

December 11, 2009

TO: County Farm Bureau Presidents
County Farm Bureau Ag Promotion Committee
County Farm Bureau Office Assistant & Persons Keeping Records
State Ag Promotion Committee
State Young Farmer & Rancher Committee

FROM: Kathy Stephenson, Chief Financial Officer

RE: **Charles Marshall Educational Loan Fund**

Enclosed are the Charles Marshall Educational Loan Fund application forms for 2010.

These items are:

1. Financial & Operating Policies
2. Application Checklist
3. Loan Fund Application
4. Confidential Financial Statement
5. County Farm Bureau Board Form

Please read through the Financial & Operating policies for details of the loan fund program.

THE COUNTY BOARD FORM IS VERY IMPORTANT IN THE DECISION PROCESS, SINCE THE COUNTY LEADERS ARE THE LINK WITH THE APPLICANTS. PLEASE COMPLETE THIS FORM TO THE BEST OF YOUR KNOWLEDGE.

I have also enclosed a news release, which you can submit to your local newspapers to help promote the loan program.

Application for loans must be received in Lincoln by May 1, 2010 to be considered by the loan committee. **All applicants or parents of applicants must be Farm Bureau members. This program is available for all Nebraska Farm Bureau members.**

Funds will be granted to approved applicants based upon their qualifications and needs.

If your county needs extra sets of materials, please let us know.

cc: State Board of Directors

**NEBRASKA FARM BUREAU FEDERATION
CHARLES MARSHALL EDUCATIONAL LOAN FUND**

LOAN FUND DEFINED:

The Charles Marshall Educational Loan Fund consists of voluntary funds contributed by Farm Bureau members. These funds are available to worthy individuals enrolled for training in accredited institutions for the advancement of professional skills.

ROLES IN NFBB LOAN FUND:

The Farm Bureau Ag Promotion Committee sponsors the loan fund program as a part of its overall program. However, the Loan Fund Committee is composed of members from the Farm Bureau Ag Promotion Committee and the Young Farmers & Ranchers Committee who review loan fund applications and approve worthy applicants for loans. Applicants are able to apply more than once, but new applications are required.

The Nebraska Farm Bureau Federation administers and maintains the loan fund. All current financial policies of the Nebraska Farm Bureau Federation (NFBB) are in effect and apply to the Loan Fund wherever applicable.

ELIGIBILITY REQUIREMENTS:

Applicants must:

1. (a) Applicant or parents must be a Farm Bureau member.
- (b) Enrolled in an accredited school leading to a certificate, degree or a certification of advancement of professional educational skills or similar skills.

APPLICATION PROCEDURES (County Level):

1. Individuals may request loan fund application forms and fund details from the county Farm Bureau President.
2. Applicant, in addition to completing the loan application, must enclose the following items to be considered as an applicant:
 - (a) Transcript of grades from last formal educational institution.
 - (b) Letters of recommendation from three (3) individuals. If applicant has applied previously, **new** letters of recommendation are required.
 - (c) A statement by the applicant stating purposes for seeking this loan and further training.
 - (d) A completed **CONFIDENTIAL** financial statement.

- (e) Personal statement of future goals and plans.
3. County Farm Bureau President reviews applicant's loan eligibility.
4. Each applicant must be recommended and approved by the county President. Such applications are then presented to the county Farm Bureau Board of Directors.
5. Each applicant must complete the **confidential** financial statement (item 2d) and mail directly to Nebraska Farm Bureau Federation's address as instructed on the form.

MAXIMUM LOAN LIMITS:

Loans can be approved up to and including fifty percent (50%) of the cost of training which includes tuition, room, board, books, transportation, etc. The amount approved depends upon the needs of the applicant and available loan monies.

RATE OF INTEREST:

The rate of interest on any loan is determined by the Board of Directors of Nebraska Farm Bureau Federation. In the event that the rate of interest is below the rate that the Internal Revenue Service determines to be an appropriate rate, any differential may be considered a gift to the student as a reward for making satisfactory progress, at the discretion of the Board of Directors.

GRADUATION:

Every recipient shall notify the Nebraska Farm Bureau Federation upon their date of graduation. Such notification shall include any change of address. Any subsequent change of address will require notification to Nebraska Farm Bureau Federation.

At the discretion of the Nebraska Farm Bureau Federation Board of Directors, interest that accrues during the time of training may be forgiven in the form of a gift as a reward for successful completion of training.

MONTHLY REPAYMENTS:

Recipients shall begin monthly repayments of the loan 90 days after the date of graduation. The first portion of each repayment will be applied to interest due with the remainder going toward reduction of principal.

After such repayment begins and each month thereafter at the beginning of each month, a minimum sum of \$75.00 shall be the monthly repayment rate to Nebraska Farm Bureau Federation. Greater monthly payments may be made if the student so desires. An amortization schedule for repayment of the loan will be sent to the recipient.

I authorize the Nebraska Farm Bureau Charles Marshall Educational Loan Fund to

electronically debit my checking/savings account as designated for my monthly student loan payment. The monthly payment will be made with the provisions of my student loan promissory note.

APPLICATION PROCEDURES (State Level):

1. Applications for loans must be received by the Nebraska Farm Bureau Federation no later than May 1st of each year. **Applicants that are late or lacking all necessary documents will NOT be considered.**
2. The Loan Fund Committee shall be provided with information about the amount of loan monies available considering anticipated loan repayments, new contributions and an adequate cash flow condition. A maximum amount of monies shall be made available consistent with prudent financial management.
3. The Loan Fund Committee and NFBF staff coordinator shall review applications and make loans to individual approved by this committee.
4. The loan applicants shall make known a complete schedule of total training needs of the applicant. Loans will be granted in increments for each training period.
5. Satisfactory progress must be achieved for continued assistance and additional approved increments.
6. Students may reapply each year of their training for loan monies. The entire application process must be completed each year.

DELINQUENT PAYMENTS:

If any monthly payment is unpaid, a late charge may be assessed at the discretion of the Board of Directors of Nebraska Farm Bureau Federation.

Delinquency letters will be mailed every thirty (30) days reminding the recipient of the delinquency. If loan payments are more than 90 days delinquent, a letter will be sent via Certified Mail with Return Receipt Requested to insure receipt of such letter and response from the recipient.

If no response is received within 120 days of delinquency and there are no payments received, an appropriate letter will be sent by legal counsel of Nebraska Farm Bureau Federation.

DISCONTINUANCE OF TRAINING:

Should the recipient of the loan for any reason discontinue training, payment of the interest and principal is to begin immediately, unless the NFBF Staff Coordinator agrees to an established payment schedule. A letter will be sent to the recipient as well as to the guarantor of the loan informing them of this fact.

**NEBRASKA FARM BUREAU FEDERATION
CHARLES MARSHALL LOAN FUND**

APPLICATION CHECKLIST

NAME: _____

- 1. APPLICATION
- 2. TRANSCRIPT OF GRADES FROM LAST FORMAL EDUCATIONAL INSTITUTION
- 3. LETTERS OF RECOMMENDATION (3). IF APPLICANT HAS APPLIED PREVIOUSLY, **NEW** LETTERS OF RECOMMENDATION ARE REQUIRED.
- 4. A STATEMENT BY APPLICANT STATING PURPOSES FOR SEEKING THIS LOAN AND FURTHER TRAINING.
- 5. A COMPLETED **CONFIDENTIAL** FINANCIAL STATEMENT.
- 6. PERSONAL STATEMENT OF FUTURE GOALS AND PLANS.
- 7. LETTER OF RECOMMENDATION FROM COUNTY PRESIDENT OR COUNTY AG PROMOTION CHAIRMAN
- 8. OTHER

CHARLES MARSHALL EDUCATIONAL LOAN FUND APPLICATION

Application is hereby made for a loan from the Charles Marshall Educational Loan Fund of the Nebraska Farm Bureau Federation

Date: _____

Name _____

Address _____ City _____ Zip _____

Home Telephone Number _____ County _____

Parent or Guardian _____

Address _____ County _____

Social Security Number _____

Occupation of Parent or Guardian _____

Is applicant in school? _____ Name and Location _____

Last Grade Completed _____

List of all employments, giving date of employment and reason for termination:

Churches, Clubs and Community Involvement _____

Position, degree or goal for which training is desired _____

Name and address of school providing training _____

Length of training _____ Number of years financial help needed _____

Tentative Graduation Date _____ Anticipated Yearly Earnings upon Graduation _____

(over)

I understand that I am making this application for financial assistance because of need. For this reason, I am attaching the following items for evaluation:

1. Transcript of grades from the last formal institution of training attended. Spring semester grades are sometimes not available by the application deadline of May 1st. We request that you please send these grades to us by June 1st so that they may be considered with the completed application.
2. Letters of recommendation from three (3) individuals.
3. A letter of recommendation from the County President or County Ag Promotion Chairman of the county Farm Bureau I am applying through.
4. Narrative of my interest in my chosen field and circumstances that cause me to make this application.
5. Personal statement of future goals and plans.
6. The completed confidential financial statement should be mailed directly by the applicant to the Nebraska Farm Bureau Federation, the address as instructed on the form.
7. Incomplete applications will not be considered.

Signature of Applicant

Signature of Parent, Guardian or Spouse

SEND ALL MATERIALS TO:

Nebraska Farm Bureau Federation
Charles Marshall Educational Loan Fund
Attn: Kathy Stephenson
P.O. Box 80299
Lincoln, Nebraska 68501

**CHARLES MARSHALL EDUCATIONAL LOAN FUND
(Confidential Financial Statement Required of Applicant)**

Note to Applicant: Please complete this form as part of your loan application and **return directly** to:

Nebraska Farm Bureau Federation
Charles Marshall Educational Loan Fund
Attn: Kathy Stephenson
P.O. Box 80299
Lincoln, Nebraska 68501

Name _____

Address _____ City _____ Zip _____

*1. Parents' Adjusted Gross Income from their most recent Federal Income Tax Return:

2. Total Number of Exemptions Claimed: _____

3. Unusual Expenses or Circumstances, if any (explain): _____

4. Assets: \$ _____ Debt: \$ _____ Net Worth: \$ _____

5. Form of Net Worth (cash, land, equipment, livestock, grain etc.) Please list: _____

6. Number of members of household currently in post-secondary education (including applicant): _____

7. Estimated cost of **TOTAL** training. (Before subtracting scholarships, other loans, grants, parent or applicant savings). \$ _____.

8. Amount of loan requested. \$ _____.

*If applicant is not a dependent, list information for self (spouse) rather than parents in items 1, 2, 3, 4, and 5 above and check this line. _____.

(over)

9. Please list other sources with which you plan to pay for your education i.e. scholarships, other loans, grants, parents or applicant savings.

SOURCE	AMOUNT
_____	_____
_____	_____
_____	_____
_____	_____
TOTAL	\$ _____

10. Estimated cost of first year of training. (When totaled and taken times number of years of education, this should be equal to item 7 from the front of this form.)

Tuition _____ Board _____
Books _____ Transportation _____
Room _____

11. To what extent is your training dependent upon this loan? Please explain:

Applicant's Signature

**COUNTY FARM BUREAU BOARD FORM
(FOR USE BY COUNTY FARM BUREAU BOARD)**

THIS FORM IS TO BE COMPLETED BY THE _____ COUNTY FARM BUREAU BOARD AND MUST ACCOMPANY EACH LOAN FUND APPLICATION.

Name of Applicant _____

Name of Parent or Guardian _____

Occupation of Parent or Guardian _____

Length of Time at Present Occupation _____

(NOTE: The strength of the loan program of Farm Bureau primarily stems from the knowledge which County leaders and Boards of Directors have of individual applicants and their ability and desire to attain the goals established. Do you, as the Board of Directors, believe that the applicant is worthy and has the ability and desire to attain his or her goal?)

Rate each question accordingly:

- | | | | |
|----|--|-----------|------------|
| 1. | Did your Board interview the applicant? | Yes | No |
| 2. | How well do you know the applicant and or family?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 3. | How involved is the applicant in the community?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 4. | How involved is the applicant and/or family in Farm Bureau?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 5. | Is the applicant positive, motivated and goal oriented?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 6. | How high is the ability to repay a loan?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 7. | To what extent is the applicant's training dependent on this loan?
1 being not at all, 5 being very well | 1 2 3 4 5 | Don't Know |
| 8. | Overall, do you believe that the applicant is worthy of receiving a loan and has the ability and desire to attain his/her goals? | Yes | No |

Note: A recommendation letter from the county President, Ag Promotion or Promotion and Education Chairman must accompany this form.

(Over)

Additional Comments: _____

Signed

County Farm Bureau President

County Farm Bureau Secretary

County Ag Promotion or Promotion & Education Chairman

Return to:

Nebraska Farm Bureau Federation
Charles Marshall Educational Loan Fund
Attn: Kathy Stephenson
P.O. Box 80299
Lincoln, NE 68501