

HOW ALFRED STATE SELECTS PREFERRED LENDERS

The terms, conditions and benefits our lenders provide are evaluated each academic year. As a result, new lenders may be added due to improvements in their borrower benefits, customer service and technology. Lenders are included on this list based solely on these criteria. Students and parents can be assured that the lenders who make the list have earned the designation through superior service to our students, families and the College.

Preferred Lender Requirements

Borrower Benefits:

Lenders must retain competitive rates and repayment benefits must mirror industry standards. To ensure that our borrowers receive the most competitive repayments, high priority is given to lenders who provide above average repayment benefits to student and parent borrowers. Borrower benefits are listed on our website at www.alfredstate.edu. High value loan services must be offered by selected lenders. “Value” is not always about price, although our list contains several of the lowest cost providers. Value might be defined as 0% insurance and guarantor fees or could include added services like incentives for on-time payments, opportunity to defer payments until graduation and immediate interest rate reductions. These are just a few examples of the many borrower benefits offered by our lenders. To determine which combination of benefits best suits your individual situation, please review the comparison chart on our website by clicking on the following link (yet to be determined).

Lender Stability:

Lenders must be divisions or affiliates of federally insured commercial banks, federally insured savings banks, credit unions, other established financial services companies or contract with loan servicers that have been actively engaged in the student loan industry for at least five years. This helps to ensure that the lender will still be there for students and parents in future years.

Lender Customer Service:

Lenders must have a proven record of superior customer service. This includes offering a variety of payment options including but not limited to auto-debit and web-payment. Lenders must maintain student loan departments staffed by knowledgeable personnel, provide toll free telephone access and be available nights and weekends in addition to daytime hours.

Lender Technology and Operational Standards:

Students at Alfred State College expect and deserve quick, efficient and accurate processing of their student loans. Student borrowers want a simplified loan delivery

system that includes Internet processing. Waiting in line is unacceptable. For the benefit of both the student and the College, it is essential that a lender possess state of the art operations, including real time websites and 24/7 access to loan information. Lenders must be able to interface with BANNER and Higher Education Services Corporation (HESC) or Sallie Mae. Lenders must be able to transmit loan funds through EFT as well as process/update loan transactions in real time. Timely and responsive processing with excellent problem resolution service within 24 hours is essential. A toll free number for borrower information and participation in both Federal Stafford and PLUS loan programs is required. Lenders must have a school focused support process. Call centers should be familiar with Alfred State College's procedures for all federal loan programs.

Default Management:

It is important for lenders to provide web based default management tools and early intervention for borrowers who are delinquent on their loan payments. Preferred lenders provide payment and repayment calculators, consolidation information, planning/budgeting tips and credit information to both students and parents. They also provide information to borrowers about costs of deferment/forbearance. Lenders should also provide financial literacy programs including budgeting and credit management. Commitment to debt management and default aversion provides services to our students through cooperative efforts with the College. These services include numerous activities such as providing websites to educate students on financial issues, offering debt management tools, and offering credit management programs. Responsible lenders have an interest in assisting our students to become responsible, credit worthy consumers in the future.

Flexibility:

The Financial Aid Office at Alfred State College continually monitors our policies and procedures in an effort to improve our efficiency and service to students and parents. We depend on our lender partners to support us in this endeavor by keeping us apprised of market changes and providing training on new regulations. We expect our lenders to be flexible and able to respond quickly to accommodate changes or provide required information.

Other:

No lender will knowingly misrepresent themselves or their institutions terms, conditions, or benefits. There is a mutual expectation between the lender and Alfred State College that neither party will solicit for individual gain.