

WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008

Dear Lender,

Willamette University welcomes your participation in our annual process for determining our Preferred Lender List. The enclosed Request for Information (RFI) is intended as a tool to help us determine if your organization has the programs, benefits, and services to provide for our student body and their borrowing needs.

This RFI has been developed with some of our main goals in mind. We strive to provide our students with lenders who understand that the student – not the school – is their customer. However, we have some specific needs regarding loan processing of which you must be aware, and with which you must be able to comply, if you hope to make our Preferred Lender List.

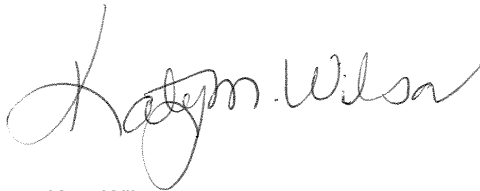
Willamette is a lender flow institution. For Stafford loans, we certify a loan request via Datatel/Colleague, and export the record to ELM. For private/alternative loans, we ask that students initiate the process with their lender, and once the student has been approved, and **COMPLETES ALL** application materials, we ask lenders to send a certification request via ELM. Due to the limits of Datatel/Colleague, we require that lenders process all loans using our system generated unique loan ID. We also refuse to utilize a blanket guarantee.

Please complete the RFI in its entirety, and return it to me no later than November 30, 2006. I would like to receive one (1) paper version and one (1) electronic version of your submission.

Information about the programs Willamette offers and our financial aid processes are available from our website:
<http://www.willamette.edu/dept/finaid>

I look forward to receiving your completed paperwork by November 30th for consideration on the 2007-2008 academic year preferred lender list.

Sincerely,



Katy Wilson
Senior Financial Aid Counselor
Willamette University
900 State Street
Salem, OR 97301
(503) 370-6273

WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008

Please provide the following information on a separate sheet of paper:

1. Financial Aid Office Representative:
 - Name
 - Address
 - Phone Number
 - Fax Number
 - Email Address
2. General Financial Aid Administrator Phone Number:
3. Dedicated Financial Aid Office Contact:
 - Name
 - Phone Number
 - Fax Number
 - Email Address
4. Secondary Financial Aid Office Contact:
 - Name
 - Phone Number
 - Fax Number
 - Email Address
5. General Student Toll-Free Phone Number:
6. Stafford Master Promissory Note Mailing Address:
7. Alternative Loan Promissory Note Mailing Address:
8. General <<Company>> Student Loan Website:
9. Stafford Loan Master Promissory Note E-Sign Website:
10. Alternative Loan Promissory Note E-Sign Website:

WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008

Please respond **ONLY** to those items for which your company is unable to comply. Responses are to be made on Lender's letterhead.

1. A Preferred Lender must be an ELM member and possess the capability to process FFELP and alternative loan applications and disbursements through ELM. Specifically, since Willamette University is a Datatel/Colleague school, this requires the lender to utilize the unique loan ID that is generated on export from Willamette University to ELM.
2. A Preferred Lender commits to sending alternative loan certification requests through ELM within 24 hours of application completion by student and/or co-signer. Willamette does not want to receive a certification request simply because the student has been approved – we require certification requests when the student has **completed ALL** requirements with the lender.
3. A Preferred Lender must remain current on processing of ELM loan rejects, finding resolution within 5 business days. The Financial Aid Office must be notified of rejects if resolution within 5 days is not possible.
4. A Preferred Lender must print and mail the application/promissory note to the borrower within 24 hours of receipt of data from ELM. In addition to the application/note, a Preferred Lender will include a postage-paid, pre-addressed envelope for return. Also included will be an application/note instruction letter with E-Sign information.
5. A Preferred Lender commits to updating the Student Loan Interface (SLI) with the correct loan data at all levels of the loan within 24 hours of changes.
6. A Preferred Lender must resolve loan certification or disbursement issues within 48 hours. If this is not possible, the financial aid office must be provided timely updates (at least once daily) with the current progress of issue resolution.
7. A Preferred Lender must set disbursement of loans within 24 hours of receipt of guarantee record.
8. A Preferred Lender must disburse via the National Disbursement Network.
9. A Preferred Lender will explore their ability to have additional school profile contact information available to client services personnel in order to facilitate Willamette specific services. An example would be that client services clientele should know that Willamette receives private loan certification requests via ELM, and should be aware of the lender's timeline for sending those certifications to ELM.
10. A Preferred Lender must agree to consult with and obtain approval from the Willamette University Financial Aid Office prior to sending any unsolicited information regarding private loans or consumer credit opportunities to Willamette students.
11. A Preferred Lender must provide accurate on-line alternative loan application instructions for Willamette students.
12. A Preferred Lender will provide overnight envelopes to the Office of Financial Aid for time-sensitive situations.

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Stafford Repayment Incentives
«Company»**

Repayment Incentive Stafford Loans	«Company» Please provide details regarding each type of benefit, and answer all applicable follow up questions. DO NOT LIST BENEFITS IN MORE THAN ONE CATEGORY.
<p>List any <u>EARNED</u> Benefits – Include the following items for <u>each</u> benefit:</p> <p>How many timely payments are required to qualify?</p> <p>If a student misses a payment, can their repayment “clock” start over to qualify for this benefit?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?.</p>	
<p>List any <u>AUTOMATIC</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>Can this benefit be lost? If so, how?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	
<p>List any <u>ACH</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>If a payment is returned for insufficient funds, what process is in place to remedy?</p> <p>What percent of «Company» borrowers currently in repayment use ACH?</p>	
<p>List any other benefits offered:</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Parent PLUS Repayment Incentives
«Company»**

Repayment Incentive Parent PLUS Loans	«Company» Please provide details regarding each type of benefit, and answer all applicable follow up questions. DO NOT LIST BENEFITS IN MORE THAN ONE CATEGORY.
<p>List any <u>EARNED</u> Benefits – Include the following items for <u>each</u> benefit:</p> <p>How many timely payments are required to qualify?</p> <p>If a student misses a payment, can their repayment “clock” start over to qualify for this benefit?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?.</p>	
<p>List any <u>AUTOMATIC</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>Can this benefit be lost? If so, how?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	
<p>List any <u>ACH</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>If a payment is returned for insufficient funds, what process is in place to remedy?</p> <p>What percent of «Company» borrowers currently in repayment use ACH?</p>	
<p>List any other benefits offered:</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Grad PLUS Repayment Incentives
«Company»**

Repayment Incentive Grad PLUS Loans	«Company» Please provide details regarding each type of benefit, and answer all applicable follow up questions. DO NOT LIST BENEFITS IN MORE THAN ONE CATEGORY.
<p>List any <u>EARNED</u> Benefits – Include the following items for <u>each</u> benefit:</p> <p>How many timely payments are required to qualify?</p> <p>If a student misses a payment, can their repayment “clock” start over to qualify for this benefit?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?.</p>	
<p>List any <u>AUTOMATIC</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>Can this benefit be lost? If so, how?</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	
<p>List any <u>ACH</u> benefits – Include the following items for <u>each</u> benefit:</p> <p>If a payment is returned for insufficient funds, what process is in place to remedy?</p> <p>What percent of «Company» borrowers currently in repayment use ACH?</p>	
<p>List any other benefits offered:</p> <p>What percent of «Company» borrowers currently in repayment receive this benefit?</p>	

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Additional FFEL Items
«Company»**

1. How often do you contact students who have failed to return their application/promissory note?
2. Does your institution sell its Stafford loans to a secondary market, and if so, to whom?
 - a. What is the timeline of selling loans?
3. Does your institution use a servicer? If yes, please provide the name of the servicer.
 - a. What is the timeline of transferring loan servicing to this entity?
4. Does your institution offer consolidation loans?
 - a. Provide the details of the loan terms and repayment incentives.
 - b. Provide statistics of consolidation loan borrowers currently receiving any benefits/repayment incentives.
5. How often do you update the major credit bureaus with repayment history?
 - a. To which bureaus to you report?
6. List your default rate for the past three years.

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**FFELP Loan Scenarios
«Company»**

Undergraduate Stafford

Complete the following questions for an undergraduate with \$19,000 subsidized Stafford loan, borrowed at grade level maximums each year, during a four-year program. Assume a 120-month repayment period with the student qualifying for all repayment incentives offered by«Company». Use 6.8% as the interest rate in effect for the duration of the student's repayment period.

1. **Monthly payment amount** (if this amount changes during repayment, based on qualifying for additional benefits based on behavior, please provide those details in your example):
 2. **Total payments without earning «Company» benefits:**
 3. **Total payments if all «Company» benefits are earned:**
 4. **Actual repayment term (months):**
 5. **Maximum benefit saved:**
-

Graduate Stafford

Complete the following questions for a graduate student with \$25,500 in subsidized Stafford loan debt, and \$36,000 in unsubsidized Stafford loan debt. The student was enrolled in a three-year program, with \$8,500 disbursed each year in subsidized Stafford; \$12,000 disbursed each year in unsubsidized Stafford. While in school, the student paid no unsubsidized interest, which was accruing at an interest rate of 6.8%. Each year, the student had two disbursements, one on 9/1 and one on 1/5. The student graduates on 5/15 of the third year. Assume a 120-month repayment period with the student qualifying for all repayment incentives offered by«Company». Use 6.8% as the interest rate in effect for the duration of the student's repayment period.

1. **Monthly payment amount** (if this amount changes during repayment, based on qualifying for additional benefits based on behavior, please provide those details in your example):
2. **Total payments without earning «Company» benefits:**
3. **Total payments if all «Company» benefits are earned:**
4. **Actual repayment term (months):**
5. **Maximum GR benefit saved:**

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**FFELP Loan Scenarios, continued
«Company»**

Parent PLUS

Complete the following questions for a parent of an undergraduate student with \$60,000 in parent PLUS loan debt. The dependent student was enrolled in a four-year program, with \$15,000 disbursed each year. Each year, the loan had two disbursements, one on 9/1 and one on 1/5. The parent began payments on 3/5 each year. Assume a 120-month repayment period with the parent qualifying for all repayment incentives offered by «Company». Use 8.5% as the interest rate in effect for the duration of the student's repayment period.

1. **Monthly payment amount** (if this amount changes during repayment, based on qualifying for additional benefits based on behavior, please provide those details in your example):
 2. **Total payments without earning «Company» benefits:**
 3. **Total payments if all «Company» benefits are earned:**
 4. **Actual repayment term (months):**
 5. **Maximum benefit saved:**
-

Graduate PLUS

Complete the following questions for a graduate student with \$60,000 in grad PLUS loan debt. The student was enrolled in a three-year program, with \$20,000 disbursed each year. While in school, the student made NO payments. Each year, the student had two disbursements, one on 9/1 and one on 1/5. The student graduates on 5/15 of the third year. Assume a 120-month repayment period with the student qualifying for all repayment incentives offered by «Company». Use 8.5% as the interest rate in effect for the duration of the student's repayment period.

1. **Monthly payment amount** (if this amount changes during repayment, based on qualifying for additional benefits based on behavior, please provide those details in your example):
2. **Total payments without earning «Company» benefits:**
3. **Total payments if all «Company» benefits are earned:**
4. **Actual repayment term (months):**
5. **Maximum benefit saved:**

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Alternative Loan Information
«Company»**

Do you offer a private loan for international students?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Best method for student to apply for an alternative loan (i.e., phone, internet, other):		
Can students access their alternative loan application via your website?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Can students E-Sign their alternative loan application via your website?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Can students access their alternative loan repayment status via your website?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Can students make address changes on your website?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Can students download forms (i.e., application, deferment, forbearance) from your site?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Are original signatures required (such that the paperwork must be mailed)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you send a postage paid envelope with the alternative loan promissory note?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you send a disclosure statement?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you use a different origination center or system for your alternative loans from your Federal Stafford Loans?		<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you offer combined billing for Stafford and alternative loans?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If you employ a servicer for alternative loan repayment, when do they begin servicing the loan?	<input type="checkbox"/> At origination <input type="checkbox"/> At repayment <input type="checkbox"/> After loan is fully disbursed <input type="checkbox"/> Other (please explain)	
Do you sell your loans to any secondary market?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, please identify the typical secondary markets:		
If you employ a servicer, will both your alternative loans and your federal loans be serviced at the same location and on the same systems?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, please explain:		
If you sell your loans, will both your alternative loans and your federal loans be sold to the same secondary markets and at the same stage in the life of the loans?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If no, please explain:		

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Additional Alternative Loan Information
«Company»**

Please provide a comparison chart with all alternative loans which may be used by Willamette University students. Include ALL of the following information for students with excellent credit and for students with poor credit.

1. Maximum annual loan amount
2. Minimum annual loan amount
3. Satisfactory academic progress requirements
4. Fees at disbursement
5. Fees at repayment
6. In-school interest rate calculation
7. Current in-school interest rate
8. In-repayment interest rate calculation
9. Current in-school interest rate
10. Frequency of interest rate change
11. When interest is capitalized
12. Length of grace period
13. Standard repayment term
14. Co-signer release option
15. Deferment options available
16. Forbearance options available
17. Cumulative maximum students can borrow
18. Additional documents beyond the application that a student might need to submit
19. Repayment incentives
20. Percent of total loan applications approved
21. Percent of loan applications approved at the excellent credit tier
22. Percent of loan applications approved at the poor credit tier

**WILLAMETTE UNIVERSITY
PREFERRED LENDER EVALUATION CRITERIA FOR 2007-2008**

**Additional Alternative Loan Information
«Company»**

In addition to the above chart, please provide a comparison chart with all alternative loans which may be used by Willamette University students. Include ALL of the following information

Provide the following components of a \$22,000 private loan borrowed as a first year graduate student. The student received two disbursements, one on 9/1 and one on 1/5. The borrower is enrolled for three consecutive academic years, and graduates on 5/15 of the third year. No principal or interest payments were paid during this enrollment. Assume a 180-month repayment period. Use the interest rate currently in effect.

Excellent Credit (Best Case Scenario)

1. Amount received
2. Fees at disbursement
3. Fees at repayment
4. Total interest owed at graduation
5. Total amount owed at repayment
6. Standard monthly payment
7. Total amount paid over the life of the loan, excluding earned benefits
8. Total amount paid over the life of the loan, including earned benefits

Poor Credit (Worst Case Scenario)

1. Amount received
2. Fees at disbursement
3. Fees at repayment
4. Total interest owed at graduation
5. Total amount owed at repayment
6. Standard monthly payment
7. Total amount paid over the life of the loan, excluding earned benefits
8. Total amount paid over the life of the loan, including earned benefits