



National Default Prevention Day 2002

Default Prevention: You Are The Key!

August 1, 2002



FSA
FEDERAL
STUDENT AID

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Cohort Default Rates – A Path to Successful Data Management

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Case Management and Oversight

Boston Case Management Team





Objectives



Intro

By the end of this session, you will be familiar with:

- Why the CDR is Important
- How the CDR is Calculated
- How To Manage CDR Data
- New Electronic CDR Initiatives
- CDR Resources

CDR = Cohort Default Rate



Data Management and CDRs Why Are They Important?

Why?

- Administrative capability –requirements for Title IV participation (34 CFR 668.16)
- Policy and Decision-making



Customer Satisfaction

Why?

- Borrowers could be adversely affected by mistakes
- Reduce your CDR



Quick CDR review

How?

Calculated 2 times/year

Draft CDR
February

- Not public
- No sanctions
- No benefits

Official CDR
September

- Public
- Sanctions
- Benefits



Quick CDR review (continued)

How?

FFEL & Direct Loans

Loan data for CDR calculation stored in NSLDS

Formula		For FY 2000
N	Default during 2 year period	10/1/1999 – 9/30/2001
D	Enter repayment during 1 year period	10/1/1999 – 9/30/2000

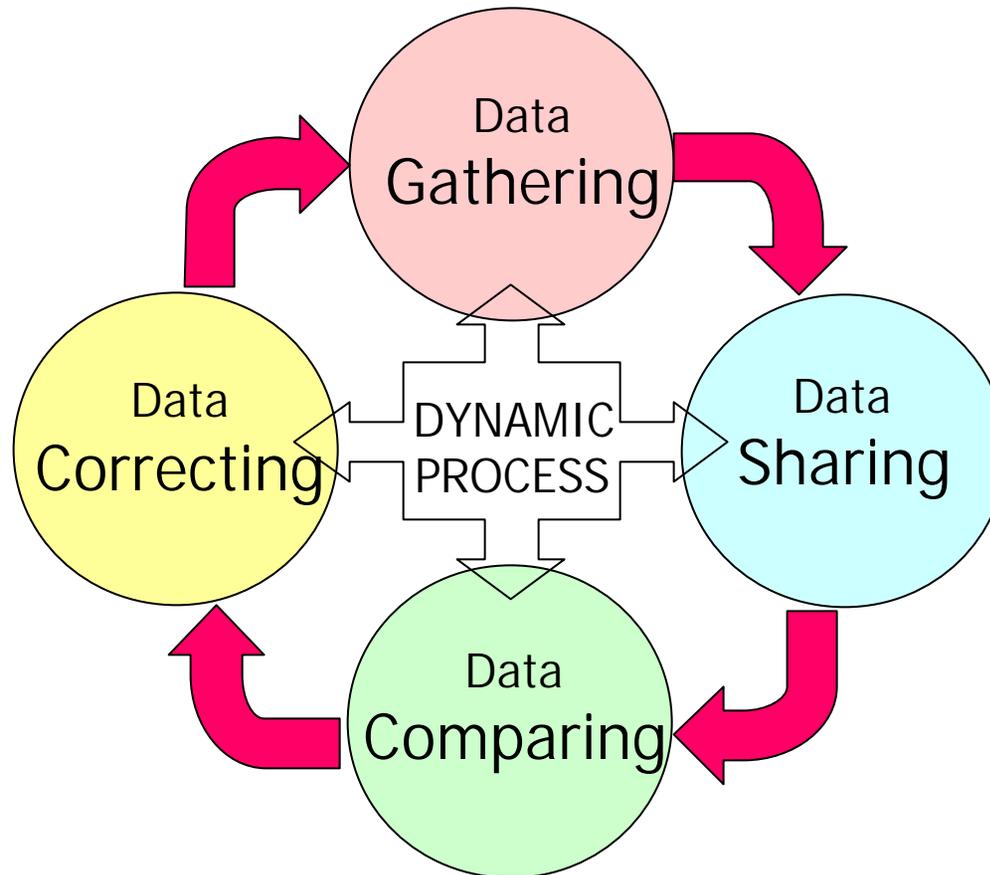
$$\frac{N}{D} \times 100\% = \text{CDR}$$



A Path to Successful Data Management

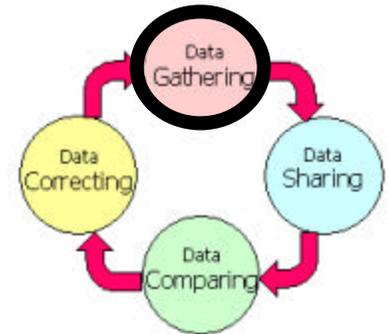


**How
To?**





Data Gathering



How To?

- Determine what CDR data to capture
- Establish a process
- Establish a communication network

Type: School Records Spreadsheet

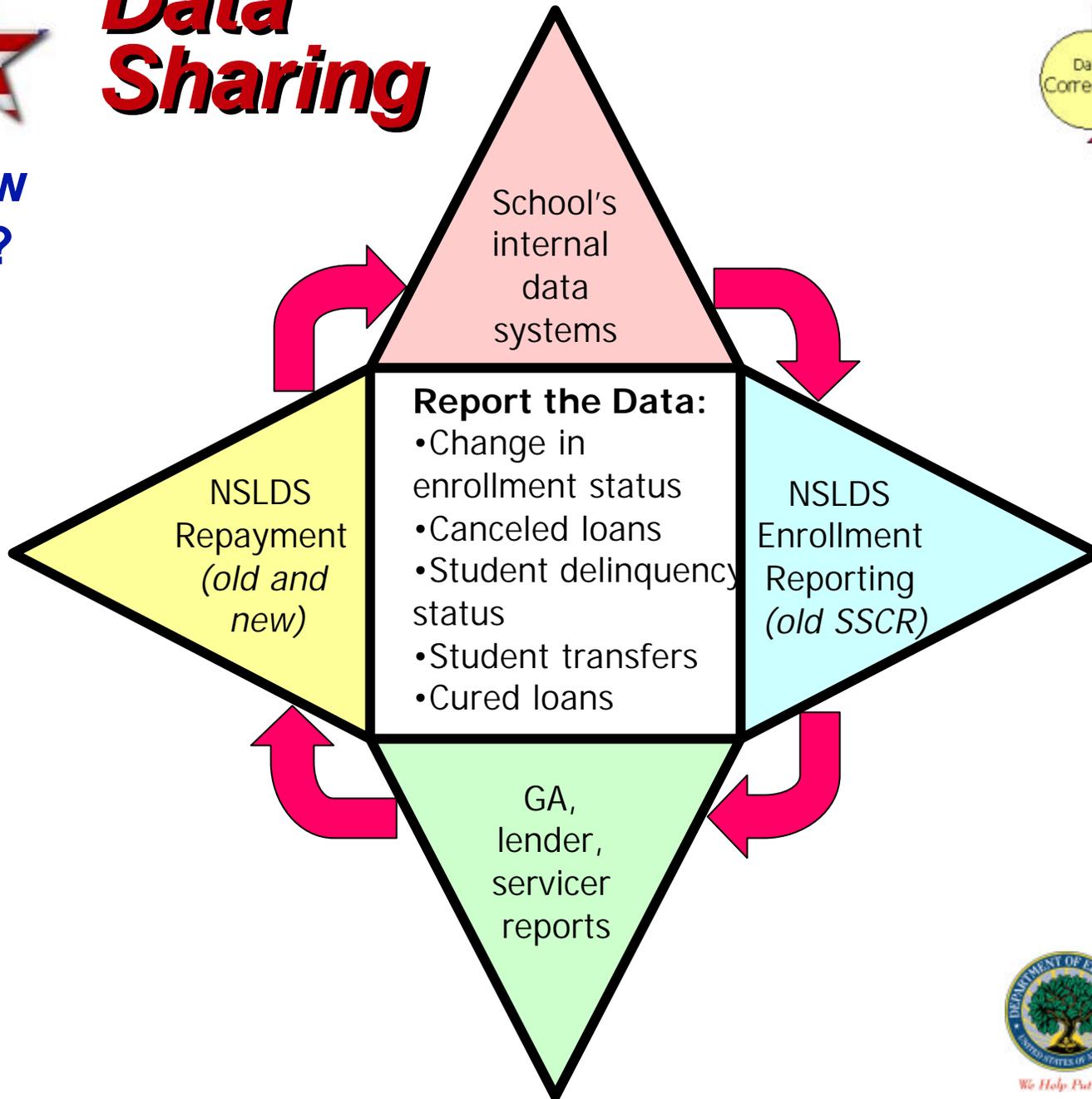
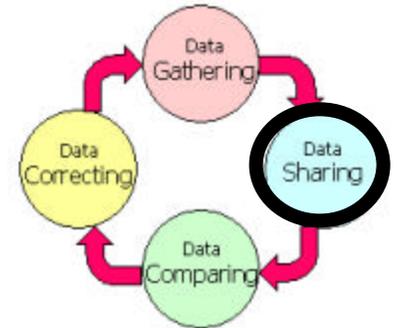
Borrower's SSN	Borrower's Name	Type of loan	Loan Period	Loan Status	Enrollment Status Code	Enrollment Status Date	LDA or LTH	Date Entered Repayment	Default/CPD Date	Claim Reason Code

Date _/ _/ _



Data Sharing

How To?



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How To?

NSLDS Web-Based Enrollment Reporting

NSLDS Menu Aid **Enroll** Org Report

Enrollment Summary | Enrollment Reporting Schedule

SSN: [] First Name: [] DOB: [] (MMDDCCYY) Retrieve Name Search

Logged on as []

SSN: [] DOB: []

Enrollment Summary

Enrollment Detail Enrollment Timeline

	School Name	OPEID	Most Recent Status	Eff. Date	ACD	Cert. Date	Cert. Method
1	[]	[]	No Record Found	09/01/1998	12/16/2000	09/01/1998	School Batch
2	[]	[]	Withdrawn	12/16/1999	N/A	05/31/2000	School Batch

PRIVACY ACT OF 1974 (AS AMENDED)



NSLDS Date Entered Repayment (DER) Report



How
To?



Menu Aid Enroll Org **Report** Tran Support

Report List

Logged on as: [Redacted]



Return to Report List

ID: [DER001](#) Type: --Select--

Name: DATE ENTERED REPAYMENT REPORT

Report Parameters

OPEID: 000

Dt Sched to Enter Repay Begin: MM/DD/CCYY

Dt Sched to Enter Repay End: MM/DD/CCYY

Sort By: --Select--

Output Medium: --Select--

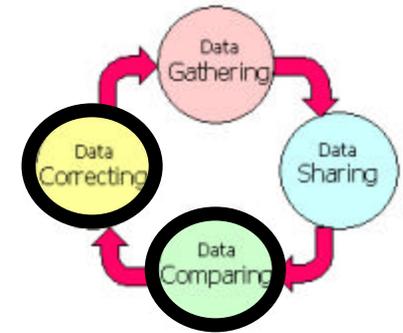
Submit



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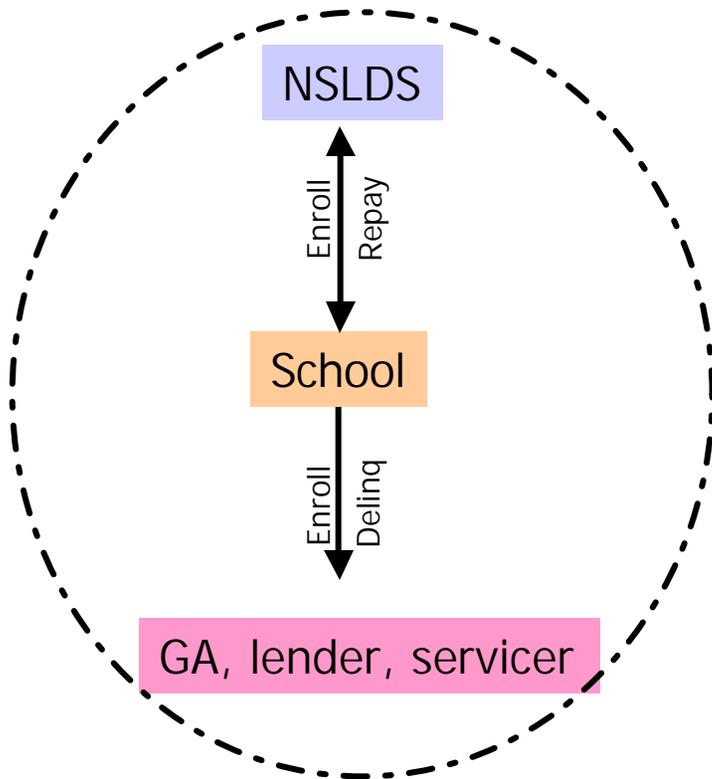


Data Comparing and Correcting

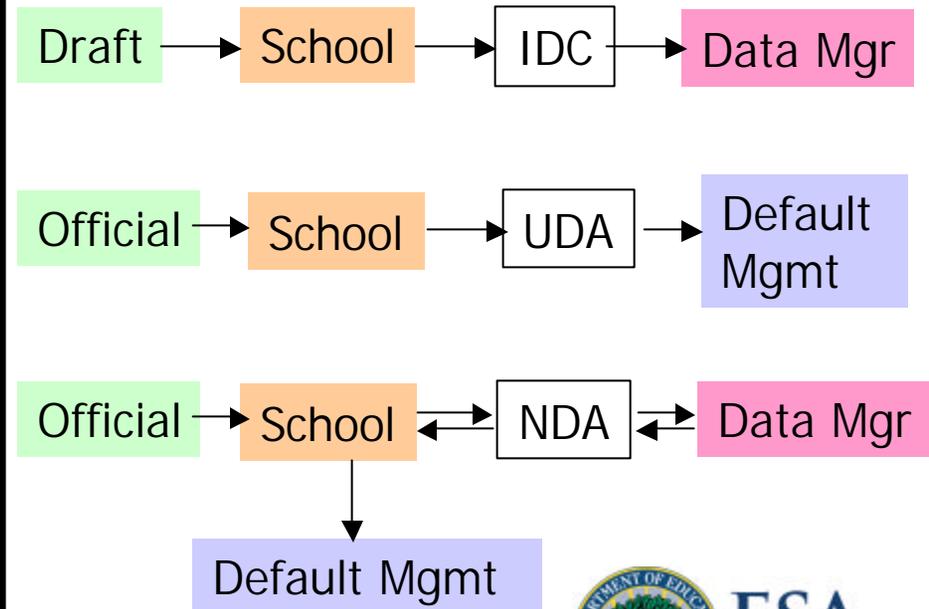


How To?

Informational Data



Calculated Data (CDRs)

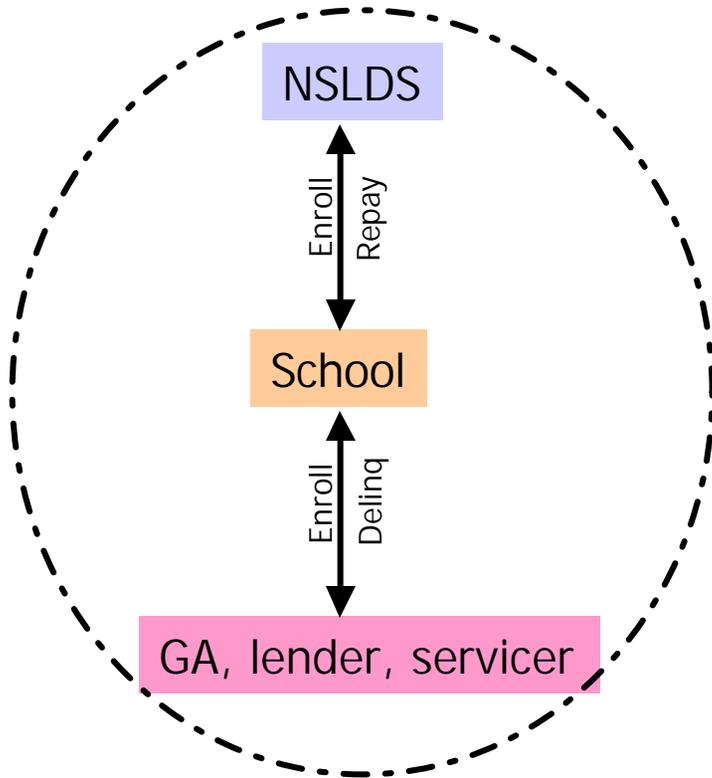
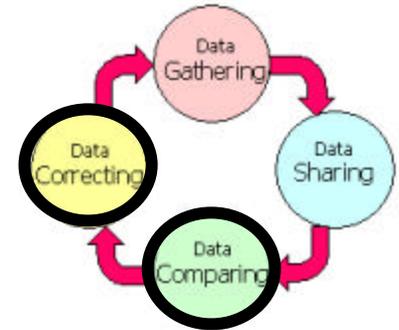




Data Comparing and Correcting

How
To?

Informational Data

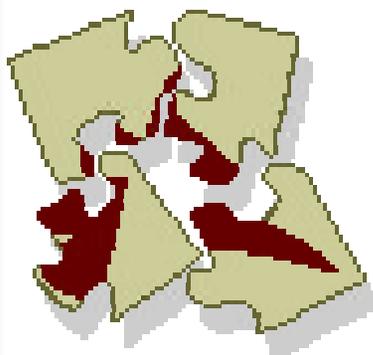
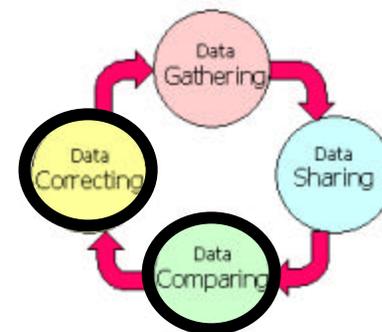


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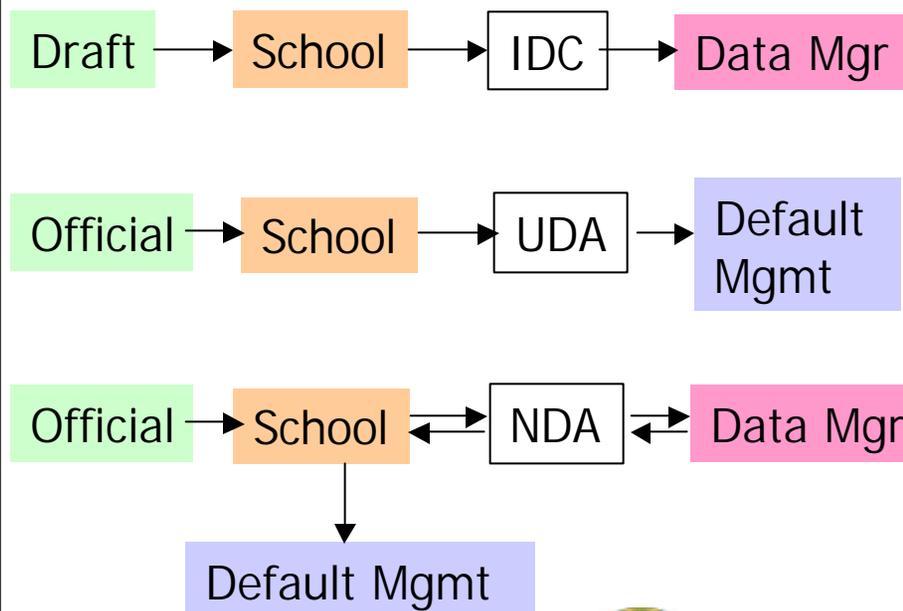
Data Comparing and Correcting

How To?



IDC = Incorrect Data Challenge
UDA = Uncorrected Data Adjustment
NDA = New Data Adjustment

Calculated Data (CDRs)





Impact of changing data - institutional and situational

How To?

*More extensive process to change data
More time and effort*

Change Calculated Data

UDA - Uncorrected Data Adjustment
NDA - New Data Adjustment
IDC - Incorrect Data Challenge



Change Informational Data

NSLDS Repay
GA, lender, servicer reports
NSLDS Enroll
School's internal data
(spreadsheet/database)

*Less extensive process to change data
Less time and effort*





eCDR

New



- Customer service
- Easier to sort and analyze data
- Federal law - Paperwork Reduction Act



CDR Resources



■ Contacting ED's Default Management Division

- *Email:* fsa.schools.default.management@ed.gov
- *Phone:* 202-377-4258
- *Mail:* 400 Maryland Ave, SW
Washington, DC 20202-5353
- *Commercial Delivery:* 830 First St, NE
Washington, DC 20002-5353



CDR Resources



- **Internet**

<http://www.ed.gov/offices/OSFAP/defaultmanagement/cdr.html>

- **Announcements and Letters**

<http://198.77.163.160/eannouncements/0119stuhbkbestprectice.html>

<http://ifap.ed.gov/dpcletters/gen0108.html>

- **Cohort Default Rate Guide**

<http://ifap.ed.gov/drmaterials/FinalCDRG.html>

<http://ifap.ed.gov/drmaterials/changelog.html>



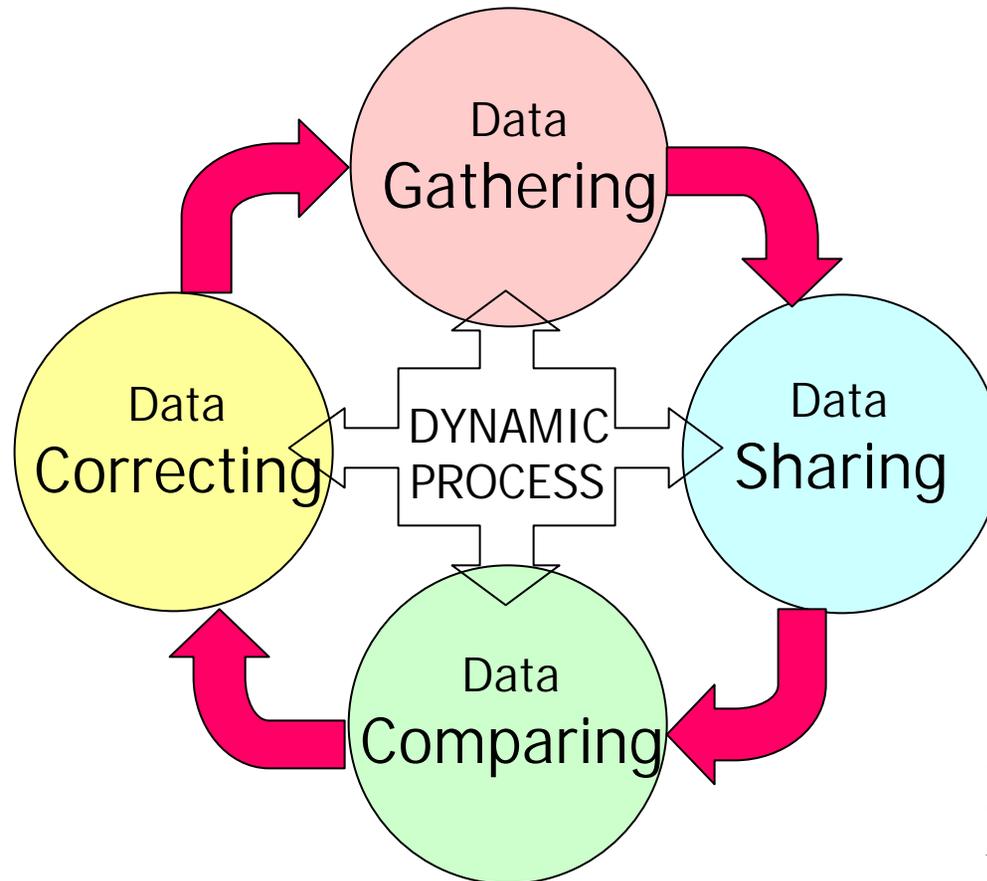
CDR Resources



- 2001-2002 Student Financial Aid Handbook
Volume 2, “Institutional Eligibility”, Pages 56, 81, 82
Volume 8, “Direct Loan and FFEL Programs”, Pages 5, 6, 36
- Federal Regulations
34 CFR 668.181-668.198
Appendix A & B to Subpart M of Part 668



Conclusion



To obtain an electronic copy of this presentation and the notes associated with it, please visit www.ifap.ed.gov





Abbreviations

Abbreviation	Description
App	Appendix
CDR	Cohort Default Rate
CFR	Code of Federal Regulations
CPS/WAN	Central Processing System/Wide Area Network (resource)
Data Mgr	Data Manager (guaranty agencies and the Direct Loan servicer)
Def Mgmt	U.S. Department of Education, Default Management
Delinq	Delinquency reports from the guaranty agency
DL	(William D. Ford Federal) Direct Loan (Program)
Draft	Draft cohort default rates
ECDR	Electronic Cohort Default Rate
eLRDR	Electronic Loan Record Detail Report
Enroll	Enrollment tab in NSLDS
FFEL	Federal Family Education Loan (Program)
FY	Fiscal year
GA	Guaranty Agency
IDC	Incorrect Data Challenge
IFAP	Information for Financial Aid Professionals (website)
LDA	Last date of attendance
LRDR	Loan Record Detail Report
LTH	Less than half time
NDA	New Data Adjustment
NSLDS	National Student Loan Data System
Official	Official cohort default rates
Org	Organization tab in NSLDS
PEPS	Postsecondary Education Participation System (database)
Repay	Repayment information found under the Org tab in NSLDS
SAIG	Student Aid Internet Gateway
SSCR	Student Status Confirmation Report
UDA	Uncorrected Data Adjustment
Yr	Year