

Nathan Deal
GOVERNOR



Georgia Student Finance Commission
Georgia Student Finance Authority
Georgia Higher Education Assistance Corporation
GAfutures.org

Shawn Ryan
PRESIDENT

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Subject: State Loan Programs Official Cohort Default Rates

Dear Colleague:

The Georgia Student Finance Authority (GSFA) continues to seek ways to improve its stewardship of the State Loan Programs. To that end, on October 4, 2016 we provided 2014 Three-Year Preliminary Cohort Default Rates to each eligible postsecondary institution for the following State Loan Programs:

- Student Access Loan (including Student Access Loan-Technical) (SAL)
- Georgia Military College State Service Scholarship/Service Cancelable Loan (GMCS)
- Scholarship for Engineering Education Service Cancelable Loan (SEE)
- Scholarship for Engineering Education for Minorities Service Cancelable Loan (MSEE)
- University of North Georgia Military College Service Cancelable Loan (GAML)
- Georgia National Guard Service Cancelable Loan (GANG)

As stated in Dear Colleague Letter 2017-08 released on September 30, 2016 and in the new *GSFA State Loan Cohort Default Rate Guide*, the 2014 Three-Year Official Cohort Default Rates (CDR) were provided through the SURFER System on December 15, 2016.

The participating institutions with a borrower entering Repayment during the 2014 Cohort Year for any of these programs has been provided an Official CDR Report in the institution's SURFER inbox. Any institution that did not have a borrower in repayment during the current cohort default rate period will **not** receive a Cohort Default Rate Report. These schools are considered to have no cohort default rate data and, therefore, no default rate.

The new [*GSFA State Loan Cohort Default Rate Guide*](#) is available as a reference tool to assist participating institutions in understanding their CDR reports and future benchmarks. The *Guide* provides the following information:

1. The calculation and methodology of the three-year cohort default rate for each of the state loan programs.
2. A sample CDR Report and details on how to read the report.
3. Cohort Default Rate Requirements and benchmarks for participation in the Student Access Loan Program that will be implemented in FY 2018.

For this first year, the rates are being shared for informational purposes only. Next year, institutions with SAL CDRs below the acceptable rate will be required to provide a Default Management Plan as a corrective action.

If after reviewing your institution's CDR Report and reading the *Guide*, you have questions about these new reports, please contact Pennie Strong, Vice President, Student Aid Services, at 770.724.9014 or email at pennies@gsfc.org.

If you have questions about the borrower data in the reports, please contact the Loan Servicing Department at 770.724.9400 or email at SALCDR@gsfc.org.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shawn Ryan', with a stylized flourish at the end.

Shawn Ryan