

# SESSION #6

## Common Origination and Disbursement (COD) Update

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U.S. Department of Education

2020 Virtual FSA Training Conference for Financial Aid Professionals

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# AGENDA

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- 01 In Case You Missed It
  - Sequestration Changes
- 02 COD Support of *CARES Act* (*Coronavirus Aid, Relief, and Economic Security Act*)
- 03 Winter Release
- 04 Spring Release
- 05 Program Reminders
- 06 Resources

# SEQUESTRATION CHANGES

Direct Loans		
Earliest Disbursement Date	Sub/Unsub Orig Fee	PLUS Orig Fee
10/1/2019 – 9/30/2020	1.059%	4.236%
10/1/2020 – 9/30/2021	<b>1.057%</b>	<b>4.228%</b>

Teacher Education Assistance for College and Higher Education (TEACH) Grant		
First Disbursed	Percent Reduction	Maximum 2020-21 Award
10/1/2019 – 9/30/2020	5.9%	\$3,764.00
10/1/2020 – 9/30/2021	<b>5.7%</b>	<b>\$3,772.00</b>

Iraq and Afghanistan Service Grant (IASG)		
First Disbursed	Percent Reduction	Maximum 2020-21 Award
10/1/2019 – 9/30/2020	5.9%	\$5,970.65
10/1/2020 – 9/30/2021	<b>5.7%</b>	<b>\$5,983.34</b>

*The Budget Control Act of 2011* (the sequester law) remains in effect with respect to the *Title IV* programs.

# *CARES ACT*

COD Support of the *CARES Act*

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# CARES ACT

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- Guidance was posted to the Information For Financial Aid Professionals (IFAP) site throughout the spring and summer related to interruptions of study related to Coronavirus
- Federal Student Aid (FSA) managed system changes, and related call center capabilities, despite the challenges introduced by the pandemic with a goal of minimizing disruption to customers, FSA and call center staff.

Session of Interest: #General Session 5

**Federal Update: COVID-19 Higher Education Policy**

# CARES ACT

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- There are several key operational dates for the *CARES Act*
  - The valid date range for the required Payment Period Start Date
    - 1/1/2018 - 12/31/2020
  - The date by which Coronavirus Indicators are to be submitted
    - 12/31/2020
  - The date by which all *Title IV* aid not returned under R2T4 requirements due to CARES Act relief are to be reported
    - 9/30/2021

# CARES ACT

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- The COD Web was updated in two phases to accommodate the *CARES Act*:
  - August 2020 – The Coronavirus Indicator (checkbox) was added to the COD Web disbursement screens to allow for the immediate identification of eligible students for discharge or LEU adjustment; edits were added/updated to aid in processing the Coronavirus Indicator
  - September 2020 – R2T4 was updated to assist schools in reporting under CARES Act requirements; Coronavirus reports were made available to schools, and the SULA Calculator was updated with the Coronavirus Indicator

# CARES ACT

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- Once schools identify the payment period/disbursements the student was unable to complete due to COVID-19, the *CARES Act* allows the Department to:
  - Cancel/discharge the amount of any Direct Loan (DL) disbursements identified
  - Cancel the amount of any TEACH Grant disbursements identified
  - Exclude the identified disbursements from the Subsidized Usage Limit Applies (SULA) calculation and Pell Grant Lifetime Eligibility Used (LEU)

# CARES ACT – CORONAVIRUS INDICATOR

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- Available for update on the COD Web Update Disbursement Information screen only
- Displayed on the COD Web on the following screens:
  - Award Disbursement Information
  - Disbursement Information
  - Disbursement History Information
  - Batch View Record Information
  - Batch View Disbursement Information
  - Batch View Response Information

# CARES ACT – CORONAVIRUS INDICATOR

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- The Coronavirus Indicator is not returned on the common record response. **No schema changes needed.**
- New Edit 99 is triggered when a school updates an actual disbursement with the Coronavirus Indicator

# CARES ACT – CORONAVIRUS INDICATOR

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- The following edits were *modified* with *CARES Act* changes
  - Reject Edit 50 (DL)
  - Reject Edit 205 (DL)
  - Reject Edit 212 (DL and Grants)
  - Reject Edit 994 (DL and Grants)
  - Reject Edit 996 (DL and Grants)
  - Reject Edit 71 (Bypass for Pell/ IASG)

# CARES ACT – CORONAVIRUS INDICATOR

The *Update Disbursement Information* screen provides end-of-entry messaging to assist users in correctly submitting the *Coronavirus Indicator* for disbursements that will not require any further maintenance.

When submitting a disbursement with the Coronavirus Indicator selected, the Payment Period Start Date must be included and be populated with a valid date.

**Payment Start Date**    **January**

**Coronavirus Indicator**   

**Disbursement**

Update Disbursement Information ? HELP

SWEDISH AMERICAN HOSPITAL ⓘ

PELL

120-122

Disbursement 1

**Disbursement Information**

**Name** EULA

**SSN**

**Award Amount Approved** \$1,500.00

**Scheduled Award Amount** \$3,645.00

**Disbursement Number** 1

**Sequence Number** 67

**\*Disbursement Date** April 3 2020

**\*Accepted Amount** \$1,000.00

**Payment Start Date** January 1 2019

**Coronavirus Indicator**

True

00011200

4 Years

03 - Bachelor's Degree

Full-Time

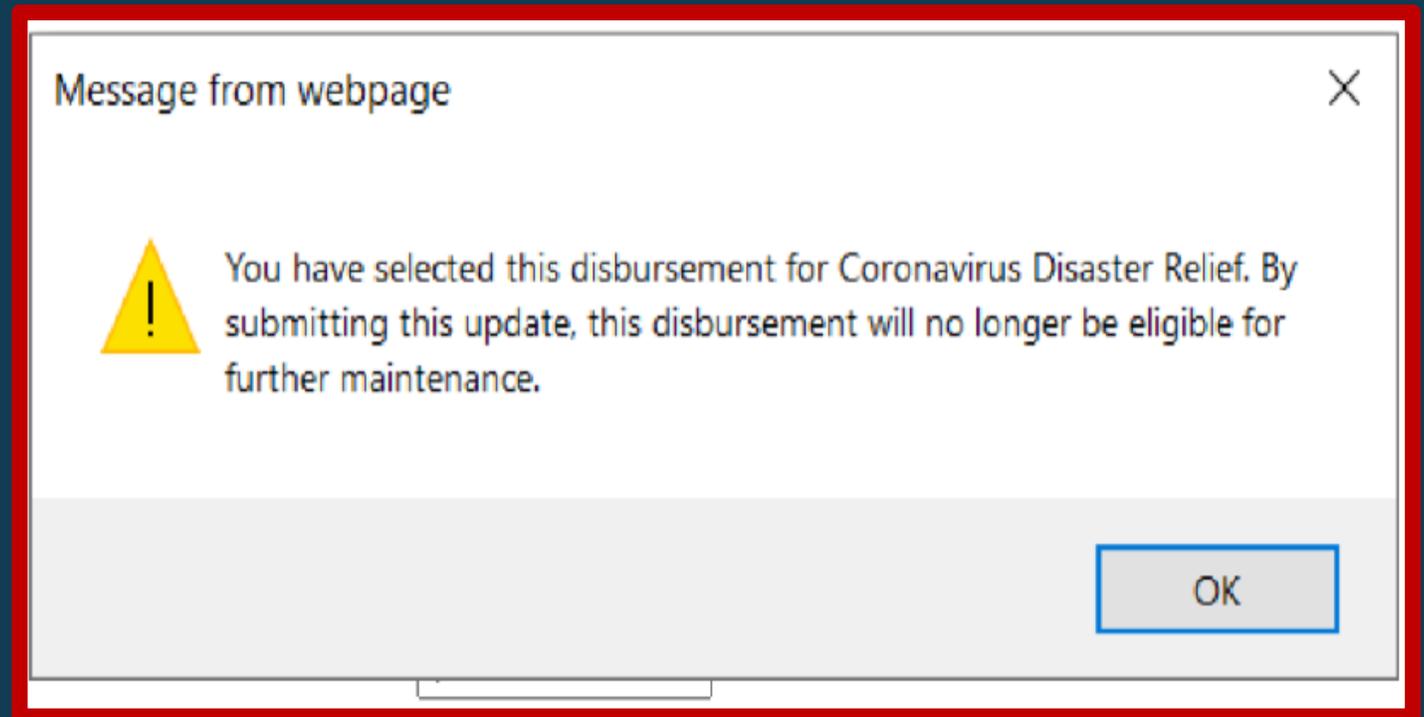
\*Program CIP Code 01.0101 [LIST OF CIP CODES](#)

VIEW PERSON DATA
VIEW AWARD DATA
CONTINUE
DELETE
CANCEL
COMMON RECORD

SUBMIT

# CARES ACT – CORONAVIRUS INDICATOR

Because of the immediate nature of discharges and Lifetime Eligibility Usage (LEU) adjustments, no updates can be made to the identified disbursement once the Coronavirus Indicator is selected.



# CARES ACT – CORONAVIRUS INDICATOR

Once selected, the Coronavirus Indicator may be viewed on the screens already mentioned. One example is at right.

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

**Disbursement History Information** ?HELP

RUFUS A BORROWER 07 / 25 / 1989	AURORA SINAI MEDICAL CENTER PELL '20 – '21 Disbursement 2
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[Export to XLS](#)

Actual History									
Program Identifier	Payment Period Start Date	Special Programs	Published Program Length Years	Published Program Length Months	Published Program Length Weeks	Weeks Programs Academic Year	Program Credential Level	User ID	Coronavirus Indicator
			4				03 - Bachelor's Degree	1	
	05/07/2020		4				03 - Bachelor's Degree	60029	Yes

This screen contains Personally Identifiable Information (PII) data. When printing or exporting to XLS, ensure all PII data is protected.

# CARES ACT – CORONAVIRUS INDICATOR

Many of the batch screens display the Coronavirus Indicator. The *View Disbursement Information* screen is at right.

Return to: [Batch Search](#) -> [Batch List](#) -> [Batch Errors](#)

**View Disbursement Information** ? HELP

SWEDISH AMERICAN HOSPITAL 1  
 PELL  
 '19-'20  
 Disbursement 2

Common Record Information	
Batch ID	2020-08-25T22:04:04.5582338895
Attending Entity ID	82338895
Disbursement Information	
Name	EULA
SSN	
Award Amount Approved	\$1,500.00
Scheduled Award Amount	\$3,645.00
Disbursement Number	2
Sequence Number	66
Disbursement Date	04/03/2020
Accepted Amount	\$500.00
Payment Start Date	01/01/2020
Coronavirus Indicator	Yes
Disbursement Release Indicator	True
School Enrollment Code	00011200
Special Programs	
Published Program Length Years	4
Weeks Programs Academic Year	
Program Credential Level	3
Enrollment Status	F
Program CIP Code	01.0101

[VIEW PERSON DATA](#) [VIEW AWARD DATA](#) [CONTINUE](#) [COMMON RECORD](#) [VIEW RECORD](#)  
[VIEW RESPONSE](#)



# CARES ACT – PELL GRANT LEU ADJUSTMENT

Once the indicator is selected on a Pell Grant disbursement, the Disaster Relief Adjustment is applied to the LEU calculation within hours and the student eligibility is restored.

The screenshot shows the 'COMMON ORIENTATION & DISBURSEMENT' interface. The 'LEU History' section is active, displaying a 'PELL' summary table. Below this, a red-bordered box highlights the 'Pell LEU Adjustments' table, which lists two adjustments for 'Disaster Relief' at 'American Academy'.

Pell LEU Adjustments					
Adjustment Number	Adjustment Type	Attending School	Award Year	LEU Adjustment	Submitted Date
2	Disaster Relief	American Academy	2021	-7.895%	07/27/2020
1	Disaster Relief	American Academy	2020	-11.778%	07/27/2020

# CARES ACT – 150% DIRECT SUBSIDIZED LOAN LIMIT

- Disbursements flagged with the Coronavirus Indicator will be excluded from the Direct Loan subsidized usage calculation
  - $\text{Subsidized Usage Period (SUP)} = (\text{Enrollment Status} * (\text{Direct Loan Period Length} / \text{Academic Year Length}))$
- Schools can view updates to the SUP, Sum Actual SUP, Maximum Eligibility Period and Remaining Subsidized Eligibility Period on the Subsidized Usage Search and Award Disbursement pages

# CARES ACT – 150% DIRECT SUBSIDIZED LOAN LIMIT

If the subsidized Direct Loan Disbursement that is flagged with the coronavirus indicator is:

Part of an award at the annual loan limit

- Changes to SULA can take 10-15 business days to be reflected in COD to account for the time it takes the servicer to discharge the loan and communicate *CARES Act* discharge information to COD.

A partial award (award amount is less than the annual loan limit)

- Changes to SULA will occur in real-time after submitting a flagged disbursement for processing on COD Web

# CARES ACT - R2T4 ON COD

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- Return of *Title IV* Funds (R2T4) was updated to assist schools in reporting under *CARES Act* requirements
  - Updates allow schools to calculate and report on the amount of *Title IV* loan and grant funds that would have been returned under normal circumstances
  - Schools will not be returning funds flagged with the R2T4 Coronavirus Indicator
  - R2T4 reporting process is separate from the COD Web process for CARES ACT

Visit: [FSATraining.ed.gov](https://FSATraining.ed.gov)

**R2T4 Coronavirus training video available**

# CARES ACT – R2T4 ON COD

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- R2T4 Coronavirus Indicator
  - Added to [Step 1 of R2T4 calculator](#) for 2017-18 Award Year and forward
    - When selected, users must select a valid calendar profile
    - Current users who previously saved an R2T4 worksheet can edit to select the R2T4 Coronavirus indicator
  - Will be viewable on the *Student Record Management* page
    - R2T4 worksheet (online only)
    - User data “Withdrawal Reason” will be updated to show Coronavirus
  - Added to R2T4 Training tool on COD

# CARES ACT – R2T4 ON COD

After an institution selects the R2T4 coronavirus indicator in Step 1. The fields in Step 3 for Title IV grant and loan amounts that could have been disbursed will be **greyed out and noneditable.**



You have selected this R2T4 calculation for Coronavirus Relief. The Amount That Could Have Been Disbursed and Net Amount That Could Have Been Disbursed are set to zero and noneditable for this calculation.

Title IV Grant Programs		
Grant Program Type	Amount Disbursed ⓘ	Amount That Could Have been Disbursed ⓘ
Pell Grant	<input type="text"/>	<input type="text" value="0"/>
FSEOG ⓘ	<input type="text"/>	<input type="text" value="0"/>
TEACH Grant	<input type="text"/>	<input type="text" value="0"/>
Iraq and Afghanistan Service Grant	<input type="text"/>	<input type="text" value="0"/>
Total Grant Aid Disbursed (Subtotal)	<input type="text" value="0.00"/>	<input type="text"/>
Total Grant Aid That Could Have Been Disbursed (Subtotal)	<input type="text"/>	<input type="text" value="0.00"/>

# CARES ACT – R2T4 ON COD

- R2T4 Reporting updates
  - Schools may filter on students flagged with the R2T4 Coronavirus Indicator
  - Report fields will be updated to include new columns for the R2T4 Coronavirus Indicator and Calendar Profile start and end dates
- Additional Enhancements:
  - Delete button added to *Student Record Management Page*
    - School users with update access will be able to delete a record
  - *Institutional Charge Profile*
    - Program of Study will no longer be required
    - Program credential level will no longer be required

# CARES ACT – DIRECT LOAN REBUILD

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- Direct Loan Rebuild Report
  - Was not updated to include the Coronavirus Indicator to minimize impact to school systems
  - COD will exclude any Direct Subsidized Loans that have a disbursement marked with the Coronavirus Indicator
  - Schools who need a Direct Loan Rebuild with excluded Direct Subsidized Loans should contact COD School Relations Center for assistance with specific records

# CARES ACT – WEEKLY CORONAVIRUS REPORT

Is program type and award year specific.

Direct Loan Weekly  
Coronavirus Report  
20YY-20YY

- Provides cumulative data for students at a specific school that have received Coronavirus Disaster relief.

TEACH Weekly  
Coronavirus Report  
20YY-20YY

- Generated on a weekly basis for any school with a student that has a disbursement flagged with the Coronavirus Indicator.

Pell-IASG Weekly  
Coronavirus Report  
20YY-20YY

- It will be generated to their respective school report folders for the school to access

# CARES ACT – WEEKLY CORONAVIRUS REPORT

OPE ID	School Name	Student SSN	Student First Name	Student Last Name	Program Code	Sub Program	Servicer Name	Award ID	Award Year	Direct Loan Discharge Amount	Flagged Disb. #	Flagged Disb. Amount
0010700	Dordt College		LUPE	One	DL	DLU	CORNERSTONE	XXXXXX639U20G00107001	2020	\$ 1,000	1	\$ 1,000
0010700	Dordt College		Dorothy	Two	DL	DLU	CORNERSTONE	XXXXXX192U20G00107001	2020	\$ 2,300	2	\$ 2,300
0010700	Dordt College		Diane	Three	DL	DLS	GRANITE STATE - GSMR	XXXXXX890S20G00107001	2020	\$ 1,850	1	\$ 1,850
0010700	Dordt College		Thomas	Four	DL	DLP	MOHELA	XXXXXX888P20G00107001	2020	\$ 1,000	14	\$ 1,000
0010700	Dordt College		Thomas	Five	DL	DLP	MOHELA	XXXXXX888P20G00107001	2020	\$ 1,200	15	\$ 1,200
0010700	Dordt College		John	Six	DL	DLS	DEPT OF ED NELNET	XXXXXX222S20G00107001	2020	\$ 5,000	1	\$ 5,000
0010700	Dordt College		John	Seven	DL	DLU	DEPT OF ED NELNET	XXXXXX222U20G00107001	2020	\$ 2,000	1	\$ 2,000
0010700	Dordt College		Ron	Eight	DL	DLS	OSLA SERVICING	XXXXXX100S20G00107001	2020	\$ 2,230	4	\$ 2,230
0010700	Dordt College		Bob	Nine	DL	DLU	OSLA SERVICING	XXXXXX568U20G00107001	2020	\$ 1,900	2	\$ 1,900

# WINTER RELEASE

COD Update

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# COD UPDATE – WINTER RELEASE

- Student Aid Internet Gateway (SAIG) is being upgraded to comply with federal mandate to improve email and web security
- Internal and external websites and services must support Transport Layer Security (TLS) version 1.2 or higher
- To comply, new versions of TDClient and EDconnect software that support TLS 1.2 **must be installed by Feb. 6, 2021**
  - Version 3.3 of TDClient is ready to be uploaded from IFAP
  - Version 8.5 of EDconnect will be available for download by Dec. 31, 2020. EDconnect 8.5 must be used with 64-bit operating systems

## COD Winter Release:

- SAIG TLS Upgrade
- TEACH Grant Disclosure

# COD UPDATE – WINTER RELEASE

- **TEACH Grant Disclosure**
  - Updates will be made on StudentAid.gov and COD to make electronic TEACH Grant Disclosure statement available for viewing and download
  - Emails will be sent to borrowers informing them of availability when the disbursement date is within seven days
  - Paper delivery option will still be available to borrowers who do not opt in for email notification on StudentAid.gov

## COD Winter Release:

- SAIG TLS Upgrade
- TEACH Grant Disclosure

# SPRING 2021 RELEASE

COD Update

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# COD UPDATE – SPRING RELEASE

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- COD System implementation planned for March 2021
  - *CARES Act* Reporting Flexibilities
  - New Award Year Set-up (NAYS) for 2021-22
  - New Schema Version
  - Reject Edit for Informed Borrower Tool (IBT) – Annual Student Loan Acknowledgement

# COD UPDATE – SPRING RELEASE

- ***CARES Act*** reporting flexibilities
  - COD Web will be updated with a new page where schools can report **lump sum amounts** of Title IV aid that would that would have been returned
    - Reporting will be by program type
    - Associated schools will report though the OPEID of the main school
  - Update will satisfy reporting requirement for schools who do not use R2T4 on COD
  - More details will be provided through IFAP

## COD Spring Release:

- **CARES Act Reporting Flexibilities**
- New Award Year Set-Up for 2021 - 22
- New Schema Version
- Reject Edit for Informed Borrower Tool - Annual Student Loan Acknowledgment

# COD UPDATE – SPRING RELEASE

- COD website screens default to 2021-22 award year for the New Award Year
  - ✓ “22” in 2021-22 award year message classes
  - ✓ “22” in 2021-22 Loan ID’s and MPN ID’s
- Report format selections carry forward
- StudentAid.gov website processing options carry forward

## COD Spring Release:

- CARES Act Reporting Flexibilities
- **New Award Year Set-Up for 2021 - 22**
- New Schema Version
- Reject Edit for Informed Borrower Tool - Annual Student Loan Acknowledgment

# COD UPDATE – SPRING RELEASE

## COD Spring Release:

- CARES Act Reporting Flexibilities
- New Award Year Set-Up for 2021 – 22
- **New Schema Version**
- Reject Edit for Informed Borrower Tool - Annual Student Loan Acknowledgment

- COD Common Record XML Schema – Version 4.0e
  - Schema will be updated to accommodate future changes to the Direct PLUS Loan Request form and the Direct PLUS Application response
  - Changes will be **future use placeholders** in support of the PLUS loan request changes that are planned later in 2021
    - Future use placeholders will eventually be updated to include responses to a new **Relationship to Student** question
    - **Relationship to Student** answers will consist of the following selections: Biological Parent of the Dependent Undergraduate Student, Legal Adoptive Parent of the Dependent Undergraduate Student, Spouse of the Biological Parent, or “other”

# COD UPDATE – SPRING RELEASE

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## \*\* REMINDER \*\*

Once XML Schema Version 4.0e is available

- All 2021–22 records must be sent to COD using the new schema
- All 2021-22 system-generated responses from COD will be sent using the new schema, including -
  - Unsolicited system-generated responses for all award years sent by the COD System
  - COD Web Activity responses for all award years sent by the COD System

# ANNUAL STUDENT LOAN ACKNOWLEDGEMENT

- The Annual Student Loan Acknowledgement was implemented April 2020 to show borrowers what they owe in a clear, user friendly manner
- **Borrowers** will see the term “Annual Student Loan Acknowledgement” on StudentAid.gov and in communications
- **Schools** will see “Informed Borrowing Confirmation” on COD website screens, in tags for the COD XML schema, and in parts of the COD Technical Reference
- The initial rollout delayed the requirement for borrowers to complete acknowledgement prior to disbursement for the 2020–21 Award Year

## COD Spring Release:

- CARES Act Reporting Flexibilities
- New Award Year Set-Up for 2021 - 22
- New Schema Version
- **Reject Edit for Informed Borrower Tool - Annual Student Loan Acknowledgment**

# ANNUAL STUDENT LOAN ACKNOWLEDGEMENT

**\*\* REMINDER \*\***

Starting with loans associated with the 2021-22 Award Year and forward -  
The Annual Student Loan Acknowledgement must be completed before a  
borrower can receive the first disbursement of their loan

Session of Interest: # B027

**Annual Student Loan Acknowledgement**

# COD UPDATE – SPRING RELEASE

## IBT Disbursement Level Reject Edit 225

- Turned on for **2021-22**
- Will trigger when DRI = ‘True’ and borrower has not acknowledged loan balance for award year 2021-22 and forward
- Message text – “Actual disbursement submitted with no Informed Borrowing Completion on file”

### COD Spring Release:

- CARES Act Reporting Flexibilities
- New Award Year Set-Up for 2021 - 22
- New Schema Version
- **Reject Edit for Informed Borrower Tool - Annual Student Loan Acknowledgment**

# RELATED SESSIONS OF INTEREST

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- Session GS5:** Federal Update: COVID-19 Higher Education Policy
- Session B04:** *Title IV* Reconciliation: What's in your Toolkit?
- Session B05:** National Student Loan Data System (NSLDS<sup>®</sup>) Update
- Session B027:** Annual Student Loan Acknowledgement
- Session B018:** Return of *Title IV* Funds: Resources and Q&A
- Session B025:** FSA Partner Connect Preview

# COD UPDATE – POSTED RESOURCES

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- Updated guidance for interruptions of study related to Coronavirus
  - (COVID-19)(Updated June 16, 2020), 5/15/2020
- FY21 Sequester-Required Changes to *Title IV* Student Aid Programs, 6/23/2020
- COD System Implementation Information - *CARES Act* Phase I Updates, 7/30/2020
- COD System Implementation Information - *CARES Act* Phase II Updates, 09/23/2020
- COVID-19 Title IV Frequently Asked Questions (FAQ) Website Update, 10/6/2020
- Mandatory Software Upgrade by Feb. 6, 2021 to Maintain Access to SAIG, 10/31/2020

# COD UPDATE - CONTACT INFORMATION

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## **COD School Relations Center**

1-800-848-0978

[CODSupport@ed.gov](mailto:CODSupport@ed.gov)

## **Student Loan Support Center**

(including DL Consolidation)

1-877-557-7394