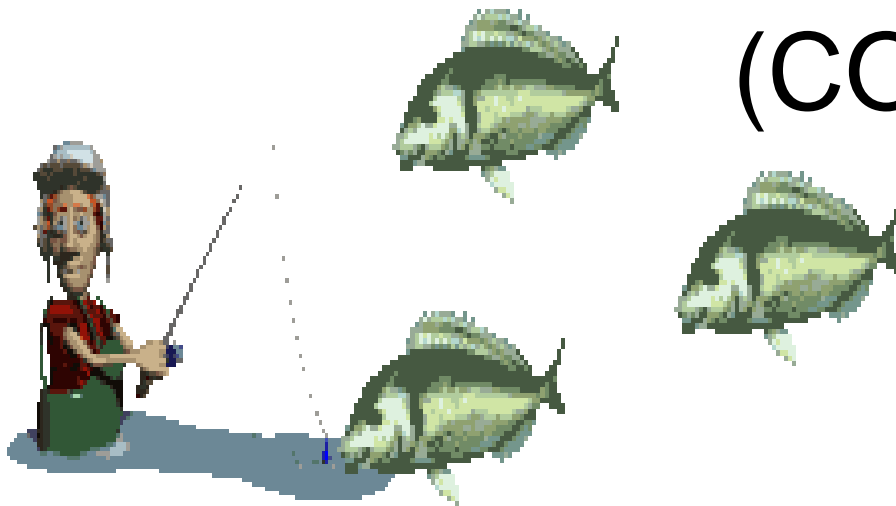


The Common Origination & Disbursement System (COD)



Award Year 2016 - 2017

Common Origination & Disbursement System

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Agenda

- A quick look back
 - ✓ Major COD changes for AY 2015 – 2016
- New Year Award Setup for AY 2016 – 2017
 - ✓ School-facing modifications
 - ✓ Spring release
 - ✓ Summer release
 - ✓ Fall release
- Still to come...

Major COD Changes for Award Year 2015 – 2016



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COD Release 14.0 for AY 2015 – 2016 saw a Common Record XML Schema change from 4.0a to 4.0b

- <AbilityToBenefit> tag was re-named <StudentEligibilityCode>
 - ✓ New and altered Student Eligibility Codes for AY 2015 – 2016 and forward

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XML Schema Version 4.0b carries a new and significant <CreditRequirementsMet> tag

- Indicates that a Direct PLUS applicant has met all **CREDIT RELATED** requirements
- <CreditRequirementsMet> = Y when...
 - ✓ Original credit decision = "A"
 - OR**
 - ✓ An approved endorser/successful appeal
 - AND**
 - ✓ A completed session of PLUS Counseling

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A new system-generated “Credit Status Response”

- Intent is to keep the school “in the loop” on a borrower that *may* be in the process of “resolving” his or her original credit decision of “Denied”
 - ✓ Sent on approval or denial of an endorser/appeal
 - ✓ Sent when special PLUS Counseling is completed
 - ✓ ***Includes the new <CreditRequirementsMet> tag***
- Contains additional Direct PLUS Loan credit data*
- Message Class is CRCSxxOP

Changes to the Direct PLUS Loan Program



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Direct PLUS Loan Program enhancements included...

- New adverse credit history criteria
- A requirement to complete a session of PLUS Counseling as a condition of eligibility for a Direct PLUS Loan with an original credit result of “Denied”
- The credit check “window of validity” was expanded from 90 days to 180 days

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An applicant has an adverse credit history if, as of the date of the credit report, the applicant...

- Has a default determination, bankruptcy discharge, foreclosure, repossession, tax lien, wage garnishment, or write-off of a Title IV debt during the preceding five (5) years

OR

- Has one or more debts with a combined outstanding balance greater than \$2,085, and that are 90 days or more delinquent, or charged off/in collection status within the preceding two (2) years

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A borrower whose Direct PLUS Loan credit check was returned as “Denied” based on an adverse credit history can gain eligibility for the loan by ...

- Securing an approved endorser/Successfully appealing the adverse credit decision
- In either case the applicant will be **REQUIRED** to complete a session of PLUS Counseling
 - ✓ PLUS Counseling **MUST** be completed before disbursement of the Direct PLUS Loan funds
 - ✓ A session of PLUS Counseling will be required for each original credit decision of “Denied”

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PLUS Counseling is a distinct and unique counseling module

- PLUS Counseling is ***NOT Entrance Counseling***
 - ✓ Does not fulfill the Entrance Counseling requirements
 - ✓ A first-time Graduate/Professional student with an original credit decision of “Denied” could be required to complete both modules
- PLUS Counseling is provided **ONLY** via the StudentLoans.gov (SLG) website

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COD created a new weekly “Credit Status Report”

- Identifies borrowers whose most recent original credit decision is “Denied” and is NOT expired
- A borrower drops off the report 30 days after
 - ✓ Credit Requirements Met = Y
 - ✓ The Direct PLUS Loan award is reduced to \$0
 - ✓ The credit decision expiration date has been reached

COD retired two (2) reports

- System-generated Credit Override Response (CRCO)
- Credit Check Reconsideration Eligibility Report

Other COD Changes



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COD implemented several additional enhancements for Award Year 2015 - 2016

- SULA Inquiry/SULA Calculator screen
- “Live Chat” functionality
- Option to download “select” data in CSV format...
 - ✓ Includes financial data
- Disbursement amount and date change in the same transaction
- Created a new “School Funding History” Report
 - ✓ Via a hyperlink on the “School Funding information” Screen” on the COD Web

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A new Direct Loan repayment option was provided via StudentLoans.gov last December

- The StudentLoans.gov website now allows borrowers to select the new “REPAYE” (***Refined*** Pay As You Earn) loan repayment option
 - ✓ Income dependent repayment plan
 - ✓ Payment no more than 10% of discretionary income
 - ✓ Loan interest assistance
 - ✓ Balance on loans for undergrad studies can be forgiven in 20 years
 - ✓ Balance on loans for graduate studies can be forgiven in 25 years

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COD Changes for Award Year 2016 – 2017

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

- Included the normal “award year to award year” changes
 - ✓AY designator in IDs changed from ‘16 to “17”
 - ✓AY specific options incremented one year
- No change to the XML Schema
- COD no longer returns the Common Record Receipt
 - ✓Message class CRRCxxOP is retired
 - ✓No impact on Common Record Responses sent via Message Class COMRECxxOP

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COD was migrated from a legacy mainframe to a midrange computing platform

- Necessitated the unusual 5-day “down-time” for implementation
- Enhances processing and data security
- Several issues were identified and resolved shortly after implementation
 - ✓ A handful of issues are currently under research and will be resolved as soon as possible
- No display or operational differences

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Upcoming COD Release for Summer, 2016

- StudentLoans.gov will be modified to enhance the user experience for those accessing the website via a mobile device
 - ✓ Data will display in a format appropriate to the mobile device used to access the website
- Will offer a new Direct Consolidation Loan landing page
 - ✓ Enhanced Direct Consolidation Loan application
- Login using an FSA ID will be at each “function”
 - ✓ For example, Login to the MPN screens to complete an MPN

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Upcoming COD Release for Fall, 2016

- TEACH-ATS website will be integrated into StudentLoans.gov
 - ✓ Creates a single “Applicant” website
- COD will return a borrower’s default status on the system generated “SP” response
 - ✓ Status will be determined from NSLDS data

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Upcoming COD Release for Fall, 2016

- **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

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Upcoming COD Release for Fall, 2016

- **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

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Upcoming COD Release for Fall, 2016

- **New SULA Warning 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

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Upcoming COD Release for Fall, 2016

- **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

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Upcoming COD Release for Fall, 2016

- “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

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Upcoming COD Release for Fall, 2016

- 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

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Upcoming COD Release for Fall, 2016

- 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

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Upcoming COD Release for Fall, 2016

- 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

COD will be “Sweet” as a Nectarine
in
2017-2018



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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...

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

- Provide StudentLoans.gov users with self-service functionality
- 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
- Modify the COD Web to include a set of Direct Loan tools for school users
- Enhance the Origination & Disbursement Tool
 - ✓ More robust and more features

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On the horizon...a few more

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

Resources



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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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