



## Cohort Default Rates and Default Management Opportunities for Schools

Fiscal year	Type of CDR	Repayment period (Denominator)	Default period (Numerator)	CDR release date	Current opportunities for schools
2009	3-year rate	10/01/08 – 09/30/09	10/01/08 – 09/30/11	Draft: Feb 2012 Official: Sept 2012	<ul style="list-style-type: none"> <li>- In 2012 and 2013, two sets of draft and official CDRs will be released at about the same time. How will challenges or appeals be completed by the deadline? A careful review of 2-year data reduces later work on 3-year data.</li> </ul>
2010	2-year rate	10/01/09 – 09/30/10	10/01/09 – 09/30/11	Draft: Feb 2012 Official: Sept 2012	<ul style="list-style-type: none"> <li>- Determine if an incorrect data or participation rate index challenge of a draft rate is warranted. Evaluate criteria for submitting adjustments and appeals of official rates.</li> <li>- Schools with an FY09 official 3-year CDR of 30% or higher will submit a default management plan to ED.</li> </ul>
2010	3-year rate	10/01/09 – 09/30/10	10/01/09 – 09/30/12	Draft: Feb 2013 Official: Sept 2013	<ul style="list-style-type: none"> <li>- Some defaults have already occurred, but others may be preventable. Focus efforts on currently-delinquent borrowers to help them avoid default, if possible. Some may not fully understand available repayment options.</li> </ul>
2011	2-year rate	10/01/10 – 09/30/11	10/01/10 – 09/30/12	Draft: Feb 2013 Official: Sept 2013	<ul style="list-style-type: none"> <li>- Schools with FY09 and FY10 official 3-year CDRs of 30% or higher must review and revise their default management plans and resubmit them to ED. This is a critical opportunity to strengthen campus-wide efforts.</li> <li>- Final sanctions based on high 2-year CDRs will occur.</li> </ul>
2011	3-year rate	10/01/10 – 09/30/11	10/01/10 – 09/30/13	Draft: Feb 2014 Official: Sept 2014	<ul style="list-style-type: none"> <li>- There is a good opportunity to positively impact the success of this group of borrowers who recently began repayment. What steps should be taken at this time?</li> <li>- Upon publication of the third, official 3-year CDR in September 2014, sanctions (provisional certification and eligibility loss) based on high 3-year rates will occur. So previous efforts to reduce 3-year CDRs will matter here.</li> </ul>
2012	3-year rate	10/01/11 – 09/30/12	10/01/11 – 09/30/14	Draft: Feb 2015 Official: Sept 2015	<ul style="list-style-type: none"> <li>- These borrowers enter loan repayment by September 2012. Is it clear that they are getting off to a good start? Do some need extra assistance to transition successfully into repayment and utilize appropriate plans and tools?</li> <li>- This is a very good time to positively impact this 3-year CDR, since these borrowers may have more repayment options to address difficulties. Communication is vital!</li> </ul>