

**Vernon College**  
**Assessment Activity/Report Communication Form**  
**2018-2019**

**Department of Education Draft Cohort**

**Title:** Default Rate

**Date of completion:** February 25, 2019

**Highlights of data:** Our FY 2016 Draft 3 Year Cohort Default Rate was 18.2%, which is up from our FY 2015 official rate of 17.1%. This data reflects the percentage of students that entered repayment in FY 2016 (October 1, 2015 through September 30, 2016) and who defaulted by the end of the next FY (September 30, 2018). The rate is calculated by dividing the number of borrowers who entered repayment in 2016 by the number of borrowers who entered repayment in 2016 and defaulted in 2016, 2017, or 2018.

**Use of data:** Panhandle-Plains Management and Servicing Corporation took over our default prevention services July 1, 2017 and had approximately 13 out of 36 months to impact the CDR and approximately 53% of the defaults occurred before their initial load of data. They will have 27 out of 36 months to impact the FY 2017 rate and at the time of the initial load there were not any defaults. The current FY 2017 rate is 10.96% and our current FY 2018 rate 4.07%. They appear to be having a positive impact on our CDR at a significant decrease in cost. The official FY 2016 default rate will be provided in September 2019.

**How associated to Student Success?** If a school's three most recent official cohort default rates are 25.0% or greater for the two year calculation, or 30.0% or greater for both the three year calculation, the school will lose Direct Loan and Pell Grant program eligibility for the remainder of the fiscal year in which the school is notified of its sanction and for the following two fiscal years. A school's official cohort default rate is greater than 40.0%, for both the two year and three year calculation, the school will lose its eligibility to participate in the Federal Direct Loan Program (DL) for the remainder of the fiscal year in which the school is notified and for the following two fiscal years.

**Where the report can be found:** Financial Aid Office

**Submitted by:** Melissa Elliott **Date:** February 26, 2019  
(Responsible Party)

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**Received by Office of Institutional Effectiveness:** February 26, 2019  
(Date)

- \* To be shared with the Student Success Data and College Effectiveness Committees as well as Vernon College constituents.

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Posted to VC Website\*:

February 28, 2019

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(Date)

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