMPN process.

Completing an Agreement to Serve (ATS) Website Simulation – The Completing an ATS Website Simulation provides a step-by-step walk through of the process for completing a Teacher Education Assistance for College and Higher Education (TEACH) Grant ATS via the [TEACH Grant ATS Web site](#).

If you have questions or comments about the COD CBT, contact the COD School Relations Center. If you e-mail your question or comment to CODSupport@acs-inc.com, please include “COD CBT Question/Comment” in the subject line.



Grant Programs

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

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2008-2009 Pell Grant CFL Reduction To NAPD On February 11, 2009 (02/12/09)

On February 11, 2009, Federal Student Aid reduced the Federal Pell Grant (Pell Grant) 2008-2009 Award Year Current Funding Level (CFL) to the Net Accepted and Posted Disbursements (NAPD) for schools that had a CFL greater than their NAPD. As noted in the warning message that Federal Student Aid sent to affected schools on January 26, 2009, this action was taken because the majority of disbursements for the first payment period of the 2008-2009 Award Year should have already been submitted to the COD System for processing. This reduction affected approximately 250 schools.

A school affected by the February 11, 2009 Pell Grant CFL reduction to NAPD will be impacted as follows:

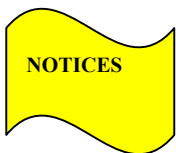
- Receive a text message (PGTX09OP Message Class) in the school’s Student Aid Internet Gateway (SAIG) mailbox notifying the school of the reduction.
- Receive a new Electronic Statement of Account (ESOA) that reflects the reduction.
- See a change in the school's Pell Grant CFL that reflects the reduction.

If an affected school has additional 2008-2009 disbursements to submit to the COD System, it should do so as soon as possible. As a reminder, a school must set the Disbursement Release Indicator (DRI) to “True” in order to fund an actual Pell Grant disbursement; this does not happen automatically. Upon acceptance of the disbursements, the school’s 2008-2009 Pell Grant CFL will be increased.

Note: An affected school that has drawn down funds in G5 but that has not submitted the applicable disbursements to the COD System may be in an excess cash situation and must rectify the situation as soon as possible.

If you have any questions regarding the 2008-2009 Pell Grant CFL reduction to NAPD, contact the COD School Relations Center.

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- 2008-2009 ACG Pending Disbursement Report (Message Class AGPD09OP)
- 2008-2009 Pell Funded Disbursement Report (Message Class PGFD09OP)—
- 2008-2009 Pell Pending Disbursement Report (Message Class PGPD09OP)—
- 2007-2008 & 2008-2009 Pell POP

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Report (Message Classes PGPR08OP & PGPR09OP)— this may have caused schools. (02/10/09)

- 2008-2009 Pell, ACG, and National SMART SSN/Name/Date of Birth Change Report (Message Class PGSN09OP)—
- 2007-2008 & 2008-2009 Pell Verification Status Report (Message Classes PGVR08OP & PGVR09OP)—
- 2008-2009 National SMART Pending Disbursement Report (Message Class SGPD09OP)—
- TEACH Grant Inactive Grants Report (Message Class THUGPFOP)—
- 2008-2009 TEACH Grant Pending Disbursement Listing (Message Class THPD09OP)—
- TEACH Grant SSN/Name/Date of Birth Change (Message Class THSNPFOP)—

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TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (02/13/09)

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 beginning with the 2008-2009 Award Year.

For TEACH Grant policy and operational guidance refer to the following postings on the [Information for Financial Aid Professionals \(IFAP\) Web site](#):

- [Final Rule published on June 23, 2008 \(73 FR 35472\)](#) in the [Federal Register](#) provides the final regulations effective July 1, 2008 for the 2008-2009 Award Year.
- [Dear Colleague Letter GEN-08-01](#) provides policy information on all of the provisions of the CCRAA, including the TEACH Grant Program.
- [Dear Colleague Letter GEN-08-07](#) provides information on institutional eligibility for the TEACH Grant Program.
- [June 19, 2008 Electronic Announcement](#) provides information on Federal Student Aid’s operational implementation of TEACH Grant Program functionality.



- [June 27, 2008 Electronic Announcement](#) 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.
- [September 3, 2008 Electronic Announcement](#) that provides information on Federal Student Aid’s implementation of system functionality that supports TEACH Grant reporting functions.
- [2008-2009 COD Technical Reference](#) and [2009-2010 COD Technical Reference](#) 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. These listings are posted as Electronic Announcements.



TEACH Grant – Institutional Participation Request Process Information (02/13/09)

On June 3, 2008, the Department of Education posted [Dear Colleague Letter GEN-08-07 on the Information for Financial Aid Professionals \(IFAP\) Web site](#). 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 [Dear Colleague Letter GEN-08-07](#).

- 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 [Electronic Application for Approval to Participate in Federal Student Financial Aid Programs \(E-App\) Web site](#).

Participation Request Process Steps – As outlined in the 10-step participation request process included in [Dear Colleague Letter GEN-08-07](#), a school must complete Question 1, enter specified language in Section K/Question 69, and complete Section L via the [E-App Web site](#). 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.