

## Default Management Plan for US Federal Direct Loans

This default management plan contains some of the strategies used by Queen Mary University of London to help our students who are in receipt of Title IV Aid to understand the responsibility of borrowing loans to fund their degree studies. The purpose is to reduce the number of students who default on loan repayments.

### 1. Entrance Counselling

All new students borrowing from the Federal Direct Loans programme are required to undertake entrance counselling at [www.studentloans.gov](http://www.studentloans.gov) where students are advised about:

- how the master promissory note works
- the importance of repaying the loan
- the consequences of default
- sample monthly repayment amounts

### 2. Financial Literacy for Borrowers

All students intending to use US Federal Direct Loans to fund their education at Queen Mary University of London are advised to borrow only what is required to fund their studies and to make themselves aware of the repayment obligations of the loans they intend to borrow. All students taking out US Federal Loans are asked to confirm the amount of loans they require.

### 3. Early Identification and Counselling for Students at Risk of Progression/Withdrawal

The University is responsible for monitoring borrowers who are at risk of non-progression or withdrawing and offers different support services which counsel students according to their circumstances with a view to retaining those students.

### 4. Communication

All Federal Direct Loan students are directed to the Queen Mary University of London US Loans information provided on the website at: <https://arcs.qmul.ac.uk/students/finances/us-loans/>

Academic progress and enrolment status are held on the University student record system SITS which is accessible by all relevant offices across campus including the office that disburses funds and authorise payments. Up to date contact information for both the student and next of kin is obtained from students during enrolment.

### 5. Exit Counselling

Graduating and withdrawing students are advised that they must undertake Exit Counselling as a condition of borrowing US Federal Direct Loans. All students are directed to:

<https://studentloans.gov/myDirectLoan/index.action>

Students are asked to send evidence of the completion of exit counselling to [bursaries@qmul.ac.uk](mailto:bursaries@qmul.ac.uk).

## 6. Timely and Accurate Enrolment Reporting

As a condition of our eligibility to certify US Federal Direct Loans, Queen Mary University of London will submit accurate enrolment updates to the National Student Loan Data System (NSLDS) at least every 60 days.

## 7. Analyse Defaulted Loan Data to Identify Defaulter Characteristics

Queen Mary University of London will analyse defaulted loan data available through NSLDS to improve default prevention and management practices.

## 8. Tools and Activities for Schools

Queen Mary University of London will make use of the recommended tools listed below to ensure data accuracy and use effective loan counselling and default prevention management techniques to aid students and the University.

### **Where do I begin?**

FSA Assessments for Default Prevention and Management

<https://fsapartners.ed.gov/knowledge-center/library/fsa-assessments/2022-11-17/default-prevention-management>

### **Loan Counselling**

Students and Counsellors

<https://studentaid.gov/entrance-counseling/>

The Student Guide and NSLDS for Students

<https://unm-student.custhelp.com/ci/fattach/get/20411/0/filename/A+Student's+Guide+to+NSLDS.pdf>

How much will it cost?

<https://studentaid.gov/aid-estimator/>

How will I pay for it?

<https://studentaid.gov/h/understand-aid/how-aid-works>

Will I make enough money in my chosen occupation to repay student loans I receive?

<https://www.bls.gov/cps/earnings.htm#earn>

<https://www.bls.gov/ncs/>

Repaying Your Student Loans

<https://studentaid.gov/manage-loans/repayment>

Ombudsman Office

<https://studentaid.gov/feedback-ombudsman/disputes>

Ensuring Student Loan Repayment Best Practices for Schools

SFA Assessments for Schools

<https://fsapartners.ed.gov/knowledge-center/library/handbooks-manuals-or-guides/1998-06-16/institutional-eligibility-and-administrative-requirements-administrative-and-fiscal-standards>

Mapping Your Future

<https://www.mappingyourfuture.org/>

Jump Start Coalition for Personal Financial Literacy

<http://www.jumpstart.org>

### **Enrolment Reporting and Data Accuracy**

NSLDS Enrolment Reporting Guide, formerly SSCR User's Guide

[https://fsapartners.ed.gov/sites/default/files/attachments/2019-12/NewNSLDSEnrollmentReportingGuide\\_0.pdf](https://fsapartners.ed.gov/sites/default/files/attachments/2019-12/NewNSLDSEnrollmentReportingGuide_0.pdf)

NSLDS Date Entered Repayment Report, School Repayment Information Loan Detail Report, and Enrolment Reporting Summary Report

<https://nslsdfap.ed.gov/reports>

NSLDS Reports

<https://nslsdfap.ed.gov/reports>

Cohort Default Rate Guide for challenges, adjustments, and appeals information

<https://fsapartners.ed.gov/knowledge-center/topics/default-management>

### **Default Prevention**

FSA Assessments

<https://fsapartners.ed.gov/sites/default/files/attachments/2021-02/2021AppendixD.pdf>

Ensuring Student Loan Repayment Best Practices

NSLDS Reports and Exit Counselling

<https://nslsdfap.ed.gov/reports>

NSLDS Reports, requesting and formatting questions

<https://nslsdfap.ed.gov/reports>

### **General Connections/Publications**

Information for Financial aid Professionals (IFAP) Library with publications, training, tools, references, laws, etc.

<https://fsapartners.ed.gov/home/>

The Office of Federal Student Aid

<http://www.ed.gov/about/offices/list/fsa/index.html>

The Student Guide

<https://studentaid.gov/>

NSLDS

<https://nslsdfap.ed.gov>

ED Pubs, the Department of Education Online Publication Ordering System, helps you identify and order free publications from the Department. Examples of resources available at ED Pubs include the following:

- Repaying Your Student Loans (in English and Spanish)
- The Student Guide
- Getting Ready to Pay for College
- Counselors and Mentors Handbook

<http://www.edpubs.org>