



SUBJECT: STUDENT SHORT-TERM LOANS

- I. PURPOSE: To establish policy on processing student loans.
- II. POLICY:
 - A. A student who is currently enrolled, is making satisfactory academic progress and has a verifiable source of repayment, may make application for a short-term loan through the Financial Aid Office.
 - B. Short term loans should be repaid within the terms for which they are granted and should not exceed or be used for purposes other than school-related expenses. Exceptions or extensions may be granted only by the Financial Aid Review Committee, or by the Vice President for Student Affairs.
 - C. A prepaid application fee is required to defray the cost of setup, processing and collection. The processing fee may be waived if, in the opinion of a Financial Aid Officer, the loan is required due to an error or oversight on the part of an SUU employee. The loan will accrue interest at the rate specified in the promissory note.
 - D. Students with unpaid loans will not be allowed to register for subsequent semesters, or to apply for other loans. A history of failing to repay loans as agreed, may be considered to be sufficient grounds to reject subsequent loan applications.
 - E. Holds will be placed on transcripts of credit, and notations will be made on the financial aid transcripts of any student who fails to repay a loan as agreed.
 - F. To encourage prompt payment, the Loan Collection Manager will place flags on any financial assistance to be received by students who have short term loans. If a particular financial aid award is to be exempted from this process, the financial aid administrator making the award should direct a memo to the Loan Collection Manager requesting the exemption.