



The mission of CTK Healthcare and Career Institute is to offer quality professional trainings in Healthcare, Information Technology and Business related disciplines.

Default Management Plan

Objective: Default management programs are developed to help school and students to reduce the total loans and increase retention to be successful. It helps the students to know the amount of loans borrowed loans and repayment options. It supports to prevent schools and students from any non-compliance financial responsibility that they might hold. It encourages the student to be educated about the pros and cons of the loan to review, repay, and maintain their status so there is no delinquency or default.

Responsible person: CTK gives the responsibility to its Financial Aid Director (FAD) to implement this policy

List of activities: Followings are the list of activities

1. Early stages of enrollment

After completion of the enrollment, school does the financial aid packaging for the student. The school provide the students with the itemized cost of the tuition and fees of the respective program enrolled and the award letter from federal aid. Students are explained in detail about the aid, or the total funds approved on the letter. The students are given the choice to decide to either accept or decline the respective type of funds. If they decide to take the loans, they are required to complete the entrance counseling. The school participate to explain the details included in entrance counseling and Rights and responsibilities mentioned in the Master Promissory note (MPN). Their emergency contact and the reference are recorded in the file in cases of any medical or health emergency as well as academic and financial responsibility to be maintained as needed. Communication is done from the school to the respective students in a timely manner to ensure about the total tuition and fees on their account and the payment made through financial aid. Early determination is made on the bases of the school status or professional judgement. If there is any default-risk, the loans are highly discouraged. The negative consequences of the delinquency and default are explained such as long-term impact on their credit report, at least 7

years to maintain, difficulty in getting approved for additional federal benefits or personal loans as mortgage or auto as well as information transferred to the collection teams.

2. Late stages of Enrollment

The school is constantly in contact with the students regarding their attendance, academic progress or satisfactory academic progress report and the financial responsibility. Based on the reports provided through the instructors and academic department, the attendance and SAP is confirmed and sent for the second disbursement. After the second payment is made and when the student is approaching to their graduation students, students are informed to complete the required Exit counseling. The estimation of the funds is generated to help students better understand about the principle and the interest that is and will be reflected in their account. The repayment plan options are provided to them by their loan servicer through their fafsa portal. The school helps them to choose the plan providing them with the information on who is the loan servicer, their initial month and the day of repayment and required detailed listed on their chosen plans. They are also made sure that any changes in their personal or financial information related to the loans has to be notified to their loan servicer and school. If the students have many loans from many schools, they are also taught the concept of loan consolidation for the proper management of the repayment. If the students decide to withdraw from the program, they are required to notify the school in writing with the reason. However, if the student stops to show up for the class and does not maintain their attendance timely and they are not back to the school after 14 days of their leave of absence, they are put into withdrawal status. In these cases, the return to title IV is done to determine the funds that student owes to the school and funds are disbursed or refunded accordingly.

3. After students Leave Students

Students' attendance and SAP report is completed and registered in the file. The enrollment report is recorded in the document and present to the services to update the status of the student in National student Loan Data System. The students are in contact through phone calls and emails, and they are constantly reminder before the repayment plans. If any financial assistance is needed, they are recommended to the nursing home and healthcare facility for jobs opportunities.

4. Enhance entrance counselling and Exit Counselling

Entrance counseling are required to be completed by the students to receive the Federal Direct Loans. It includes all the terms and conditions of the borrower and the details about requirements and obligations as a student. It presents you with the sample calculation of the how the funds work including the loan limit, interest rate, Capitalization, grace period, loan discharge, loan servicer and others. Master promissory note is one of the important documents that provides all the rights and responsibility of the student borrower and its positive and negative consequences. Exit counselling provides the students about the exact disbursement done on their account and provide the details on the repayments plans. The school also helps the students through the

process of understanding the numbers and choose the suitable option including their ethical responsibility to pay off the direct loan..

5. Review, Evaluated and Revision of the Plan: The plan is reviewed annually, in staff meeting or by the institutional advisory board, and revised as needed.