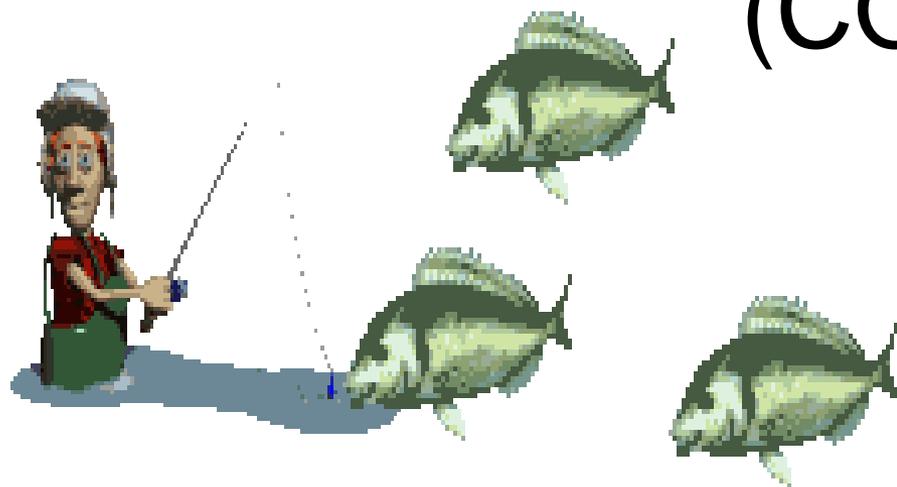


The Common Origination & Disbursement System (COD)



Award Year 2016 - 2017

And a peek at 2017 - 2018

Agenda

- Speaking of SULA
- COD New Year Award Setup for Award Year 2016 – 2017
- School-facing modifications
 - ✓ Spring Release
 - ✓ Summer Release
 - ✓ Autumn Release
 - ✓ COD “wish list” for award year 2017-2018...

Speaking of SULA...

- We're still seeing no reduction of remaining anticipated disbursements to \$0
- We're still seeing no reduction of award amount to match amount disbursed
- We're still seeing no reduction of the loan period when required
- We're still seeing mis-reported academic years
 - ✓ Academic year MATCHES Loan Period on single-term loans
 - ✓ Academic year begin/end dates do not match reported weeks academic year length



COD was migrated from a legacy mainframe to a midrange computing platform with the COD Release for Award Year 2016-2017

- Necessitated the unusual 5-day “down time” for implementation
- Enhances processing and data security
- Several issues were identified and resolved shortly after implementation
- The mid-frame computing platform presents no display or operational difference from the previous platform
 - ✓ The migration was seamless from a school perspective

New Award Year Setup
for
Award Year 2016-2017



COD implemented the New Award Year Setup (NAYS) for Award Year 2016-2017 on March 14th...

- Included the normal “award year to award year” changes
 - ✓ AY designator in IDs changed from “16” to “17”
 - ❖ System-generated Responses
 - ❖ Direct Loan award IDs
 - ❖ Master Promissory Note (MPN) IDs
 - ❖ TEACH Agreement To Serve (ATS) IDs
 - ✓ AY specific school options incremented one year
- No change to the XML Common Record Schema

The Funding Method remains “Advance Funded”

- Pell Grant and TEACH Grant Programs, and Direct Loan schools on Heightened Cash Management (HCM), remain “records first”
 - ✓ Must submit, and COD must accept, actual disbursement data to “establish” and/or increase your Current Funding Level (CFL)
 - ✓ Actual disbursement data can be sent to COD up to 7 days prior to the actual date of disbursement

The Funding Method remains “Advance Funded”

- “Early disbursing” Direct Loan schools NOT on heightened Cash Management received an initial CFL (Current Funding Level) in April
- Direct Loan schools that are NOT early disbursing received their CFL for AY 2016-2017 on or about June 17th
 - ✓ Third CFL assignment coming in November
 - ✓ Increases to your CFL can be generated by submitting, and COD accepting, actual disbursement data

COD no longer returns a common record receipt

- A receipt to a submitted Common Record is no longer being generated and transmitted
- COD has retired Message Class CRRCxxOP
- No impact on Common Record Responses sent via Message Class COMRECxxOP

**Heads-Up! Sequester
mandated changes for
FY 2017 are in place...**



The loan origination fee on Direct Loan Program awards rose a bit...

- Direct Loan awards with an earliest disbursement date (EDD) on or after October 1, 2016 but before October 1, 2017...
 - ✓ The origination fee on Direct Subsidized Loan and Direct Unsubsidized Loan awards will change from 1.068% to 1.069%
 - ✓ The origination fee on Direct PLUS Loan awards for Parents of dependent students and Graduate/Professional students will change from 4.272% to 4.276%

COD modified code on June 1, 2016, to validate the Earliest Disbursement Date (EDD) against the loan origination fee on incoming Direct Loan origination records (LORs)

- LORs with an invalid EDD/loan origination fee combination will reject
 - ✓ Edit Code #140 (Incorrect Origination Fee Percent and/or Interest Rebate Percent on New Awards)

COD modified code on June 1, 2016, to validate the Earliest Disbursement Date (EDD) against the loan origination fee on incoming Direct Loan origination records (LORs)

- COD automatically updated the origination fees on awards with only ***anticipated*** disbursements and an earliest disbursement date on or after October 1, 2016
 - ✓ Impacted schools received system-generated origination fee responses (message class: CROF) with the updated information

TEACH Grant and Iraq & Afghanistan Service Grant award amount changes...

- Awards with an EDD on or after October 1, 2016, and before October 1, 2017
 - ✓ A TEACH Grant requires a reduction of 6.9% from the award amount for which the student would otherwise be eligible for
 - ✓ An Iraq Afghanistan Service Grant requires a reduction of 6.9% from the award amount for which the student would otherwise be eligible for

Summer Time,
Summer Time,
Sum
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Summer Time!



COD added six (6) NEW “Experimental Sites,” and re-named one (1), with the Summer release

- Schools are encouraged to participate in the “Experimental Sites Initiative”
- The “Experimental Sites Initiative” allows FSA to test potential future regulatory and statutory changes
 - ✓ Federal Register Volume 80, Number 200, Friday, October 16, 2015
 - ✓ Electronic Announcement dated October 30, 2015

COD provides the option for a school to participate in the Direct Loan Program as a “Records First” school

- Schools participating as a “Records First” school will NOT receive an initial CFL (Current Funding Level)
 - ✓ Must submit, and COD must accept, actual disbursement data to establish and/or increase your CFL
 - ✓ Actual disbursement data can be sent to COD up to 7 days prior to the actual date of disbursement

COD Web provides no functionality to request participation as a “Records First” school

- Request records first status via an email to the COD School Relations Center
- Include...
 - ✓ School Name
 - ✓ OPE ID/Direct Loan School Code
 - ✓ Phone number for your Point of Contact
 - ✓ Award Year
- COD will make the change and note the date

Autumn



COD plans to make the following “school facing” modifications with the Autumn Release

- Integrate the “TEACH Agreement To Serve” (ATS) website into the StudentLoans.gov website
 - ✓ Creates a single “Applicant” website
 - ✓ Include new Deferment Forbearance Loan Forgiveness and Repayment Plan electronic forms
- Make StudentLoans.gov website mobile responsive
 - ✓ Full website functionality on mobile devices
 - ✓ Direct links to individual process landing pages will be added
 - ✓ If Schools opt out of participating in processes their name will no longer display in dropdowns for students to select

COD plans to make the following “school facing” modifications with the Autumn Release

- Return a Direct PLUS Loan borrower’s default status on the PLUS Request Response
 - ✓ Status will be determined from NSLDS data
 - ✓ Returned to the school on an “SP” Doc Type Response
 - ✓ Returned in existing <DefaultOverpayCode> tag
 - ✓ New value ‘E’ being added to indicate that no status was returned from NSLDS

COD plans to make the following **edit code** modifications with the Autumn Release

- **Modification to existing Edit #046 – Incorrect Academic Year Dates**

- ✓ Award Year 2016 – 2017 and forward
- ✓ Schools are reporting Academic Year Start/End Dates that are less than the required minimum number of weeks
- ✓ Edit #046 will be modified to trigger when submitted Academic Year Start/End Dates do not equal at least 26 weeks

COD plans to make the following **edit code** modifications with the Autumn Release

- **Modification to existing Edit #205 – Payment Period Start Date is outside the award Start/End Dates**
 - ✓ Modified to NOT trigger on a \$0 disbursement that has a Payment Period Start Date **OUTSIDE** the loan period even when the disbursement date remains **INSIDE** the loan period

COD plans to make the following **edit code** modifications with the Autumn Release

- **New SULA Correcting Edit #219**

- ✓ Award Year 2016 – 2017 and forward
- ✓ Will ***CORRECT*** an award amount down to equal the sum of the actual and anticipated disbursements on a maintenance submission when the loan amount exceeds the sum of the disbursement amounts
- ✓ The changed loan amount will be returned to the school in the response

COD plans to make the following **edit code** modifications with the Autumn Release

- **New SULA Warning Edit #220 – Zero Disbursement Inside Loan Period**
 - ✓ Award Year 2014 – 2015 and forward
 - ✓ Will trigger at the disbursement level when a disbursement is reduced to \$0 but the Payment Period Start Date remains inside the loan period
 - ✓ Will trigger at the award level when the award Begin and/or end date is changed so a disbursement reduced to \$0 has a Payment Period Start Date that remains inside the loan period

COD plans to make the following modifications with the Autumn Release

- “Zero Disbursement Exception Logic” will be modified to use Payment Period Start Date instead of Disbursement Date
 - ✓ When a disbursement is reduced to \$0 and has a Payment Period Start Date outside the loan period, COD will exclude the disbursement from the Subsidized Usage calculation
- “Loan Limit Exception Logic” will be modified to consider a student’s highest grade level when a student progresses to a higher grade level during the academic year when applying the loan limit exception.

COD plans to make the following modification with the Autumn Release

- COD will exclude a Direct Subsidized Loan from a Subsidized Usage Period calculation if it has an Earliest Disbursement Date (EDD) in a period during which the borrower had an outstanding balance on a Federal Title IV loan and was exempt from SULA

COD plans to make the following modification to the Grants Programs with the Autumn Release

- Both the <EnrollmentDate> and <PaymentPeriodStartDate> tags for grants will no longer be “correcting” for correcting schools
- If data is submitted that is outside the valid date range the record will be rejected
- Award Year 2016-2017 and forward

COD plans to make the following modification to the Grants Programs with the Autumn Release

- Both the <EnrollmentDate> and <PaymentPeriodStartDate> tags for grants will have their valid dates re-defined
 - ✓ Field values will be expanded from January 1 to October 1 of the year prior
 - ✓ EXAMPLE: for the 2016-2017 Award Year the valid date range is October 1, 2015 thru June 30, 2017
 - ✓ The “End Date” will not change and will remain June 30 of the second year of the Award Year pair
- Award Year 2015-2016 and forward



Award Year 2017-2018

On the horizon...

- We're about a year out from the New Award Year Setup for AY 2017-2018...LOTS CAN HAPPEN BETWEEN NOW AND THEN...

But...

- FSA hopes to implement several “school-facing” changes for that award year
- KEEP IN MIND...some enhancements could be modified, delayed, or even wind up on the “wish we could have” list...

On the horizon...a few on our “wish list”

- Provide StudentLoans.gov users with self-service functionality
 - ✓ For example, look up the status of an appeal
- Provide an Electronic Statement of Account (ESOA) for the Direct Loan & TEACH Programs
- Create a Multiple Reporting Record (MRR) for the Direct Loan & Iraq and Afghanistan Service Grant Programs

On the horizon...a few more

- Enhance COD Web batch searches to include additional student and batch level criteria
- Implement a School Account Statement for the Pell and Iraq & Afghanistan Service Grant Programs
- Implement an Origination & Disbursement and Applicant Web demonstration site

Resources



COD

- COD School Relations Center (8AM-11PM EST)
 - ✓ Phone...1.800.848.0978 (D/L)
 - ✓ Phone...1.800.474.7268 (Grants)
 - ✓ Phone...1.800.557.7394 (Student Loan Support Center)
 - ✓ Email...CODSupport@ed.gov
- COD Technical Reference for Award Year 2015 – 2016
- COD Technical Reference for Award Year 2016 – 2017
- Federal Loan School Support Team
 - ✓ Email...dlops@ed.gov
- Dear Colleague Letters & Electronic Announcements posted to ifap.ed.gov



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