
**LAKE-SUMTER STATE COLLEGE
ADMINISTRATIVE PROCEDURE**

TITLE: SHORT-TERM LOANS

NUMBER: PRO 6-14

REFERENCE: Florida Statute 240.319
State Board of Education Rule 6A-14.0771

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I. PURPOSE

To establish procedure for processing outstanding short-term student loans.

Short-term loans are made for the purpose of allowing the borrower to make payments against a past due account and prevent the account from being submitted to an outside agency for immediate collections. Short term loans may be granted upon submission of a proper application form to the Financial Services Offices.

II. RESPONSIBILITY

Management of the short-term loan fund is under the general supervision of the Controller. Execution of collection and write-off procedures for outstanding loans is under the general supervision of the Executive Vice President. Specific responsibility for the management, collection and write-off of the Short-Term Loan Fund activity is under the direction of the Controller and his/her designee(s).

III. PROCEDURES

- a. Authority for approval/denial of a short-term loan application shall rest with the Controller. A hold will be placed on the student's account preventing receipt of grades, transcripts and future registration until payment in full has been received.
- b. Payments shall be made based on the schedule determined at the time the loan application is approved. The borrower shall receive a late notice from Financial Services for loans that are 30 days overdue. A final notice is then sent for loans which become 90 days overdue.
- c. When the internal efforts to collect a loan have been exhausted, the services of a collection agency shall be contracted for collection purposes. Upon submission to a collection agency, unpaid and uncollected loans are placed with national credit bureaus.
- d. Monthly reports from the collection agency, including monies collected, shall be audited and receipted. Collection Agency commissions are added to the account balance.

- e. Write-off of uncollectible loans shall be recommended to the District Board after all efforts to collect the overdue loan have been exhausted by the collection agency.

New: 12/17/1997
Revised: 12/16/2008