

PENSACOLA STATE COLLEGE
MANUAL OF PROCEDURES

Procedure Title:	Short-Term Loans	<u>Number</u> 535
Related Policy:	Scholarship and Loan Funds – 6Hx20-5.009	<u>Page</u> Page 1 of 2

I. Purpose

To describe the guidelines for short-term loans for students.

II. Procedure

- A. Short-term loans for tuition assistance are intended for those students who have no other available financial means by which to fully meet or defray the cost of registration fees.
- B. Qualifications of Applicants
1. Students must be 18 years of age or older; otherwise, a parent or guardian signature is required.
 2. Students are to be enrolled in a minimum of three College credits, vocational credits or College preparatory credits.
 3. Students must have a cumulative C or 2.0 grade point average based on College postsecondary enrollment. Students who have not attempted any postsecondary credits at the College will be considered as meeting this requirement. Students must maintain the standards of Satisfactory Academic Progress, except students accruing total attempted credits in excess of the maximum attempted credits are eligible for a short-term loan if all other criteria are met. Student under warning will not be eligible for a short-term loan until grades are posted for the preceding term, if the students were enrolled in the preceding term.
 4. Students cannot have either a delinquent financial obligation to the College or an outstanding obligation from a prior term.
 5. Students must be able to demonstrate the ability to repay the loan by the due date.
 6. Students cannot have an outstanding defaulted loan or grant overpayment under the Title IV programs.
- C. Guidelines for Loans
1. The loan due date will be approved by the Vice President, Business Affairs. The loan due date will not extend beyond two (2) weeks before the end of the term to which the loan is applicable.
 - a. Loans made for fall, spring and summer terms are scheduled to be repaid by the applicable due date each term.

- b. Interest on loans not fully paid by the applicable due date will accrue at a five percent (5%) annual rate from the due date.
2. Late repayment of previous obligations to the College may be grounds for denial of future loans. Delinquent loans are subject to collection. All costs of collection including reasonable attorney fees will be the responsibility of the borrower.
3. Total outstanding loans may not exceed \$700.00. The minimum loan amount will be \$35.00. Exceptions are provided in Section 6 below. A \$5.00 service charge for each loan processed is added to the loan and is due at the time of repayment.
4. Maximum loan amounts for registration fees will be based on the following calculation:
$$\text{Tuition/fees} \times 75\% = \text{Short-term loan amount}$$

The maximum short-term loan amount is \$700.00.
5. Withdrawal from classes does not relieve the students of the obligation to repay the loan. Should students drop a course(s) during the schedule adjustment period and be entitled to a refund of fees, the refund will automatically be applied toward the outstanding loan. Delinquent loans are subject to collection. All costs of collection including reasonable attorney fees will be the responsibility of the borrower.
6. The Bursar may authorize:
 - a. Loans in excess of the schedule cited in Section 4.
 - b. Loans for less than the minimum loan amount.
 - c. One hundred percent fee loans in excess of \$700.00 for those students covered by a blanket pre-authorization approval by the Vice President, Business Affairs, under certain grant terms or other unusual conditions.

Responsible Official: Bursar, Cashier's Office

President's Signature:

Date: 02/21/2017

