

Disclosure Concerning Lender Selection 2018-2019

The suggested lenders for the 2018-2019 academic year were selected as a result of a Request for Proposal (RFP) process conducted in 2018. Two separate RFPs were issued, one for private loan products for domestic students (“Private RFP”) and one for private loan products for international students (“International RFP”). Led by the University Financial Aid Office, two separate committees were created for each RFP process, to review the corresponding lender proposals and to select which lenders would be included on the University’s suggested lender list for each loan type. University senior management reviewed the committee’s selections.

The University issued the Private RFP to thirteen lenders and the International RFP to nine lenders. To develop the list of lenders that would be sent the RFPs, the University conformed to the following steps:

1. Included lenders that received the previous RFP and are still in the student lending business.
2. Included lenders that reached out to the University about a possible submission.
3. Included lenders listed in findaid.org and are still in the student lending business.
4. Excluded credit unions given the University’s high loan volume.
5. Excluded state-specific lenders given the diversity of the University’s students in terms of residency.

Most of the lenders that were sent an RFP fit into more than one of the first three categories listed above. Lenders that were listed in findaid.org were only excluded if they fit categories 4 or 5 above.

All lenders that offer the relevant loan products received an RFP and all lenders that received an RFP responded. The University considered the responding lenders’ proposals with respect to a variety of factors including: rates; terms; fees; capitalization policies; aggregate borrowing limits; eligibility and approval rates; customer service (for example, call response time, experience of call center representatives, availability of toll free customer service numbers); reputation; experience; management practices; application, certification, and fund disbursement processes; loan proceed return and cancellation policies; repayment policies (for example, option to prepay without penalty, maximum term offered, and grace period); repayment incentives and options; deferment and forbearance policies; cosigner release policies; availability of identified service representatives to assist with issue resolution; default aversion policies; and reporting capabilities.

For both the Private Loan RFP and International Loan RFP, cost and eligibility were given the same weight as customer service factors including process flexibility, data reporting, and comprehensiveness.

After reviewing all lender submissions received prior to or by the RFP deadline and the final tallies for those submissions, the Private Loan RFP committee decided to list 11 out of the 13 lenders who presented a timely submission.*

The International RFP committee decided to list all 9 lenders who presented a timely submission on the University’s 2012-2013 suggested lender list for private loans available to international students. By so doing, the RFP committees sought to provide multiple lenders for consideration on the University’s suggested lender lists.

The lists do not contain affiliates as only one affiliate for each parent company was considered by each committee.

As the University considered qualitative as well as quantitative factors, the interest rate, fees, or loan cost offered by any of the suggested lenders may not be the lowest available. In addition, a lender may change the rates, terms, fees and other information from that which was offered in their RFP proposal(s).

Students and parents have the right and ability to select the lender of their choice, are not required to use any of the lenders on the suggested lender list, and will suffer no penalty for choosing a lender that is not a suggested lender. Students are encouraged to shop around to find the lender offering the rates, terms, and service that are right for them.

*As of July 27, 2018, a lender who had submitted a timely proposal and was selected by the Private RFP Committee to be on the University’s suggested lender list was removed from further consideration since the lender was no longer accessible and the University could not obtain any additional information regarding the lender’s student loan option.