

SUMMARY OF PAST “PARKING LOT ISSUES” FOR JELF LOAN REVIEWERS

1. How does JELF strive to truly be “last dollar” funding?

JELF uses its “[need calculation formula](#)” to understand the total cost of the student’s expenses for the school term for which they are applying, as well as the funding that they can bring to the table. We survey student borrowers every year and while some students do let us know that they still needed more funding to go to school (money usually taken out through credit cards or parent PLUS loans), most JELF borrowers indicate that, after JELF, they have enough money needed to get through the school year. No students who answer the JELF survey report that they will not be able to go to school that year due to lack of funding.

2. How does JELF determine whether someone has made responsible educational choices?

Applicants are told upfront that JELF looks to see that they have taken financial considerations into account when making their school choice. JELF’s Loan Program Committee feels strongly that JELF should be supportive of a student and their family’s decision on school choice and not be in the business of determining where a student should attend school. It is understood that applicants and their families make their own educational plans *before* coming to JELF and that this choice is a very personal one. However, JELF reviewers always look to ensure that a student has a legitimate reason for attending their school of choice.

3. Should loan reviewers consider a student’s choice of major or career (and subsequent ability to repay JELF) when making funding decisions?

JELF’s Loan Program Committee members feel strongly that a student’s choice of major or career should not be a factor in funding decisions.

4. Why do we choose not to show a student’s GPA on the Summary Sheet?

JELF loans are need, not merit, based. Students must remain in good academic standing with their university in order to continue receiving funding from JELF. JELF staff review each student’s transcript as part of supporting documentation — and will withdraw students who do not meet that requirement as ineligible. Staff also review students’ fall grades/GPA at the end of fall semester before disbursing the spring semester loan checks in December. In 2017, JELF’s Loan Program Committee made the decision that all references to GPA should be removed from student Summary Sheets. This has since eliminated any bias regarding a students’ academic status —allowing reviewers to focus solely on determining need.

5. Does JELF ever determine assets?

No. JELF spends a great deal of time looking at the tax returns of every person who applies and really scrutinizes all the information that we ask for. Therefore, our Loan Program Committee

does not believe that it is necessary to try and build a balance sheet for each student's scenario. Further, many of the families applying for aid do not have this information properly organized and it is time-consuming and difficult to compile.

6. Can the Summary Sheet provide more parental information for independent students (most of whom are graduate students)?

The Loan Program Committee does not believe it is either necessary or fair to provide detailed parent information for independent students. These individuals have declared that they are on their own financially because either the parents have no additional money to help them pay for school, or for grad students -- regardless of income -- their parents have helped with undergraduate studies and expect them to finance graduate studies independently.

7. When a student has not been granted a state merit scholarship (e.g., Hope Scholarship in Georgia, Bright Futures in Florida, etc.), can you clarify why the student did not qualify?

If a student does not have a state merit scholarship, it is to be assumed that they simply did not qualify for some reason.

8. Can the Summary Sheet list all scholarships for which a student has applied, even those not received?

Loan Program Committee members believe that JELF Staff should limit what is provided on the Summary Sheet to information that will help guide reviewers in their decision-making process, and do not think it necessary to see scholarships applied for but not awarded. Therefore, JELF Staff will list only those scholarships a student has actually received.

9. Is it possible to provide students' cumulative loan debt (especially for grad students) on the Summary Sheets?

JELF does not provide a student's total debt load on their Summary Sheet. JELF's Loan Program committee has continued to believe that this information will only serve to hurt students — since they all have some degree of debt. Furthermore, the debt load of graduate students (especially those enrolled in professional schools such as law or medical) tends to be even larger. Since loan repayment is not an issue for JELF at present time, total debt load should not be a deciding factor for reviewers. Should loan repayments become an issue for JELF at any point, this subject may be addressed.

10. Should students who attend school in their hometown be expected to live at home and/or be penalized for spending additional money to live on campus?

JELF's goal is to support a student's total educational experience at school, which includes tuition, housing, educational supplies and transportation. As such, reviewers should not second

guess a student's choices to enable their lending decision. Living on campus (and away from home) often helps students acquire tools needed to live on their own.

11. Can the Summary Sheets provide more information about whether a student has a 529 college savings plan?

When applicable, JELF staff always report on college savings' plans in student narratives.

12. Can the Summary Sheets show applicants' after-tax earnings, including unreported earnings?

The Loan Committee gave a unanimous 'no' to the idea of staff trying to elicit this information, unsure of whether the information provided (since unreported) would even be accurate.

13. Can the narratives of students' family circumstances be more consistent?

All Summary Sheet narratives are broken down into three paragraphs: (1) applicant's present/prior schooling and school/community activities; (2) family make-up, parents' marital status, parent employment and/or unemployment/financial circumstances/ family medical issues if any; and (3) student's employment and/or internships during the school year and/or summer.

Some students have more of a story than others -- i.e., more family/financial/medical information to report, while others simply live in households that are having difficulty making ends meet and they simply don't have the funds to help their children attend school.

14. Should reviewers be told in the narrative who will cosign the student's loan (currently only stated in narrative if cosigner is someone other than a parent)?

Most applicants have a parent who is their cosigner. Therefore, that should be assumed. JELF Staff will only include cosigner information in the narrative in those situations where it is *not* a parent and someone else has been designated.

15. Does it make sense to have the student's need amount end on "strange" (i.e. uneven) numbers (i.e. \$2,308 instead of \$2,300)?

At present time, there is no reason to change the way JELF Staff determine students' need calculations. Some people think it is 'odd' that we loan funds in uneven amounts, but we believe that this helps us showcase the fact that we use a specific formula to calculate each student's need. After subtracting expected costs from available financial resources, the difference rarely comes out to a rounded number.

16. Should staff mix up the order in which applications are discussed to help better fund those who fall at the end of a review session?

Loan Reviewers currently review applications in 4 distinct categories: (1) Undergraduate Repeats (R) (2) Undergraduate New (N)(3) Graduate Repeats (GR); and (4) Graduate New (GN) students. Regardless, reviewers must continue to strive for consistency—from the first and last application (and all in between) given the same weight regardless of the time.

17. When a Loan Review session comes in under (total granted at end of session is less than amount allocated to be granted), why can't the money be moved to help another group in need (instead of just deferring that money to fall applicants)?

The Loan Committee feels that any if there are funds remaining after an individual review session, reviewers should first re-examine the applications from their session, awarding additional money as warranted, coming as close as possible to using up their session's budgeted loan amount.

18. Can reviewers ever make the decision to grant a scholarship (rather than a loan)?

No, JELF's mission is only to provide interest-free loans at present time.

19. Is there a "lifetime max" outstanding loan amount for a student?

At present time, there is not. Despite a deep Loan Program Committee discussion about this in 2019, no consensus was made to create a "maximum" lifetime loan from JELF for any one student or family.

20. Should students that are not eligible to take out the government's Stafford loan due to their school be allowed to apply for a JELF loan?

If this is the school's policy, JELF will still allow the student to apply without the Stafford. JELF will do its best to let reviewers know when a student is planning to attend a school that falls into this category (current examples of schools are Yale, Vanderbilt, Princeton, Harvard, Brown, Davidson College, Amherst College, Bowdoin College and the University of Pennsylvania).

21. Should we share the total loan amount that a family has with JELF?

Each borrower should be judged independently of their family's other JELF debt since the JELF loan is in their name. JELF reviewers should look at the total debt for each individual borrower when assessing risk.

22. Should there be a cap on high income families?

JELF does not want to prohibit someone from applying for a loan if can prove their need by committing to take out the Federal Direct Loan and meet JELF's eligibility requirements. It is the

role of the loan reviewers to decide if we should give the student a JELF loan and allocate an amount. Therefore, you will see applicants with families that have high adjusted gross incomes.

23. Should JELF allocate a loan to a student because they might become a future donor?

No. If a family has a high income, it does not mean that they are philanthropic and will become a donor to JELF if a loan is offered to their student. In addition, an applicant pursuing a major that has a higher earning capacity should not receive a higher loan amount because they might one day become a JELF doner. Each decision should be based on the need of the student now without considering possible future donations.