A. General

1. Usually short-term loans are made for emergency or unpredictable purposes at anytime except for the first or last 30 days of an enrollment period or when classes are not in session.

2. Short-term loans are made by the Office of Student Financial Aid or by those departments who have been delegated responsibility for administering specific loan funds by the Office of the Treasurer.

3. For loans administered by the Office of Student Financial Aid, an applicant must:
   a. Be enrolled full-time,
   b. Have tuition and fees paid in full,
   c. Not be financially delinquent or have a poor credit history with the University and
   d. If the student is an athlete, Athletics must approve receipt of the loan

4. Other departments authorized to make student loans are obligated to carry out the wishes of donors and to follow specific departmental criteria as long as funds are not made available to students who are delinquent or who have poor University credit histories.

5. The office that makes a student loan is responsible for:
   a. A correct and complete application, promissory note, entering a payment request in SAP, and
   b. Determine the applicant is not delinquent or a poor credit risk by checking for stops on SIS screen 017.

6. Student Billing Services is responsible for disbursing loan checks and the collection of loans on the dates they are due. The Student Financial Aid Office or the authorized departments making the loans should notify Student Billing Services in writing of any alterations of due dates, waivers of repayment, etc

B. Procedures

1. Applicants must complete a loan application. For a sample short-term loan application and instructions for completion, see Section E-21-2. Loan applications can be obtained from the Student Financial
Aid Office, Room 127 Funkhouser Building or departments in the University which are authorized to make short-term student loans.

2. After the application for the student loan is received and approved, the student must sign a promissory note. For a sample of the promissory note see Section E-21-3. The note must be fully completed, and when the student signs the note, it is important for the student to be aware of date repayment is to be made. A copy of the note should be given to the student. The student must be told to make the repayment at Student Billing Services, 18 Funkhouser, by the due date.

3. After the student signs the promissory note, the payment request is entered in SAP, see Section E-21-5. The application and original promissory note are sent to Student Billing Services, 18 Funkhouser. The originating office retains copies of the loan application and promissory note.

4. Student Billing Services establishes a loan receivable account for the amount of the loan, student's address, due date, etc., and performs collection functions by receiving payments, sending past due notices, etc. Each month the balances of each student loan will be reconciled with the general ledger control accounts to help maintain the accuracy of the loan balance.

5. After Student Billing Services establishes a loan account and files the original promissory note, an acceptance request is entered in SAP. A check is prepared payable to the student.