

S72-22 STUDENT LOANS

Legislative History:

Document dated September 14, 1972.

At its meeting of May 22, 1972, the Academic Council passed the following resolution as presented by Dr. Gail Fullerton of the Student Affairs Committee.

ACTION BY COLLEGE PRESIDENT

"Approved." Signed: John H. Bunzel, September 14, 1972.

COLLEGE LOAN POLICY

S 72-22

WHEREAS, Student needs have changed since the College Loan Policy was originally adopted on March 3, 1963,

RESOLVED: That the March 15, 1972 Revision of College Policy for the Issuance of "Emergency Short-term Loans" as developed by the Student Financial Aids Committee be adopted.

Revision of College Policy for the Issuance of "Emergency Short-Term Loans"

GENERAL

All students applying for loans must meet certain general qualifications. These qualifications are flexible in that the Loan Committee may make exceptions. The general qualifications are:

1. The applicant must be enrolled as a full-time student working toward a degree or Credential. 12 Undergraduate; 9 units graduate
2. No loans are granted when student is not formally enrolled (e.g., semester break, summer session, etc.)
3. The applicant may not secure a loan to pay registration fees.
4. A student must have an acceptable source of repayment (G.I. Bill, Federal Guaranteed Loan program, work, Social Security, etc.)
5. If the applicant has borrowed from the school previously, he must have a good loan record.
6. No loan check can be disbursed until proof of payment of registration fees can be shown.
- *7. Financial Aids recipients cannot borrow against National Defense Student Loans, Nursing Loan, Law Enforcement Loans, Educational Opportunity Grants, Nursing Scholarships, Law Enforcement Grants, or Grants or funds designated for the following semester.
- *8. If an applicant has an outstanding delinquent loan, no additional loans will be considered.
- *9. Generally, a 1% service charge for the amount of the loan is made at the time of issuance. After 30 days, interest at the rate of 3% per annum will be charged, unless the donor specifies other interest rate.
10. A student may not borrow over \$400 from any combination of regular short-term loan funds.
11. Normally, a loan must be repaid during the semester or period in which the student is borrowing.
- *12. For loans up to \$150.00, a co-signer will not be required.
- *13. For loans of \$151.00 to \$400.00, a co-signer will be required and Committee approval is necessary.

PROMISSORY NOTES

- *1. The Promissory Note is to show all payments when such are contracted for.
- *2 The Promissory Note will have the following statement on it: "I understand that failure on my part to comply with the conditions of the loan will deny me the privilege of receiving my grades and/or re-registering at San Jose State College".

FOREIGN STUDENTS

- *1. A Foreign Student will be considered the same as all students and will be eligible for loans accordingly.
- 2. A Foreign Student must obtain the signature of a Foreign Student Advisor prior to making an appointment for a Short-term Loan in the Financial Aids Office.

CO-SIGNERS

- 1. The Co-Signer Note should be mailed to the co-signer and not hand carried by the student.
- *2. In the case where the student is showing "parents" as a means of repayment, a co-signer note is requested no matter what the amount of the loan is.
- 3. A co-signer must show proof of financial responsibility and cannot be a member of the faculty, staff, or student body of San Jose State College.

SUMMER SESSION LOANS

- 1. In specific cases during the Summer Session, the Loan Officer can consider a loan for a student attending Summer Session.
- 2. Loans can only be given to Summer Session students who have either been registered full-time during the previous Spring Semester, or who can show proof of acceptance for admission for the following Fall Semester.
- 3. All loans issued for the Summer Session must be repaid prior to registration for the following Fall Semester.

DELINQUENT LOANS

- *1. A loan is delinquent when a payment is not made 10 days after the due date.
- *2. A student is not eligible for a loan when he already has a delinquent loan.
- *3. Delinquent loans can be taken to Small Claims Court or through a Collection Agency.

EXTENSIONS

- *1. The maximum amount of extensions is two (2).

