



Administrative Procedure

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Supercedes:	
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Subject: SHORT-TERM LOAN PROGRAM

1.0. PURPOSE:

To establish the policies and procedures for the maintenance of the Short-Term Loan Program.

2.0. ORGANIZATIONS AFFECTED:

All organizational units of the University.

3.0. REFERENCES:

N/A

4.0. POLICY:

The University will provide interest free, short-term loans to eligible students to meet emergency situations. Loans must be repaid within thirty (30) days unless a written request for extension has been submitted and approved prior to the scheduled due date.

All University services, including registration and the issuance of transcripts, will be withheld if loan repayment is delinquent.

5.0. DEFINITIONS:

5.1. Donors--There are numerous loan funds created by private individuals, corporations, or schools. Each fund may have unique regulations governing eligibility.

5.2. Emergency--For purposes of this procedure, unanticipated financial difficulty requiring short-term assistance.

5.3. Eligible--Short term loans are granted to students enrolled in at least six (6) units. (Graduate units are calculated with a 1.5 weight factor). Applicants must have a valid source of repayment.

Approved:

Date:

- 5.4. Ineligible--Students may not be eligible for a loan if:
 - 5.4.1. A financial aid disbursement is scheduled for the next week.
 - 5.4.2. The student has received a financial aid disbursement within the previous three weeks.
 - 5.4.3. A short term loan has not been repaid.
 - 5.4.4. The student has received a loan during the quarter.
 - 5.4.5. The student has a delinquent obligation to the University.
- 5.5. Short-Term Loan Appeal Committee--A student denied a loan for any reason other than lack of available loan funds has the right to appeal to the ad hoc committee which is a two (2) member committee composed of the Director of the Center for Student Financial Services and the Financial Aid Business Officer.
- 5.6. Service Charge--A \$1.00 loan service charge due at the time of loan payment.
- 5.7. Late Fee--A \$3.00 late fee assessed for each delinquent payment made beyond the scheduled payment date.
- 6.0. RESPONSIBILITIES:
 - 6.1. Faculty and Staff will advise students of the availability of the Short-Term Loan Program and refer them to the Short-Term Loan Office, Administration 131, for application.
 - 6.2. The Director of Financial Management and Services will ensure that a revolving fund is established to provide short-term loan funds.
 - 6.3. The Center for Student Financial Services will:
 - 6.3.1. Request loan approval for specific financial aid recipients.
 - 6.3.2. Advise the Short-Term Loan Office of students' financial aid eligibility.
 - 6.4. The Short-Term Loan Office will:
 - 6.4.1. Provide applications and assistance to loan applicants.
 - 6.4.2. Disburse approved loans.

6.4.3. Effect appropriate collection efforts.

7.0. PROCEDURES:

- 7.1. The student will complete the Short Term Loan Promissory Note (Appendix 8.1.) in the Short Term Loan Office, Administration 131.
- 7.2. The Loan Officer will determine the applicant's eligibility and advise the student of the disbursement date as well as all stipulations related to use of the funds and repayment (Appendix 8.2.).
- 7.3. If a loan is denied for any reason other than a shortage of funds, the applicant may appeal the denial by completing the Short Term Loan Exception Request form (Appendix 8.3.).
- 7.4. The Short-Term Loan Appeal Committee will review the request for exception within three working days. The applicant will be notified of the decision by the Short Term Loan Office. The decision of the Committee is final.
- 7.5. Repayment--Loans are to be repaid within thirty (30) calendar days, unless an extension is approved. A \$1.00 service charge is made at the time of repayment. A \$3.00 late fee is assessed for each delinquent payment made beyond the scheduled payment date or amended payment date if an extension is approved.
- 7.6. Extensions--The applicant may request an extension by completing the Extension Request form (Appendix 8.4.) prior to the scheduled due date.

8.0. APPENDICES:

- 8.1. Short Term Loan Promissory Note.
- 8.2. Short Term Loan Information Sheet.
- 8.3. Short Term Loan Exception Request.
- 8.4. Extension Request.
- 8.5. Loan Funds.