P.E.O. Educational Loan Fund (ELF)
Chapter Procedure for Sponsoring an Applicant

I. LOCAL CHAPTER

Refer to the Summary of Interview and Recommendation of ELF Applicant document.

A. The ELF or Project Committee

- Contacts the student to confirm:
  - Program of study, graduation date and scholastic standing
  - Cosigner requirement
  - Current educational and personal debt
  - Financial need
- Advises the student that:
  - The student will be required to submit the following as part of her application:
    - Transcript that includes her most recent academic semester
    - Budget demonstrating financial need for the time period through her course completion or graduation date
    - Name and email address of a qualified cosigner
    - Proof of Enrollment form signed by an official at her academic institution
    - Information related to her academic history, need for financial assistance and future plans
  - The student will have 30 days after she is notified by the ELF office to complete and submit her online application
  - The loan process should take approximately 90 days to complete after the student submits her application
  - The application must be submitted within six to 24 months prior to the student's graduation or course completion date
  - Monies received from the P.E.O. Educational Loan Fund shall not be used for debt reduction (educational, personal, etc.)
- Interviews the student using the Local Chapter Interview Worksheet
- Presents the loan request to the chapter for a vote

B. Chapter Vote

The chapter votes to sponsor a loan applicant, including the requested loan amount, at a regular or special meeting. The chapter records the vote in the minutes of the meeting. A majority vote is required to sponsor an applicant.

C. Chapter Recommendation Form

Following the chapter vote, the chair of the ELF or Project Committee:

- Completes the online Chapter Recommendation Part 1 and 2 and saves or prints a copy for chapter files.
- Approximately two weeks after submission, confirms that the applicant has received the application link. If not, contacts elf@peodsm.org.

D. Chapter Assistance to Applicant

The ELF or Project Committee Chair:

- Consults with the applicant as she completes her application and answers any questions she may have.
- Reminds the applicant to check email and respond to any requests within 14 days.
- If the loan is approved, offers encouragement and keeps in close touch with recipient until the loan has been entirely repaid.

E. Other Chapter Responsibilities

The chapter should promptly report any matters affecting repayment of a loan, such as withdrawal from school, changes in circumstances of borrower or cosigner, changes in borrower's contact information, etc., to the ELF office at elf@peodsm.org.

The chapter is NOT financially responsible for the repayment of a loan.

II. THE P.E.O. ELF OFFICE

- Provides Acknowledgment of Loan Terms and requests Consent to Obtain Credit Report
- Provides link to online application to student upon receipt of the Chapter Recommendation Form
- Forwards the completed application file to the board of trustees for review
- Notifies the student and the sponsoring chapter of the trustees' decision

III. ADDITIONAL LOANS

A student who did not borrow the maximum amount with her original application and has not completed the program or degree for which the original loan was awarded may apply for an additional loan such that the total of her loans would be no more than the maximum loan amount for the degree level.

The chapter should follow the process outlined in *I. Local Chapter* above.

IV. OTHER LOANS

After an original loan has been repaid in full according to the terms of the agreement, a student is eligible to apply for another loan. Second and subsequent loans are handled the same as original loans.

V. DECLINED APPLICATIONS

When a loan application is denied, the applicant may be given the specific reason(s) for the denial.

Reasons for loan denial include, but are not limited to:
- Indebtedness exceeds the limit
- Credit score is not at or above the minimum
- Grade point average does not meet the standard for graduation required by the institution the applicant attends
- School does not meet accreditation criteria
- Budget does not demonstrate financial need
- Projected income does not cover projected expenses
- Insufficient funds available to loan

Applicants are encouraged to reapply if they can rectify the reason their loan application was denied.

For privacy reasons, the chapter will be informed of the applicant's ineligibility or loan denial but will not receive the specific reason.