

Default Management Plan for the US Federal Direct Loans

Solent University –Direct Loans Default Management Plan

This document contains information undertaken by Solent University to assist students in understanding the responsibilities of borrowing US loans to fund their education and to reduce the number of students who default on their loan repayments.

Entrance Counselling

All students wanting to access their US loans either as a new student or continuing are required to undertake Entrance Counselling. This will cover the following topics:

- Student Loan Terms.
- Financial Responsibility for the student.
- Repayment Estimates and the importance of repayment.
- The consequences of defaulting on the loan.

The student completes an online interview accessed through the VFAO –Virtual Financial Aid Office to apply for their Direct Loans and a hardcopy of the interview is retained in the students file.

<https://studentaid.gov/app/counselingInstructions.action?counselingType=entrance>

Identification & counselling for students at risk of progression/withdrawal

The University is responsible for monitoring progression and providing support for all students who are at risk of withdrawing from study. Support and guidance is provided at an early juncture should there be any indication of non-progression on a students' academic programme. Prompt referral where necessary ensures support, information and guidance is given at the earliest opportunity. There is also a dedicated Student Hub and Student Funding team to provide advice and support on any welfare/financial issues that might also result in the student withdrawing.

Communication

The Foreign Schools Consumer information is available for all US students with Direct Loans to access as directed by the University.

Academic Progress and Enrolment status are held on the university central student record system which can be accessed by all relevant staff across the University, including Tier IV compliance for attendance monitoring and the Student Funding Team.

Exit Counselling

Upon graduating or withdrawing students are asked to complete Exit Counselling as a condition of their borrowing US Federal Loans.

<https://studentaid.gov/app/counselingInstructions.action?counselingType=exit>

On completion of the Exit Counselling the University requests the student send an email to confirm completion and this will be retained on the students file.

Enrolment reporting

With the administration of US loans, the University is expected to submit accurate enrolment data to the National Student Loan Data Systems (NSLDS). We send information to NSLDS at two monthly intervals to NSLDS.

Analyse Defaulted Loan Data

The University receives regular monthly reports on loan default data which is analysed. This information is used to improve default prevention. Any students that are identified as defaulting on their loan will be directed to their loan provider in the first instance.

1. Where do I begin?

FSA Assessments for Default Prevention and Management

<http://ifap.ed.gov/qahome/qaassessments/defaultmanagement.html>

2. Loan Counselling

Students & Counsellors

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

The Student Guide and NSLDS for Students

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

How much will it cost?

<https://studentaid.ed.gov/sa/fafsa/estimate>

How will I pay for it?

http://studentaid.ed.gov/students/publications/student_guide/index.html

Will I make enough money in my chosen occupation to repay student loans I receive?

<http://www.direct.ed.gov/RepayCalc/dlindex2.html>

Repaying Your Student Loans

http://www.studentaid.ed.gov/students/publications/repaying_loans/index.html

Ombudsman Office

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

Ensuring Student Loan Repayment Best Practices for Schools

<http://www.ifap.ed.gov/eannouncements/0119stuhbkbestprectice.html>

SFA Assessments for Schools

<http://ifap.ed.gov/dpcletters/attachments/GEN0514Attach.pdf>

Jump Start Coalition for Personal Financial Literacy

<http://www.jumpstart.org>

3. Enrolment Reporting and Data Accuracy

NSLDS Enrolment Reporting Guide, formerly SSCR User's Guide

<http://www.ifap.ed.gov/nsldsmaterials/010904NSLDSEnrollRepGuide.html>

NSLDS Date Entered Repayment Report, School Repayment Information Loan Detail Report, and Enrolment Reporting Summary Report

<https://www.nsldsfap.ed.gov>

NSLDS Reports, requesting and formatting questions

<https://www.nsldsfap.ed.gov> Reports Tab

Cohort Default Rate Guide for challenges, adjustments, and appeals information

<http://ifap.ed.gov/DefaultManagement/DefaultManagement.html>

4. Default Prevention

FSA Assessments

<http://www.ifap.ed.gov/DefaultManagement/DefaultManagement.html>

Ensuring Student Loan Repayment Best Practices

<http://www.ifap.ed.gov/eannouncements/0119stuhbkbestprectice.html>

NSLDS Reports and Exit Counselling

<https://www.nsldsfap.ed.gov>

NSLDS Reports, requesting and formatting questions

<https://www.nsldsfap.ed.gov> Reports Tab

Late Stage Delinquency Assistance (LSDA) Guide Direct

Loan Schools can access via COD website

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

Default Prevention Strategies

<http://www.ifap.ed.gov/DefaultManagement/DefaultManagement.html>

or contact your Loan Servicer

5. General Connections/Publications

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

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

The Office of Federal Student Aid

<http://www.ed.gov/about/offices/list/fsa/index.html>

The Student Guide

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

NSLDS

<https://www.nslsdfap.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:

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