

Common Origination & Disbursement (COD)

Update for Award Year 2014-15

Wood Mason
U.S. Department of Education

Agenda

- New Award Year Setup (NAYS)
- Phase 2 of the Direct Subsidized Loan 150% Limitation
 - ✓ New Schema 4.0a
 - ✓ 150% SULA tags and data
 - ✓ Enforcement of the 150% threshold
 - ✓ Full XML Common Record schema validation
- StudentLoans.gov
- A new Pell Grant LEU Dispute Portal on the COD website

The NAYS included the normal “changes” from one award year to the next

- Funding method remains Advance Funded
 - ✓ Direct Loan schools NOT on heightened cash management will receive a CFL
 - ✓ Pell Grant & TEACH Grant schools remain “records first”
- System generated files are returned with message class award year designator “15”
- Award year designator changed to “15” as appropriate
 - ✓ Master Promissory Note (MPN) ID
 - ✓ Loan ID
 - ✓ Agreement To Serve (ATS) ID

Phase 2 of the 150% Direct Subsidized Loan Limit

COD Release 13.0 implemented Phase 2 of the Direct Subsidized Loan 150% Limitation (SULA)

- New Schema 4.0a
- 150% SULA tags and data to allow COD to calculate...
 - ✓ Maximum Eligibility Period
 - ✓ Subsidized Usage Period
 - ✓ Remaining Eligibility Period
- Enforcement of the 150% threshold
 - ✓ COD will edit and reject awards that will exceed 150% Subsidized Usage
- Full XML Common Record schema validation

Schema 4.0a

Schema 4.0a brought new 150% data reporting

- New for 2014-15 and used for SULA calculations

- ✓ Award Block

- <PublishedPgmLengthYears>
- <PublishedPgmLengthMonths>
- <PublishedPgmLengthWeeks>
- <WeeksProgramAcademicYear>
- <SpecialPrograms>
- <ProgramCredentialLevel>

- ✓ Disbursement Block

- <PaymentPeriodStartDate>
- <ProgramCIPCode>
- <EnrollmentStatus>

Further details can be found
in the 2014-15 COD
Technical Reference (Volume
II, Sections 1 and 3)

Phase 2 also brought “real-time” processing for awards

- Subsidized Usage Period calculations
 - ✓ Subsidized usage will be returned per award via the Common Record Response
- Normal and routine editing
 - ✓ SULA tag will be returned at the Person level for 14/15 awards while Warning Edit #200 will be still be returned on 13/14 awards
 - ✓ The COD Web will continue to display the Subsidized Usage Limit Applies (SULA) date on the View Person Information page of COD Web

Phase 2 of the SULA modifications implemented a new system generated response

- COD will process nightly a system generated response sent to schools reflecting a student's changed SULA data if the change was NOT initiated by the receiving school
 - ✓ School submitting the changed data will NOT receive this system generated acknowledgement
 - ✓ Schools cannot opt out
 - ✓ "Blast" file sent upon implementation

The new <SpecialPrograms> tag 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 validates the <SpecialPrograms> tag against Grade Level on an incoming LOR

| 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 G/L Validation |
| Prep Graduate Prgm | P | 5 |
| Non Cred Tchr Cert | T | 5 |
| Prep Undergraduate | U | 1 & 0 |

The <ProgramCredentialLevel> tag will be validated against Grade Level as well...

| 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) |

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

New disbursement 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

2015 DL*

*Cumulative as of
 June 26, 2014

| Edit Code | Number of Hits | Message |
|-----------|----------------|---|
| 994 | 343,725 | Invalid Value |
| 117 | 107,834 | Disbursement Info Incomplete/Rejected Award not accepted |
| 204 | 74,869 | Incorrect Program CIP Code Submitted |
| 996 | 49,774 | Missing Value |
| 205 | 48,271 | Payment Period Outside Loan Period |

100% XML Common Record Schema Validation

For award year 2014-15 and forward COD will perform 100% (Full) XML Common Record Schema validation

- Based on the published Common Record XML schema
 - ✓ COD will enforce 100% full validation on schemas 3.0d, 3.0e, and 4.0a
 - ✓ COD will retire schemas 2.0e, 3.0a, 3.0b, and 3.0c
 - ✓ An electronic announcement (EA) dated October 29, 2013, provides schema 4.0a details
- Examples of errors has been provided to software vendors and “IT” shops

A new Reject Edit #210 will be triggered and returned for malformed XML documents

- Failed 100% schema validation
 - ✓ Missing value
 - ✓ Invalid value
- The edit is returned at the <DocumentID> tag
 - ✓ Batch level reject
- ***This too is a BATCH LEVEL reject and one NOT used in the past***
- COD School Relations Center will communicate with the school via an e-mail when malformed XML is submitted

A new “temporary” Warning Edit #211 will be triggered and returned to indicate a schema validation issue

- On inbound XML Common Records that do not meet 100% schema validation but would have been accepted under prior year rules
 - ✓ Tags out of order
 - ✓ Blank tag that cannot be blank
 - ✓ Will be discontinued at a yet-to-be-determined later date and replaced by a hard reject edit, #210
- ***This is a BATCH LEVEL edit and you should pay attention to why it is hitting your submission***
- Warning Edit #211 will be discontinued at a yet-to-be-determined date

Phase 2 COD Enhancements

Phase 2 of the modifications to enforce a 150% limitation for Direct Subsidized Loans included enhancements to the COD website

- New SULA report
- The COD website was updated to include, and display, the new SULA data
- New SULA Request and SULA Information screens on the COD website

Phase 2 COD reporting modifications included a new SULA report

- The previously produced Direct Subsidized Loan Usage Limit School Report has been discontinued
- A new Direct Loan Subsidized Usage Change Report was implemented
 - ✓ Posted weekly in CSV format in NewsBox
 - ✓ Option to opt out

Phase 2 COD reporting modifications included a new SULA report

- The new report displays subsidized loans when a change to a calculated SULA value occurs
 - ✓ Maximum Subsidized Eligibility Period
 - ✓ Actual Subsidized Usage Period
 - ✓ Actual Non-Credential Teacher Certification Subsidized Usage Period
 - ✓ Anticipated Subsidized Usage Period
 - ✓ Anticipated Non-Credential Teacher Certification Subsidized Usage Period

COD updated screens to display SULA data and fields

- View Person Information screen
 - ✓ Re-designed
 - ✓ Pop-up on Personal History events give additional information
- Disbursement History Information screen
 - ✓ Displays additional SULA data
 - Enrollment Status
 - Program CIP Code
 - Payment Period Start Date

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- ▶ [Servicer](#)

Person Information

| | |
|--|-------------|
| Previous SSN | |
| Previous DOB | |
| Citizenship | US Citizen |
| Alien Registration Number | |
| Driver's License State | IA |
| Driver's License Number | 8830FP15G9 |
| Post 9/11 Deceased Veteran Dependent | |
| Subsidized Usage Limit Applies Date | 06/08/2015 |
| Direct Loan Entrance Counseling | Not On File |
| Direct Loan Entrance Counseling with Grad PLUS | Not On File |
| School Assigned ID | 000402398 |

Contact Information

| | |
|------------|---------------------|
| COD Email | WH@CODTESTMAIL1.COM |
| Home Phone | 731-500-6500 |
| Cell Phone | 731-555-6608 |
| Work Phone | |

Address

| | |
|-------------------|--|
| Permanent Address | 123 FAKE STREET WASHINGTON DC DC 20002 US |
| Local Address | |

StudentLoans.gov Preferences

| | |
|-----------------------------|---------------------|
| E-Correspondence Preference | Opted Out |
| Language Preference | Spanish |
| SL.gov Email | WH@CODTESTMAIL1.COM |

Person History

| | |
|-------------|--|
| 01/30/2014 | |
| 04:49:50 PM | Person Information |
| 04:44:11 PM | SL.gov Preferences |
| 04:18:21 PM | Person Information, Address, Contact Information |



- Person
- School
- Batch
- Award
- Services
- User
- Program
- Admin

Return to: [Direct Loan Awards](#) -> [Award Detail](#) -> [Disbursement List](#) -> [Disbursement Detail](#)

Disbursement History Information

[?HELP](#)



Actual History

| Total Net Disb | Disbursement Date | Response Date | Booked Date | School Enrollment Code | Enrollment Status | Program CIP Code | Payment Period Start Date |
|----------------|-------------------|---------------|-------------|------------------------|-------------------|------------------|---------------------------|
| 1,484.00 | 09/09/2014 | 09/30/2015 | | 00550800 | Full Time | 11.0101 | 09/09/2014 |

COD displays two (2) new screens

- Subsidized Usage Information Screen
 - ✓ Accessible via a link on the Person Direct Loan Information screen
- Subsidized Usage Request
 - ✓ Allows a user to request the most recent SULA data via a new system generated acknowledgement
 - ✓ Batch Tab
 - ✓ Search by SSN or Entity ID



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Person
School
Batch
Award
Services
User
Program
Admin

- ▶ **Person Search**
- ▶ **Person Info**
- ▶ **Counseling Search**
- ▶ **MPN/ATS Search**
- ▶ **PLUS App Search**
- ▶ **Endorser Search**
- ▶ **Credit Check**
- ▶ **Post Data Archive**
- ▼ **Applicant Search**
 - Applicant Search
 - Pell LEU History Search
 - Subsidized Eligibility Search
- ▶ **Escalation**
- ▶ **Servicer**

Subsidized Eligibility Information ?HELP

Direct Subsidized Loan Summary

| Attending School | Award ID | Maximum Subsidized Eligibility Period | Actual Subsidized Usage Period | Actual Remaining Subsidized Eligibility Period | Anticipated Subsidized Usage Period | Sum Ant Sub Us: Per |
|---------------------|----------|---------------------------------------|--------------------------------|--|-------------------------------------|---------------------|
| Year '14-'15 | | | | | | |
| UNIVERSITY 28 | | 6.0 | .5 | 4.5 | N/A | N/A |
| UNIVERSITY 28 | | 6.0 | .5 | 4.5 | N/A | N/A |
| Year '13-'14 | | | | | | |
| UNIVERSITY 28 | | 3.0 | .5 | 4.5 | N/A | N/A |

Sum Actual Subsidized Usage Period: 1.5

Non-Credential Teacher-Cert. Program Direct Subsidized Loan Summary

| Attending School | Award ID | Maximum Subsidized Eligibility Period | Actual Subsidized Usage Period | Actual Remaining Subsidized Eligibility Period | Anticipated Subsidized Usage Period | Sum Anticipated Subsidized Usage Periods | Anticipated Remaining Subsidized Eligibility Period |
|---------------------|----------|---------------------------------------|--------------------------------|--|-------------------------------------|--|---|
| Year '14-'15 | | | | | | | |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Year '13-'14 | | | | | | | |
| N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

Sum Actual Non-Cred Teacher Cert S.subsidized Usage Period: N/A

[return to: Person Detail](#)

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FSA
FEDERAL
STUDENT AID

Person School **Batch** Award Services User Program Admin

▶ Batch Search
▶ Action Queue
▶ Report Requests
▶ PLUS App Rsp Request
▶ Counseling Request
▼ **SULA Request**
▶ Post Data Arc Search
▶ DL Origination Tool

Sub. Usage Limit Applies Request [? HELP](#)

Use this screen to search for SULA information and request the responses.

To request the SULA information for a borrower, enter the Entity ID and the SSN.

Entity ID

SSN

SUBMIT

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StudentLoans.gov Modifications for Award Year 2014-15

StudentLoans.gov modified the Direct PLUS Loan process to complete an endorser addendum

- Endorsers will need to provide the new Direct PLUS Loan Endorser Code and the borrower's last name OR the Direct PLUS Loan ID AND the Direct PLUS Loan Request borrower's last name
 - ✓ The Loan Reference Number is no longer used
 - ✓ Borrowers receive a PLUS Endorser Code and a unique URL via their confirmation e-mail that must be given to the person endorsing the loan
 - ✓ If a borrow does not have an e-mail address on file the Direct PLUS Loan Endorser Code can be obtained from his or her completed Direct PLUS Loan Requests

StudentLoans.gov requires existing borrowers to reconfirm their E-Correspondence preferences the first time they log on to the StudentLoans.gov website following the April 11-14, 2014 implementation

- If a borrower selects to receive e-correspondence and a valid e-mail address is on file (or the borrower provides one when completing an action via the StudentLoans.gov website), SLG will...
 - ✓ Send the e-mail address to his or her servicer and send updates to his or her e-mail address when they occur
 - ✓ Send an e-mail upon loan booking

Pell Grant Modifications

The Expected Family Contribution (EFC) field length on all COD website screens, and on the Pell Grant documents below, has been expanded from 5 to 6 bytes to conform to a CPS change

- The Pell Grant Reconciliation Report
- The Pell Grant Multiple Reporting Record (MRR)
- The Pell Grant Year-To-Date Record
- The Pell Grant Lifetime Eligibility Used (LEU) Report

COD 13.0 Release further streamlined the Pell Grant LEU dispute process with a new Pell Grant LEU Dispute portal on the COD Web

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

The Pell LEU Dispute portal allows schools to enter dispute information for Department of Education review

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COMMON ORIGINATION & DISBURSEMENT

Person School Batch Award Services User Program Admin

Return to: Person Detail
Pell LEU History

JOHN L. DOE
101010101
08/21/1967

Export Summary To XLS

| Pell Grant Summary | | | | |
|--|------------------|------------------------|-----------------------|------------------------|
| Attending School | Eligibility Used | Total Amount Disbursed | DMCS Amount Collected | Scheduled Award Amount |
| Year '11-'12 | | | | |
| ADVANCED CAREER TRAINING JACKSONVILLE FL | 10.0000% | \$555.00 | | \$5,550.00 |
| Total Percent Eligibility Used for '11-'12 | 10.0000% | | | |
| Year '10-'11 | | | | |
| ADVANCED CAREER TRAINING JACKSONVILLE FL | 100.0000% | \$5,550.00 | | \$5,550.00 |
| Total Percent Eligibility Used for '10-'11 | 100.0000% | | | |
| Year '02-'03 | | | | |
| ADELPHI UNIVERSITY | 100.0000% | \$3,800.00 | | \$3,800.00 |
| Total Percent Eligibility Used for '02-'03 | 100.0000% | | | |
| Year '01-'02 | | | | |
| ADELPHI UNIVERSITY | 100.0000% | \$3,800.00 | | \$3,800.00 |
| Total Percent Eligibility Used for '01-'02 | 100.0000% | | | |
| Year '00-'01 | | | | |
| ADELPHI UNIVERSITY | 100.0000% | \$4,000.00 | | \$4,000.00 |
| Total Percent Eligibility Used for '00-'01 | 100.0000% | | | |
| Year '93-'94 | | | | |
| JACKSONVILLE UNIVERSITY - MAIN CAMPUS | 100.0000% | \$2,470.00 | | \$2,470.00 |
| Total Percent Eligibility Used for '93-'94 | 100.0000% | | | |
| Year '92-'93 | | | | |
| JACKSONVILLE UNIVERSITY - MAIN CAMPUS | 100.0000% | \$2,470.00 | | \$2,470.00 |
| Total Percent Eligibility Used for '92-'93 | 100.0000% | | | |

Lifetime Eligibility Used: 610.0000%

Create Pell LEU Dispute

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The new Create Pell LEU Dispute page collects information about the current and former schools, reason for the dispute, documentation, comments, and much more

The screenshot displays the 'Pell LEU Dispute' page in the COD system. The page is titled 'Pell LEU Dispute' and shows the following information:

- Return to:** Pell LEU Dispute Search Results
- Person:** John Doe, 123456789, 10/31/1990
- Lifetime Eligibility Used:** 615.999%
- Pell LEU Dispute Information:**
 - Award Information:**

| | |
|------------------------|-----------------------|
| Award Year | '03-'04 |
| Attending School | School ABC University |
| Scheduled Award Amount | \$2,600.00 |
| Total Amount Disbursed | \$2,600.00 |
| Eligibility Used | 100.000% |
 - Dispute Information:**
 - * Indicates required information
 - Dispute ID: 25345
 - Dispute Create Date: 07/19/2013
 - Dispute Creator Name: John Smith
 - Dispute Type: Nonattendance
 - Dispute Status: Awaiting Documentation
 - * Current School OPE ID: 00019700 (with Search button)
 - * Contact Name at Current School: John Smith
 - * Contact Phone Number at Current School: 234-234-2343
 - * Contact Email Address at Current School: John.Smith@CurrentSchool.c...
 - Contact Name at Former School (if applicable): Sally Sue
 - Contact Phone Number at Former School (if applicable): 654-654-6545
 - Contact Email Address at Former School (if applicable): Sally.Sue@FormerSchool.com
 - * Disbursed Amount Under Dispute: \$ 2,600.00

On the Create Pell
LEU Dispute page,
the user must upload
the required dispute
documentation
directly to the COD
Web

Documentation

Documentation added to the Dispute will be uploaded upon creation of the Dispute. If you do not have all required documentation available, the Pell LEU Dispute can still be created and you can return to the Dispute to add documentation at a later time.

| Student Letter ? (add) | | | |
|--|------------------|------------------|--------|
| Title | Upload Date/Time | Uploaded By | Delete |
| Student Letter.docx | Not yet uploaded | Not yet uploaded | X |

| Current School Letter ? (add) | | | |
|---|------------------|------------------|--------|
| Title | Upload Date/Time | Uploaded By | Delete |
| Current School Letter.docx | Not yet uploaded | Not yet uploaded | X |

| Former School Letter ? (add) | | | |
|--|------------------|-------------|--------|
| Title | Upload Date/Time | Uploaded By | Delete |
| <i>At least one upload required.</i> | | | |

| Proof of Nonattendance ? (add) | | | |
|--|------------------|-------------|--------|
| Title | Upload Date/Time | Uploaded By | Delete |
| <i>No documents uploaded.</i> | | | |

| Other ? (add) | | | |
|---|------------------|-------------|--------|
| Title | Upload Date/Time | Uploaded By | Delete |
| <i>No documents uploaded.</i> | | | |

Comments

You can add comments to the Dispute in the space below. Comments should supplement documentation uploaded to the Dispute. A comment cannot exceed 260 characters in length.

John stopped attending Adelphi University in 2002.

Submit for FSA Review

Indicate whether you would like to submit the Dispute for FSA review. If you do not submit the Dispute for FSA review, the Dispute will be created in an 'Awaiting Documentation' status. You will be able to return to the Dispute to submit for FSA review at a later time. Once the Dispute has been submitted for FSA Review, the Dispute will be updated to a 'FSA Review in Progress' status.

Submit Dispute for FSA Review *Note: All required documentation must be uploaded to the Dispute prior to submitting for FSA review.*

[Create Pell LEU Dispute](#)

After a dispute has been approved, the student's Pell LEU History page will provide details of the dispute and adjustment

The screenshot shows the 'Pell LEU History' page in the FSA system. It features a navigation menu at the top with options like Person, School, Batch, Award, Services, User, Program, and Admin. Below the menu, there are links for 'Person Search', 'Person Info', and 'Counseling Search'. The main content area is divided into two sections: 'Pell LEU Adjustments' and 'Pell LEU Disputes'. The 'Pell LEU Adjustments' table shows one adjustment with a number of 1, for 'SCHOOL ABC UNIVERSITY' in the '89-'90 award year, with a -100.000% adjustment, submitted on 08/21/2013. The 'Pell LEU Disputes' table shows one dispute with ID 25345, for current school OPE ID 00019700 and former school OPE ID 00019700, created on 07/19/2013, with a dispute type of 'Nonattendance' and a status of 'Closed/Funds Received'. Below the tables, it displays 'Lifetime Eligibility Used: 515.999%' and a 'Create Pell LEU Dispute' button.

| Pell LEU Adjustments | | | | |
|----------------------|-----------------------|------------|----------------|----------------|
| Adjustment Number | Attending School | Award Year | LEU Adjustment | Submitted Date |
| 1 | SCHOOL ABC UNIVERSITY | '89-'90 | -100.000% | 08/21/2013 |

| Pell LEU Disputes | | | | | |
|-----------------------|-----------------------|----------------------|-------------|---------------|-----------------------|
| Dispute ID | Current School OPE ID | Former School OPE ID | Create Date | Dispute Type | Dispute Status |
| 25345 | 00019700 | 00019700 | 07/19/2013 | Nonattendance | Closed/Funds Received |

Lifetime Eligibility Used: 515.999%

[Create Pell LEU Dispute](#)

COD Release 13.1

Award Year 2014-15

COD Release 13.1 implemented on June 27, 2014 the following modifications

- Enhanced SULA information on the StudentLoans.gov website
- Updated the TEACH Grant guide to include SULA information
- Implemented a central communication portal for uploading school specific documents and eliminates the transmission of customized e-mail attachments to schools
 - ✓ Accessible by authorized users at the school level

COD Code Change

September 2014

COD TENTATIVE changes for September of 2014 include...

- Modification to edit code #050 to ignore an actual disbursement reduced to \$0
 - ✓ Allows a change to a loan period (financial award) start date more than 10 days before, or loan period end date more than 180 days after the disbursement date
 - ✓ Allows compliance with SULA requirements on accurate reporting of loan periods
- Modifications to adjusting award and disbursement data
 - ✓ Allow schools to correct an invalid origination fee without first reducing the disbursements and award to \$0
 - ✓ Allow schools to transmit actual disbursement adjustments to actual disbursement date and amount in the same transaction

DELAYED

COD TENTATIVE changes for September of 2014 include...

- COD will update the origination fee and disbursement amount on a Direct Loan award with an invalid origination fee AND an earliest disbursement date (EDD) on or after October 1, 2014
 - ✓ ONLY Direct Loan awards with the Disbursement Release Indicator (DRI) = FALSE
 - ✓ COD will send the school a system generated response in a new message class informing the school of the correction and new disbursement amount(s)
 - IMPORT THIS FILE TO UPDATE YOUR RESIDENT DATABASE
 - Your database will NOT match COD until you correct your awards

COD TENTATIVE modifications for sequester changes going forward...

- We expect future sequester changes to Direct Loan origination fees to take place on October 1 of each year
- When the earliest disbursement date on an incoming Direct Loan award is on or after the date of an anticipated fee change, **and the new fee is unknown**, COD will reject incoming actual disbursements with a new edit #213
 - ✓ Loans with only anticipated disbursements will be accepted (DRI = False)
 - ✓ COD will execute a “clean-up event” that will update the origination fee and calculate the new disbursement amount
 - ✓ A system generated response with the updated data will be sent to the schools as part of the event

If you have already originated a Direct Loan with an incorrect origination fee you need to correct it now...

- Much easier to do with anticipated disbursement data than with actual disbursement data
- Dear Colleague Letter DCL GEN 14-10 posted May 2, 2014 has the particulars

Sequestration Required Changes

Sequester required changes for TEACH Grant and the Iraq-Afghanistan Service Grant first disbursed on or after October 1, 2014 and before October 1, 2015...

- A TEACH Grant requires a reduction of 7.3% from the award amount for which the student would otherwise be eligible for
- An Iraq-Afghanistan Service Grant requires a reduction of 7.3% from the Maximum Federal Pell Grant for the relevant award year

Direct Loan origination fees will increase for loans with an Earliest Disbursement Date (EDD) on or after October 1, 2014 and before October 1, 2015

- Direct Subsidized and Unsubsidized Loan origination fees will rise from 1.072% to 1.073%
- Direct PLUS Loans for parent and graduate/professional students will rise from 4.288% to 4.292%
- COD has been modified to validate the EDD against the loan origination fee on incoming loan origination records (LORs)
 - ✓ Loans with an EDD on or after October 1, 2014 and before October 1, 2015 with an invalid origination fee will reject
 - ✓ Code changed in late April 2014

New Direct Loan Award Interest Rates

Direct Loan
interest rates
published in an
Electronic
Announcement
posted May 15,
2014

Federal Direct Student Loans 2014-2015 Interest Rates
Effective for Loans First Disbursed on or after July 1, 2014 and
prior to July 1, 2015

| Loan Type | Borrower Type | Index | | Fixed Interest Rate |
|---------------------------|--|-----------------------|--------|---------------------|
| | | 10-Year Treasury Note | Add-On | |
| Direct Subsidized Loans | Undergraduate Students | 2.612% | 2.05% | 4.66% |
| Direct Unsubsidized Loans | Undergraduate Students | 2.612% | 2.05% | 4.66% |
| Direct Unsubsidized Loans | Graduate/Professional Students | 2.612% | 3.60% | 6.21% |
| Direct PLUS Loans | Parents of Dependent Undergraduate Students and Graduate/Professional Students | 2.612% | 4.60% | 7.21% |

Reminders...

Direct Loan Program Year Closeout deadline for 2012-13 is Thursday, July 31, 2014

- You'll receive "Remaining Balance" and "Zero Balance" communications via e-mail beginning 30-days after your last disbursement date for that program year
- After your last SAS reflecting an Ending Cash Balance (ECB) of \$0, you'll receive your "Zero Balance" communication at which time the Balance Confirmation screen will become active on the COD website
 - ✓ Electronically closeout

In late January, 2014, FSA posted to the COD website “report readers”

- An Excel spreadsheet utility that provides a simplified way to import and view...
 - ✓ Pell Grant Year-To-Date file
 - ✓ Pell Grant Reconciliation file
 - ✓ Direct Loan Disbursement Detail on Demand Report
- Reconciliation aid
 - ✓ Request the files in a “fixed-length format”
- No need to login – access via the “Today’s Update” link
- EA posted January 28, 2014 has the particulars

Beginning January 1, 2015, you will no longer be able to return or refund Direct Loan funds via paper check

- You should begin to update your processes to enable you to refund cash electronically via the G5 website
 - ✓ Prior to January 1, 2015, the COD School Relations Center will process paper checks for Direct Loan refunds of cash
 - ✓ Beginning January 1, 2015, the COD School Relations Center will not process paper checks for Direct Loan refunds of cash and will return them to the sender
 - ✓ This change will NOT impact the funding information screens on the COD website or the G5 website

Note: If a school is required to refund cash as part of a liability assessed in an audit or program review, it must follow the instructions provided by the issuing office

**Thank you for
attending...**



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