

Default Management Plan

1. Overview

This document contains information undertaken by the University of York to assist students in understanding the responsibilities of borrowing US Federal Aid, namely William D. Ford Federal Direct Loans, to fund their education and to reduce the number of students who default on their loan repayments.

2. Entrance Counselling

All students wanting to access US Federal Aid either as a new student or continuing are required to undertake Entrance Counselling. During Entrance Counselling, students are advised:

This will cover the following topics:

- how the Master Promissory Note (MPN) works,
- terms of their loan, including financial responsibility to them,
- the importance of repayment,
- the consequences of defaulting on the loan,
- and sample monthly repayment amounts.

The student completes an online interview accessed through the [Virtual Financial Aid Office](#) (VFAO) to apply for their Direct Loans. Once this has been completed, the student must email a copy of their completed Entrance Counselling to sfsu@york.ac.uk, stating their University of York student number as reference. A copy of the Entrance Counselling will be retained in the student's file, as per the Data Protection information advised within the [Consumer Disclosure Information](#).

3. Financial Literacy for Borrowers

The University of York recommends that students only borrow what they need; it is not a requirement to borrow the maximum available loans. In turn, all students should make themselves aware of the repayment obligations of the loans they intend to borrow prior to confirming which loans they wish to borrow each academic year.

For students who are borrowing in subsequent years, the University of York strongly recommends that they review their borrowing to date by checking their loan history on the National Student Loans Data System (NSLDS), or when completing the Entrance Counselling again.

These recommendations will be included in Financial Aid communications sent to the student from Student Financial Support (SFS). Students will be required to respond to these communications in writing confirming the borrowing amount and that they are aware of the future financial obligations of the borrowing. Any applications for US Federal Aid will not be taken further without this written confirmation.

4. Early Identification and Counselling for Students at Risk of Withdrawal

Information on responsibilities placed on the student to maintain a satisfactory academic level, and the University's responsibilities to report this, can be found within the [Satisfactory Academic Progress \(SAP\) Policy](#).

The University of York has a responsibility to identify and report students who have withdrawn from their studies, including those taking a temporary leave of absence, within 45 days of the date the student is determined to have withdrawn. Further information on how the withdrawal date is calculated and how a withdrawal can affect Federal Aid eligibility can be found within the University's [Return to Title IV \(R2T4\) Policy](#).

Students considering withdrawing or taking a break from their studies are recommended to follow the guidelines listed on the [University of York's website](#), including discussing their personal circumstances with their supervisor and/or a member of the University's [Support and Advice Team](#). Any changes may affect a student's Tier 4 visa status, if applicable, and therefore, it is strongly recommended that students seek [immigration advice](#) before making their final decision.

Once a withdrawal has been processed, SFS will provide the student with information on their Federal Aid, including any refunds if applicable, as per the Return to Title IV Policy. The student will be requested to complete their Exit Counselling (see [section 6](#) below).

5. Communication

The University of York's Consumer Disclosure Information is available via [University Consumer Disclosure Information webpage](#) for all students to access prior to applying for US Direct Loans. All students in receipt of Title IV Direct Loans are sent a reminder of this information within confirmation that their loans have been processed.

Academic Progress and enrolment status is held on the University's central student records system, SITS, and updated upon notification from the student's academic department. This information is accessible to the student, via e:Vision. SFS will access the central student records system to confirm satisfactory academic progress prior to each disbursement.

Up to date contact information for both the student and their next of kin is obtained from the student at enrolment and held on their central student record. This information is revised annually at the beginning of each academic year.

The university has effective procedures in place to ensure accurate and timely communications across the relevant departments. Therefore academic progress and enrolment status is communicated across Campus ensuring the relevant aid is disbursed on time and to the correct students and compliance with Direct Loan regulations. Academic departments are reminded of their responsibility for timely and accurate notification of changes to the student's enrollment, such as an unapproved withdrawal, and/or satisfactory academic progress each academic year.

6. Exit Counselling

As an obligation of borrowing US Federal Aid, students are reminded to complete Exit Counselling following graduation or withdrawal from their studies at the University of York. Students who fall below half-time enrolment are also required to complete Exit Counselling.

Exit Counselling can be completed via the [VFAQ](#). Once this has been completed, the student must email a copy of their completed Entrance Counselling to sfsu@york.ac.uk, stating their University of York student number as reference. A copy of the Entrance Counselling will be retained in the student's file, as per the Data Protection information advised within the Consumer Disclosure Information document.

7. Timely and Accurate Enrolment Reporting

The University of York will ensure that accurate information on enrolments, including updates to individual student records, is reported in a timely manner via NSLDS at two-monthly intervals.

8. Analyze Defaulted Loan Data

The University of York receives regular reports on defaulted loan data available from NSLDS and this information will be analyzed to improve default prevention and enhance Best Management Practice, and will be used to pinpoint common trends amongst defaulters.

Any students identified to be defaulting on their loans will be directed to their individual loan provider in the first instance to discuss repayment options.

9. Tool and Activities for Schools

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

9.1 Where do I begin?

- [FSA Assessments for Default Prevention and Management](#)

9.2 Loan Counselling

- [Students and Counsellors](#)
- [The Student Guide and NSLDS for Students](#)
- How much will it cost?
 - [National Center for Education Statistics](#)
 - [For Direct Loan Borrowers](#)
- [How will I pay for it?](#)
- Will I make enough money in my chosen occupation to repay the student loans I receive?
 - [US Bureau of Labor Statistics: Earnings](#)
 - [US Bureau of Labor Statistics: National Compensation Survey \(SIC\)](#)
- [Repaying Your Student Loans](#)
- [Ombudsman Office](#)
- Ensuring Student Loan Repayment Best Practices for Schools
- [SFA Assessments for Schools](#)

- [Mapping Your Future](#)
- [Jump-start Coalition for Personal Financial Literacy](#)

9.3 Enrollment Reporting and Data Accuracy

- [NSLDS Enrollment Reporting Guide](#) (formerly SSCR User's Guide)
- [NSLDS](#) (Reports and Existing Counselling)
 - For NSLDS Reports, requesting and formatting questions, see *Reports Tab*.
- NSLDS User ID:
 - CPS/WAN Technical Support 1-800-330-5947
 - NSLDS Customer Support 1-800-999-8219
- [Cohort Default Rate Guide](#) for information on challenges, adjustments, and appeals

9.4 Default Prevention

- [FSA Assessments](#)
- Ensuring Student Loan Repayment Best Practices
- [NSLDS](#) (Reports and Existing Counselling)
 - For NSLDS Reports, requesting and formatting questions, see *Reports Tab*.
- NSLDS User ID:
 - CPS/WAN Technical Support 1-800-330-5947
 - NSLDS Customer Support 1-800-999-8219
- Direct Loan Servicing/Schools website, accessed via [COD website](#)
- For FFEL Schools, [Default Prevention Strategies](#) (or contact your guaranty agency)

9.5 General Connections/Publications

- [Information for Financial aid Professionals \(IFAP\)](#): Library with publications, training, tools, references, laws, etc.
- [The Office of Federal Student Aid](#)
- [The Student Guide](#)
- [NSLDS](#)
- [ED Pubs](#): the Department of Education Online Publication Ordering System, which helps identify and order free publications from the Department. Examples of resources available include:
 - *Repaying Your Student Loans* (available in English and Spanish)
 - *Getting Ready to Pay for College*
 - *Counsellors and Mentors Handbook*

10. Contact

For enquiries about this document or US Federal Aid, please contact:

Student Financial Support

University of York

sfsu@york.ac.uk

(Office Hours: Monday to Friday, 10am - 4pm)