**THE FOLLOWING PAGES**

**ARE FOR YOUR**

**INFORMATION. THEY CONTAIN VERY IMPORTANT INFORMATION REGARDING SUBMISSION AND APPROVAL**

**PLEASE READ**

CANTON STUDENT LOAN FOUNDATION

LOAN CHECKLIST

**THE FOLLOWING ITEMS ARE DUE NO LATER THAN JUNE 1, 2020:**

|  |  |
| --- | --- |
|  | 1. Application- Online submission only.
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|  | 2. Two (2) Reference Letters. Guides are included in this application packet.  Relatives/friends/neighbors may **NOT** be used as references.   Submit via email or drop off to the office.  |
|  | 3. ACT/SAT scores. If they are not listed on the high school transcript submit the  summary page of scores. Submit via email or drop off to the office.  |
|  | 4. Student Aid Report (SAR) from the Free Application for Student Financial Aid (FAFSA)  The page that indicates your “EFC” # is required. If you do not file a FAFSA,  the co-makers 1040 tax form (first page) will be accepted. Submit via email or drop off to the office.  |
|  | **THE FOLLOWING ITEMS ARE TO BE SUBMITTED BY THE EDUCATIONAL INSTITUTION AS SOON AS THEY ARE COMPLETE AND FINAL** **(we cannot accept copies from the student)** |
|  | 1. High School transcript. Must be **FINAL** **AND OFFICIAL** (must include senior yr. second semester grades).  **Please be sure to request a FINAL transcript from your high school. They will send the final, official copy to CSLF when they are completed- usually mid- June.****Please do not ask the school to send it early. They will send the transcripts****to us when they are ready.** |
|  | 2. College transcript (s). Must be **FINAL** **AND OFFICIAL** (must include Spring grades).   We must have an official transcript from **ALL** colleges attended.   |
| In June, a postcard will be sent acknowledging receipt of the application and a list of any missing items. At that time we will ask the applicant to schedule an interview appointment with a member of our Board of Trustees. This interview should include the borrower and both co–makers if possible. Please check with your co-makers regarding acceptable times for all 3 people before you call.   **\*\*\*\*\*Interviews will be held 9am to 4pm, the week of July 13th \*\*\*\*\*\*** |
| The student will know if they are approved by the end of the interview session. The student and two co-makers will be required to complete a check request form and to sign a Promissory Note, a Truth-in- Lending Statement, and a Co-makers Statement. If approved and if all parties are present to sign the legal documents, a loan check will be prepared on the day of the interview. If all parties are not present, the legal documents may be signed at another time in the office or the documents may be taken out of the office. However, if documents are taken out of our office they must be notarized. Once appropriately signed and witnessed the documents must be returned to the office and a loan check will be prepared.  Checks are prepared on the 15th and 30th of each month. |

**INSTRUCTIONS FOR REFERENCE LETTERS**

You are required to submit two written, signed letters of reference with this application. One letter should be from a former teacher or principal, and the other letter should be from an employer, advisor, coach or someone else who knows your work habits and academic potential well enough to answer the questions below. **Relatives/friends/neighbors cannot be used as references.**

Please give your references a copy of this instruction sheet and ask these individuals to **sign** their reference letters and either return the letters to you in a sealed envelope with the reference's signature across the seal of the envelope, email them to info@cantonstudentloan.org or drop them off at the office.

 The reference letters should address the following areas:

 1. In your opinion, is this family able or unable to provide the funds needed for this student to receive post- high school education or training and why?

 2. So that other applicants may borrow, it is important that the borrowed funds be paid back in regular

 installments immediately after the student graduates or leaves school. Please comment on the honesty, dependability, and integrity of the applicant and the family and express your opinion about whether or not the Foundation can expect full repayment on schedule.

 3. Comment on the applicant's ability and determination to complete his or her educational objectives.

 Is there a danger the applicant may drop out?

 4. Indicate how you know the applicant and their family and how long have you known them?

 5. Any additional information about the applicant's scholastic abilities, character or financial need that may assist the Foundation in making a loan decision.

**THANK YOU FOR ASSISTING THIS APPLICANT IN COMPLETING THEIR LOAN APPLICATION!**

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**THE CANTON STUDENT LOAN FOUNDATION**

**INFORMATION FOR LOAN APPLICANTS**

**LOAN CRITERIA**

 1. To apply for a loan from the Canton Student Loan Foundation the student **MUST**:

* Have graduated from a Stark County high school; received a high school diploma through

 participation in a GED or ABC (A Better Chance) Program through a Stark County High

 School; be a Stark County student who although eligible to graduate from a Stark County high

 school graduated from out of county.

* Be enrolled in a post-high school undergraduate degree granting program on a full- time basis

 (at least 12 credit hours per term).

* Have and maintain a minimum cumulative and term grade point average of at least 2.00 or

 above for undergraduate and 3.0 or above for graduate students.

2. To be eligible for a loan for Fall Term, the application must be received in the Foundation's office or post marked by June 1. Late applications will not be accepted. In addition to the completed application, the loan applicant must also submit:

* Official and final high school transcripts (*and* college, if applicable). Request transcript be sent directly to CSLF. The school will send the final, official copy when they are fully completed- usually mid-June. Partially completed transcripts or copies submitted from the student will not be accepted.
* ACT and/or SAT scores (if not noted on the high school transcript)
* 2 letters of reference- one of whom should be a teacher, principal, or coach. Letters will not be accepted from friends, family members or neighbors.
* Student Aid Report (SAR) from the FAFSA (or co-maker 1040 tax return)

 **SEE APPLICATION CHECKLIST FOR DUE DATES**

3. Students may borrow up to the following amounts for undergraduate coursework:

Annual amounts as incoming: Freshman: $3,000 each year for four (4) years; Sophomore: $4,000 each year for three (3) years; Junior: $6,000 each year for two (2) years; Senior: $6,000. **Maximum loan for undergraduate work is $12,000.** Students may prorate requests if desired.

 **If, in any given year, the Foundation believes there may be a shortage in loan funds, then $3,000 will be the maximum amount to disburse per student, regardless of class standing or previous disbursements.**

 Graduate students may borrow $4,000 per year for 2 years with an $8,000 maximum.

 4. FAMILY INCOME IS **NOT** A DETERMINING FACTOR IN LOAN ELIGIBILITY. However, should the pool of available loan funds be insufficient to meet the demand for undergraduate loans, the loans will be granted on the following basis:

* Repeat applicants who have already received loans;
* Students with annual family incomes below $80,000;
* Students with annual family incomes over $80,000.

**LOAN APPLICATION REVIEW PROCESS**

1. All new loan applicants will be interviewed by a member(s) of the Canton Student Loan Foundation's Selection Committee. A loan will be granted on the basis of a successful academic record, evidence of the ability to do satisfactory academic work, financial need, the firm commitment to repay the loan according to the agreement and a positive history with the Foundation regarding timeliness of payments and paperwork. The decision of the Selection Committee shall be final.
2. Loan denial may occur under any or all of the following circumstances:
* Untruthfulness on the loan application (new or repeat).
* Legal claims/suits/actions for unpaid or collection of debt.
* Student on academic probation.

1. Applicants who have a poor academic record including academic probation may not be denied a loan but will be asked to complete a term or entire academic year before their loan request will be considered.

 4. All approved loans are dependent on the availability of loan funds as they become available to the Canton Student Loan Foundation. Loan approval by the Selection Committee is completely subject to the availability of funds.

**LOAN GRANTING PROCESS**

 1. When the loan has been granted, the student and the two designated co-makers must sign the promissory note, the truth-in-lending form and the co-maker's statement. If a student is married, at least one other co-maker in addition to the spouse of the borrower is required to sign as a co-maker on the loan. If any of the signers are unable to come into the office, the papers may be taken out, signed, and the signature(s) notarized. If these forms are signed at the time of the initial interview, they are signed with the understanding that the loan has been approved and granted conditionally; i.e. pending the availability of sufficient funds to grant the amount indicated.

 2. An individual is not eligible to be a co-maker if they have already signed 3 active loans at the CSLF; are in default as a borrower/co-maker on any CSLF loan; had a loan with the CSLF that was written off, or; are not a US citizen.

 3. After all documents are properly signed, a "Request For Payment" form must be submitted to the office along with the above mentioned forms.

 4. Once a loan has been granted for the academic year, the entire amount must be requested and paid before June 30th of that academic year**. NO MONIES ARE CARRIED OVER TO ANOTHER ACADEMIC YEAR.** Failure to take the entire loan amount one year will have no effect on future applications for additional funds.

**APPLYING FOR ADDITIONAL LOANS**

1. Loans are granted for a one year period only. The student must reapply each academic year for an additional loan. This is done by fully completing the Deferment Form/Repeat Loan Application each year. It is not necessary to submit reference letters or the SAR or 1040 form with repeat applications.

1. Students who are re-applying **MUST** submit the "Deferment Form/Repeat Loan Application" fully completed to the Foundation by the due date stated. Transcripts or copy of the grade reports for the entire academic year are required as well. Official college transcripts **are not** needed for repeat loans as long as required information is included in submitted grade report. Any applicant who does not meet these deadlines may **NOT** be eligible for a loan for Fall term.

**PAYMENT AND INTEREST DEFERMENT REQUIREMENTS**

1. **PLEASE NOTE! PROOF OF ATTENDANCE IS REQUIRED EACH YEAR** even if the student is not reapplying for an additional loan. Verification of full time enrollment for the entire academic year is required in order for loan payments and interest accrual to continue to be deferred. Failure to return required documentation; including forms **AND** transcripts/grade reports is a breach of the loan agreement and may result in the total loan amount declared immediately due and payable in full.

\*\*\* 2. **IMPORTANT! IF THE LOAN RECIPIENT WITHDRAWS OR TAKES LESS THAN A FULL LOAD (UNDERGRADUATE-12 CREDIT HOURS; GRADUATE 9 HOURS ) AT ANY TIME, THE FOUNDATION MUST BE NOTIFIED IMMEDIATELY SO THAT MONTHLY PAYMENTS CAN BE SCHEDULED. IT IS CONSIDERED A BREACH OF THE TERMS OF THE PROMISSORY AGREEMENT IF THE FOUNDATION IS NOT NOTIFIED OF THIS STATUS CHANGE.** Delay in notification will cause a lump sum payment to be overdue and immediately payable in full.

**REPAYMENT OBLIGATIONS**

 1. All parties to the Promissory Note shall subscribe to and be bound by the following obligations:

A. Recipients who attend school and carry a normal full-time academic work load as required by such school, repayment shall commence three months following the date of graduation or completion of any further full-time, post-graduate degree program. Repayment shall commence immediately upon the withdrawal from school or the carrying of less than a normal full-time academic work load.

 B. Interest shall begin accruing at the time the first payment becomes due at the rate of 6% per annum and shall continue to accrue on the first day of each month on the outstanding balance, until the entire amount of principal/interest has been paid in full.

 C. Loan repayment for undergraduate loans will begin at $100 per month ($150 for graduate loans). Beginning the second year following the commencement of repayment, the parties shall make minimum payments of $150 per month ($200 for graduate loans). Beginning the third year following the commencement of repayment the parties shall make minimum payments of $195 per month ($230 for graduate loans).

 D. Re-enrollment on a full-time basis will not terminate the obligation to commence repayment of the loan obligation as set forth above.

 E. Failure to pay any monthly payments as explained or failure to provide requested documentation; including the Deferment Form/Repeat Loan Application and annual grade reports by deadlines, or failure to update the Foundation with changes in personnel information (as they occur) for the life of the loan including; name, address, phone numbers, banking/financial information including institution name and account numbers, or failure to perform any of the terms and conditions set forth in the Promissory Note, the Recipient's Pledge, or the Co-makers' Pledge shall at the option of the Foundation, mature the entire amount due hereon both for principal and interest, and thereon the Foundation may declare the entire amount to be immediately due and payable without notice to any of the parties to the Promissory Note which notice is hereby expressly waived.

 F. Payments are due in the office no later than the last business day of every month at 4:00pm. (Cash payments are due at NOON). Payments are credited to the appropriate account upon receipt. Payments are first credited toward fees, then accrued interest, and finally toward the outstanding principal balance. A charge will be imposed for all returned checks and will be added to the account balance. Charges will also be imposed for any legal expenses incurred in the collection of this debt or reports made to a consumer credit bureau.

 G. Accounts that are 3 or more payments behind, may result in referral to our attorney for collection and reported to the credit bureau for both the borrower and the co-makers. Co-makers are expected to assist with payments if the borrower is unable to make the required payments. Failure to make **any** payments or meet **any** of the conditions set forth in the loan agreement, may cause the Foundation to declare the entire loan (principal and interest) to be immediately due and payable in full (See "E" above).

1. "Confirmation Letters" are sent in July of each year based on the outstanding principal balance. This letter is sent by our auditors to confirm that the Foundation's records regarding loan balances are correct. Please respond to the auditor's request for verification of payments and outstanding balance by returning the form in the enclosed envelope. This will insure that our records are accurate.

 \*Additional information and answers to frequently asked questions may be obtained by viewing our website at [www.cantonstudentloan.org](http://www.cantonstudentloan.org/)

 12/2019