



Default Prevention Program Highlights

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HVCC Overview

Part of State University of New York System

- Enrollment: **13,750**
 - 73% age 24 or under
 - 58% full time / 42% part-time
- First to Second Year Retention: 55%
- Percent Receiving Financial Aid: 77%
- Placement: **94%** find immediate employment in their field or successfully transfer directly to a four-year institution.



HVCC Overview

- **Number of Financial Aid Staff**

- Professional: 5
- Administrative: 7

**Default Prevention a shared responsibility along with other program duties*

- **Cohort Default Rates: '09 - 8%; '08 – 6.8%**

- One of best CDRs in SUNY Community College System



Default Prevention In-School

- Victim of own success?
 - Low rates perceived as no problem by college
- Financial Aid concerned about last minute enrollees who may be first to withdraw and default
- Goal: Get advisement on board
 - Avoid registering at-risk students for too many credits first semester



Default Prevention In-School

- Commitment to In- School Student Counseling
 - College Forum Class
 - Topics include Debt Management / Wise Borrower
 - Required for all freshman
- Focus on Default Prevention
 - Make sure borrowers aware of loan responsibilities
 - Inform about role of Servicer
 - Discuss borrowing only amount *needed*
 - Update Contact information
 - Inform about repayment options, deferment/forbearance options, etc.
- Require in-person counseling for students who notify college of withdrawal



Default Prevention: Out of School

- For students who withdraw, Financial Aid Office:
 - Reaches out right away
 - Sends monthly mailings
 - Monitors repayment patterns
 - Collects contact information and sends to servicer
- Email, Calls, Letters to delinquent borrowers
- Different messages, approaches based on level of Delinquencies
 - 30-60-90 days: Greatest success
 - 90-270 days: Greatest challenge



Default Prevention: Out of School

Worth the effort – Tracking addresses

- Working “Bad Address Report”
 - Internal report based on returned mail
- Staff investigates and attempts gather better address
- School information used as well as other resources
- Respond to Servicer Skip Reports
 - In timely way
 - Provide best information available



Working with Servicers

- Working more closely with servicers is a developing initiative.
- Some servicers are generating dashboard report of students who are signed up for online access.
- Requesting other special reports from Nelnet and other servicers as well.

Monthly Import – NSLDS File

Data Guides Default Prevention Efforts

- Import into Excel
- First identify fields needed and customize
- Set up by cohort year and level of delinquency
- Clinic on NSLDS-to-excel conversion at end of Symposium

Unable to focus on default outreach in busiest periods

- July/August busiest times
- Lines of students/ late activity



Challenging Draft CDRs

Extensive Effort but worth it:

- 6 week effort
- Some in wrong cohort year
- SSN errors
- Some had made satisfactory payment arrangements
- 46% success rate

If in doubt, put on list!



In Summary

Success takes commitment of time and resources

- HVCC makes 500–600 calls and sends same # of emails per month, with 20% success rate
- Staff buy-in critical
- Educating students is half the battle
 - They don't know about repayment options, deferment/forbearance, other loan information
 - For the most part, we find that borrowers want to do the right thing.

