

**Proposal for a BYM Educational Grants Program
To Replace The Educational Loan Program
Approved by the Educational Loan Committee - May 22, 2012**

The Educational Loan Committee of Baltimore Yearly Meeting has recognized that, over the years, the conditions under which it operates have changed. We note that:

- The financial conditions that students and their families face have changed.
- The environment in which student loans take place has become far more complex.
- The legal requirements and restrictions for lending and collecting debts have become more explicit and proscriptive in this troubled industry.
- The nature of our own community has changed—both the degree to which we know each other and the sense of shared commitment on the part of some.
- The complexity of our loan operation has made a significant contribution to the difficulties we now face in managing Baltimore Yearly Meeting’s financial system.

Regretfully, we question whether our committee can ever have the financial or human resources to administer the current program effectively and in a manner appropriate to the Religious Society of Friends. Concerns have been raised about:

- Meeting the requirements for legal compliance.
- The rising rate of default, the inability effectively to respond to collection problems and the risk to Baltimore Yearly Meeting’s finances.
- The long-term lack of clarity on the criteria for giving financial assistance.
- Managing this heavily knowledge-based program by committee, with its rotating membership that diminishes both administrative continuity and clarity of purpose.
- The amount of time and effort required just for "routine" operations.
- The apparent lack of motivation on the part of Friends to join and participate regularly in the committee’s admittedly difficult work.
- The fact that we are teaching young adults to become “debtors in a debtor society”.

For these reasons, the committee proposes to cease making educational loans, and instead to begin awarding educational grants.

BALTIMORE YEARLY MEETING POLICY ON EDUCATIONAL GRANTS
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Purpose and criteria for grants

Grants will be made to enable members and regular attenders of Monthly Meetings associated with Baltimore Yearly Meeting (or their children) to pursue their educational goals.

Grants may be applied to expenses associated with undergraduate attendance at accredited post-secondary educational institutions such as universities, colleges, professional, and vocational schools. Attendance may be either full or part time.

Grants will be awarded on the basis of financial need and the Committee's assessment of an applicant's statement of purpose, including consistency with Friends' testimonies.

Grants will not exceed \$2,000.00 per grantee per year. The sum of all grants to a grantee will not exceed \$8,000.00. The Committee will periodically review these figures and adjust them as appropriate.

In determining the number and amounts of grants, the Committee will be guided by the twin goals of assisting as many applicants as possible with available funds and of assuring that amounts of individual grants are not insignificant in comparison with the grantee's needs.

Application for grants

An application for a grant shall consist of:

1. A completed grant application form identifying the applicant, the Monthly Meeting with which the grantee is associated, the institution that the applicant proposes to attend, and a brief statement of the applicant's purpose in attending the institution. The current loan application will be used as a template to create the grant application.
2. A statement from a member of the Meeting with which the applicant is associated, preferably an officer or committee clerk, recommending consideration of the applicant for a grant.
3. A budget indicating the expected annual expenses associated with attendance at the institution that the applicant hopes to attend and the expected sources of revenue to meet those expenses.

4. The Estimated Family Contribution (EFC) from the completed FAFSA application (www.fafsa.ed.gov) if available.
5. Any additional information the applicant feels would be helpful to the committee.

Before the award is actually distributed the Committee will need:

1. A transcript evidencing completion of the course of study required as a prerequisite for attending the institution that the applicant proposes to attend. (I.e. a high school diploma)
2. Proof of enrollment and enrollment deposit to the proposed institution.

Applications for grants must be received by April 15. Applications should be submitted electronically.

Sources and limitations of amounts granted

Grants will be made from funds made available to the Committee for disbursement.

All funds available to the Committee for disbursement in a year need not be awarded in that year.

Reporting

The Committee shall include the number of grants awarded, the total amount awarded and the identities of grantees (but not the amounts of individual grants) in its annual report to the Yearly Meeting.