

# Executive Reference Guide for Managing the CDR

## Operationalizing Default Management

### ANALYZE

Use data to examine default.

### PLAN

Create a Default Management Plan.

### ACT

Execute the Plan.

### COLLABORATE

Partner and communicate.

#### Leadership is the key to successfully reducing and managing the Cohort Default Rate.

- Create a Default Management Task Force.
- Perform timely and accurate enrollment reporting.
- Challenge the Draft CDR.
- Manage NSLDS actively.
- Develop extensive borrower communication.
- Implement financial literacy programs.
- Focus on retention.

#### Elements of an Effective Default Management Plan

WHY	WHO	WHAT	HOW	WHERE	WHEN/ HOW MUCH
Identifies factors causing CDR to exceed threshold.	Identifies and describes “at-risk” borrowers.  Specifies responsibility for specific tasks.	Describes steps to be taken to improve its CDR.	Specifies actions to improve repayment.	Identifies intervention points / “early warning system”.	Identifies timetables and schedules.  Establishes measureable objectives.

#### How Can FSA Help?

- Use the Cohort Default Rate Guide at <https://ifap.ed.gov/DefaultManagement/finalcdrg.html>
- Use FSA resources at <https://ifap.ed.gov/DefaultPreventionResourceInfo/>

Contact FSA’s Default Prevention Team at [defaultpreventionassistance@ed.gov](mailto:defaultpreventionassistance@ed.gov) for assistance!

## CDR Management Activity Calendar

February	
Receive official Draft CDR notification package from Department of Education (ED) via SAIG.	School Designee
Schedule review of Draft CDR at senior leadership meeting.	President
Establish internal institutional data review and associated timelines.	
March	
Ensure that Default Management Team convenes.	School Designee
Begin detailed review of Draft CDR data and make initial determination regarding possible data challenges.	Default Management Team
Make recommendations to President/Chancellor regarding possible data challenges.	
Submit official challenges to ED within 45 calendar days after official receipt of draft rates, with President/CEO-appropriate letters certifying challenges.	President
April	
Charge Default Management Team to prepare statistical analysis of borrowers in the current year CDR group.	President
Provide detailed report to senior leadership team with recommendations for institutional actions based on data.	Default Management Team
May	
Select Default Management Team recommendations that might impact the CDR in the coming school year.	President
Develop implementation plan for selected recommendations.	Default Management Team
Lead implementation of selected recommendations.	President
June	
Convene to review and revise plan for approaching school year, including adding or changing action items.	Default Management Team
Provide summary report to President and Senior Leadership Team.	
September	
Receive official final CDR package for year in question from Department of Education via SAIG.	School Designee
Review final report, identify if challenges were addressed in final rate, and determine if adjustment or appeal is necessary and appropriate.	Default Management Team
Submit adjustment or appeal to ED within 30 calendar days after official release date, with President/CEO-appropriate letters certifying adjustment or appeal.	President
October	
Convene Default Management Team.	President
Designate / update specific staff or offices as contact points for data manager, Department of Education, School Participation Teams, and Servicers.	Default Management Team
Conduct risk analysis of school and student population.	
November	
Develop a plan to monitor school and student data on a consistent and ongoing basis.	Default Management Team
January	
Begin preparation for release of draft cohort default rates.	Default Management Team
Monthly	
Compare NSLDS reports on default and repayment status with school's own data.	Financial Aid Office / School Staff
Continuous	
Coordinate information flow between designated offices. Provide timely information to Leadership and offices.	Admin and Staff
Partner with Federal Loan Servicers.	
Work the Servicer and NSLDS Reports on a consistent basis.	
Ensure timely flow of information and reporting.	
Employ student retention and success strategies.	