
Raeburn E. Barnes Trust

Student Loan Program Information

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The Student Loan Program may be amended from time to time, as necessary to conform to new policies adopted by the Board of Trustees based on current needs, situations and practices.

A. What is the Raeburn E. Barnes Trust Student Loan Program?

The Will of Raeburn E. Barnes established a loan fund with the purpose of providing loans to worthy and deserving persons who wish to acquire an education beyond high school.

B. Who may apply?

1. Residents of Shelby County or residents of a Shelby County School District, at the time of their High School graduation, are eligible to apply.
2. Applicants must have graduated from an accredited high school and be accepted for enrollment at an approved institution of higher learning. Examples of approved institutions are four year colleges and universities, and two year community colleges and technical schools.
3. Applicants must demonstrate a good academic record. Applicants who have completed at least one semester or one quarter of an academic year at an approved institution of higher learning must have compiled at least the equivalent of a 2.25 average on a 4.0 grade scale. Verification of grades shall be required as a part of the application.
Applicants who have not yet attended an approved institution of higher learning must have compiled a high school academic average of at least the equivalent of a 2.6 on a 4.0 scale. A transcript shall be required as a part of the application.
4. Applicants must be full time students (as defined by the applicant's school) and must be in a planned program working toward an undergraduate or graduate degree. Contact a loan administrator to obtain additional loan requirements for graduate degrees.

C. Where to apply:

1. Application forms may be obtained by contacting:
 - a. Karen Luthman, Administrator
1756 Darke-Shelby Rd., Russia, OH 45363
937-726-1565; karenaluthman@gmail.com
 - b. Lisa Hoewischer, Administrator
P.O. Box 652, Sidney, OH 45365
937-726-3624; hoe@embarqmail.com
 - c. David Voisard, Administrator
1610 Timberidge Drive, Sidney, OH 45365
937-498-9785; soapy70@twc.com
 - d. Faye Spangler, Administrator
16655 E. Mason Road, Sidney, OH 45365
937- 726-7076; fayespangler22@gmail.com
 - e. Bob Barnes, Administrator
335 Bon Air Drive, Sidney, OH 45365
937-538-0355; bob.barnestrust@gmail.com

D. Amount of Loan:

1. The maximum annual amount of a loan for applicants entering the Student Loan Program for the first time after July 1, 2017 is \$4,000 to a four-loan maximum of \$16,000. Depending on the availability of funds, the maximum annual amount may be adjusted.

E. Cost of the Loan:

1. No interest will be charged while the student-borrower is enrolled as a full-time student, as defined by the student's school, plus a grace period not to exceed six months. However, the interest free period will not exceed six years from the date of issuance of the first loan check, except as provided in F-8.
2. Unless deferred or waived, loans will accrue simple interest from the scheduled repayment date computed monthly on the unpaid balance.
3. Upon the student-borrower's death or permanent total disability, the debt shall be cancelled. (The debt may be deferred or rescheduled for partial disability).

F. Repayment Schedule:

1. When a student-borrower graduates, withdraws from school, or drops below full-time status, that student-borrower must contact the Administrator within three months to make repayment arrangements.
2. The repayment schedule will begin no later than the sixth month after the student-borrower graduates, is no longer enrolled, or drops

- below full-time status, and will not exceed ten years in length. The time between the initial disbursement on the first loan and the complete payment of all loans shall not exceed fifteen years.
3. Exceptions to the full-time student requirement may be granted on a case by case basis to students who take non-credited, non-paid hours required for their course of study.
 4. The minimum repayment must be at least \$50 per month.
 5. The loan may be prepaid at any time without penalty.
 6. A late charge may be assessed if the student-borrower fails to make a payment within (30) days of the due date.
 7. The loan is in default if the student-borrower fails to make a payment within thirty (30) days of its due date. If a payment default occurs, a new repayment schedule will be made which includes interest during the interest free period. In the event of a payment default, the Trust may, on thirty days written notice, declare the entire amount of the loan due and payable, and the interest free period as referred to in E-1 will be forfeited.
 8. Repayment may be deferred while a student-borrower is a member of the armed forces of the United States or serving as a full time volunteer in the Peace Corps, Vista, AmeriCorps or similar public service organization. Other situations may be considered for deferment such as being a full-time student in a graduate program, serving an internship, or being temporarily unemployed. During a deferment, interest may accrue or the Trust may waive interest up to 36 months. The student-borrower should contact their Administrator if the student-borrower feels there is a reason to apply for deferred payment.

G. How will loans be approved:

1. Applications will be accepted until the announced deadline.
2. Completion of the FAFSA is required to be considered for a loan and the Expected Family Contribution (EFC) is used in determining the loan amount.
3. Applications will be screened by the Administrator.
 - a. No restrictions based upon race, color, sex, age, or creed shall apply.
 - b. No restrictions as to the course of study, institution, or nature and character of education shall apply, provided the institution of learning is of college or university status, a two-year college or technical school or the equivalent thereof.
 - c. Total, current, and anticipated debt, need, and estimated ability to repay, will be considered.

4. Applicants will be selected for interviews after the applications are screened.
5. The approval of applicants for loans shall be based on:
 - a. Need
 - b. Academic ability
 - c. Community service
 - d. Self reliance
 - e. Accumulated educational debt and estimated ability to service the debt.
6. Each loan must be guaranteed by two persons. Guarantors may include parent(s) and/or other responsible adults.
7. The Trustees have final approval of all loan applications.
8. Loan applications will be reviewed and applicants will be notified. Generally, loans will be approved for an academic year.
9. Loans will be disbursed based on the student/borrower's academic year. No loan will be disbursed until appropriate promissory notes and guarantees are signed.

H. Other responsibilities of the student-borrower:

1. The student-borrower shall immediately notify the Administrator if the student-borrower:
 - a. Transfers to another school.
 - b. Does not enroll in the school for the period for which the loan was intended.
 - c. Has a change in name or address.
 - d. Withdraws from school or is enrolled less than full-time status.
 - e. Experiences a significant (\$1,000.00) change in the budget set forth in the application.

Raeburn E. Barnes Trustees
Thomas Watkins • Stanley R. Evans • Norman P. Smith
P.O. Box 652, Sidney, OH 45365
937-492-6191; barnestr@bright.net

September 2023
