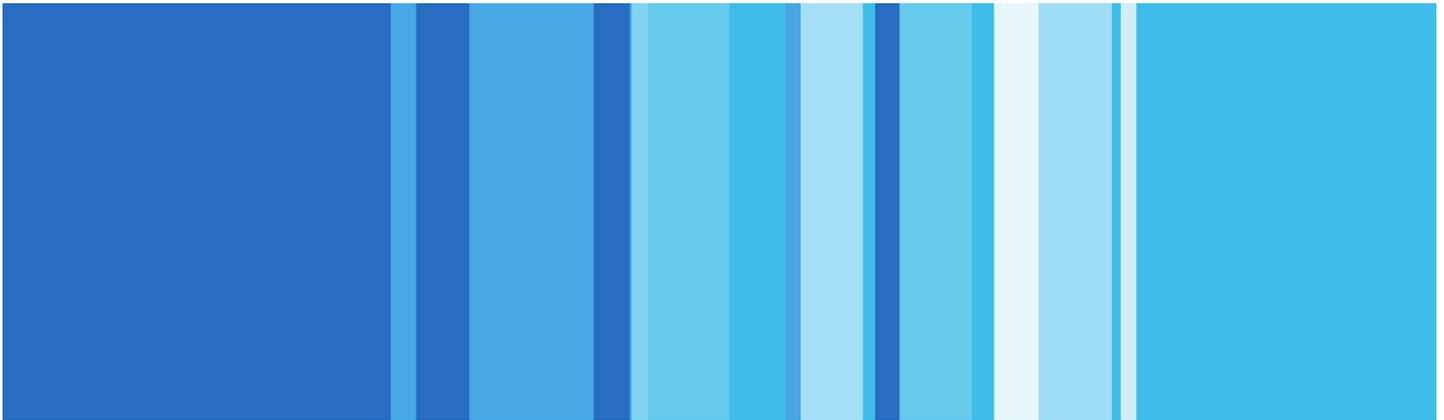


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# Minnesota Cohort Default Rates 2004

Federal Guaranteed  
Student Loans



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## About the Minnesota Office of Higher Education

The Minnesota Office of Higher Education is a cabinet-level state agency providing students with financial aid programs and information to help them gain access to post-secondary education. The agency serves as the state's clearinghouse for data, research and analysis on post-secondary enrollment, financial aid, finance and trends.

The Minnesota State Grant Program, which is administered by the agency, is a need-based tuition assistance program for Minnesota students. The agency oversees tuition reciprocity programs, a student loan program, Minnesota's 529 College Savings Program, licensing and an early awareness outreach initiative for youth. Through collaboration with systems and institutions, the agency assists in the development of the state's education technology infrastructure and shared library resources.

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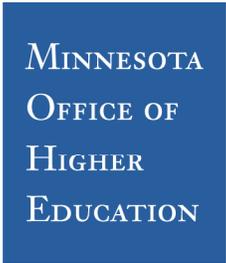
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## **2004 Cohort Default Rates**

On September 13, 2006, the U.S. Department of Education released the 2004 default rates for each post-secondary institution. The 2004 rates are the latest available, and they represent the number of borrowers who defaulted on their federally guaranteed student loans within 12 to 24 months after leaving post-secondary education. More precisely, the Fiscal Year 2004 default rate is a snapshot in time of borrowers who began repaying their loans between October 1, 2003 and September 30, 2004 and who defaulted before Sept. 30, 2005.

### **National Cohort Default Rate**

The national federal student loan cohort default rate for 2004 is 5.1 percent as compared to 4.5 percent for Fiscal Year 2003 and 5.2 percent for Fiscal Year 2002.

### **Minnesota Cohort Default Rate**

Borrowers who attended Minnesota institutions had a cohort default rate of 3.2 percent for 2004, as compared to 3.3 percent for 2003, and 4.1 percent for 2002.

### **Default Rates for Institutions in Minnesota**

The U.S. Department of Education's report on 2004 default rates included 103 institutions in Minnesota.

- 31 Minnesota institutions had 2004 default rates that are higher than their default rates in 2003.
- 41 Minnesota institutions had 2004 default rates that are lower than their default rates in 2003.
- 31 Minnesota institutions had 2004 default rates that are the same as their rates in 2003.

Cohort default rates for each institution for 2004 are shown in Figures 1 through 5. There are 14 Minnesota institutions that had zero default rates – no students defaulted in the 2004 cohort.

### **Categories of Default Rates and Sanctions**

Minnesota had no institutions with default rates that were subject of sanctions by the U.S. Department of Education.

If an institution has cohort default rates of 25 percent or more for the three most recent years, students attending the institution will not be eligible for Federal Stafford Loans and Federal Pell Grants for the remainder of that fiscal year and the following two fiscal years.

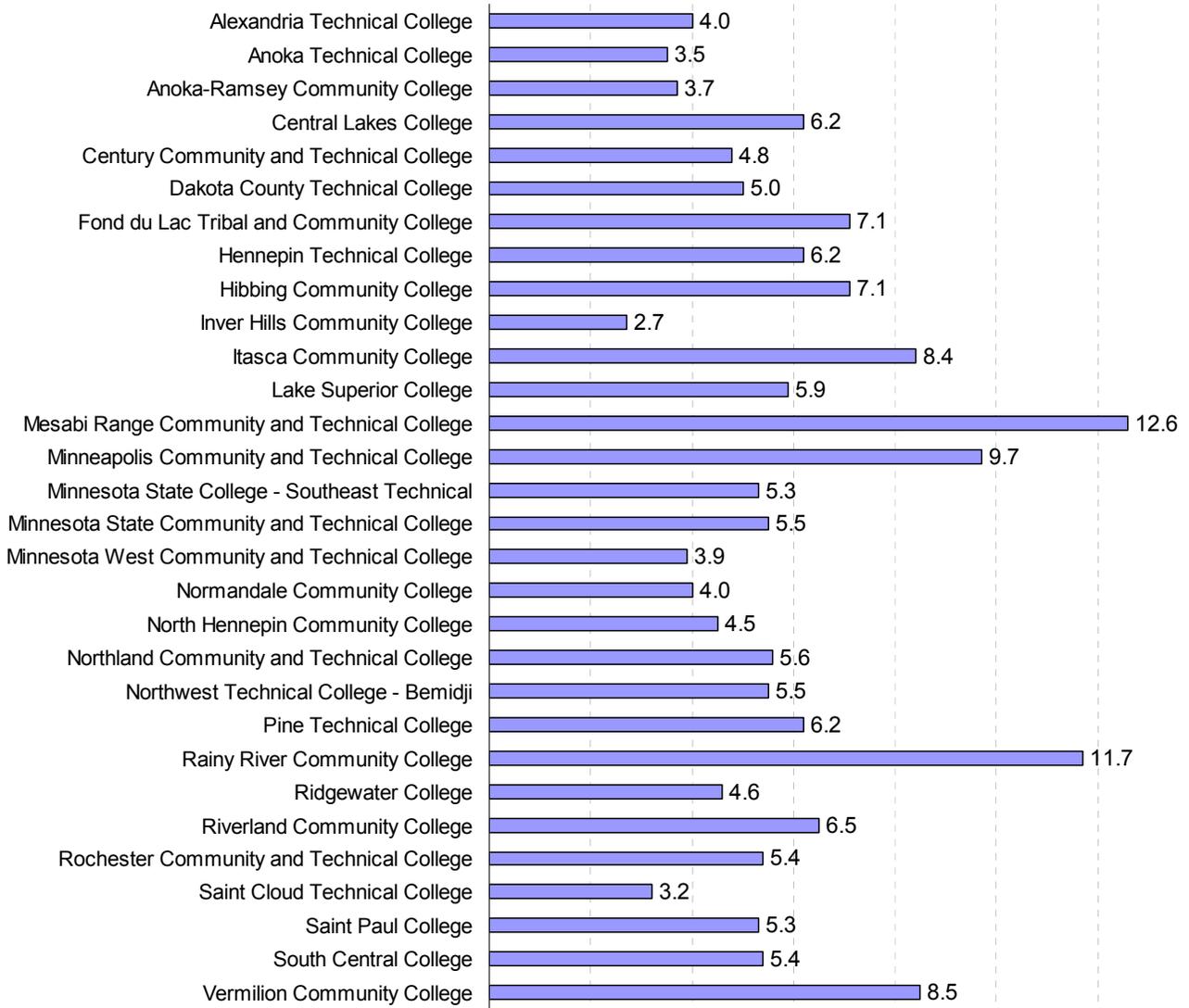
In an institution has a cohort default rate of 40 percent or more for one year, students attending the institution will not be eligible for Federal Stafford Loans for the remainder of that fiscal year and the following two fiscal years.

## Default Rates by System

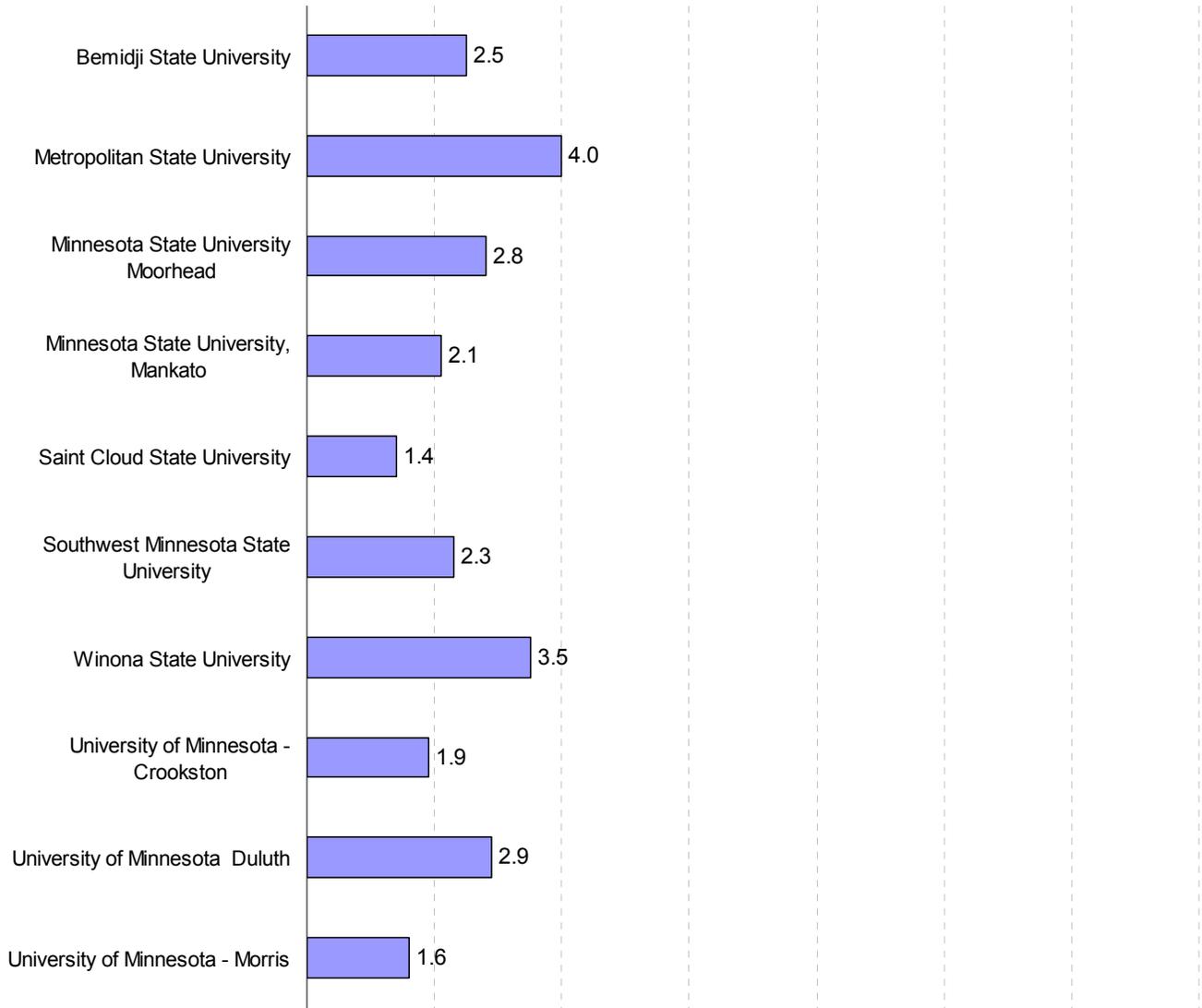
### 2004 Federal Cohort Default Rates for Minnesota Institutions by Sector

MnSCU Two-Year Colleges	5.6%
Private For-Profit Career Colleges	4.5%
MnSCU Four-Year Universities	2.2%
University of Minnesota	1.8%
Private Not-for-Profit Colleges and Universities	1.0%
Private Graduate Schools	0.7%
<b>Total for All Minnesota Institutions</b>	<b>3.2%</b>

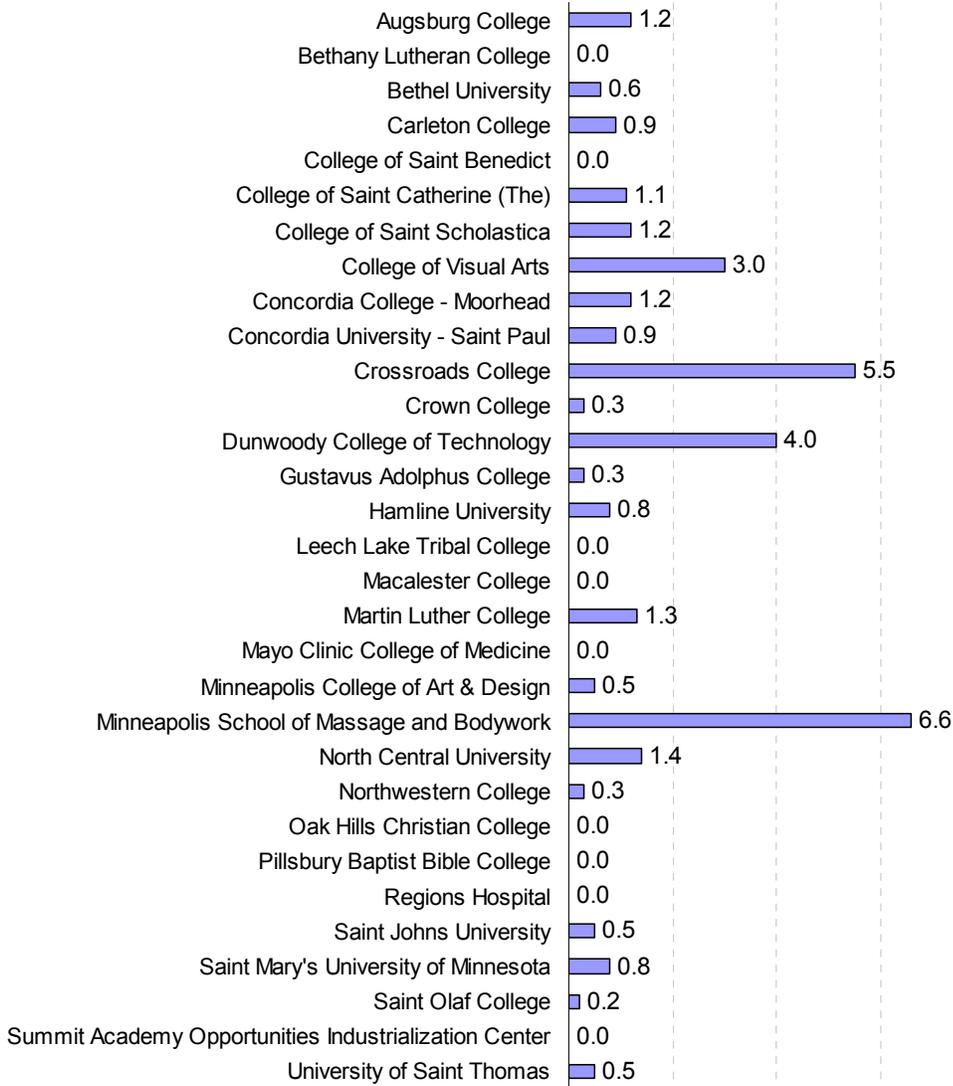
## MnSCU Two-Year Colleges 2004 Default Rates



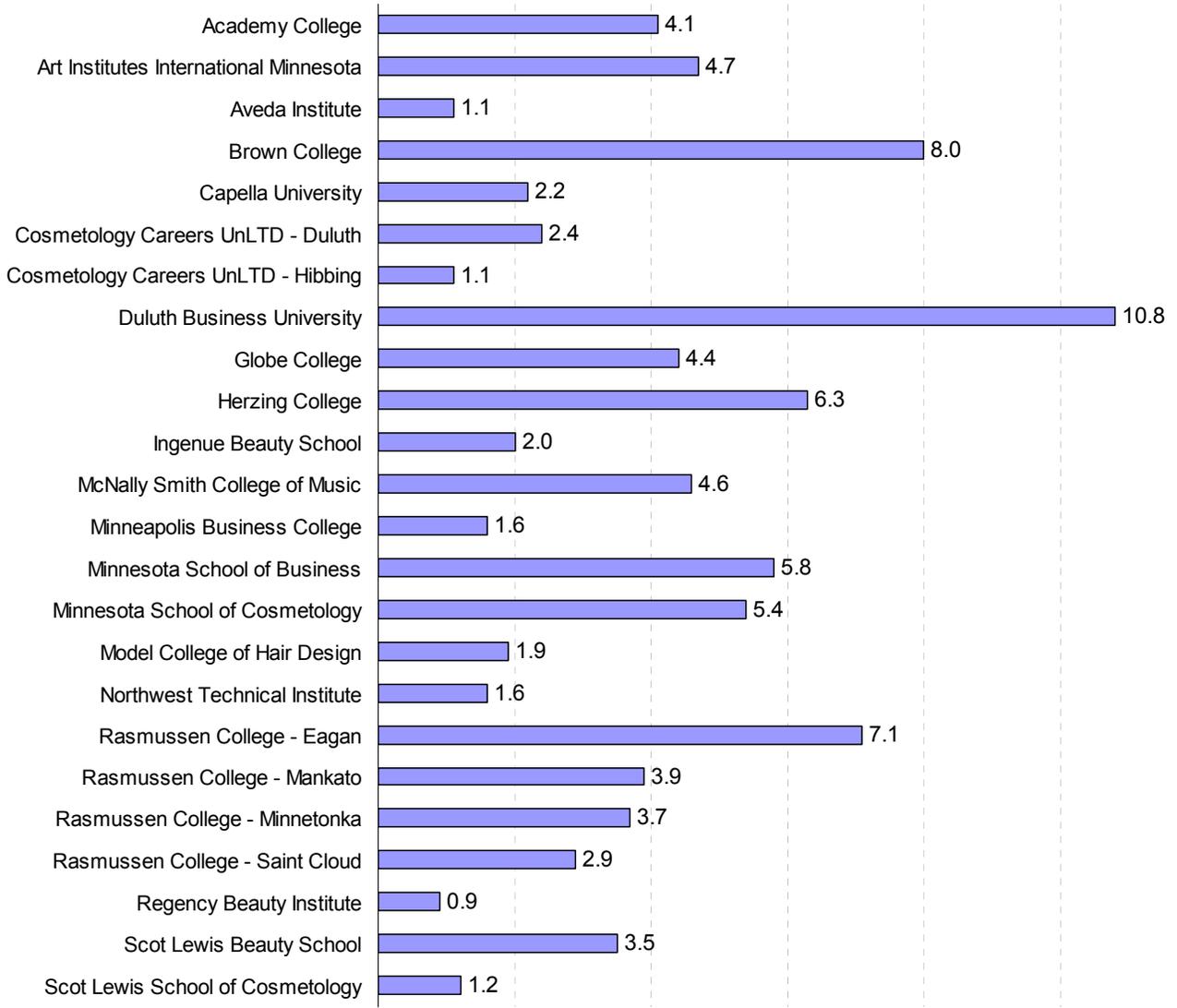
## MnSCU Four-Year Universities, University of MN 2004 Default Rates



## MN Private Not-for-Profit Institutions 2004 Default Rates



## MN Private For-Profit Institutions 2004 Default Rates



## MN Private Graduate Schools 2004 Default Rates

