

Federal Student Aid Borrowers in Default 2016 Survey

[Programming instructions in bold brackets]

You have received this survey as part of an initiative the United States Department of Education Office of Federal Student Aid has undertaken to improve customer satisfaction for borrowers who are in delinquent in one or more of their student loan(s) for more than 271 days.

The survey will take approximately twelve minutes to complete. CFI Group, an independent research and consulting firm, is conducting this survey, which is authorized by the U.S. Office of Management and Budget, Control No. 1845-0045. It is hosted via a secure server. Your responses are strictly confidential. **Individual responses will not be reported and you will not be contacted as a result of taking this survey.** If you have any questions, please contact survey@cfgroup.com.

Thank you in advance for your valuable feedback.

PRA Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1845-0045. Public reporting burden for this collection of information is estimated to average 12 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The obligation to respond to this collection is voluntary. If you have comments or concerns regarding the status of your individual submission of this survey, please contact Federal Student Aid/Customer Experience Office/Customer Analytics Group at 830 First Street, NE Washington, DC 20202 or customersurveys@ed.gov directly. [Note: Please do not return the completed survey to this address.]

Introduction

1. Which best describes your current status?
 - a. I graduated with a degree/certificate
 - b. I am a current student
 - c. I am on a leave of absence from school
 - d. I left school (withdrew) and did not complete a degree or certificate
 - e. Other (please specify) **[Skip to Q5]**
2. **[If Q1=c, d]** Why did you leave school? **[capture open end then skip to Q4]**
3. **[If Q1 = a]** What degree(s)/certificate did you earn most recently? Please check all that apply (for example, if you completed a dual-degree program).
 - a. Certificate **[Skip to Q5]**
 - b. Associate's degree **[Skip to Q5]**
 - c. Bachelor's degree **[Skip to Q5]**
 - d. Master's degree **[Skip to Q5]**
 - e. Professional degree (MBA, J.D., etc) **[Skip to Q5]**
 - f. Doctorate degree (Ph.D., Ed.D., etc.)**[Skip to Q5]**
4. **[If Q1 = b, c, d]** What degree(s)/certificate did you pursue most recently? Please check all that apply (for example, if you completed a dual-degree program).

- a. Certificate
- b. Associate's degree
- c. Bachelor's degree
- d. Master's degree
- e. Professional degree (MBA, J.D., etc.)
- f. Doctorate degree (Ph.D., Ed.D, etc.)

Communication

- 5. Have you been contacted about your student loan(s) going into default?
 - a. Yes
 - b. No **[Skip to Q11]**
 - c. I'm not sure (please explain)

- 6. **[If Q5 =a] What entity most recently contacted you about your student loan(s) going into default? [Sort servicers in descending order by proportion of the servicer portfolio]**
 - a. United States Department of Education (e.g. Debt Management Collection Services,/Default Resolution Group)
 - b. Loan servicer (i.e. Sallie Mae/Navient, AES, NelNet, Great Lakes, EdFinancial, Fed Loan Servicing, MOHELA, etc.)
 - c. Guaranty agency (i.e. PHEAA, Great Lakes GA, USA Funds, College Assist, ECMC, ASA, New York HESC, etc.)
 - d. Collection agency (i.e. Coast Professionals, Pioneer Credit Recovery, etc.)
 - e. School (i.e. City University of New York, Penn State, University of Phoenix, etc.)
 - f. Other (please specify)
 - g. I'm not sure

Think about communications you have received about your student loans going into default, such as an initial notification of default status, monthly statements, notification that your loan(s) had been forwarded to a collection agency, etc. Thinking about the communications you have received, and using a 1 to 10 scale where 1 is "Poor" and 10 is "Excellent", please rate them on:

- 7. Ease of understanding the content
- 8. Making clear the next steps required of you
- 9. The accuracy of your account information (e.g., student aid debt status, payments, balances, etc.)
- 10. Ease of finding the customer service help number

- 11. Do you know where to go to file a complaint about the entity that is handling your defaulted student loan(s)?
 - a. Yes
 - b. No

Exit Counseling

- 12. At the time you graduated, left school, or became enrolled below half-time, you should have been offered an opportunity to either attend an in-person session at your school or utilize an on-line tool to help you understand your rights, responsibility, and options in repaying your loan. This is called "exit loan counseling."

Did you complete an exit counseling session?

- a. Yes, it was completed at my school.
- b. Yes, I went to StudentLoans.gov, a U.S. Department of Education site, to complete an on-line exit loan counseling session.
- c. No, my school sent me materials related to my loan debt.
- d. I don't know/I'm not sure. **[skip to Q16]**

On a scale of 1-10, with "1" being "poor" and "10" being "excellent," please rate the exit counseling you received on **[add "I do not remember" column]**:

- 13. Helping you understand your rights and responsibilities as a student loan borrower
- 14. Helping you understand how to manage your loan(s)
- 15. Helping you understand your options for your repayment plan

Understanding and Awareness of Options

16. Where have you gone to find out information about your repayment options or how to manage your student loan(s)?

(Check all that apply)

- a. Collection agency
- b. Online loan servicer/guaranty agency account management
- c. Phone number for loan servicer/guaranty agency
- d. Website: MyEdDebt.com
- e. Website: www.nslds.ed.gov (National Student Loan Data System)
- f. Website: www.studentaid.gov (Federal Student Aid)
- g. Website: www.studentloans.gov (Student Loans)
- h. Other online government resources
- i. Online non-government resources
- j. Exit counseling at my school
- k. Talking with staff at my school (for example, financial aid officers or academic counselors)
- l. Talking with friends or family
- m. Mobile phone apps
- n. Social media resources (for example: Twitter, YouTube, or Facebook)
- o. Other (please specify)
- p. I have not used any of these sources of information

17. Did you pay a fee to a third-party for information about your repayment options or assistance with your student loans?

- a. Yes
- b. No
- c. I don't know

18. Have you considered income-driven repayment (i.e. income-based repayment, Pay as You Earn (PAYE), income-contingent repayment, income-sensitive repayment, REPAYE)?

- a. Yes, I currently have an income-driven repayment plan
- b. Yes, I have considered it, but I have another plan
- c. No, I didn't have enough information about it
- d. No, I am not interested
- e. No, I don't think I qualify

19. **[IF Q18=b]** What is the other plan you have decided on? **[capture open end]**

20. **[IF Q18=c]** What information do you feel you still need to consider income-driven repayment? **[capture open end]**
21. **[IF Q18=d]** Why are you not interested in income-driven repayment? **[capture open end]**

Default Difficulties

22. Which situations best describe the reason(s) you have defaulted on your loan(s)? Please indicate your main reason and one additional reason if you have one. **[randomize choices][If 22D is selected, 22E cannot be selected and vice-versa]**

	Main reason (select one)	Secondary reason (select one)
a. The quality of education that I received was insufficient to get a job		
b. I dispute owing the loan		
c. Due to medical reasons, I am unable to make payments		
d. I am unemployed		
e. I am underemployed		
f. Payments not manageable		
g. Expenses too high		
h. Other (please specify)		

23. Please check all of the expense(s) you have and whether you are current or behind on payment(s).

	I do not have this expense	I have this expense and am current on my payments	I am behind on this payment
Mortgage			
Rent			
Car(s)			
Credit card(s)			
Bank loan (not housing-related or student loan)			
Utilities			
Telephone/cable television/internet service			
Health-related expense/bill			
Other (please specify)			

24. What do you consider the highest manageable monthly payment you can make toward your student loan(s)? Please enter a dollar figure below. (For example, if a manageable monthly payment is \$1,000, please enter 1000). **[capture number, do not require response]**
25. Based on what you know or understand today, which of the things listed below can happen if your student loan(s) go into default? (check all that apply)
- a. Lower credit score
 - b. More expensive to borrow

- c. Not able to get student loans/Pell grants
- d. Bankruptcy
- e. Receive collection calls from private collection agency
- f. Stress
- g. Collection fees
- h. Federal tax refund/ Social Security benefits withheld by the government
- i. Money withheld from pay check
- j. Ineligible for VA or FHA loans
- k. Ineligible for federal employment
- l. No consequence
- m. I don't know
- n. Other (please specify)

26. Were the consequences (e.g. lowered credit score, collection calls etc.) for defaulting on your loan better or worse than you anticipated?
- a. Better than I anticipated
 - b. About what I anticipated
 - c. Worse than I anticipated
27. Are you working towards the rehabilitation of your loan(s) – that is, getting them out of default status?
- a. Yes
 - b. No

ACSI Benchmark Questions

Please think about your experiences dealing with the student loan process, including exit counseling, communication with your loan servicer, information about your repayment options, and anything else you can think of related to paying back your student loan(s) since they have gone into default.

28. Using a 10-point scale on which “1” means “very dissatisfied” and 10 means “very satisfied”, how satisfied have you been with your experiences concerning the handling of your federal student aid debt since your loan(s) defaulted?
29. Now please use a 10-point scale on which "1" now means "falls short of your expectations" and "10" means "exceeds your expectations" - in a positive sense. To what extent has your experience with the handling of your federal student aid debt met your expectations since your loan(s) defaulted?
30. Imagine your best-case scenario for working with a collection agency or the Department of Education on the handling of your federal student aid debt - your ideal process for interacting with them. How well do you think your experiences with your student aid debt since your loans defaulted compare with that ideal you just imagined? Please use a 10-point scale on which "1" means "not at all ideal," and "10" means "very close to the ideal."

Outcomes and Closing

31. Thinking back to the time before you took out any loans to fund your education, how would you characterize your degree of knowledge and understanding about student loan/Federal Student Aid issues?
- a. None
 - b. Very little
 - c. Average
 - d. Above-average
 - e. Expert

32. Considering all of your student loans, both federal and private, approximately how much do you currently owe? Please enter a dollar amount with no spaces, commas or dollar signs (for example, if you have \$5,000 of loans please enter 5000). **[capture number, do not require response – validate numeric value entered]**
33. Do you have a private student loan?
- Yes
 - No **[skip to Q38]**
 - I don't know **[skip to Q38]**
34. **[IF Q33=a]** Approximately how much do you owe on your private loan? Please enter a dollar amount with no spaces, commas or dollar signs (for example, if you have \$5,000 of loans please enter 5000). **[capture number, do not require response – validate numeric value entered]**
35. **[IF Q33=a]** What best describes the status of your private loan(s)?
- Presently making payments on time
 - Loan is in Deferment/forbearance
 - Loan is Delinquent (I am behind on my payments)
 - Loan is Defaulted/in Collections
 - Paid-in-full
 - Cancelled/discharged
36. In managing payments on your federal and private student loans, how do you prioritize paying these loans?
- I pay my private loans before I pay my federal loans
 - I pay my federal loans before I pay my private loans
 - I pay both my federal and private loans at the same time
 - Other (please explain)
37. What do you take into consideration when deciding how to prioritize paying your federal and private loans?
[capture open end]
38. When you first enrolled in school, you may have had an idea of how much you expected to borrow in student loans. Now that you are finished, did you end up borrowing more or less than you initially anticipated?
- A lot more
 - More
 - About what I expected
 - Less
 - A lot less
 - I'm not sure yet because I plan to continue my education
 - I don't know
39. If you could go through the process of financing your education all over again, would you take the same actions or make a change?
- Take the same actions
 - Make a change
 - I don't know/not sure
40. **[IF Q39=b]**What change(s) would you make? (check all that apply)
- Borrow less
 - Go to a less expensive school
 - I would not borrow
 - Obtain a scholarship

- e. Not pursue additional education
- f. Other (please specify)

41. What is your current employment status?

- a. Employed part-time
- b. Employed full-time
- c. Internship (unpaid)
- d. Not employed, looking for work
- e. Not employed, not looking for work
- f. Other (please specify)

42. What is your approximate annual income (before taxes)? Please enter a number with no spaces, commas or dollar signs (for example, if your income is \$20,000 per year, enter 20000). **[capture number, do not require response – validate numeric value entered]**

43. Is there anything the U.S. Department of Education could do to improve the information or services it provides on student loans to customers such as yourself? **[open ended]**

44. What could the U.S. Department of Education have done to assist you in staying current on your loan(s)? **[open ended]**