

Nathan Deal
GOVERNOR



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

Tricia P. Chastain
PRESIDENT

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Subject: State Loan Programs 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, this fall we will begin providing cohort default rates for certain loan programs.

On Tuesday, October 4, 2016, GSFA will provide the Fiscal Cohort Year 2014 Three-Year Preliminary Cohort Default Rates (CDR) for the current state loan programs to participating institutions.

Cohort default rates will be provided 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)

The participating institutions with a borrower entering Repayment during the 2014 Cohort Year for any of these programs will receive a Preliminary CDR Report in the institution's SURFER inbox.

For this first year, the rates are being shared for informational purposes only. Beginning September 2017, cohort default rates will be provided and measured against set benchmarks. Institutions will have a defined period of time to request corrections to the borrower data contained in the institution's report. The Official CDR report will be provided to the institution annually in December.

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 starting in FY 2018.

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.

If after reading the CDR and 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 that reads "Tricia P. Chastain". The signature is written in a cursive, flowing style.

Tricia P. Chastain

Attachment