**Review of the National Student Loan Default**

Is there a correlation between the national student loan default rate (this study will use the 3 YR default rate; randomly selected) regionally and the percentage of Federal loans issued per region?

**HISTORY**

The Department of Education issues The College Scorecard annually to help empower perspective students with tools to assist them in making informed decisions regarding their secondary education. One of the components in the scorecard is the financial status or stability of universities/colleges (AKA as cohorts) regarding federal student loans.

**Dataset Used**

The dataset used is: The College Scorecard (<https://collegescorecard.ed.gov/data/>. The report is an annual study gathering data from self-reporting cohorts within the United States and its territories. This study covers the 2017 – 2018 Academic Year. Extracted from the database: UNITID, INSTNM (changed to NAME), STABBR (changed to STATE), REGION, UGDS (changed to UNDERGRADS), PCTFLOAN, CDR3 (changed to RPYMT\_RATE\_YR3), DEBT\_MDN (changed to AVG\_LOAN\_DEBT).

**Glossary**

**UNITID:** ID assigned to each Cohort

**NAME:** Name of the Cohort

**STATE:**  State cohort is located in

**REGION:** Defined from (1 – 9)

**UNDERGRADS:** Total number of undergraduates per cohort

**CDR3:** Cohort Default Rate After 3 years

**PCTFLOAN:** Mean of federal loans issued (excluding Perkins and PLUS loans)

**RPYMT\_RATE\_YR3:** Loans repaid in 3 years after separation

**AVG\_LOAN\_DEBT:** Average loan debt at separation

**PROCEDURE**:/**ANALYSIS**

* How many cohorts are in each region?
  + What is the average number of federal loans issued per region?
  + Which region has the highest default rate for Federal loans
* what is the average student loan debt achieved by separation from the cohort?

First, we will look at the average of student loans issued per region and then look at the default rate for each region. We will determine how many Universities/Colleges (aka Cohorts) are in each region, the average percentage of federal loans issued per region and then look at the three year default rate per region?