

*Appendix H. Default Review Checklist*

<b>School Name and Address</b>	<b>OPE ID:</b> _____
_____	<b>FY _ Def. Rate:</b> ____% <b># of Borrowers</b> ____
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_____	<b>FY _ Def. Rate:</b> ____% <b># of Borrowers</b> ____
<b>Review Date:</b> _____	<b>Name of Reviewer(s)</b> _____
<b>Review Period:</b> _____	

**I. DEFAULT RATE CATEGORY**

- Default Rate between 20.1% and 40.0%*** **Yes** **No**
1. Did the school appropriately submit a default management plan to the U.S. Department of Education for approval?
  2. Has the school implemented its approved default management plan?

- Default Rate above 30.0%** **Yes** **No**
1. Are pro-rata refunds applied to all Title IV recipients as of July 1, 1990? (only first-time recipients as of July 1992) [P.L. 101-166]
  2. Are pro-rata refunds applied to FFEL recipients as of the date the school was notified that its default rate exceeded 30% or November 21, 1989? [P.L. 101-166]
  3. Has the school implemented measures to ensure that loan proceeds are not released until 30 days of the enrollment period have elapsed for all first-time Stafford borrowers? [34 CFR 682.603(c)]

- Default Rate above 40.0%** **Yes** **No**
- Has the school adopted Appendix D as its default management plan?

**II. GENERAL (ALL SCHOOLS REGARDLESS OF DEFAULT RATE)** **Yes** **No**

1. Does the school have an initial loan counseling program? [34 CFR 682.604(f)]
2. Does the school have an exit loan counseling program? [34 CFR 682.604(g)]
3. If the school is delaying the certification of Stafford or SLS loans, are loans delivered no later than 45 days after the date of enrollment?

*Default Review Checklist (continued)*

School: \_\_\_\_\_ OPE ID: \_\_\_\_\_

Default Reduction Measures

<b>III. ADMISSIONS</b>	<b>Yes</b>	<b>No</b>
1. Does the school have procedures in place to ensure that students admitted to a program have a reasonable expectation of success? [App D, I, 1]	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the school have effective academic counseling programs and support services in place, which assist the academically high risk student? [App D, I, 2]	<input type="checkbox"/>	<input type="checkbox"/>
3. Does the school adequately review its attendance or other records to identify students withdrawing without notice to the school? [App D, I, 4]	<input type="checkbox"/>	<input type="checkbox"/>
<b>IV. CONSULTATION WITH ACCREDITING BODY</b>	<b>Yes</b>	<b>No</b>
1. Has the school contacted its accrediting body to explore possible enhancements to reduce its withdrawal rate? [App D, I, 3]	<input type="checkbox"/>	<input type="checkbox"/>
2. Has the school contacted its accrediting body to explore possible enhancements to improve its job placement and licensing? [App D, II, 2]	<input type="checkbox"/>	<input type="checkbox"/>
<b>V. EMPLOYMENT</b>	<b>Yes</b>	<b>No</b>
1. Has the school expanded its job placement program? [App D, II, 1]	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the school have a liaison for job information and placements with appropriate public and private agencies? [App D, II, 3]	<input type="checkbox"/>	<input type="checkbox"/>
<b>VI. BORROWER CONTACTS</b>	<b>Yes</b>	<b>No</b>
1. Does the school contact each borrower for whom the lender requests pre-claims assistance? [App D, III, 1]	<input type="checkbox"/>	<input type="checkbox"/>
2. Does the school have procedures for contacting the borrower during the grace period? [App D, III, 2]	<input type="checkbox"/>	<input type="checkbox"/>

*Default Review Checklist (continued)*

<b>School:</b> _____	<b>OPE ID:</b> _____		
<b>VII. COUNSELING</b>		<b>Yes</b>	<b>No</b>
1. Does the school collect additional references and make these references available to the lender upon request? [App D, III, 3]		<input type="checkbox"/>	<input type="checkbox"/>
2. Are students informed prior to signing the loan application that the loan must be repaid regardless of satisfaction or dissatisfaction with the program of study? [App D, III, 4]		<input type="checkbox"/>	<input type="checkbox"/>
3. Initial Counseling. Does the school test potential borrowers on their knowledge of the terms and conditions of their loan? [App D, III, 5, (a), (1)]		<input type="checkbox"/>	<input type="checkbox"/>
4. Initial Counseling. Does the school fully explain to each borrower their rights and responsibilities under the FFEL loan programs? [App D, III, 5, (a), (2)]		<input type="checkbox"/>	<input type="checkbox"/>
5. Initial Counseling. Does the school inform the student of the average indebtedness and repayment data for all students and the potential indebtedness and repayment data for each student individually? [App D, III, 5, (a), (3)]		<input type="checkbox"/>	<input type="checkbox"/>
6. Initial Counseling. Does the school inform each borrower of the consequences of default? [App D, III, 5, (a), (3), (ii)]		<input type="checkbox"/>	<input type="checkbox"/>
7. Initial Counseling. Does the school review repayment options? [App D, III, 5, (a), (4)]		<input type="checkbox"/>	<input type="checkbox"/>
8. Initial Counseling. Does the school explain the sale of loans and the use of servicers? [App D, III, 5, (a), (5)]		<input type="checkbox"/>	<input type="checkbox"/>
9. Initial Counseling. Does the school provide debt management strategies? [App D, III, 5, (a), (6)]		<input type="checkbox"/>	<input type="checkbox"/>
10. Exit Counseling. Does the school test borrowers on their knowledge of the terms and conditions of their loan? [App D, III, 5, (b), (1)]		<input type="checkbox"/>	<input type="checkbox"/>
11. Exit Counseling. Does the school provide a sample loan repayment schedule to each borrower? [App D, III, 5, (b), (2)]		<input type="checkbox"/>	<input type="checkbox"/>
12. Exit Counseling. Does the school provide the name and address of the lender(s) to the student? [App D, III, 5, (b), (3)]		<input type="checkbox"/>	<input type="checkbox"/>
13. Exit Counseling. Does the school provide guidance to the borrower on preparation of correspondence to the lender and completing deferment forms? [App D, III, 5, (b), (4)]		<input type="checkbox"/>	<input type="checkbox"/>
14. Exit Counseling. Does the school update borrower references? [App D, III, 5, (c)]		<input type="checkbox"/>	<input type="checkbox"/>

