

What is a thirty-or-fewer borrowers appeal?

If a combined total of thirty or fewer borrowers entered repayment in the three most recent cohort fiscal years used to calculate a school's cohort default rates, the school is not subject to sanction.

| Thirty-or-Fewer Borrowers Appeal Timeframe | | |
|---|--|---|
| Draft Cycle | Not applicable | |
| Official Cycle | School receives notice of loss of eligibility as part of official cohort default rate notification package | <i>September</i> |
| | School sends completed Thirty or Fewer Borrowers Appeal to Default Prevention and Management (DPM) | <i>Within 30 days of timeframe begin date</i> |

How does a school qualify for a successful thirty-or-fewer borrowers appeal?

Take a sequence of cohort fiscal years: This Year, Last Year, and Two Years Ago.

School A, a degree-granting school that is subject to sanction, had

- ◆ 3 borrowers enter repayment This Year,
- ◆ 10 borrowers enter repayment Last Year, and
- ◆ 5 borrowers enter repayment Two Years Ago.

The combined total number of borrowers who entered repayment in School A's three most recent cohort fiscal years is 18 borrowers (3 + 10 + 5 = 18). Because this number is less than thirty, School A's thirty-or-fewer borrowers appeal is successful and the school is not subject to sanction.

How does the thirty-or-fewer borrowers appeal process begin?

DPM will automatically determine if a school meets the criteria associated with a thirty-or-fewer borrowers appeal. This initial determination will take place prior to the release of the official cohort default rates. DPM will notify the school that it is not subject to sanction at the same time DPM notifies the school of its official cohort default rate.

In addition, if a school's official cohort default rate changes because of an adjustment or appeal the school submitted, DPM will automatically determine if the change in the cohort default rate results in the school meeting the criteria for a thirty-or-fewer borrowers appeal.

4.10 Thirty-or-Fewer Borrowers Appeal

For domestic schools the "timeframe begin date" is the sixth business day after the cohort default rates are released as officially announced on the IFAP website:
<http://ifap.ed.gov>

For foreign schools the "timeframe begin date" is the day after the date of receipt of the official cohort default rate notification package.

What if a school disagrees with the initial determination by DPM?

If a school disagrees with the initial determination by DPM, the school may submit a thirty-or-fewer borrowers appeal to DPM. The thirty-or-fewer borrowers appeal must include supporting documentation showing that there were a total of thirty or fewer borrowers in the three most recent cohort fiscal years used to calculate its cohort default rates. The school must include a certification from the school's chief executive officer that all information is true and correct. The school must send the thirty-or fewer borrowers appeal within 30 calendar days of receiving the Department's notice of a loss of eligibility.

How a school submits a thirty-or-fewer borrowers appeal

DPM recommends that a school send all correspondence return receipt requested or via commercial overnight mail/courier delivery. This will be useful to the school if it is asked to authenticate the timeliness of its submission. A school should maintain the documentation that verifies the receipt of the appeal as well as all electronic and hardcopy documentation submitted as a part of the appeal process. If a school does not meet the timeframe for submitting the appeal, the appeal will not be reviewed.

If sending by courier:

U.S. Department of Education
Default Prevention and Management
Union Center Plaza 084F
830 1st Street, NE
Washington, DC 20002

If sending by U.S. Postal Service:

U.S. Department of Education
Default Prevention and Management
Union Center Plaza 084F
400 Maryland Avenue, SW
Washington, DC 20202-5353

Do not send materials to any other address at the Department

Thirty-or-Fewer Borrowers Appeal Checklist

School to Default Prevention and Management

Determine

- ◆ Is the school subject to sanction?
- ◆ Did the school have thirty or fewer borrowers enter repayment in the three most recent cohort fiscal years?
- ◆ Did the Department automatically grant the school a thirty-or-fewer borrowers appeal?

Submit to DPM

- ◆ Supporting Documentation
- ◆ Certification