

MANUAL OF POLICY

Title	Emergency Loan Fund	5520
Legal Authority	Approval of the Board of Trustees	Page 1 of 2
Date Approved by Board	Board Minute Order dated December 8, 1994 As Amended by Board Minute Order dated August 17, 2000 As Amended by Board Minute Order dated November 17, 2005 As Amended by Board Minute Order dated October 18, 2007	

The Board of Trustees of the College has established an Emergency Loan Fund with funds set aside for Texas Public Education Grants as authorized and in compliance with Vernon's sec. 56.033 and 56.051. The purpose is to provide students at the College with an opportunity to obtain emergency loans for tuition and fees.

As authorized in Vernon's sec. 56.033, the College has been setting aside 6% out of each resident student's hourly tuition charge for the Texas Public Education Grants (TPEG). Of the funds set aside under this section, not more than 10% may be used for emergency loans and not less than 90% may be used for Texas Public Educational Grants as authorized in Vernon's sec. 56.051.

The President is responsible for the development of detailed procedures for the administration of the emergency loan fund.

Students at South Texas College may receive emergency loan funds to pay their tuition and fees in accordance with Education Code, Section 56.053 and established College criteria, subject to availability of funds.

The emergency loan will be granted upon the student's completion of the application form and completion of the promissory note. Authorized College personnel will review applications to determine eligibility under established criteria. An emergency loan promissory note will be executed and signed by the qualifying student indicating understanding of the terms of the note, and all conditions stated therein, and countersigned by the person authorized to grant loans.

The loan must be evidenced by a written or electronic emergency loan promissory note that states the following:

1. All pertinent student information such as name, address, telephone, driver's license, social security and employer information.
2. Terms and conditions of the loan including:
 - the student's obligation,
 - date the loan repayment is due, not to exceed 90 days from date of disbursement for a regular semester and for a proportionately shorter period during a summer session, and
 - place of payment and fees to be collected.

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3. Signature of the student and the authorized representative.
4. The student's authorization to have STC pay their eligible tuition and fees for the semester the loan is being requested.
5. The student's authorization to have STC apply their first available financial aid funds toward their loan repayment.

The eligible student should meet the following criteria. A financial aid representative must approve any exceptions. The applicant should:

1. Be clear of any processing "Holds."
2. Be enrolled a minimum of three (3) credit hours during a regular semester or three (3) credit hours during a summer session.
3. Not have any defaulted student loans at time of application, unless a current payment arrangement is in place with the College or the collection agency.
4. Not have any outstanding debt to South Texas College other than tuition and fees for the current semester, unless a current payment arrangement is in place with the College or collection agency.
5. Use the loan to pay tuition and required applicable fees. A copy of the current student account statement must be submitted with the application.
6. Attend pre-loan counseling session at time of application and promissory note processing.