

UNITED STATES DEPARTMENT OF EDUCATION  
WASHINGTON, D.C. 20202  
September 2011

Salina Area Technical College  
2562 Centennial Road  
Salina, KS 67401-8195  
NL01

OPE ID: 005499  
FY 2009 Cohort Default Rate: 9

RE: FY 2009 Official Cohort Default Rate Notification Letter

Dear President:

This letter officially notifies you of your school's fiscal year (FY) 2009 cohort default rate based on Federal Family Education Loan (FFEL) Program and/or William D. Ford Federal Direct Loan (Direct Loan) Program loans made to students for attendance at your school. Your school's FY 2009 cohort default rate is shown above. Please note that even if your school is no longer participating in the student loan program(s), federal law requires the U.S. Department of Education (Department) to notify your school of its cohort default rate.

Since the Department is no longer mailing hardcopies of the cohort default rate notification letters to any schools, please refer to <http://www.ed.gov/offices/OSFAP/defaultmanagement/ecdr.html> for a description of the other files that the Department transmitted to you along with this letter.

WHAT FORMULA DID THE DEPARTMENT USE TO CALCULATE MY SCHOOL'S RATE?

The Department uses one of three methods for calculation of cohort default rates:

1. Official non-average rate for schools with 30 or more borrowers entering repayment,
2. Official average rate for schools with 29 or fewer borrowers entering repayment, and
3. Unofficial rate for schools with 29 or fewer borrowers entering repayment with less than three years of data.

For complete explanation of the three types of rates, please see

Chapter 2.1 of the Cohort Default Rate Guide, How the Rates are Calculated, available at <http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart2.html>.

WHAT TYPES OF LOANS DID THE DEPARTMENT INCLUDE IN MY SCHOOL'S RATE CALCULATION?

The Department included three types of loans in your school's cohort default rate calculation:

- 1) Federal Stafford Subsidized and Federal Stafford Unsubsidized Loans
- 2) Federal Direct Subsidized and Federal Direct Unsubsidized Loans
- 3) Federal Supplemental Loans for Students (Federal SLS Loans). Although rare, it is possible for Federal SLS loans to be included in your school's cohort default rate calculation.

WHAT LOAN RECORD DETAIL REPORT (LRDR) ACCOMPANIES THIS NOTIFICATION LETTER?

If your school's FY 2009 official cohort default rate is a non-averaged rate, the LRDR that accompanies this letter reflects all loans that went into repayment during FY 2009. If your school's FY 2009 official cohort default rate is an averaged rate, the LRDR that accompanies this letter reflects all loans that went into repayment during FY 2009, FY 2008 and FY 2007.

Please note that if a technical problem caused by the Department results in an inability to access the data, schools have five business days from the receipt of the eCDR notification package to notify Operations Performance Division at the email address given below. All schools must meet the established submission timeframes for cohort default rate adjustments and appeals. The Department will not review adjustments and appeals that any school submits outside of the established timeframes.

For more information on how to read the loan record detail report, please refer to Chapter 2.3 of the Cohort Default Rate Guide, Reviewing the Loan Record Detail Report, available at <http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart2.html>.

WHAT SANCTIONS AND BENEFITS APPLY TO MY SCHOOL BASED ON THIS RATE?

According to the Higher Education Act of 1965 (HEA), as amended, the Higher Education Reconciliation Act of 2005 (HERA), Pub.L.109-71 and the Department's regulations, your school is not subject to any sanctions based on your school's FY 2009 cohort default rate. However, if your school's

official FY 2009 cohort default rate is 25.0 percent or greater, the Department may provisionally certify your school when your school applies for recertification to participate in the Federal Student Aid Programs.

For

more information about provisional certification, please refer to 34 C.F.R.

Section 668.16(m) (1) and (2) (i) or contact the School Participation Management Division at 202-377-3173.

If your school's most recent official cohort default rate is less than 5.0

percent and your school is an eligible home institution that certifies/originates a loan to cover the cost of attendance in a study abroad program, your school is eligible for this benefit. Your school may disburse/deliver loan proceeds in a single installment and may choose to release loan proceeds to first-year, first-time borrowers prior to 30 calendar days after the first day of the borrower's program of study.

Once

your school receives notice from the Department that your school's official

cohort default rate is 5.0 percent or greater, this benefit will end within

30 calendar days of the notification.

Beginning October 1, 2011 an institution with a cohort default rate of less

than 15 percent for each of the three most recent fiscal years for which data are available, including eligible foreign institutions, may disburse,

in a single installment, loans that are made for one semester, one trimester, one quarter, or a four-month period. Such an institution is also no longer required to delay the delivery or disbursement of the first

disbursement of a loan for 30 days for first-time, first-year undergraduate borrowers.

Once your school receives notice from the Department that your school's official cohort default rate is 15.0 percent or greater, this benefit will

end within 30 calendar days of the notification.

For more information on the sanctions and the benefits associated with official cohort default rates, please refer to Chapter 2.4 of the Cohort Default Rate Guide, Cohort Default Rate Effects, available at <http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart2.html>.

WHY DOES THIS LETTER SAY THAT MY SCHOOL IS NOT SUBJECT TO SANCTIONS BUT MY RATES EXCEED THE SANCTION THRESHOLD?

If your school has official FY 2009, FY 2008, and FY 2007 cohort default rates that are 25.0 percent or greater or your school has an official FY

2009 cohort default rate that is greater than 40.0 percent, your school is NOT subject to the loss of FFEL Program, Direct Loan Program, and/or Federal Pell Grant Program eligibility because your school met one or more of the following criteria:

- |-----|-----  
|FY 2009, FY 2008, FY 2007 Cohort |FY 2009 Cohort Default  
| Default Rates >= 25.0% | Rate > 40.0%  
|-----|-----
- |  
|At least two of your schools three most |Your schools FY 2009 cohort |  
|recent cohort default rates are official |default rate is an official  
|average cohort default rates and would be |averaged cohort default  
|rate. |  
|less than 25.0 percent if the Department |  
|had calculated the rate using the data for |  
|that cohort fiscal year alone. |  
|-----|-----
- |  
|Thirty or fewer borrowers entered into repayment during your schools  
|three most recent official cohort default rates.  
|-----|-----
- |  
|Your school submitted a successful participation rate index  
|challenge/appeal based on your schools draft FY 2009 cohort default  
|rate, official FY 2008 cohort default rate, or official FY 2007  
|cohort default rate.  
|-----|-----
- |  
|Your school entered into a settlement agreement with the U.S.  
|Department of Education that supersedes any sanctions the Department  
|would apply based on cohort default rate calculations.  
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WHAT RIGHTS DOES MY SCHOOL HAVE TO APPEAL THIS RATE

INFORMATION?

Based on your school's FY 2009 cohort default rate, your school may be eligible to submit the following adjustments/appeals:

Uncorrected Data Adjustment

<http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart4.html>

Loan Servicing Appeal

<http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart4.html>

New Data Adjustment

<http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart4.html>

Averaged Rates Appeal

<http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart4.html>

Thirty-or-fewer Borrowers Appeal

<http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart4.html>

Beginning this year with the FY 2009 Official cycle all Uncorrected Data Adjustments and New Data Adjustments must be made through the eCDR Appeals

application. The Loan Servicing Appeal, Averaged Rates Appeal and Thirty-or-fewer Borrowers Appeal will continue to be submitted via hard copy.

The

eCDR Appeals application, as it is known, allows schools to electronically

submit certain challenge/ adjustment requests during the specified timeframes and allows data managers (guaranty agency or Federal Loan Servicer) and Federal Student Aid (FSA) personnel to electronically view and respond to these challenge/adjustment requests. The application tracks

the entire life cycle of each request from the time the case is submitted until the time a decision is made and the case is closed.

With this release of eCDR Appeals (Release 4.0), school users will now have

access to a table listing all adjustments for which a data manager has requested additional information. This table will be included in the school's Current Status Report, available by selecting the Report tab.

WHAT TOOLS AND INFORMATION ARE AVAILABLE TO HELP MONITOR AND MANAGE MY SCHOOL'S COHORT DEFAULT RATE?

Tools	Description	Contact
Information	Information	

Cohort Default Rate Guide	<a href="http://www.ifap.ed.gov/DefaultManagement/finalcdrg.html">http://www.ifap.ed.gov/DefaultManagement/finalcdrg.html</a> . Reference tool designed by U.S. Dept of Education to help schools understand cohort default rates and various challenge/appeal/adjustment processes. Original hardcopy mailed with FY 1999 notification letter. The electronic version was revised August 2006 and may be found online.	May be printed from CDR Guide Link
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Cohort Default Rate Guide Quick Reference	The Cohort Default Rate Guide Quick reference at <a href="http://ifap.ed.gov/drmaterials/attachments/CDRGQuickRef093005FINAL.pdf">http://ifap.ed.gov/drmaterials/attachments/CDRGQuickRef093005FINAL.pdf</a> presents some of the key elements of the Guide in a more informal manner to give schools a summary of what they should do during the draft and official cohort default rate cycles.	May be printed from CDR Reference Link
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Default Prevention and Mgmt Website	<a href="http://ifap.ed.gov/DefaultManagement/DefaultManagement.html">http://ifap.ed.gov/DefaultManagement/DefaultManagement.html</a> . Contains valuable information for schools, guaranty agencies and borrowers. Contains link for eCDR process, including enrollment procedures and downloading instructions.	Default Prevention and Management 202-377- 4259
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eCDR Appeals	Electronic Cohort Default Rate Appeals Process  eCDR Appeals facilitates the exchange of	Default Prevention and

| information between parties for three of the |Management  
| challenge/adjustment processes:Incorrect Data |202-377-  
| Challenge (IDC), Uncorrected Data Adjustments |4259  
| (UDA), and New Data Adjustments (NDA). The |  
| application allows schools to electronically |  
| submit these challenges and adjustment requests|  
| during a cohort default rate cycle, and allows |  
| data managers (guaranty agency or Direct Loan |  
| Servicer) and Federal Student Aid (FSA) |  
| personnel to electronically view and respond to|  
| challenges and adjustment requests. The |  
| application tracks the entire life cycle of |  
| each challenge/adjustment request from the time|  
| the case is submitted until the time a decision|  
| is made and the case is closed. |  
|  
| All users must complete the registration |  
| process to gain access to eCDR Appeals. The |  
| eCDR Appeals homepage contains a link to the |  
| Registration and User Account Guide, which |  
| gives step-by-step instructions for |  
| registration. Links to the User Guides for the |  
| three processes can also be found here, as well|  
| as a link to the Cohort Default Rate Guide. |  
|-----|-----|-----|  
|Late Stage |Process whereby schools work in collaboration |Direct  
Loan| with servicers or guarantors to identify and |Servicer  
|Delinquency

Assistance | provide counseling to borrowers more than 240 | 888-877-  
 | (LSDA) | days late on loan repayment. For Direct Loan | 7658 (can  
 | | schools, the website <http://www.dlsvicer> | guide you  
 | | .ed.gov/ identifies borrowers whose impending | through  
 the | default will impact the school's cohort default | process)  
 | | rate. |

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National | <https://www.nlsdsfap.ed.gov>. Offers schools the | NLSDS  
 | Student Loan | opportunity to request reports in extract or | Customer  
 | Data System | preformatted formats that can be retrieved | Service at  
 | (NLSDS) | through the Students Aid Internet Gateway (SAIG) | (800) 999-  
 | | account associated with the NLSDS User Id that | 8219  
 | | requested the report. Listed below are some |  
 | | reports NLSDS offers. |

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Report | Brief Description of the NLSDS Reports

name |

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| School CDR Rate History Report provides school with a copy  
 | DRC035 | of the Loan Record Detail Report that lists students in  
 | | default/repayment during the cohort period indicated.

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| Enrollment Reporting Summary Report provides school users  
 | SCHER1 | with the chronology of enrollment reporting events.

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| Date Entered Repayment Report provides school users with a  
 | DER001 | list of student borrowers with loan history who are

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||          |scheduled to go into repayment during a specified date
range.||
||-----|-----
||
||          |School Repayment Information Loan Detail provides school
||
|| DRC015 |users with the current repayment status of certain borrowers
||
|| DRC016 |in FFEL/DL loan programs who attended a school during a
||
||          |specific period.
||
||-----|-----
||
||          |Exit Counseling Report provides school users with exit
||
|| SCH01B |counseling information on students who attended the
||
||          |requesting school and whose anticipated completion dates
fall||
||          |within a specified date range.
||
||-----|-----
||
||          |The Delinquent Borrower Report (DELQ01) provides School
users||
|| DELQ01 |a report of borrowers who have been reported as delinquent
in||
||          |making loan payments to one of the federal loan servicers.
||
||-----|-----
||
||          |The School Portfolio Report (SCHPR1) provides ED users with
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|| SCHPR1 |with information about all Direct Loan and/or FFEL program
||
||          |loans for a specified school.
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Additional tools and information may be found in Chapter 3.2 of the Cohort Default Rate Guide, Monitoring Loan Repayment Status Year-Round, available at <http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart3.html>.

If you have any questions about this letter that are not answered in the Cohort Default Rate Guide, please contact Operations Performance Division via email at [FSA.Schools.Default.Management@ed.gov](mailto:FSA.Schools.Default.Management@ed.gov) or via phone at (202) 377-4259.

Please be sure to include your Office of Postsecondary Education Identification Number (OPE ID) on all correspondence, as shown on page one of this letter.

Sincerely,

Katrina Turner  
Director  
Operations Performance

Division

Business Operations

Enclosures

Note: The Higher Education Opportunity Act (HEOA) enacted on August 8, 2008 made a number of changes to the Federal Student Aid Programs including timeframes for the calculations of FFEL/DL Cohort Default Rates.

On October 28, 2009, the Department published in the Federal Register the

regulations that will govern the calculation of default rates beginning with the FY 2009 cohort year. Under the new provisions, an institution's Cohort Default Rate is calculated as the percentage of borrowers in the cohort who default before the end of the second fiscal year following the

fiscal year in which the borrowers entered repayment.

The Department will issue the FY 2009 draft 3-Year cohort default in 2012.

The standard 2-Year CDR will continue to be published along with the 3-Year rates until 2013. Beginning with the FY 2011 cohort default rate in September 2014, 3 Year rates will be the only official rate and schools will be subject to benefits and sanctions based solely on these rates.

A trial sample of 3 Year cohort default rates was sent to institutions in

February 2011 so that they could begin to consider what impact this additional cohort year might have on their default rates. Schools may want

to increase their default rate initiatives in order to maintain cohort default rates within benefit range and avoid sanction criteria.

More information on 3-Year cohort default rates will be forthcoming.

OPEID: 005499  
School Name: Salina Area Technical College  
City and State: Salina, KS 67401-8195

The Department's records indicate the following with regard to your school's loan program participation:

CERTIFIED FFEL

CERTIFIED DIRECT LOAN

Based on borrower participation in the FFEL Program and/or Direct Loan Program at your school, here are the FY 2009, FY 2008 and FY 2007 official

cohort default rates on record for your school:

Fiscal Year 2009

- (1) Number of borrowers entering repayment: 99
- (2) Number of borrowers who entered repayment and defaulted: 9
- (3) Official Cohort Default Rate: 9.0%
- (4) Rate Type: DL

Fiscal Year 2008

- (1) Number of borrowers entering repayment: 96
- (2) Number of borrowers who entered repayment and defaulted: 6
- (3) Official Cohort Default Rate: 6.2%
- (4) Rate Type: DL

Fiscal Year 2007

- (1) Number of borrowers entering repayment: 71
- (2) Number of borrowers who entered repayment and defaulted: 3
- (3) Official Cohort Default Rate: 4.2%
- (4) Rate Type: DL

The rate type indicates the category of loans that the Department included

in your school's cohort default rate:

FL-FFEL Program loans only

DL-Direct Loan Program loans only

DU- both FFEL Program and Direct Loan Program loans

For additional information on the methodology that the Department uses to calculate cohort default rates, please refer to the Chapter 2.1 of the Cohort Default Rate Guide, How the Rates are Calculated, available at <http://ifap.ed.gov/DefaultManagement/guide/04CDRGuidePart2.html>.