

Default Prevention and Management Plan for Students Receiving U.S. Department of Education Title IV Financial Aid

Below are some approaches that De Montfort University employs to help our US loan students to better understand the responsibility of borrowing loan funding for their programme of study. The purpose is to decrease the numbers of students defaulting on repayments on their loans

Entrance Counselling

All new students borrowing from the Federal Direct Loans programme are required to complete [Entrance counselling](#) prior to their loans being certified. During Entrance Counselling, students are advised of:

- How the Master Promissory Note works
- The importance of repaying the loan
- The consequences of default
- Sample monthly repayment amounts

Financial Literacy for Borrowers

On the Financial Aid communication with students we recommend to them that they borrow only what they need and make themselves aware of the repayment obligations of the loans they intend to borrow.

On the Financial Aid communication to students continuing on subsequent years of their degree programme we strongly recommend that they review their borrowing to date by checking their Loan History on NSLDS or completing Entrance Counselling again.

We advise that it is not a requirement to take the maximum loans available and that the students review their loan repayment obligations.

All Title IV students are asked to confirm the amount of loans they require (following notification of loan available) and confirm they are aware of the future financial obligations of the borrowing they have requested.

Early Identification and Counselling for Students at Risk of Withdrawal

The University is responsible for identifying borrowers at risk of withdrawing and counselling students accordingly with a view to try and retain those students.

Communication

All students are directed to the University's Consumer Disclosure Information on the Loan Notification letter. They are provided with a link to the University US Loans webpage containing all key information.

Up to date contact information for both the student and their next of kin is obtained from the student at registration and are held on their student record. Students are able to update their contact details via our student self-service system.

Exit Counselling

Graduating students and withdrawing students are reminded of their obligation to undertake [Exit Counselling](#) as part of the conditions of borrowing Federal Direct Loans. Students are directed to <https://studentloans.gov/myDirectLoan/index.action> and are asked to inform the US Loans team when they have completed their Exit Counselling.

Timely and Accurate Enrolment Reporting

The University will ensure that accurate information on enrolments including updates is reported in a timely way on the National Student Loan Data System.

Analyse Defaulted Loan Data to Identify Defaulter Characteristics

The University will analyse defaulted loan data to discern who is defaulting and why. We will use this information to improve default prevention and management practices and initiatives. Internal data includes key information such as school attended, program of study, demographics, grades, etc. The LRDR will be reviewed to determine if there are common characteristics among defaulters. We will also make use of the below recommended tools to ensure data accuracy and employ effective loan counselling and default prevention and management techniques to aid students and the University.

Tools and Activities for Schools

The University will make use of the recommended tools (below) to ensure data accuracy and employ effective loan counselling and default prevention and management techniques to aid students and the University.

Where do I begin?
FSA Assessments for Default Prevention and Management https://ifap.ed.gov/fsa-assessments/default-prevention-management
Loan Counselling
Students and Counsellors http://www.studentaid.ed.gov
The Student Guide and NSLDS for Students https://unm-student.custhelp.com/ci/fattach/get/20411/0/filename/A+Student%27s+Guide+to+NSLDS.pdf
How much will it cost? http://nces.ed.gov/ipeds/cool/ http://www.dlsonline.com/tools/search.asp (for Direct Loan Borrowers)

<p>How will I pay for it? https://studentaid.ed.gov/sa/repay-loans</p>
<p>Will I make enough money in my chosen occupation to repay student loans I receive? https://www.bls.gov/cps/earnings.htm#earn http://data.bls.gov/PDQ/outside.jsp?survey=nc</p>
<p>Repaying Your Student Loans https://studentaid.ed.gov/sa/repay-loans/understand/checklist</p>
<p>Ombudsman Office https://studentaid.ed.gov/sa/repay-loans/disputes/prepare</p>
<p>Ensuring Student Loan Repayment Best Practices for Schools https://ifap.ed.gov/eannouncements/attachments/0118nhbook1web.pdf</p>
<p>Mapping Your Future http://www.mapping-your-future.org</p>
<p>Jump Start Coalition for Personal Financial Literacy http://www.jumpstart.org</p>
<p>Enrolment Reporting and Data Accuracy</p>
<p>NSLDS Enrolment Reporting Guide, formerly SSCR User’s Guide https://ifap.ed.gov/nslds-reference-materials/NSLDSEnrollmentReportingGuide111220</p>
<p>NSLDS Date Entered Repayment Report, School Repayment Information Loan Detail Report, and Enrolment Reporting Summary Report https://nsldsfap.ed.gov</p>
<p>NSLDS Reports, requesting and formatting questions https://nsldsfap.ed.gov Using the Report Tab NSLDS User ID CPS/WAN Technical Support 1-800-330-5947 NSLDS Customer Support 1-800-999-8219</p>
<p>Cohort Default Rate Guide for information on challenges, adjustments, and appeals https://ifap.ed.gov/dm/finalcdrg</p>
<p>Default Prevention</p>
<p>FSA Assessments https://ifap.ed.gov/ilibrary/document-types/fsa-assessments</p>
<p>Ensuring Student Loan Repayment Best Practices http://ifap.ed.gov/eannouncements/0119stuhbkbestprectice.html</p>
<p>NSLDS Reports and Exit Counseling https://nsldsfap.ed.gov</p>
<p>NSLDS Reports, requesting and formatting questions https://nsldsfap.ed.gov Using the Report Tab NSLDS User ID CPS/WAN Technical Support 1-800-330-5947 NSLDS Customer Support 1-800-999-8219</p>

Direct Loan Servicing/Schools website, accessed via COD website

<http://cod.ed.gov>

For FFEL Schools, Default Prevention Strategies

<http://ifap.ed.gov/qamodule/DefaultManagement/DefaultManagement.html> or contact your guaranty agency

General Connections/Publications

Information for Financial aid Professionals (IFAP) Library with publications, training, tools, references, laws, etc.

<https://ifap.ed.gov/>

The Office of Federal Student Aid

<https://www2.ed.gov/about/offices/list/fsa/index.html>

The Student Guide

<http://www.studentaid.ed.gov>

NSLDS

<https://nsldsfa.ed.gov>

ED Pubs, the Department of Education Online Publication Ordering System, helps you identify and order free publications from the Department. Examples of resources available at ED Pubs include the following: www.edpubs.org

- Repaying Your Student Loans (in English and Spanish)
- The Student Guide
- Getting Ready to Pay for College
- Counsellors and Mentors Handbook