

## **Selection Process for Preferred Lenders**

The goal of the Financial Aid Office is to recommend lenders who provide good service and benefits to our borrowers. To accomplish this goal, we recently completed an extensive evaluation of potential lenders which included the use of a Request for Information (RFI). Our intention is to complete this process annually using a similar format.

Our evaluation began by surveying parents and students who are current borrowers to determine what factors were important to them in selecting a lender. We then created a list of high-priority factors for meeting student and parent needs as well as our institutional needs. The results of this survey were used to develop the RFI questions for lenders. These questions included details on lender history, lender stability including source of capital, borrower benefits, customer service, default management, availability of alternative loans, and application processing.

We then contacted thirteen other schools by phone and e-mail to obtain recommendations of lenders who had provided good customer service and products. Based on their recommendations and our previous experience, we compiled a list of fifteen lenders to receive our RFI. We sent an e-mail to each with our RFI and asked them to provide two copies of their responses: one "anonymous" email copy with all lender references removed to enable us to evaluate each lender without bias and one hard copy with lender specifics for office reference once our choices were made.

Next, a scorecard was developed to evaluate the RFI responses, weighting each section of the RFI based on the priority factors established. Eight lenders responded to our request for information. Each section of the "anonymous" RFI was reviewed and scored based on the lender's responses. The lenders' names were then revealed, and we added or subtracted up to 10 points based on our previous experience with the lender and also how well they paid attention to the details of our request to remove lender specifics in the emailed version. We felt that lenders who paid attention to the details of our request demonstrated a valuable quality and should be rewarded for it. The five lenders who scored the highest number of points were invited to meet with us to answer questions. After meeting with each lender representative, all five were selected to be included on our Preferred Lender List.

We now provide information about these lenders to students and families through the following means: printed in-office and packaging materials such as the Stafford Lender Information Sheet, the Parent PLUS Information Sheet, the GradPLUS Information Sheet; and our online loan information sections at [www.wheaton.edu/finaid](http://www.wheaton.edu/finaid).