Cohort Default Rate Policy for SUNY Cobleskill

The Cohort Default Rate (CDR) policy is a federal student loan policy For SUNY Cobleskill. It is designed to measure the percentage of borrowers who have defaulted on their federal student loans within a specified period after they enter repayment. The policy is primarily associated with the Federal Student Aid (FSA) program, which includes Direct Loans and Federal Family Education Loans (FFEL).

Here are the key components and features of the Cohort Default Rate policy:

- **The Cohort Default Rate (CDR**) is calculated as the percentage of borrowers from a particular cohort (a group of students who entered repayment during a specific fiscal year) who default on their federal student loans within a defined time frame. The standard calculation period is the first three years of repayment, but there are variations in the calculation for different types of institutions and loan programs.
- The U.S. Department of Education monitors and reports on the cohort default rates of institutions regularly. Schools with high default rates may be subject to heightened scrutiny and required to take corrective actions to reduce their rates.
- The U.S. Department of Education has established specific threshold rates for institutions. If an institution's CDR exceeds these thresholds for a certain number of years, it can face sanctions, including the loss of federal student aid eligibility.

Additional information now include The Cohort Default Rate (CDR) policy for Department of Defense (DOD) Memorandum of Understanding (MOU) with SUNY Cobleskill

Key points regarding the Cohort Default Rate Policy for DOD MOU and SUNY Cobleskill include:

- The primary goal of this policy is to safeguard the investment of the Department of Defense in education and ensure that students who receive tuition assistance complete their educational programs and do not default on their student loans.
- Institutions are expected to maintain a certain threshold for cohort default rates. The specific rate may vary, but if an institution's cohort default rate exceeds the threshold, it can face consequences, such as being temporarily suspended from the TA program.
- The cohort default rate is typically calculated by tracking the percentage of borrowers who entered repayment on their federal student loans during a particular fiscal year and then defaulted within a specified timeframe, typically within the first three years of repayment. This rate is reported to the Department of Education.
- Institutions with high cohort default rates may be subject to sanctions, including temporary suspension from participation in the TA program. This suspension can last until the institution takes corrective actions to lower its default rate.
- When an institution's default rate exceeds the threshold, it must take steps to reduce the rate. This can involve implementing financial literacy programs, academic counseling, and other initiatives to help students better manage their financial responsibilities.

- Institutions participating in the TA program are often required to regularly report their cohort default rates and demonstrate their efforts to reduce these rates. If SUNY Cobleskill's CDR goes above the national average, it will be posted to the SUNY Cobleskill website. The CDR is also listed on the SUNY Award Letter which can be reviewed on Banner Web once your Financial Aid has been processed.

It is important to note that the specific terms and details of the Cohort Default Rate Policy for DOD MOU may change over time, and institutions should refer to the most recent MOU and any relevant guidance from the Department of Defense and the Department of Education to ensure compliance with the policy. This policy is meant to protect the financial interests of the DOD while also promoting the educational success of military personnel and their families.