

Cohort Default Rate

The school's official cohort default rate is published each September. This rate is a percentage of a school's borrowers who enter repayment on certain Federal Family Education Loans (FFELs) and/or William D. Ford Federal Direct Loans (Direct Loans) during that fiscal year and default within the cohort default period.

The phrase "cohort default period" refers to the three-year period that begins on October 1 of the fiscal year when the borrower enters repayment and ends on September 30 of the third fiscal year following the fiscal year in which the borrower entered repayment.

Cohort default rates are based on federal fiscal years. Federal fiscal years begin October 1 and end on September 30 of the following calendar year. The phrase "cohort fiscal year" refers to the fiscal year for which the cohort default rate is calculated.

Which types of loans are included in the cohort default rate calculation?

The FFELs included in the cohort default rate calculation are:

- Subsidized and unsubsidized Federal Stafford Loans (collectively referred to as Federal Stafford Loans)

The Direct Loans included in the cohort default rate calculation are:

- Federal Direct Subsidized Stafford/Ford Loans and Federal Direct Unsubsidized Stafford/Direct Loans (collectively referred to as Direct Stafford/Ford Loans)

The following loans are not included in the cohort default rate calculation:

- Federal PLUS Loans
- Federal Graduate/Professional PLUS Loans
- Federal Direct Graduate/Professional PLUS Loans
- Federal Insured Student Loans (FISLs)
- Federal Perkins Loans. (Please note that Federal Perkins Loans have separate cohort default rate calculations.)

How does the Department calculate a school's cohort default rate?

The formula the Department uses for calculating a school's cohort default rate depends on the number of borrowers from that school entering repayment in a particular cohort fiscal year and the number of cohort default rates previously calculated for the school.

Note: Cohort default rates are based on the number of borrowers who enter repayment, not the number and type of loans that enter repayment. A borrower with multiple loans from the same school whose loans enter repayment during the same cohort fiscal year will be included in the formula only once for that cohort fiscal year.

Numerator: Number of borrowers in the denominator who defaulted during the cohort default period

Denominator: number of borrowers who entered repayment in the cohort default fiscal period

$$\frac{\text{Numerator}}{\text{Denominator}} = \text{Cohort Default Rate}$$

Example: School A, a degree-granting school, had 1000 borrowers enter repayment in the cohort fiscal year (denominator). Of those, 122 borrowers defaulted in the cohort default period (numerator). School A's cohort default rate is calculated by dividing 122 by 1000 ($122 \div 1000 = 0.122$) and expressing the result (0.122) as a percentage to produce a cohort default rate of 12.2 percent ($0.122 \times 100 = 12.2$).
122 borrowers defaulted / 1000 total borrowers in repayment = 12.2% Cohort Default Rate

Current Cohort Default Rate

Eastern New Mexico University's current Cohort Default Rate for all campuses is 20.09%.

Default Management

A Default Management Plan is in place on all three campuses in an effort to better maintain our Cohort Default Rate.

*students must be taking at least six credit hours to be considered half-time for undergraduate programs and at least five credit hours for graduate program.