

Default Prevention Services Executive Summary

Wisconsin Technical College System

WTCS

Through innovation and collaboration, the Wisconsin Technical College System (WTCS) delivers skills training that recognizes the rapidly changing educational needs of residents to keep current with the demands of the workplace. WTCS offers more than 500 programs awarding two-year associate degrees and one- and two-year technical diplomas and certificates. Their 16 technical colleges educate roughly 330,000 students each year - more than any other higher education system in the state. Each college has their own unique career aspirations and college funding challenges.

Tuition at a Wisconsin technical college is roughly half the tuition at most four-year University of Wisconsin institutions. While programs are very affordable, many students rely on student loans to help finance their education and living expenses.

The Goals

Defaulting on a loan has serious consequences, and schools are increasingly being held accountable to do as much as they can to support their students. WTCS wanted:

- A cost-effective solution to help struggling students succeed in repayment
- Lower school Cohort Default Rates
- Evidence of positive impact sooner than later
- To know their students would be respected while receiving the education and counseling required for long-term repayment success

The Solution

In 2018, 13 WTCS schools looked to Ascendium® and Cohort Catalyst® to achieve their goals. In 2019, Nicolet College (September) and Wisconsin Indianhead Technical College (November) sought the same solution. Cohort Catalyst is a default prevention solution that empowers student loan borrowers through outreach, education, and counseling, using Ascendium's model that has kept millions of borrowers out of default.

Cohort Catalyst's Repayment Support Team works as an extension of the college to perform comprehensive repayment support. With an average tenure of 6.8 years, the highly trained "Repayment Support Coaches" are unparalleled in the industry.

Experienced Team

Elite squad of expert counselors with a proven record of success that:

- Treat students with respect and dignity, and take the time needed to explore long term solutions
- Act as borrower advocates in calls with servicers and collection agencies
- Embrace the notion that even one borrower who defaults is one too many

The invitation to participate in counseling comes through emails and outbound calls for delinquent student loan borrowers and those nearing the end of grace, deferment, and forbearance. The focus of Cohort Catalyst is to help borrowers understand their student loan obligation, and be successful in repayment.

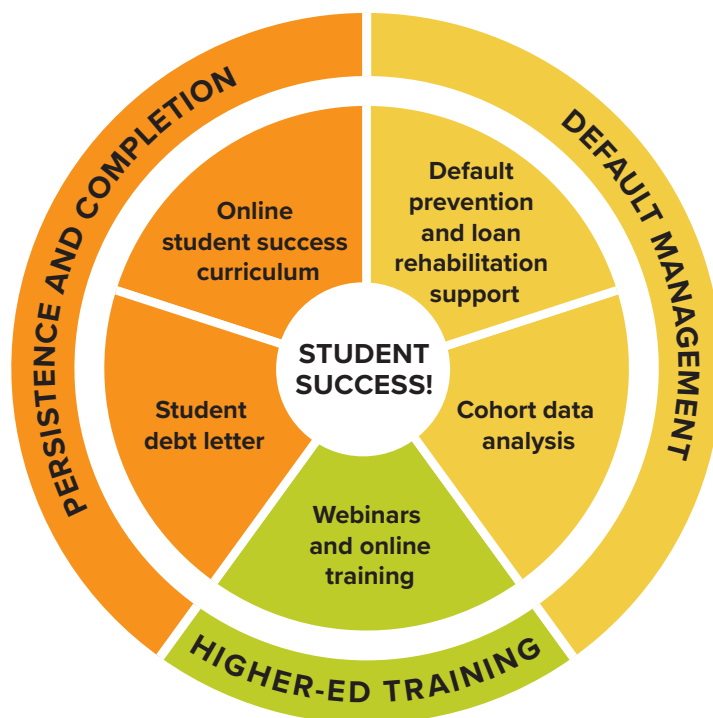
Comprehensive Tool and Service

- Data management and targeted outreach for the biggest impact in the shortest time
- School-branded communication at grace, forbearance, and deferment-end, throughout delinquency and default rehabilitation
- Inbound/outbound call center with expert counseling
- NEW! Student-facing repayment support website with chat option

Driving Student Success to New Heights

Cohort Catalyst is part of the Attigo® family of student success solutions. The Attigo Suite helps students reach their goals by delivering the right support at the right time. Our nationally recognized persistence and completion curriculum, student debt letter, student loan repayment counseling, and training for higher education professionals makes postsecondary success and achieving big dreams easier. In addition to Cohort Catalyst, our student loan repayment counseling service, the suite of Attigo solutions include:

- **GradReady®**—comprehensive online student success curriculum, improve persistence and completion with this cost-effective, turn-key solution, it presents the topics students need to succeed
- **College Cost Meter®**—student debt letter correspondence, presents the financial aid and student loan information students need to make better enrollment and college financing decisions
- **Cohort Analyzer™**—cohort data analysis, significantly reduce the time spent researching cohort data challenges—a free benefit of using Cohort Catalyst
- **SmartSessions™**—training for higher-ed leaders, gain valuable student success and professional development insight



The Outcomes

Through Cohort Catalyst the WTCS schools are achieving historic results.

- **11 out of 13** participating colleges lowered their CDR rates between 2016 3-YR Official and 2017 3-YR Draft.

Note: Nicolet College initiated services with one month left in the 2017 cohort period and Wisconsin Indianhead Technical College initiated services after it closed so they are not included in this report.

- **11 participating colleges saw historic lows since the 2009/2010 cohort years:**

Blackhawk Technical College (Since 2010)

Chippewa Valley Technical College (Since 2009)

Fox Valley Technical College (Since 2010)

Gateway Technical College (Since 2009)

Madison College (Since 2010)

Milwaukee Area Technical College (Since 2010)

Moraine Park Technical College (Since 2010)

Northcentral Technical College (Since 2009)

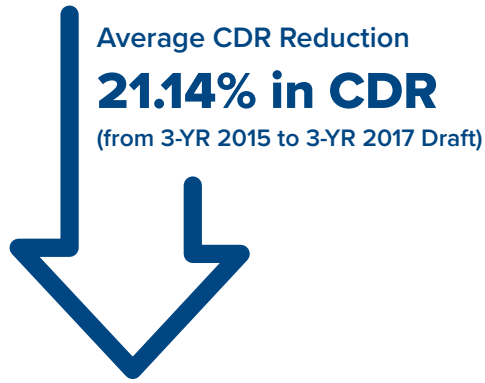
Northeast Wisconsin Technical College (Since 2010)

Waukesha County Technical College (Since 2009)

Western Technical College (Since 2009)

Many of the participating schools started working with the Repayment Support Team in January 2018. The 2017 3-YR CDR period was the first to benefit from our default prevention service. We had a little over half of the cohort period to make an impact. Only a limited number of students had already defaulted prior to service initiation. Highlights include:

- Performing outbound premium grace outreach service (for one school) to build a trusting relationship right out of the gate
- Introducing new outreach channels including RepayCatalyst.org and online chat features
- Expanding our library of customized borrower outreach emails and guides
- Growing our skip tracing effort
- Streamlining internal processes and upgrading systems to improve efficiency and effectiveness
- Developing a dedicated late-stage delinquency team to prevent default before the end of the cohort period



6,516 STUDENTS

Kept out of default & its crippling consequences

Cohort Year & Cohort Default Period

Cohort Year: Runs from 10/1 to 9/30, the same as the federal fiscal year.

- 10/1/16 to 9/30/19 = 2017 Cohort Year

Cohort Default Period: 3-year period that begins 10/1 of the fiscal year when the borrower enters repayment and ends on 9/30 of the following two fiscal years.

- 10/1/16 to 9/30/19 = 2017 3-YR CDR
- Draft CDR shared in February 2020
- Official CDR published in September 2020

Eleven out of 13 participating schools had a CDR reduction from the 2016 3-YR Official to the 2017 3-YR Draft. Two schools, Mid-State and Lakeshore, saw increases to CDR rates between 2016 3-YR Official and 2017 3-YR Draft.

Greatest achievements include:

- Largest CDR reduction based on percentage: Western Technical College from 13.9 to 9.9, for a 28.8% reduction
- Average CDR reduction for participating schools system-wide: 9.56%
- Student loan borrowers kept from default: 6,516 (from January to December 2019)

As of 5/5/2020 the 3-YR 2018 CDR is 25.97% lower than the 2017 Draft Rate.

Looking Ahead

The Cohort Catalyst Repayment Support Team will strive to achieve even greater impact in 2020 and beyond. Seeking new opportunities to evolve our strategy and customize support for maximum impact, we are set to:

- Launch new outreach and counseling channels
- Improve Cohort Catalyst with new dashboard reports and expanded features such as Cohort Analyzer
- Proactively identify special populations of borrowers to provide customized support
- Modify outreach focus as a result of the COVID-19 crisis to help support students
- Continue to make a successful impact for WTCS schools and its students

Default Rehabilitation Program

Madison College and Nicolet College Activities and Outcomes

Default rehabilitation services reduces CDR from another angle, impacting both the numerator (default) and the denominator (repayment). Madison College (since October 2017) and Nicolet College (since September 2019) have been reaping the benefits of this 2-sided strategy to take advantage of our default rehabilitation expertise to not only reduce the CDR but also change the trajectory of defaulted student loan borrowers' lives.

Over the past year, we achieved great results for Madison College and have made inroads for Nicolet College since September:

64
students invited to engage

220
one-to-one conversations

33
students set to move beyond default



OUTREACH ACTIVITIES PERFORMED

This chart shows the number of outreach activities that were performed during the time period.

Skip Trace	1,162
Calls Placed	10,353
Calls Received	78
Emails Sent	3,248
Total Activities	14,841

OUTCOMES ACHIEVED

This chart shows the outcomes achieved during the time period.

Borrowers enrolled in rehabilitation and currently active	4
Borrowers with completed rehabilitation	29
Borrowers counseled on Consolidation, not yet complete	0
Borrowers with completed Consolidation	40
Total Wins	73

25
students invited to engage

11
one-to-one conversations

4
students set to move beyond default



OUTREACH ACTIVITIES PERFORMED

This chart shows the number of outreach activities that were performed during the time period.

Skip Trace	109
Calls Placed	994
Calls Received	2
Emails Sent	263
Total Activities	1,368

OUTCOMES ACHIEVED

This chart shows the outcomes achieved during the time period.

Borrowers enrolled in rehabilitation and currently active	0
Borrowers with completed rehabilitation	4
Borrowers counseled on Consolidation, not yet complete	0
Borrowers with completed Consolidation	0
Total Wins	4