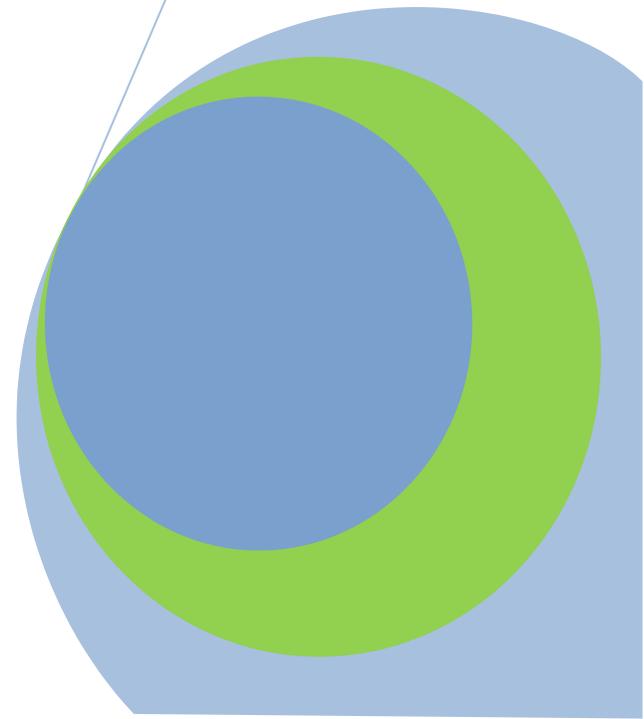


## 2.2 How Schools Get Cohort Default Rates and Loan Data

Electronic Cohort Default Rate Process



## ***When are cohort default rates sent to schools?***

The U.S. Department of Education (the Department) calculates cohort default rates twice each year. Generally, the Department sends *draft* cohort default rates to schools in February. After schools receive their draft cohort default rate data, schools are provided an opportunity to identify and correct any inaccuracies by submitting an incorrect data challenge. Schools also have the opportunity to challenge a potential loss of eligibility or potential placement on provisional certification by submitting a participation rate index challenge.

For more information on Provisional Certification please see 668.13(c)

The Department then calculates and releases the *official* cohort default rates. Official cohort default rates are generally released to schools and the public approximately six months after the release of the draft cohort default rates. Official cohort default rates must be released no later than September 30th each year.

## ***Who receives cohort default rate information?***

The Department provides draft cohort default rates to schools only and does not release individual school rates to the public. The Department provides official cohort default rates to schools and also makes them available to the public. The Department sends draft and official cohort default rates to all schools that the Department's records indicate:

- ◆ are eligible to participate in any of the Title IV programs and
- ◆ have had a borrower in repayment in the current or any of the past cohort default rate periods and
- ◆ are enrolled in the electronic cohort default rate notification process

Those schools that have never had a borrower enter repayment on a Federal Family Education Loan (FFEL) Program and/or William D. Ford Federal Direct Loan (Direct Program) Program loan will not receive a cohort default rate package.

## ***How does the Department send cohort default rate information to schools?***

The Department electronically transmits cohort default rate (eCDR) notification packages to all schools foreign and domestic, using the Student Aid Internet Gateway (SAIG) destination point administrator (DPA) designated by the school. All schools are allowed five business days to report any problems with the electronic transmission of their eCDR packages. Timelines for submitting challenges, adjustments, and appeals begin on the sixth business day following the announced transmission date, as posted on the Department's [Information for Financial Aid Professionals \(IFAP\)](#) website. For the instructions to enroll in the eCDR notification process, please click on the link [provided](#).

## ***What is included in the eCDR package?***

Each eCDR package will include a cover letter, a Loan Record Detail Report (LRDR), and an extract-type LRDR. Schools should review the LRDR carefully to ensure that the loan data used to calculate the rates is accurate. (See Chapter 2.3 "Reviewing the Loan Record Detail Report.")

The official cohort default rates are available to the public through a searchable database at: <https://ifap.ed.gov/dm>

This Web page also includes an option to download the entire list of default rates and/or the list of schools that are subject to sanction.

The extract-type LRDR can be opened in spreadsheet or database software, which may expedite and simplify your participation in any or all of the challenge, adjustment, and appeal processes and with default prevention activities.

Schools that have previous borrowers entering repayment on Subsidized or Unsubsidized Stafford loans, but who have no borrowers in any of the three most recent cohort periods, will only receive a header and trailer sheet for the LRDR. If a school is subject to loss of eligibility because of three consecutive years of a cohort default rate that exceeds the relevant threshold as discussed in Chapter 2.4, the school will receive LRDRs for the current and prior two cohort fiscal years. Similarly, if a school's official cohort default rate is an average rate, it will receive LRDRs for the current and prior two cohort fiscal years.

The Department has created a new LRDR import tool to assist in importing the extract-type LRDR to an excel spreadsheet. The new LRDR Import Tool is located on the Default Management Web site under the Financial Aid Professionals section. Contact NSLDS at 1-800-999-8219 for assistance with this tool.

### Cohort fiscal years included in package

<b>When a school receives a:</b>	<b>The Department will provide the:</b>
Draft cohort default rate	Most recent LRDR for the draft cohort default rates
Official, non-average cohort default rate that does not exceed relevant thresholds.	Most recent LRDR for the official cohort default rates
Official cohort default rate that exceeds the relevant threshold as discussed in Chapter 2.4 for three consecutive years	Three most recent LRDRs for the official cohort default rates
Average official cohort default rate	Three most recent LRDRs for the official cohort default rates

*NOTE: If a school receives a LRDR for a previous cohort fiscal year, the LRDR will not reflect any changes that the Department agreed to as a result of a previous adjustment and/or appeal. The school must refer to the adjustment and/or appeal determination letter for information on cohort default rate changes.*

Please see:  
CFR 668.204  
CFR 668.205

### **How does a school request a copy of the LRDR from NSLDS?**

All schools, foreign and domestic, that have an NSLDS User ID can request an electronic LRDR using the [National Student Loan Data System \(NSLDS\)](#) Website.

To obtain an NSLDS User ID, contact CPS/SAIG Technical Support at 1-800-330-5947. For NSLDS password assistance, contact NSLDS Customer Service at 1-800-999-8219.

A school may request a LRDR only for their entity. A school may not request a LRDR for another school. Schools should go to the NSLDS “Report” tab and request the report number for “DRC035, School Cohort Default Rate History Report. Once the request has been made, the LRDR is delivered to the SAIG mailbox associated with the NSLDS User ID that made the request.

There are two types of NSLDS User IDs: an online services User ID and an online services and batch User ID. Because both User IDs have SAIG mailboxes, both can be used to request an electronic LRDR. However, if the online services User ID is used, the LRDR will be placed in the mailbox associated with that User ID and not in the mailbox associated with the online services and batch User ID.

### ***When may a school request a copy of the LRDR?***

A school may request a copy of the LRDR for its reference at any time after the draft or official rates have been released. However, if a school did not receive a LRDR and it intends to submit a cohort default rate challenge, adjustment and/or appeal, the school must request the LRDR and submit the cohort default rate challenge, adjustment and /or appeal by the relevant timeframe associated with the challenge, adjustment and /or appeal (see relevant section of Chapter 4 for challenge, adjustment and / or appeal timeframes).

### ***What LRDR data is sent to a school that has been involved in a change of status?***

A school involved in a change in status will receive LRDR that includes the other schools involved in the change of status after the change occurred.

Once a change in status occurs, any of the schools whose cohort default rates are affected by the change in status can request a LRDR which includes all the data for any of the other schools whose borrowers are included in its cohort default rates as a result of the change in status. A school can request an electronic LRDR, in either format, by going to the NSLDS and requesting and downloading the files. For assistance with requesting your LRDR, please contact NSLDS at 1- 800- 999-8219 or send an email to [NSLDS@ed.gov](mailto:NSLDS@ed.gov).

Further, after a change in status, a school may submit a challenge, adjustment, or appeal based on the data for another school’s borrowers, under the same requirements that would be applicable to the other school, if the loans for those borrowers affect the school’s cohort default rate.

See Chapter 2.5, “Change in Status and Evasion,” for more information about changes in status.