

### The Challenge

Student loan participation is an important part of bridging the affordability gap for college students. While Pell Grants may help with tuition costs, many students find it difficult to manage the total cost of attending college without access to federal student loans. To ensure access for all students, Kilgore College re-entered the federal student loan program in 2007.

Following an official FY2009 cohort default rate (CDR) of 33.5%, College officials recognized that they did not have the staffing resources or technology to provide the extensive counseling needed to help students successfully repay federal student loans.

It is important to note that the official FY2009 CDR was released in September 2012. The FY2010 cohort closed that same month – as a result, the college could only impact the FY2011 cohort.

### The Solution

Kilgore College chose to outsource default prevention services to Edamerica, a higher education servicer with experience in federal student loan management and student support services.

### Goals

- Conduct personalized outreach campaigns to Kilgore students who were delinquent on federal student loans
- Provide support services to all Kilgore borrowers in repayment
- Reduce the federal student loan cohort default rates – initially targeting the FY2011 cohort group

### The Results

Outreach campaigns began in October 2012 and continued over a 12-month period. On average, 13 contact attempts were required to resolve borrower delinquency. The service was effective in reducing the rate of student loan default - dropping the FY2011 CDR rate by 7.4%.

### Moving Forward

Outreach campaigns to borrowers in recent cohorts have continued to have a positive impact on student loan delinquency and default. In fact, the 2016 Official CDR is 18.4% representing a 15.1% drop over time.

Kilgore CDR History

