POLICY FOR THE EMERGENCY LOAN PROGRAM

ACADEMIC SENATE POLICY F73-R-10

1. ESTABLISHMENT OF PERIODIC POLICY REVIEW

A proposed Financial Aid Advisory Committee will review annually the policies and procedures of the Emergency Loan Program and will make recommendations to the Academic Senate for policy changes. Policy will be revised to reflect changing student needs and other factors affecting the program.

2. PURPOSE OF PROGRAM

The purpose of the Emergency Loan Program is to assist students who have a definite emergency financial situation, as defined below.

3. DEFINITION OF EMERGENCY

An emergency is defined as an unforeseen situation that could not be prevented nor planned for, which may include, but is not limited to, medical expenses, loss of job, family emergencies, transportation difficulties, etc.

4. WHO CAN APPLY

Students possessing a current validated Student Body Card will be eligible for consideration. Preference will be given to full-time students.

Summer Session students who are not Regular Session continuing students are not eligible for emergency loans.

Wherever possible the student desiring a loan should be referred to campus, city and county agencies which might be able to give better and more sustained alternative assistance than an emergency loan could provide.

5. WHEN AVAILABLE
Loans will be available all semester beginning with the first day of instruction, except during the last two weeks in the semester. It is possible to give a loan in the last two weeks of the Fall semester to students who have prepaid their Spring fees; a similar rule would apply to the Spring semester. No emergency loans will be made during inter-semester holidays. Exceptions will be considered only through the Financial Aid Director or his designee.

Summer Session - Loans will be available to enrolled continuing students, if they also plan to register in the following semester or will be summer session graduates.

6. TIME FOR PROCESSING

Once a determination of need for a loan is made and appropriate documentation is completed, the check should be issued to the student within one working day.

7. NECESSARY IDENTIFICATION AND REFERENCES

Evidence of poor risk may be grounds for denial of the loan. The applicant may be asked to supply additional information as requested.

8. AMOUNT OF LOANS

Emergency loans will not be for less than $50.00 nor more than $200.00. The usual and customary practice will be that emergency loans will not be over $100.00. In the cases where loans are to exceed $100.00, they will be specifically reviewed and approved by the Director of Financial Aid. In any case where a loan will exceed $200.00, the approval of an administrator whom the Director of Financial Aid will be responsible to will also be required.

9. LOAN FEE - LATE CHARGES - INTEREST

No loan fee will be charged for emergency loans.

A four dollar fee will be charged for each delinquent payment. The $4.00 delinquency charge will be waived provided the student requests for valid reasons an extension from the Financial Aid Officer prior to the scheduled payment due date. The extension of delinquent payments will follow the same rules of approval as does the issuance of loans. Half the monies collected from delinquency charges will be put into the loan account from which the loan was made, for the purpose of further lending. The other half will be used by the administrative services unit to defray costs for operating the program.

There will be no interest charged on an emergency loan until the day following the date of the last scheduled repayment. Starting on that date, interest will be charged at the rate of 6% simple interest. These monies will be put into the Administrative Services Funds. Because of prior budgetary commitments, the policies referred to in this section 9 are recommended to start in the Fall semester 1974.

10. FREQUENCY OF LOANS

Only one emergency loan (normally) will be issued to a student during a semester and scheduled for repayment by the end of that semester. Loans issued for a time period of more
than a single semester will require exceptional review and justification and the approval of the Director of Financial Aid. Loans issued for a period of more than two semesters must also be approved by an administrator whom the Director of Financial Aid will be responsible to.

11. SCHEDULE OF PAYMENTS AND DELINQUENCIES

There must be a schedule of repayment and a system of sending notices for delinquency. Sanctions, such as withholding registration, transcripts, diplomas and services of the University, may be required, as appropriate. If necessary, difficult cases may be referred to the Associated Students Judicial Court and/or to legal agencies for additional sanction. These measures can help the student to assume his main responsibility in the loan situation - that is, to pay back the money according to the terms of the agreement to which the student is a party. The student will be made aware of the sanctions in addition to all of the terms and conditions of the loan at the time he or she receives it.

12. FOLLOW-UP ACTION

Delinquent loans will be charged off against the fund from which they were issued after all reasonable efforts to collect have been completed and in accordance with the Chancellor’s instructions for writing off delinquent loans.

13. RESPONSIBILITIES

The Director of Financial Aid is responsible for administering the policies of the Emergency Loan Program and for evaluation and approval of the Emergency Loan advances.

The Fiscal Manager is responsible for the issuance of emergency loan disbursements, the collection of all payments appropriate to that program, and the accounting of those transactions.

14. NECESSITY OF SECURING ADDITIONAL FUNDS

There is a chronic shortage of funds to meet the needs of an increasing student enrollment. The demands often exceed the available funds. Therefore, the University should use every possible means to secure additional funds for the Emergency Loan Program.

**APPROVED BY PRESIDENT ROMBERG, MARCH 25, 1974**