



March 27, 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

COD Batch Processing Suspension And Web Site Outages March 27-28, 2009 (03/23/09)

As explained in a [March 20, 2009 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#), during the period March 27-28, 2009, Federal Student Aid plans to implement additional Common Origination and Disbursement (COD) System functionality that supports the processing of 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) awards for the 2009-2010 Award Year.

Note: This implementation **will not** include functionality needed to support Pell Grant changes related to the Higher Education Opportunity Act (HEOA), Public Law 110-315, that was enacted on August 14, 2008, and reauthorizes the Higher Education Act of 1965, as amended (the HEA). Specifically, we will not be implementing functionality to support:

- Year-Round Pell Grant
- Children of Soldiers
- Maximum Duration of Eligibility

Federal Student Aid plans to implement COD System functionality to support these changes in June 2009. Federal Student Aid will communicate the details related to the June 2009 implementation, as well as all necessary operational implementation guidance, through Electronic Announcements on the [IFAP Web site](#).

In order to install the system changes that will allow the COD System to receive and process 2009-2010 records—

- Federal Student Aid will suspend COD batch processing beginning at 8:00 P.M. (ET) on Friday, March 27, 2009. Records submitted after 8:00 P.M. (ET) will be held and processed after 8:00 P.M. (ET) on Saturday, March 28, 2009.
- The [COD Web site](#) will be unavailable from 8:00 P.M. (ET) on Friday, March 27, 2009 until 8:00 P.M. (ET) on Saturday, March 28, 2009.

Additionally, for Direct Loan participants—



- The [Direct Loan Electronic Master Promissory Note \(MPN\) Web site](#) will be unavailable from 8:00 P.M. (ET) on Friday, March 27, 2009 until 8:00 P.M. (ET) on Saturday, March 28, 2009.

Individuals starting the process by 7:00 P.M. (ET) on March 27, 2009 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.

Additionally, for TEACH Grant participants—

- The [TEACH Grant Web site](#) will be unavailable from 8:00 P.M. (ET) on Friday, March 27, 2009 until 8:00 P.M. (ET) on Saturday, March 28, 2009.

Individuals starting the process by 7:00 P.M. (ET) on March 27, 2009 will be able to complete their ATS 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 ATS.

Note: Because additional functionality is being added to the Web site, its name has changed from the TEACH Grant ATS Web site to the TEACH Grant Web site. The URL remains unchanged.

Federal Student Aid apologizes for any inconvenience the batch processing suspension and Web site outages may cause and appreciates your understanding and patience while it completes this important activity.

Upcoming SAIG Message Class File Update (03/20/09)

On March 26, 2009, we will send the message class "MESSAGTB" via the Student Aid Internet Gateway (SAIG) to all user mailboxes. The EDconnect transmission software will automatically request, download, and import this new message class table with a user's next connection to the SAIG network. Once the MESSAGTB file has been imported, the new message class table will be used from that point forward.

Federal Student Aid will add message classes for the Central Processing System (CPS), the Common Origination and Disbursement (COD) System, and the Direct Loan Servicing System (DLSS). These message classes are explained in [a March 19, 2009 Electronic Announcement on the Information for Financial Aid Professionals \(IFAP\) Web site](#).

For complete information about the new message class table, refer to [the March 19th Electronic Announcement](#). A message containing this same information was also sent to schools' SAIG mailboxes.

Weekly Reminders



COD Computer-Based Training (03/27/09)

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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First Pell Grant Administrative Cost Allowance Payments for 2008-2009 Award Year (03/23/09)

Federal Student Aid began processing the first Pell Grant Administrative Cost Allowance (ACA) payments for the 2008-2009 Award Year on March 21, 2009. Schools will begin to see these payments deposited directly into their bank accounts over the next few weeks.

For complete information about these ACA payments, refer to [the March 23, 2009 Electronic Announcement that is posted on the IFAP Web site](#).

2006-2007 Pell Grant CFL Reduction To G5 Net Drawdown On March 19, 2009 (03/20/09)

On March 19, 2009, Federal Student Aid reduced the Federal Pell Grant (Pell Grant) 2006-2007 Award Year Current Funding Level (CFL) to equal the Net Drawdown amount reflected in the COD System and in G5. This action applies to schools that had a CFL greater than their G5 Net Drawdown. As noted in the warning message that we sent to affected schools on February 20, 2009, this action was taken because disbursements and disbursement adjustments for the 2006-2007 Award Year should have already been submitted to the COD System for processing. This reduction affected approximately 700 schools.

A school affected by the March 19, 2009 CFL reduction to G5 Net Drawdown will be impacted as follows:

- Receive a text message (PGTX07OP 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 CFL that reflects the reduction.
- See a change in the school's authorization in G5 that reflects the reduction.

Note: The amount of the reduction will equal the difference between the school's CFL and Net Drawdown amount. This means that the amount of the reduction could equal as little as \$0.01.

If you have questions about the 2006-2007 CFL reduction to G5 Net Drawdown or need to have funding reinstated, contact the COD School Relations Center.

Upcoming SAIG Message Class File Update (03/20/09)

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For complete information about the new message class table, refer to [the March 19th Electronic Announcement.](#) A message containing this same information was also sent to schools' SAIG mailboxes.

2006-2007 ACG CFL Reduction To G5 Net Drawdown Warning Message (03/13/09)

At this time, all Academic Competitiveness Grant (ACG) funds for the 2006-2007 Award Year should have been disbursed to students. In general, schools are to submit ACG disbursements to the Department of Education (the Department) no later than 30 days after making an actual disbursement or becoming aware of the need to adjust a student's previously reported disbursement. Accordingly, disbursements and disbursement adjustments for the 2006-2007 Award Year should have already been submitted to the Common Origination and Disbursement (COD) System for processing.

2006-2007 CFL Reduction to G5 Net Drawdown Warning Message Sent on March 12, 2009

On March 12, 2009, Federal Student Aid sent a message to schools that have a G5 ACG authorization, known in the COD System as Current Funding Level (CFL), for the 2006-2007 Award Year that is greater than their Net Drawdown amount reflected in the COD System and in G5. The message warns an affected school that its 2006-2007 ACG CFL will be reduced to the G5 Net Drawdown if the CFL is still greater than the G5 Net Drawdown on April 14, 2009. When the actual reduction occurs on April 14th, the school will have a reduced authorization in G5 and will receive an Electronic Statement of Account (ESOA) that reflects the revised authorization.

Federal Student Aid sent the March 12, 2009 warning message to an affected school's Student Aid Internet Gateway (SAIG) mailbox in the message class AGTX07OP. A school that receives the warning message should review its internal records and its CFL, G5 Net Drawdown, and Net Accepted and Posted Disbursements (NAPD) reflected in the COD System as soon as possible. The school should submit all outstanding downward disbursement adjustments to the COD System and/or request any outstanding drawdown from G5 for the 2006-2007 Award Year as soon as possible but before April 14, 2009.

This same information is posted in [a March 13, 2009 Electronic Announcement on the IFAP Web site.](#) If you have questions about the 2006-2007 ACG CFL reduction to G5 Net Drawdown, contact the COD School Relations Center.



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TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (03/27/09)

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 (03/27/09)

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.