

**Vernon College**  
**Assessment Activity/Report Communication Form**  
**2019-2020**

Department of Education Draft Cohort

Title: **Default Rate**

Date of completion: **February 24, 2020**

**Highlights of data:**

Our FY 2017 Draft 3 Year Cohort Default Rate was 13.2%, which is down from our FY 2016 official rate of 18.2%. This data reflects the percentage of students that entered repayment in FY 2017 (October 1, 2016 through September 30, 2017) and who defaulted by the end of the next FY (September 30, 2019). The rate is calculated by dividing the number of borrowers who entered repayment in 2017 by the number of borrowers who entered repayment in 2017 and defaulted in 2017, 2018, or 2019. This is our lowest rate in 10 years.

**Use of data:** Panhandle-Plains Management and Servicing Corporation took over our default prevention services July 1, 2017 and had 27 out of 36 months to impact the FY 2017 rate. The current FY 2018 rate is 13.33% and our current FY 2018 rate 3.58%. They appear to be having a positive impact on our CDR at a significant decrease in cost. The official FY 2017 default rate will be provided in September 2020.

**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:** March 2, 2020  
(Responsible Party)

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**Received by Office of Institutional Effectiveness:** March 2, 2020  
(Date)

**Posted to VC Website\*:** March 2, 2020  
(Date)

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