

Short-Term Student Loans – Approving and Processing Procedures

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I. Purpose

The Short-Term Student Loan Program is to provide temporary funds for living and educationally-related expenses to students for a period not to exceed 90 days.

II. Responsibilities

- A. The office that awards a short-term loan is responsible for:
 - 1. A correct and complete application and promissory note;
 - 2. Determination the applicant is not delinquent to the University by checking for holds in SAP Student File;
 - 3. Entrance of a payment request in SAP;
 - 4. Establishment of a due date not more than 90 days from the short-term loan application date (per Truth Lending Act requirements);
 - 5. Forwarding all documents to Student Account Services;
 - 6. Notification of Student Account Services in writing of any alterations of due dates.
- B. Student Account Services is responsible for:
 - 1. Disbursement of loan checks;
 - 2. Entrance of an acceptance request to create changes on the student account;
 - 3. Collection of the short-term loans using the due date on the promissory note; and
 - 4. Reconciliation of loan funds.

III. Policy

- A. Short-term loans are usually made for emergency or unpredictable purposes at any time except for the first or last 30 days of an enrollment period, or when classes are not in session.
- B. Short-term loans are made by the Office of Student Financial Aid or by those departments that have been delegated responsibility for administering specific loan funds by University Financial Services.
- C. For loans administered by the Office of Student Financial Aid, an applicant should:
 - 1. Be enrolled full-time;
 - 2. Have tuition and fees paid in full;
 - 3. Not be financially delinquent with the University; and
 - 4. If the student is an athlete, have approval from Athletics.
- D. Other departments authorized to approve short-term loans are obligated to carry out the wishes of donors and to follow specific departmental criteria, as well as ensure the student is not delinquent with the University.

IV. Procedures

- A. Applicants must complete a [loan application](#). Loan applications can be obtained from the Office of Student Financial Aid, Room 127 Funkhouser Building, or from authorized departments.
- B. After the application for the short-term loan is received and approved by a counselor, the student must sign a [promissory note](#). The note must be completed and a copy given to the student. The student is advised to make repayment at Student Account Services, 18 Funkhouser Building, by the due date.

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- C. After the student signs the promissory note, the payment request is entered in SAP. The application and original promissory note are forwarded to Student Account Services, along with documentation of the SAP payment request. The originating office retains copies of the loan application, promissory note and payment request.
- D. Student Account Services enters acceptance requests in SAP to create charges for the amount of the loan and any applicable service fee. The student is billed for the short-term loan charges on the monthly student account statement. Each month, the balances of each student loan fund will be reconciled with the general ledger control accounts to maintain the accuracy of the loan fund balance.
- E. Student Account Services initiates a payment run in SAP to create a check or direct deposit payable to the student.