

Pennsylvania Highlands Community College
Financial Aid Office
Default Prevention Plan

Introduction

Although Pennsylvania Highlands Community College is not required by the Department of Education to have a default prevention plan in place, our Financial Aid Office makes significant efforts in the areas of debt management and default prevention. Several years ago, in an effort to heighten student and parent awareness about loans, aid administrators initiated a “Borrow Wisely” campaign in the Financial Aid Office as we shared those same concerns as other institutions about student debt. This Default Prevention Plan, now a part of Pennsylvania Highlands Community College’s Financial Aid Policies and Procedures, describes the Financial Aid Office’s efforts and presents information about the institution’s loan program that helps guide these efforts.

Pennsylvania Highlands Community College Student Loan Borrower Population

To understand debt management and default prevention, it is helpful to see Pennsylvania Highlands Community College’s borrowing population in the context of the college. In 2011-2012, the institution served an unduplicated headcount of 3,999 Credit and 1,526 Non-Credit students. (Pennsylvania Highlands Community College’s Annual Report: <http://www.phlcc.edu/annual-report>)

During 2011-2012, the Financial Aid Office received Free Application for Federal Student Aid results for over 2,200 students listing the College’s 031804 school code; however, 1,449 actually attended Pennsylvania Highlands. Gift aid, self-help (loans, work study), third party resources and scholarships totaling over 6M, was processed for 1,318 students through the Financial Aid Office. This includes processing 763 unduplicated Direct Loan applications and five Alternative Loan applications. The following Award Source Summaries provide statistical data for the past two academic years on aid sources, total awards, number of awards, average/minimum awards and maximum awards. ([2011-2012 Award Source Summary](#) - [2010-2011 Award Source Summary](#))

Pennsylvania Highlands Community College Cohort Default Data

A cohort default rate is the percentage of a school's borrowers who enter repayment on certain Federal Family Education Loan (FFEL) Program or William D. Ford Federal Direct Loan (Direct Loan) Program loans during a particular federal fiscal year (FY), October 1 to September 30, and default or meet other specified conditions prior to the end of the next fiscal year. The following Pennsylvania Highlands Community College loan default statics are provided through the professional access of the National Student Loan Data System (NSLDS). (https://www.nsldsfa.gov/nslds_FAP/)

Pennsylvania Highlands Community College’s Historical Cohort Default Rates

Fiscal Year	Rate Type	Program Type	Numerator	Denominator	Rate	Process Date
2010	2YR OFFICIAL	FFEL	38	396	9.5	08/04/2012
	2YR DRAFT	FFEL	40	396	10.1	02/11/2012
2009	2YR OFFICIAL	FFEL	28	331	8.4	07/30/2011
	2YR DRAFT	FFEL	28	332	8.4	01/16/2011
	3YR OFFICIAL	FFEL	51	333	15.3	08/05/2012
	3YR DRAFT	FFEL	51	333	15.3	02/12/2012
2008	2YR OFFICIAL	FFEL	29	299	9.6	07/31/2010
	2YR DRAFT	FFEL	29	299	9.6	01/02/2010
	3YR TRIAL	FFEL	34	302	11.2	04/14/2011
2007	2YR OFFICIAL	FFEL	36	296	12.1	08/01/2009

	2YR DRAFT	FFEL	36	296	12.1	01/03/2009
	3YR TRIAL	FFEL	48	296	16.2	10/30/2009
2006	2YR OFFICIAL	FFEL	20	328	6	08/02/2008
	2YR DRAFT	FFEL	20	328	6	01/05/2008
	3YR TRIAL	FFEL	28	328	8.5	10/29/2009
2005	2YR OFFICIAL	FFEL	18	223	8	07/28/2007
	2YR DRAFT	FFEL	18	223	8	01/06/2007
	3YR TRIAL	FFEL	29	223	13	10/29/2009
2004	2YR OFFICIAL	FFEL	17	179	9.4	07/29/2006
	2YR DRAFT	FFEL	17	179	9.4	01/07/2006
2003	2YR OFFICIAL	FFEL	9	118	7.6	07/30/2005
	2YR DRAFT	FFEL	9	119	7.5	01/08/2005
2002	2YR OFFICIAL	FFEL	10	116	8.6	07/31/2004
	2YR DRAFT	FFEL	10	116	8.6	01/10/2004
2001	2YR OFFICIAL	FFEL	18	122	14.7	08/02/2003
	2YR DRAFT	FFEL	18	123	14.6	01/12/2003
2000	2YR OFFICIAL	FFEL	8	74	10.8	08/03/2002
	2YR DRAFT	FFEL	8	75	10.6	01/13/2002
1999	2YR OFFICIAL	FFEL	6	28	21.4	08/04/2001
	2YR DRAFT	FFEL	6	28	21.4	01/13/2001
1998	2YR OFFICIAL	FFEL	0	2	0	09/27/2000
	2YR DRAFT	FFEL	0	2	0	12/18/1999
1997	2YR OFFICIAL		0	0	0	08/28/1999
	2YR DRAFT		0	0	0	02/27/1999
1996	2YR OFFICIAL		0	0	0	09/26/1998
	2YR DRAFT		0	0	0	03/28/1998
1995	2YR OFFICIAL		0	0	0	09/27/1997

Organization of Debt Management Activities

Each year since initiating a “Borrow Wisely” campaign, Pennsylvania Highlands Community College Financial Aid Office attempts to integrate the “Borrow Wisely” message in all activities when communicating with internal and external constituents.

1. Recruitment Activities
2. Initial Enrollment
3. Upon Withdrawal or Graduation
4. During Repayment/Cohort Management
5. Measuring the Effectiveness of Pennsylvania Highlands Community College’s Financial Aid Office’s Default Prevention Plan

1. Recruitment Activities

The Pennsylvania Highlands Community College Financial Aid web site provides prospective students and their parents with information about the Direct Loan Program. ([_____](#)) Resources include information on the program, types of loans, interest rates, loan limits, how to apply, deadlines and Entrance/Exit Counseling expectations. In addition, a link is provided to the Department of Education's Federal Student Loan website at www.studentloans.gov, where students are provided with additional information on the Direct Loan Program, Tools and Resources, and Managing Repayment.

The Financial Aid web site also provides a Net Price Calculator tool for students and parents to use to get an estimate of what it may cost to attend Pennsylvania Highlands Community College.

(https://my.pennhighlands.edu/ics/Net_Price_Calculator.jnz)

➤ Financial Aid Nights

Pennsylvania Highlands Community College Financial Aid Office provides financial aid sessions on and off campus for prospective students and their parents. The events and the resources provided are geared to help attendees gain an understanding for the financial aid process in FAFSA completion, types of aid, scholarships, work study, loans, debt management and borrowing wisely.

➤ FAFSA Completion Sessions

Pennsylvania Highlands Community College Financial Aid Office provides FAFSA Completion Sessions conducted on campus in a lab setting wherein students and their parents (if applicable) are assisted by financial aid professionals in creating a Department of Education Personal Identification Number and completing the online Free Application for Federal Student Aid.

➤ Testing & Registration Days

Pennsylvania Highlands Community College Financial Aid Office participates in Admissions Testing & Registration Days, typically conducted on a Saturday. Up to seventy students and their parents (if applicable) are invited on campus wherein students complete the Compass Test, meet with advisors, have the opportunity to meet with Student Services Offices, tour the main campus and register for classes. Parents have the opportunity to take care of student financial obligations and attend sessions conducted by Student Services, Bursar, Library and Information Technology Offices. During the financial aid session, financial aid professionals discuss applying for aid, types of aid, debt management, "Borrowing Wisely" and the financial aid process. During these events, parents and students are also provided with one-on-one assistance at the Financial Aid Office on FAFSA completion, student loans (borrowing wisely, Master Promissory Note, Loan Acceptance Form, Entrance Counseling, Verification and Missing Documents. The College also provides lunch for attendees and gives students and parents the opportunity to chat with College faculty and staff.

➤ Pennsylvania Highlands Community College Financial Aid Office provides a yearly printed Financial Aid and Scholarship Guide publication, which is also available on line at the Financial Aid web site and myPEAK portal.

➤ Pennsylvania Highlands Community College Financial Aid Office provides the Department of Education's yearly publication, "The Guide to Federal Student Aid." A link to the guide is also available on line at the Financial Aid web site and myPEAK portal.

➤ Pennsylvania Highlands Community College Financial Aid Office provides information/messages to prospective students via email, telephone, bulletin board, white board and social media resources to include Twitter and Facebook.

2. Initial Enrollment

➤ New students attending Testing and Registration Days, register for their classes on line through the College's myPEAK portal. The site requires students to log in with the secure information provided by the College's Information Technology Office. Prior to the actual on line registration at the Registrar link, students are required to accept a Registrar Agreement which also includes Pennsylvania Highlands Community College Financial Aid Office's Facts and Certifications pages regarding the Rights and Responsibilities of students attending and receiving aid at Pennsylvania Highlands Community College.

3. Upon Withdrawal or Graduation

- Students completing a Total Withdrawal Form while on campus are strongly encouraged to meet with the Financial Aid Office prior to their decision to withdraw. Financial aid staff counsels student regarding the impact of withdrawal on their financial aid eligibility. If the student opts to withdraw and is eligible for aid at the time, financial aid administrators complete the Return of Title IV Funds Calculation through Marko Technologies, Inc. (<http://www.82marko.com/R2T4.6/R2T4.php>), go over the calculation with the student, explain the calculation eligibility adjustments (if applicable), the student and administrator then signs off on the calculation and the student is provided a take-home copy. If applicable, students are advised to complete the online Loan Exit Counseling in the Financial Aid Office. The student is then referred to the Bursar for any outstanding balance if applicable.
- The Financial Aid Office participates in the Registrar's semester Graduation Fair Program. This event provides students the opportunity to take care of business with Student Service Offices as they prepare to depart Pennsylvania Highlands Community College. While visiting the Financial Aid Office, students receiving loans are counseled about repayment and complete Loan Exit Counseling session on line at NSLDS. (http://www.nsls.ed.gov/nsls_SA/SaEcWelcome.do)

4. During Repayment/Cohort Management

- On a weekly basis, Pennsylvania Highlands Community College Financial Aid Office runs and downloads various loan reports from each of the loan servicers detailing students in delinquency and default statuses. Each report is reviewed and letters are generated for borrowers entering each stage of delinquency for the first time. The letters are printed on college letterhead and mailed to the borrowers.
- Some of the loan servicers have established letter campaigns. Although these letters are generated by the loan servicers, the Financial Aid Office downloads the letters, prints them on college letterhead and mails them to the borrowers.
- Copies of loan servicer weekly reports are kept in the Default Prevention Letters notebook.
- The Financial Aid website and myPEAK portal provides students with 24/7 access to student loan information.

5. Measuring the Effectiveness of Pennsylvania Highlands Community College's Financial Aid Office's Default Prevention Plan

Financial Aid Mission:

We are committed to financial aid programs that will ensure access to and continuation of higher education for people who could not otherwise afford it.

Financial aid programs are established to service students who qualify for admission to the institution. When determining financial assistance, each student is given careful consideration in conjunction with federal, state, and institutional regulations and guidelines to assure total compliance and fairness.

Our office adheres to established procedures for the maintenance and release of records which conform to Financial Aid policies and FERPA regulations.

In conjunction with the Financial Aid Office Mission, each year Pennsylvania Highlands Community College financial aid administrators will evaluate its policies and procedures to ensure that we deliver the most effective programs and services to our students. The focus of this review will be to evaluate financial aid packaging and gear "Borrow Wisely" initiatives targeted to promoting scholarships, federal work study and other gift aid, in lieu of loans. The Financial Aid Office also provides ongoing professional development opportunities for financial aid staff on Default Management through USA Funds, Department of Education and IFAP; and, FERPA through the College's Registrar Office. Pennsylvania Highlands Community College Financial Aid Office has the "Borrow Wisely" campaign initiatives for debt management as a Core Indicator through Tracdat, a software application for managing assessment.