

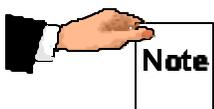
# Introduction

## What is this Guide?

The *FY 1997 Official Cohort Default Rate Guide* (Guide) is a publication that the U.S. Department of Education (Department) sends to postsecondary schools (schools) along with their official cohort default rate notification letters each fiscal year. This Guide should be used as a reference tool for the FY 1997 official cohort default rates. The guidance found in this Guide does not supercede or alter existing regulations or statute. If a discrepancy is found between this Guide and the regulations or statute, the regulations and/or statute take precedence.

The purpose of this Guide is to assist schools in:

- understanding how the Department calculates official cohort default rates;
  - understanding the affects official cohort default rates have on schools;
  - understanding how to read cohort default rate loan record detail reports;
  - understanding a school's cohort default rate appeal rights;
  - submitting cohort default rate appeals;
- AND
- understanding the replies received in response to a school's appeal.



If you would like to make comments on this Guide, please fill out and return the "User Comments" worksheet on page 3 in "Appendix E."

## **Which cohort default rates are addressed in this Guide?**

This Guide is about cohort rates calculated for the Federal Family Education Loan (FFEL) Program and/or William D. Ford Federal Direct Loan (Direct Loan) Program.

This Guide does NOT:

- contain school cohort default rates. To receive a copy of the press package which contains schools' cohort default rates please call 202-708-9396 or refer to <http://www.ifap.ed.gov>.
- discuss Federal Perkins Loan Program cohort default rates. For information on Federal Perkins Loan Program cohort default rates please call 202-708-7741.
- discuss guaranty agency or lender cohort default rates. For information on guaranty agency or lender cohort default rates please call 202-401-7482.

## **How do the 1998 Amendments to the Higher Education Act of 1965, as amended (HEA), affect the guidance provided in this Guide?**

At the time this Guide went to print, the final regulations implementing changes to the cohort default rate process made by the 1998 Amendments to the HEA had not yet been finalized. However, the Department has taken every effort to incorporate into this Guide the relevant changes that were adopted during the negotiated rule-making process and public comment period. If the final regulations conflict with the guidance outlined in this Guide, the final regulations take precedence. Therefore, a school must consult the final regulations to ensure it meets all legal requirements.