The nation's guarantors provide the following summaries to inform schools, lenders, and servicers of the latest Common Manual policy changes. These changes will appear in the manual's next annual update. These changes will also be incorporated into the Integrated Common Manual released in April 2013. The Integrated Common Manual is available on several guarantor websites, and it is also available on the Common Manual's website at www.commonmanual.org. Please carefully note the effective date of each policy change.

Calculation of School Cohort Default Rates
The Common Manual is being revised to correct information on the treatment of closed school, false certification, or identify theft discharges in the cohort default rate calculation. In addition, information on developing a Default Prevention Plan has been added.

Affected Sections: 16.2 Calculation of School Cohort Default Rates  16.5 Consequences of High Official Cohort Rates for Schools
Effective Date: Expansion of the cohort default period from a two-year period to a three-year period beginning with fiscal year 2009.
Policy Information: 1281/Batch 190
Guarantor Comments: None.