Policy Change Announcement

December 20, 2012

These policy changes modify the November 2012 edition of the Common Manual Batch 190: Proposal 1281

Below are the latest policy changes approved by the Common Manual Governing Board on December 20, 2012. Please note the effective dates for these approved policy changes. These changes will appear in the Manual’s next annual update. These changes will also be incorporated into the Integrated Common Manual (ICM), available on the AES website.

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.

Basis:
2012 Cohort Default Rate Guide; GEN-05-14.

Policy Information:
1281/Batch 190

Guarantor Comments:
None.