



**Addendum to the
Report on the Impact of Change in the Cohort Default Rate Definition**
Published November 30, 2007

The "Report on the Impact of Change in the Cohort Default Rate Definition" that was published by Champion College Solutions is consistent with data posted on November 30, 2007, by the U.S. Department of Education.

Champion chose to provide the data at a school level to demonstrate the potential implications of the "Grijalva/Bishop Amendment" to many institutions. The original report did not include student numbers; however, we are providing those in this addendum for consideration.

The "Grijalva/Bishop Amendment" that changes the cohort default rate definition may have unintended potential consequences to a large number of students and institutions in this country.

Based on statistical analysis by Champion College Solutions, implementation of the intended 3 year definition may have the following affects:

- As many as 34,425 students 125 institutions could be adversely affected should these schools have one year over 40%.
 - 4+ Year Institutions: 1,798 students at 1 institutions
 - 2 Year Institutions: 1,256 students at 11 institutions
 - Less than 2 Year Institutions: 1,452 students at 15 institutions

- As many as 105,706 students at 242 institutions could be adversely affected should these schools have 3 consecutive cohort default rates over 25%.
 - 4+ Year Institutions: 30,501 students at 34 institutions
 - 2 Year Institutions: 57,057 students at 124 institutions
 - Less than 2 Year Institutions: 18,148 students at 84 institutions

- As many as 769,991 students at 1,112 institutions could lose one-time disbursement benefits that would not be subject to a 30 day delay in funding.
 - 4+ Year Institutions: 360,575 students at 251 institutions
 - 2 Year Institutions: 360,107 students at 597 institutions
 - Less than 2 Year Institutions: 49,320 students at 264 institutions

Although we understand that the intent of the amendment is to add one year to the definition, the U.S. Department of Education has confirmed that the language defines a 4 year measuring window. For this reason, we are also providing data for the 4 year definition.

Based on statistical analysis by Champion College Solutions, implementation of the amended 4 year definition may have the following affects:

- As many as 34,425 students 125 institutions could be adversely affected should these schools have one year over 40%.
 - 4+ Year Institutions: 9,222 students at 15 institutions
 - 2 Year Institutions: 17,406 students at 57 institutions
 - Less than 2 Year Institutions: 7,797 students at 53 institutions

- As many as 375,530 students at 698 institutions could be adversely affected should these schools have 3 consecutive cohort default rates over 25%.
 - 4+ Year Institutions: 123,888 students at 117 institutions
 - 2 Year Institutions: 200,653 students at 388 institutions
 - Less than 2 Year Institutions: 50,989 students at 193 institutions

- As many as 1,111,262 students at 1,112 institutions could lose one-time disbursement benefits that would not be subject to a 30 day delay in funding.
 - 4+ Year Institutions: 599,424 students at 448 institutions
 - 2 Year Institutions: 445,062 students at 769 institutions
 - Less than 2 Year Institutions: 66,776 students at 380 institutions