



# National Default Prevention Day 2002

**Default Prevention: You Are The Key!**

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# ***The Best Practices***

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# ***Default Prevention: It's a Campus-wide effort***

Successful default prevention is a year round, campus-wide effort requiring collaboration, commitment and cooperation from all departments and personnel on campus.



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# ***Default Prevention: It's a Campus-wide Effort***

- Financial Assistance
- Registrar
- Admissions
- Academic Offices
- Career Services
- Bursar / Cashier





# ***Default Prevention: It's a Campus-wide Effort***

- Finance Office
- Bookstore
- Athletics
- Alumni
- Student Center
- Public Safety





# ***Default Prevention: It's a Campus-wide effort***

Critical decision makers on your campus should be kept abreast of the following trends:

- Default rates of the various loan programs offered at your institution
- Average debt burden of your students and graduates





## ***Prevention starts at the beginning.....***

The first step in the prevention process is ensuring that the students who are admitted and attending the institution are those that can benefit from the educational program.

No default prevention program can achieve the desired results if students admitted are not able to complete their educational goals.





## ***..and continues throughout the student's career***

Once enrolled, the institution must provide the academic and social support services that assist in the achievement of the student's educational goal.

Additionally, career services and alumni affairs provide support by assisting in the student's plans after graduation.





# ***Strategies that have helped Villanova achieve results***

- Limit credit card solicitations
- Use of technology to increase compliance
- Employ debt management counseling at all levels
- Offer a variety of options to assist students in financing their education





# ***Reduce Credit Card Solicitations***

Today's student is constantly bombarded with solicitations for their credit card business via the internet, direct mail, mall solicitations, store solicitations, regular mail, etc. Our job is to try to minimize their exposure on our campuses.

- At Villanova, only one company is permitted to solicit credit card membership from students.





# ***Increase compliance through technology***



Communicating with students in today's environment requires the sophisticated use of technology to remind the students of their need to complete required loan counseling.



# ***Increase compliance through technology***

At Villanova we use a variety of technologies to notify students of their obligations related to the loan programs.

- Notification of entrance / exit interviews by mass email
- Students complete entrance /exit interviews via the web
- Follow up is made through individual email and voice mail





# ***Increasing compliance through technology***

- Our website has various links to the entrance /exit options
- Links to financing options are located on our website
- Students are encouraged to utilize technology whenever possible to communicate with us or access information regarding the aid process





# ***Counseling is critical***

Counseling takes place in all departments and at all levels for those involved in the student payment process.

Debt counseling is a continuing process throughout the student's enrollment at the institution.





## ***Offer a variety of financing options***

- Villanova has instituted the “VU Financing Plan” to assist students and parents pay for their education.
  - VU Financing Plan incorporates three opportunities to assist in the payment of educational costs





# ***Offer a variety of financing options***

- The Financing Plan provides a three tier approach to payment
  - Payment Plan
  - PLUS Loan
  - Villanova Loan



## ***Offer a variety of financing options***

- The success of the Financing Plan in a default prevention program lies in the basic assumption that families are first encouraged to make payments via the payment plan rather than take out loans. Only after they cannot pay the bill through the payment plan is the family advised to look into the loan options.



## ***Offer a variety of financing options***

- Families who need to borrow are then counseled to look at the PLUS loan and then a private loan program.
- Web-based tools allow the family to review options before making commitments. Phone counseling is also available for families choosing this option.





## **Contact Us**

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