

Adult & Community Education, Columbus City Schools
HVACR
Title IV Student Loan Default Management Plan
Council on Occupational Education Standard 10

Objective

To provide and utilize a plan to facilitate financial aid processes that support student access to and responsible use of financial aid services

Purpose

This plan will help ensure that Adult & Community Education (ACE), Columbus City Schools meets federal requirements for use of Title IV Student Financial Assistance Programs, including the use of established processes (outlined below) for student lending as well as regular reporting to the federal government.

Council on Occupational Education Standard

This plan helps meet criteria for COE Standard 10, Objective 1-c: *to ensure that adequate and appropriate student services are available to support the mission and programs of the institution. These services include the following activities: financial assistance.*

Implementation of HVACR Title IV Student Loan Default Management Plan

The ACE Financial Aid Office, specifically the Financial Aid Coordinator, is responsible for implementation of the HVACR Default Prevention and Management Plan.

Strategies Used to Facilitate Financial Aid Processes

- **Student Loan Information**
 - The minimum requirements for obtaining a federal loan are a completed Free Application for Federal Student Aid (FAFSA) application and admission into an approved workforce development program.
- **Entrance Counseling**
 - Federal regulations mandate all first-time Federal Direct Loan borrowers receive entrance counseling before their loan may be processed or disbursed. This requirement is fulfilled by completing entrance counseling at the website: www.studentaid.gov. Failure for first-time borrowers to complete the online entrance counseling may result in the loan being canceled.
 - Entrance counseling walks students through the Federal Direct Loan process and explains their rights and responsibilities as a borrower. It also provides students with information from www.careeronestop.org where they can see the low, median, and high wage scale for their occupation in the state of Ohio. Students can use this resource to help them understand how to meet their financial obligations, including student loan debt.

- Upon entering the program, students are advised by Direct Loan Entrance Counseling that they are legally obligated to repay their loans and are encouraged to read and understand the terms and conditions before accepting the loan. Students are told that they must repay their loans even if they do not complete the program in which they are enrolled.
- **Disbursement of Loans**
 - A valid Master Promissory Note (MPN) must be completed by students before any Federal Direct Loans are disbursed to their accounts. As defined by the U.S. Department of Education, the MPN is a legal document that explains the terms and conditions of students' loans, including repayment of their loans, any accrued interest, and fees to the U.S. Department of Education after graduation.
- **Advising and Monitoring**
 - Individualized follow up counseling is offered by the Financial Aid Coordinator to students who want to learn more about the student loan process, regardless of whether or not they have a student loan. It is suggested that students borrow only the amount of funds needed to successfully complete their education.
- **Exit Counseling**
 - The Financial Aid Coordinator meets with each cohort prior to their graduation to provide exit counseling. The sessions include information about repaying student loans, estimating balances for borrowers, consequences of delinquency and default, repayment options, estimated occupational wages, and budgeting. Individual exit counseling is provided to validate students' addresses, emails, and telephone numbers. This information is used to provide updates to students' lenders.

Default Prevention

1. For Federal Direct Loan purposes, default is the failure to make payments on student loans according to terms of the MPN. The school, loan guarantor, and the Federal Government have the authority to take action to assist in recovering student debt by:
 - a. Accessing the online National Student Loan Data System (NSLDS) site to display students who are more than 50 days' delinquent;
 - b. Sending an informational letter to the student from the Financial Aid Coordinator and/or Student Services Coordinator, including the name, telephone number, and website of the lender; number of days the student is delinquent; and contact information of the school; and
 - c. Making telephone calls to students to communicate lender information.

Reporting

Timely and accurate reporting of changes in enrollment is required by federal regulation. Student enrollment is reported to the National Student Loan Data System (NSLDS) in May, July, September, November, January, March and as needed.

Annual Plan Evaluation

The HVACR Title IV Student Loan Default Management plan will be reviewed no less than annually by the Director of Adult & Community Education, Financial Aid Coordinator, and staff and revised as necessary.