



**January 30, 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

#### **Updated Guidance on Making Direct Loan Refunds of Cash (Returning Excess Cash) (01/28/09)**

An Electronic Announcement was released to schools from the COD School Relations Center on January 28, 2009 and is posted on [the Information for Financial Aid Professionals \(IFAP\) Web site](#). This announcement updates and summarizes the correct process for making a refund of cash i.e., returning unused Direct Loan funds; also referred to as excess cash) to the Department of Education (the Department).

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](mailto:CODSupport@acs-inc.com) with the subject line of "DL Electronic Announcement Distribution".

#### **Updated Guidance on Making Direct Loan Borrower Payments Electronic Announcement Released (01/28/09)**

An Electronic Announcement was released to schools from the COD School Relations Center on January 28, 2009 and is posted on [the Information for Financial Aid Professionals \(IFAP\) Web site](#). This announcement reminds schools of the correct process for making a borrower payment by sending a check to the Direct Loan Servicing Center's (DLSC's) Payment Center. A borrower payment is made in order to return funds at the borrower's request *more than 120 days after disbursement*.

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](mailto:CODSupport@acs-inc.com) with the subject line of "DL Electronic Announcement Distribution".



## 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—

Federal Student Aid previously disabled the ability to request a Direct Loan Rebuild file on the COD Web site.

Effective January 26, 2009, schools now have the ability to request a Direct Loan Rebuild file via the COD Web site. A Direct Loan Rebuild file can be requested on the COD Web site by clicking on Batch, then click on Direct Loan Rebuild.

Federal Student Aid apologizes for any inconvenience this may have caused schools and appreciate your patience and understanding as we worked to resolve the issue.  
(01/27/09)

## Weekly Reminders



### **COD Computer-Based Training (01/30/09)**

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](mailto: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*

### COD News

#### **2008-2009 Pell Grant CFL Reduction To NAPD Warning Message (01/27/09)**

At this time, the majority of Federal Pell Grant (Pell Grant) funds for the first payment period of the 2008-2009 Award Year should have been disbursed to students. In general, schools are to submit Pell Grant 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, 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.

#### **2008-2009 Pell Grant CFL Reduction to NAPD Warning Message Sent on January 26, 2009**

On January 26, 2009, Federal Student Aid sent a message to schools that have a Pell Grant Current Funding Level (CFL) for the 2008-2009 Award Year that is greater than their Net Accepted and Posted Disbursements (NAPD). The message warns an affected school that its 2008-2009 Pell Grant CFL will be reduced to the NAPD if the CFL is still greater than the NAPD on February 11, 2009. After the reduction, schools that have drawn down funds in G5 but that have 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.

Federal Student Aid sent the January 26, 2009 warning message to an affected school's Student Aid Internet Gateway (SAIG) mailbox in the message class PGTX09OP. A school that receives the warning message should review its internal records and submit all outstanding Pell Grant disbursements for the 2008-2009 Award Year to the COD System as soon as possible but before February 11, 2009.

This same information is posted in [a January 27, 2009 Electronic Announcement on the IFAP Web site](#). 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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**NEW!**

### **TEACH Grant Operational Implementation Guidance – COD System Implementation and Guidance Summary (01/30/09)**

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.

**NEW!**

### **TEACH Grant – Institutional Participation Request Process Information (01/30/09)**

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](mailto: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](#).



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***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.