

An uncorrected data adjustment can also be used by a school when a school performed due diligence in certifying a student's loan application and subsequently learned that the borrower is ineligible for the loan due to borrower falsification of eligibility documents. Such loans will be removed from the official cohort default rate calculation if the adjustment is submitted in a timely manner and the supporting documentation justifies removal from the calculation. Since the data is reported correctly by the data managers, this is the only case where a school submitting an uncorrected data adjustment would not have had to first file an incorrect data challenge to challenge their draft cohort default rate data and, as a result, will not have to provide the data managers with a copy of their uncorrected data adjustment.

Upon receiving the loan record detail report for the official cohort default rates a school should determine that all data is correct. If the school believes that the loan record detail report contains loans that were disbursed as a result of borrower falsification of eligibility documents, the school must, within established timeframes, provide Default Management with documentation to support that the school acted diligently and in good faith in accepting the documents and in certifying the loan. Default Management will only review the information submitted with the uncorrected data adjustment. Default Management will not review information submitted after the deadline. If, as a result of an uncorrected data adjustment, Default Management determines that a school's official cohort default rate calculation data is incorrect, Default Management will recalculate the cohort default rate using the corrected data. However, even though Default Management may revise a cohort default rate, subsequent copies of the loan record detail report for the official cohort default rates will not reflect the change. Therefore, it is important for a school to keep a copy of Default Management's final determination letter as the official record of the school's revised cohort default rate. Default Management's decision is final and no further administrative review is provided.

The uncorrected data adjustment must include a letter on the school's letterhead and a spreadsheet that lists the borrowers the school believes are ineligible due to borrower falsification of eligibility documents, and any documentation that supports the school's due diligence in verifying student eligibility. Figure 4.3.3 is a sample uncorrected data adjustment letter. The letter must include the school's OPE ID number and a statement indicating that the school is submitting an uncorrected data adjustment for the current cohort fiscal year. The letter must feature a subject line that reads "Subject: Cohort FY [insert cohort fiscal year used in the adjustment] Uncorrected Data Adjustment." The school must also note if it is submitting any other adjustments or appeals. The letter must include a certification that the information provided is true and correct under penalty of perjury. The school's President/CEO/Owner must sign the letter and, a signature block showing the signer's name and job title must follow the signature. Refer to page 4.3-6 for information regarding which Department address the school should use for submitting an uncorrected data adjustment.