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From: Redacted by HELP
Sent: Thursday, March 11, 2010 6:47 AM
To: Dan Bachus, Financial Aid Counselor
Cc: Director of Financial Aid; Chris Linderson;
Subject: RE: 2009 Default Rate Forecaster - March

Dan,

The most obvious trend we are experiencing at GCU is that borrowers are not educated enough on their rights under the Stafford Loan Program. As long as we can get a borrower on the phone or respond to an email, we usually can make him or her aware of various options; thus making it easier for the borrower to talk with the Guarantor or Lender. This is our current success right now.

The second obvious trend is the effectiveness of a genuine Default Aversion Department. Many schools focus on mailing delinquency letters and working the Incorrect Data Challenge when the draft rate is published; however, these same schools are now realizing that such reactive measures are no longer effective. There is absolutely no reason a borrower should ever default on a student loan given all the options that are available even in a bad economy. For this reason we are starting to focus more on proactive measures such as: grace letters, grace phone calls, and a Borrower Education Webpage. If we are held accountable for the Cohort Default Rate (even more so in the future), then it is our responsibility to make sure students are educated as much as possible before withdrawing or graduating.

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Financial Aid Customer Service Manager

From: Dan Bachus
Sent: Wednesday, March 10, 2010 11:23 AM
To: Redacted by HELP
Cc: Redacted ; Chris Linderson, Director of Financial Aid; Financial Aid Counselor
Subject: Re: 2009 Default Rate Forecaster - March

What are your general thoughts on the trends of defaults and delinquencies?

From: Redacted by HELP
To: Dan Bachus, Director of Financial Aid; Financial Aid Counselor
Cc: Redacted; Chris Linderson;
Sent: Wed Mar 10 10:12:47 2010
Subject: 2009 Default Rate Forecaster - March

Hi Dan,

Attached is the 2009 Default Rate Forecaster for March. Let me know if you have any questions.

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Grand Canyon University

Financial Aid Customer Service Manager

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