

COD Update

NCASF AA 2014 Fall Conference

"Be the Bridge - Turning Challenges into Opportunities for the Students We Serve!"

COD Update for FAAs

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COD Update for FAAs

Agenda

- New Award Year Setup (NAYS)
- Pell Grant Dispute Portal
- Phase 2 of the Direct Loan Subsidized Loan 150% Limit (SULA)
- Sequestration
- COD Release 13.1
- September Code Change
- Still to Come...

New Award Year Setup

Award Year 2014-2015

COD Update for FAAs

NAYS was implemented on April 14, 2014

- Included the “normal” changes that occur from one award year to the next
 - ✓ The Funding Method remains Advance Funded
 - ✓ ONLY Direct Loan schools NOT on heightened Cash Management receive an initial CFL (Current Funding Level)
 - ✓ Pell Grant and TEACH Grant schools remain “records first”
- Award year designator changed to “15”
 - ✓ System-generated file message class award year designator
 - ✓ MPN
 - ✓ ATS
 - ✓ Direct Loan ID

Pell Grant Modifications

Award Year 2014-2015

COD Update for FAAs

Two Pell Grant modifications were implemented with COD NAYS for award year 2014 - 2015

- Expected Family Contribution (EFC) field length was expanded from 5 to 6 bytes to conform to a CPS change
 - ✓ All COD Reporting Website screens that display the EFC
- The EFC displayed on the Pell Grant Program documents noted below will be expanded from 5 to 6 bytes
 - ✓ The Pell Grant Reconciliation Report
 - ✓ The Pell Grant Multiple Reporting Record (MRR)
 - ✓ The Pell Grant Year-To-Date File
 - ✓ The Pell Grant LifeTime Eligibility Used (LEU) Report

COD Update for FAAs

COD for Award Year 2014 – 2015 brought further enhancement to the Pell Grant LEU dispute process with the implementation of a new Pell Grant LEU Dispute Portal

- The Dispute Portal provides the ability to create, view, update and even ***upload documentation*** for a Pell Grant LEU dispute
- The Pell Grant LEU History page will display the Pell Grant LEU dispute result
- Schools will no longer have an option to escalate a Pell Grant LEU dispute to the COD School Relations Center

StudentLoans.gov

Award Year 2014-2015

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COD Update for FAAs

StudentLoans.gov modified the Direct PLUS Loan endorser process*

- To endorse a credit-declined Direct PLUS Loan
 - ✓ A new Direct PLUS Loan Endorser Code, or the Loan ID, AND the borrower's last name must be submitted
 - ✓ The borrower receives the code via their Direct PLUS Request confirmation email and provides the code to the endorser
 - ✓ If a borrower does NOT have an email address on the COD system the borrower can obtain the Endorser Code from his or her completed Direct PLUS Loan Request on the StudentLoans.gov website

*

The paper-based endorser process remains unchanged

SULA – Phase 2

Award Year 2014-2015

COD Update for FAAs

Phase 2 brought “real-time” processing for awards and a new system-generated response that includes routine COD and Program editing

- Real-time processing includes Subsidized Usage Period calculations
 - ✓ Subsidized usage will be returned per award via the Common Record Response
- Normal and routine COD/Program editing

COD Update for FAAs

A new system-generated response is created and transmitted nightly after daily processing is complete

- Sent to schools associated with that borrower reflecting changes to his or her SULA data
 - ✓ The change was NOT necessarily the result of activity by the receiving school
 - ✓ The school causing the change in SULA data will get the result on their Common Record Response file
 - Could get the system-generated file as well if another school also caused a change

COD Update for FAAs

To accommodate the reporting of SULA data, submissions for the 2014-2015 award year are transmitted to COD via the Common Record Schema v. 4.0a

- New SULA award tags
- New SULA disbursement tags
- New SULA edits
- COD will enforce 100% schema validation on schema 4.0a
 - COD will enforce 100% schema validation on 3.0e, and 3.0d as well
- Schema 4.0a particulars were published in an Electronic Announcement posted on October 29,

COD Update for FAAs

Schema 4.0a SULA data tags – See Appendix

- Award level SULA tags include
 - ✓ <PublishedProgramLengthYears>
 - ✓ <PublishedProgramLengthMonths>
 - ✓ <PublishedProgramLengthWeeks>
 - ✓ <WeeksProgramAcademicYear>
 - ✓ <SpecialPrograms>
 - ✓ <ProgramCredentialLevel>
- Disbursement level SULA tags include
 - ✓ <ProgramCIPCode>
 - ✓ <PaymentPeriodStartDate>
 - ✓ <EnrollmentStatus>

COD Update for FAAs

Schema 4.0a edits – See Appendix

- Award level edits include...
 - ✓ 202(R)...ONLY one tag for Published Program Length
 - ✓ 203(R)...Incorrect Special Program
 - ✓ 206(R)...Remaining Eligibility Period < 0 for award (D/L SUB)
 - ✓ 207(R)...Maintenance tag could have caused Remaining Subsidized Eligibility Period to drop to <0 for this award (D/L SUB)
 - ✓ 208(R)...Invalid Student Level Code
 - ✓ 209(R)...Invalid value for Weeks Programs Academic Year

COD Update for FAAs

Schema 4.0a edits – See Appendix

- Disbursement level edits include...
 - ✓ 204(R)...Incorrect Program CIP Code (D/L & TEACH)
 - ✓ 205(R)...Payment Period Start date is outside award start/end date (D/L)
 - ✓ 207(R)...For HCM/Reimbursement schools – sequence issue (D/L Sub)

COD Update for FAAs

Two new edits are triggered by malformed XML documents

- COD Reject edit #210
 - Returned at the batch level
 - Contact from COD Customer Support for assistance
- COD Warning edit #211
 - Temporary – will be discontinued at a yet-to-be determined date
 - Returned at the batch level
 - No contact from COD Customer Support
 - Though malformed the document would have been accepted under prior award year rules

COD Update for FAAs

An “XML Validator Tool Instructions” document is posted on the ifap.ed.gov website

- Type “XML validator instructions” in the search box
 - ✓ <http://ifap.ed.gov/codxmlschema/attachments/CODGuidetoFullyValidXMLDocuments.pdf>
- Will assist in identifying errors in your XML Common Record Document
 - ✓ Many are free and open-source
 - ✓ Choose one that can be downloaded
 - ✓ Choose one that has functionality to validate an XML document against an XSD schema

COD Update for FAAs

COD has updated screens to display SULA data

- View Person Information screen
 - ✓ Displays the Subsidized Usage Limit Applies (SULA) Date on a re-designed screen
- Disbursement History Information screen will displays additional SULA data
 - ✓ Enrollment Status
 - ✓ Program CIP Code
 - ✓ Payment Period Start Date

COD Update for FAAs

COD implemented two (2) new website screens

- Subsidized Usage Information screen
 - ✓ Accessible via a hyperlink on the Person Direct Loan Information screen
 - ✓ Complete SULA data for that student
- SULA Information request screen
 - Batch screen link – SULA Request
 - Subsidized Usage Response Request
 - SSN

COD Update for FAAs

COD implemented a new Direct Loan Subsidized Usage Change Report

- Produced weekly and posted to the COD Reporting Website on the School NewsBox
 - ✓ Saturday to Friday reporting window
 - ✓ Comma-delimited format
 - ✓ You can “opt out” of receiving the report

Sequester Changes

Award Year 2014-2015

COD Update for FAAs

Sequester changes required for TEACH Grant and the Iraq-Afghanistan Service Grant from the award amount for which the student would otherwise have been eligible

- Dear Colleague Letter DCL GEN: 14-10 with details
- First disbursement on or after October 1, 2014 and before October 1, 2015
 - ✓ A TEACH Grant reduction of 7.3%
 - ✓ An Iraq-Afghanistan Service Grant requires a reduction of 7.3% Accessible via a hyperlink on the Person Direct Loan Information screen
 - Maximum Federal Pell Grant award amount for the relevant award year

COD Update for FAAs

The Direct Loan origination fee increased on loans with an earliest disbursement date (EDD) on or after October 1, 2014 and before October 1, 2015

- Direct Subsidized/Unsubsidized Loan origination fee was increased from 1.072% to 1.073%
- Direct PLUS Loan origination fee was increased from 4.288% to 4.292%
- Future changes to the Direct Loan origination fee due to Sequester are anticipated on October 1 of each year

COD Update for FAAs

Sequester changes going forward...

- When the EDD on an incoming loan origination record (LOR) is on or after an “established date,” and the disbursement release indicator = TRUE, the LOR will reject with a new disbursement level Edit Code #213
 - ✓ The “**established date**” will be determined by Federal Student Aid when changes to origination fees are expected and the new fees are unknown
 - LORs with only anticipated disbursements (DRI = False) will be accepted with origination fees effective for the prior period
 - ✓ Eliminates the need for schools to correct awards once the new origination fee is known

COD Update for FAAs

Sequester changes going forward...

- Once the new fees are established, the COD System will correct the origination fee for awards with only anticipated disbursements with an EDD on or after the established date
 - ✓ A new system-generated origination fee (OF) response will be sent to your SAIG mailbox with the corrected information to include
 - New origination fee percent
 - New disbursement net amount
 - New disbursement fee amount
- Message Class CROFyyOP
 - ✓ Responses will be award year specific

COD Release 13.1

Award Year 2014-2015

COD Update for FAAs

COD Release 13.1 was implemented on June 29, 2014 and brought the following major modifications

- Updated Master Promissory Notes (MPNs), Endorser Addendum Forms, and Plain-Language Disclosure Statements
 - ✓ COD will accept previous editions through December 31, 2014
- A new communications page on the COD Web site
 - ✓ File Share & Messages will allow schools to view and download COD specific communications from the COD Website
 - ✓ Notification will be via email, but NO attachments to the email
- Electronic Announcement dated June 20, 2014 for details

COD “Off-Cycle” Code Change

Award Year 2014-2015

COD Update for FAAs

COD implemented an “off-cycle” code change on September 14, 2014 that included modifications to...

- COD Edit Code #050 to ignore an actual disbursement reduced to \$0
 - ✓ Allows a change to a loan period (financial award) start/end date to more than 10 days before, or more than 180 days after, the disbursement date
 - ✓ Allows accurate reporting of loan periods as required and explained in DCL GEN: 13-13

COD Update for FAAs

The “off-cycle” code change also updated the loan origination fee/loan amount/disbursement(s) amount on Direct Loan awards with an invalid origination fee/earliest disbursement date (EDD) combination

- ONLY awards with DRI = FALSE
- A system-generated response was sent to schools identifying loans updated and the corrected dollar amounts
- Examples
 - ✓ EDD 9/25/2014 and origination fee 1.072% - no change
 - ✓ EDD 10/15/2014 and origination fee 1.072% - updated

COD Update for FAAs

COD made changes to the origination fee-related edits schools receive on Direct Loan awards and disbursement

- COD will removed edit codes #142, #143, and #144
 - ✓ #142...Cannot change the Origination Fee Percent and/or Interest Rebate Percent on an active loan
 - ✓ #143...Invalid Origination Fee Percent and/or Interest Rebate Percent on award changes
 - ✓ #144...Disbursement Dates do not match Origination Fee Percent and/or Interest Rebate Percent on file
- COD Edit Code #140 will be “expanded” to cover edits #142 and #144

On The Horizon...

Award Year 2014-2015

COD Update for FAAs

COD Release 13.2 is scheduled for implementation in mid-December 2014 and we plan to include...

- Integrated and enhanced Customer Service
 - ✓ “Live Chat” on StudentLoans.gov website
 - ✓ Self--service FAQs and “How-to” instructional links on the COD Reporting Website
- Enhanced Parent PLUS Loan borrower identifier validation to aid in preventing co-mingled student accounts
 - ✓ ONLY on Parent PLUS Loans with a credit check result of “Pending” and where there is an identifier mismatch between COD and the credit bureau
 - ✓ Parent data matched to SSA on student CPS transaction
 - ✓ A new COD reject edit #216 will accompany this change

COD Update for FAAs

COD Release 13.2 will also include

- 3-Year Cohort Default Rate for single-disbursement of a loan
 - ✓ Criteria remains the same
- COD will use the CPS Date of Death Data Element file (DDE) to help prevent overpayments
 - ✓ New warning edit 215 for award year 2012-2013 and forward identifies Grant and Direct Loan recipients that have a date of death supplied by the Social Security Administration
 - Will not stop COD processing but serve as notification
 - ✓ COD Web Applicant Detail Information screen will display the “SSA Date of Death” field if appropriate

On The Horizon...

Award Year 2015-2016

COD Update for FAAs

COD Release 14.0 for Award Year 2015-2016 is planned for early Spring 2015

- New Award Year Setup
 - ✓ Normal changes from one award year to the next award year
- New Schema 4.0b
- New Student Eligibility tag and codes
 - ✓ <AbilityToBenefit> tag re-named to <StudentEligibilityCode>
- New tags and a new system-generated report to accompany newly required PLUS Loan borrower counseling

COD Update for FAAs

COD Release 14.0

- Adverse credit criteria will change
- 34 CFR 600.200 will be amended to include the new criteria
- Window for a credit check to “stand” on COD will be increased from 90-days to 180-days
- Charge-off and collection accounts will now be included in the credit decision
 - ✓ Credit history is considered adverse with one or more debts with a combined outstanding balance > \$2,085 that are 90 or more days delinquent as of the date of the credit report, or placed in collection/charged off within two years of the date of the credit report

COD Update for FAAs

COD Release 14.0

- Borrowers who successfully appeal an adverse credit history decision based on extenuating circumstances, or secure an endorser, **MUST** undergo PLUS Loan counseling
 - ✓ PLUS Loan counseling will be available on a voluntary basis for those who are not declined for adverse credit history

COD Update for FAAs

COD Release 14.0

- Modify COD Reject Edit 205
 - ✓ Allow the Payment Period Start Date to be outside of the Loan Period Start/End Dates
- Modify COD Reject Edit 994 to ignore valid values for the Award Start/End Dates on a maintenance (change) record
- Implement a Subsidized Usage & Subsidized Loss Dispute process
- ***Watch ifap for more information on COD Release 14.0 for Award Year 2015-2016 as it becomes available***

Speaking of Edits...

Award Year 2014-2015

COD Update for FAAs

Speaking of edits...

- COD Reject Edit 204
 - ✓ Invalid CIP (Classification of Instructional Program) Code submitted
- COD Reject Edit 205
 - ✓ The Payment Period Start Date is outside the Award Begin and End Dates
- COD Reject Edit 206
 - ✓ Remaining subsidized eligibility is less than zero for this award

COD Update for FAAs

COD Reject Edit #204

- Invalid CIP (Classification of Instructional Program) Code submitted
 - ✓ Provides accurate tracking and reporting of fields of study
 - ✓ Check the current CIP Code list found at <http://nces.ed.gov/ipeds/cipcode/browse.aspx?y=55>
 - ✓ Current CIP Codes range from 01 to 60
- The award start date **MUST** be on or after the CIP Code effective date
- If your school uses CIP Codes for another purpose, i.e., State approved CIP Codes for State Reporting, make sure you use a **valid** CIP Code when reporting SULA data to COD

COD Update for FAAs

COD Reject Edit #205

- The Payment Period Start Date (PPSD) is outside the Award Begin and End dates
 - ✓ Triggers when a loan period (Award Begin/End dates) is adjusted as required by DCL GEN: 13-13 and the PPSD of a subsequent payment period(s) is not contained within the new loan period
 - ✓ Electronic Announcement dated 8/22/2014 has details and the work-around
 - ✓ COD Release 14.0 (Spring 2015) will relax the edit on subsequent payment periods where the disbursement is \$0

COD Update for FAAs

COD Reject Edit #205

- Standard Term School...
 - ✓ Academic Year & Loan Period 9/15/2014 – 5/31/2015
 - Fall PPSD is 9/15/2014 and Fall Disbursement Date is 9/15/2014
 - Spring PPSD is 1/12/2015 and the Spring Disbursement Date is 1/12/2015
 - ✓ Fall disbursement made but the borrower doesn't return for the Spring term
 - Loan Period MUST be adjusted to 9/15/2014 – 12/30/2014 (Fall Term end date) as per DCL GEN:13-13
 - Spring disbursement MUST be reduced to \$0
 - Loan MUST be reduced to amount disbursed (Fall disbursement)
 - Spring Term PPSD MUST be changed to a date prior to 12/30/2014 or COD Reject Edit #205 triggers

COD Update for FAAs

COD Reject Edit #206

- Remaining subsidized eligibility is less than zero for this award
 - ✓ Did you check his or her Remaining Eligibility Period prior to origination?
 - ✓ Published Program Length establishes the Maximum Eligibility Period...did he or she change programs and the Published Program Length change?
 - ✓ Did you report the Published Program Length accurately and appropriately?
 - ✓ Did you report the Academic Year, Loan Period, and Enrollment Status accurately?
 - Each is part of the Subsidized Usage Period calculation

COD Update for FAAs

COD Reject Edit #206

- Remaining subsidized eligibility is less than zero for this award
 - ✓ Did you check his or her Remaining Eligibility Period prior to origination?
 - ✓ Is this award for less than a full Academic Year?
 - If the loan was originated for a full annual loan limit (relative to his or her Grade Level), the Loan Period was less than an Academic Year, and he or she attended full-time, COD will calculate the Subsidized Usage Period a 1.0 Academic Year

Resources

COD Update for FAAs

Electronic Announcements (EA)

- **October 31, 2014** - 150% Direct Subsidized Loan Limit: Electronic Announcement #15 - Processing Tips for COD System Edits 204, 205, and 206
- **October 16, 2014** - 2014-2015 COD Technical Reference (October 2014 Update)
- **October 3, 2014** - COD Computer-Based Training - 2014 Updates

COD Update for FAAs

Electronic Announcements (EA)

- **September 4, 2014** - COD System Operational Notice - Changes to Several Direct Loan Edits Effective September 14, 2014
- **August 22, 2014** - Direct Loan Processing Information: Workaround to Resolve Issue with COD Reject Edit 205 and Loan Period Adjustments

COD Update for FAAs

Dear Colleague Letters (DCL)

- **October 8, 2014 (GEN 14-18)** – Revised Teacher Loan Forgiveness Application and Teacher Loan Forgiveness Forbearance Request forms
- **October 8, 2014 (GEN 14-18)** – Revised Direct Loan and FFEL Program Discharge Forms
- **August 29, 2014 (GEN: 14-17)** - NSLDS Program-Level Enrollment Reporting

COD Update for FAAs

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QUESTIONS?



"Be the Bridge - Turning Challenges into Opportunities for the Students We Serve!"

COD Update for FAAs

Appendix

COD Update for FAAs - Appendix

Schema 4.0a SULA data tags

- Award level SULA tags include
 - <PublishedProgramLengthYears>
 - <PublishedProgramLengthMonths>
 - <PublishedProgramLengthWeeks>
 - <WeeksProgramAcademicYear>
 - <SpecialPrograms>
 - <ProgramCredentialLevel>
- Disbursement level SULA tags include
 - <ProgramCIPCode>
 - <PaymentPeriodStartDate>
 - <EnrollmentStatus>

COD Update for FAAs - Appendix

The new <SpecialPrograms> tag will identify borrowers in those programs

Value	Description
A	Selective Admission Associate Program
B	Bachelor's Degree Completion Program
N	Not applicable
P	Preparatory Coursework Graduate Professional Program
T	Non-Credential Teacher Certification Program
U	Preparatory Coursework Undergraduate Program

COD Update for FAAs - Appendix

COD will validate the <SpecialPrograms> tag against Grade Level

Special Programs	Tag Value	Valid Grade Levels
Sel Adm Assoc Prgm	A	TBD
Bach Deg Completion Prgm	B	TBD
Not Applicable	N	No G/L Validation
Tag Not Submitted	N/A	No GL Validation
Prep Graduate Prgm	P	5
Non Cred Tchr Cert	T	5
Prep Undergraduate	U	1 & 0

COD Update for FAAs - Appendix


COD will validate the <ProgramCredentialLevel> tag against Grade Level

Description	Program Credential Level	Student Level Code
Undergraduate certificate or diploma	01	0-5 (Undergraduate)
Associate's degree	02	0-5 (Undergraduate)
Bachelor's degree	03	0-5 (Undergraduate)
Post Baccalaureate certificate	04	0-5 (Undergraduate)
Master's degree	05	0-7 (Graduate)
Doctoral degree	06	0-7 (Graduate)
First Professional degree	07	07 (Graduate)
Graduate/Professional certificate	08	0-7 (Graduate)
Non-credential programs <i>(preparatory coursework/teacher certification)</i>	99	0-5 (Undergraduate)

COD Update for FAAs - Appendix

New Award level edits

Edit	Program	Trigger
Reject 202	DL	Cannot submit more than one tag for Published Program Length (Years, Months or Weeks)
Reject 203	DL	Incorrect Special Program submitted
Reject 206	DL Sub	Remaining Subsidized Eligibility Period is less than zero for this award
Warning 207	DL Sub	Maintenance to this tag may have caused the Remaining Subsidized Eligibility Period to drop below zero for this award
Reject 208	DL	Incorrect Student Level Code submitted
Reject 209	DL	Invalid value submitted for Weeks Programs Academic Year

Note:  "Maintenance Record" and "Change Record" are synonymous

COD Update for FAAs - Appendix

New Disbursement level edits

Edit	Program	Trigger
Reject 204	DL & TEACH	Incorrect Program CIP Code submitted
Reject 205	DL	Payment Period Start Date is outside the Award Begin and End dates
Reject 207	DL Sub	For HCM/Reimbursement schools, sequence issues

Existing Edit 994 and Edit 996 will be triggered if a value is missing or not valid