

Appendix H: Default Management Checklist

School Name and Address:	OPE ID:
	FY _ Def. Rate: ____% # in repayment, # in default
	FY _ Def. Rate: ____% # in repayment, # in default
	FY _ Def. Rate: ____% # in repayment, # In default
Review Date:	FY _ Def. Rate: ____% # in repayment, # in default
Review Period:	Name of Reviewer(s):

Admissions:

- | | Yes | No |
|--|------------|-----------|
| 1. Does the school have procedures in place to ensure that students admitted to a program have a reasonable expectation of success? | ? | ? |
| 2. Does the school have effective academic counseling programs and support services in place, which assist the academically high-risk student? | ? | ? |
| 3. Does the school adequately review its attendance or other records to identify students withdrawing without notice to the school? | ? | ? |
| 4. Has the school contacted its accrediting body to explore possible enhancements to reduce its withdrawal rate? | ? | ? |

Consumer Disclosure Information:

- | | Yes | No |
|---|------------|-----------|
| 1. Does the information identify the rights and responsibilities of student receiving aid? | ? | ? |
| 2. Does the information include the terms of, schedule for and the necessity of loan repayment and required loan exit counseling? | ? | ? |

	Yes	No
3. Does the information include the terms and conditions under which a student would qualify for a deferment or a forbearance?	?	?
4. Does the information include the institution's completion or graduation rate, and if applicable, its transfer out rate?	?	?
5. Does the information include loan counseling general information?	?	?
Job Placement:	Yes	No
1. Has the school expanded its job placement program?	?	?
2. Does the school have a liaison for job information and placements with appropriate public and private agencies?	?	?
3. Has the school contacted its accrediting body to explore possible enhancements to improve its job placement and licensing?	?	?
Entrance and Exit Counseling:	Yes	No
1. Does the school have a loan entrance counseling program?	?	?
2. Does the school have a loan exit counseling program?	?	?
3. Does the school collect additional references and make these references available to the lender upon request?	?	?
4. 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?	?	?
5. Does the school test potential borrowers on their knowledge of the terms and conditions of their loan?	?	?

	Yes	No
6. Does the school fully explain to each borrower their rights and responsibilities under the FFEL loan programs?	?	?
7. Does the school review repayment options?	?	?
8. Does the school explain the sale of loans and the use of servicers?	?	?
9. Does the school provide debt management strategies?	?	?
10. Does the school test borrowers on their knowledge of the terms and conditions of their loan?	?	?
11. Does the school provide a sample loan repayment schedule to each borrower?	?	?
12. Does the school provide the name and address of the lender(s) to the student?	?	?
13. Does the school provide guidance to the borrower on preparation of correspondence to the lender and completing deferment forms?	?	?
14. Does the school use audiovisual materials to enhance the effectiveness of its counseling?	?	?
Student Status Confirmation Reports:	Yes	No
1. Are the enrollment status or status change dates accurate for a sample of students?	?	?
2. Have the reports been submitted in a timely manner?	?	?

Default Reduction:	Yes	No
1. Is the president of the school supportive of default reduction efforts?	?	?
2. Does the school have adequate resources, staff and budget, assigned to managing default reduction efforts?	?	?
3. Are other offices, such as the registrar and bursar, involved in the default reduction efforts?	?	?
4. Does the school have measures against which to evaluate the success of its default reduction efforts?	?	?
Accuracy of Cohort Default Rate (CDR) Data:	Yes	No
1. Is the school aware of the difference between the draft and official CDRs?	?	?
2. Is the school taking advantage of the challenges available during the draft CDR cycle and requests for an adjustment and/or appeals during the official CDR cycle to correct CDR data, acquire benefits and/or alleviate a sanction?	?	?
Default Management Plan:	Yes	No
1. If the school is a new school or has undergone a change of ownership, within the last two years, does the school have an ED-approved default management plan?	?	?
2. Is the school implementing its default management plan as required?	?	?
Sanctions/Benefits:	Yes	No
1. If the school lost program eligibility due to higher default rates, is the school in compliance with the sanction requirements?	?	?
2. If the school is delivering/dispersing loans in a single installment or not delaying delivery/dispbursement for the first installment for first time borrowers, does the school meet the requirements for CDR benefits?	?	?

