

**SUBJECT: STUDENT EMERGENCY LOAN****1. Purpose**

The purpose of the emergency loan is to provide short term assistance to students in need, as a result of unexpected expenditure or delayed external assistance.

Emergency loans are to be used for the necessities of life: i.e. to meet a shortage in rent payments, adequate food supplies, prescriptions and other compulsory expenses that cannot be postponed. Examples of items for which emergency loan funds will not be granted are consumer debts, car and furniture payments/repairs, fees or debts to other University departments, or computer purchases.

**2. Scope**

This policy applies to:

- any individual who receives funding from the Emergency Loan Fund, are posted as a Banner accounts receivable record
- the personnel responsible for the administration of the University Loan Policy

**3. Authority**

The Financial Aid Officer (FAO) reports to the Director of Student Services and is responsible for the administration of this policy and procedure. Authority for the policy rests with the Vice-President (Administration and Finance), through the Director of Finance & Budgets.

**4. Student Eligibility**

Students may borrow up to \$250 to assist with emergency expenditures. The Awards, Financial Aid and Student Employment Centre Coordinator will have the discretion to approve a lesser amount, or recommend to the Director of Student Services a higher loan if the situation is warranted and verified.

Students must complete and sign an Emergency Loan Application form.

Students must provide evidence of ability to repay. Written proof is required for all sources of external income the student is expecting to receive.

Students must provide receipts or other supporting documentation (e.g. prescription receipts, bills or overdue notices) detailing the unexpected expenditure that caused the student to apply for an emergency loan.

Students must be registered in at least 60% of a full course load (9 credit hours per semester).

Students must be in good academic and financial standing with the University.

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Students who are approved for emergency loan funding will sign a promissory note setting the terms of repayment and conditions.

Students who have an outstanding emergency loan may not borrow from the fund again until the previous loan has been repaid.

Students may borrow from the emergency loan fund no more than two times in any one academic year.

## **5. Assessment Procedures**

Emergency loans are assessed by the Awards, Financial Aid and Student Employment staff. Centre staff will review each student's application to determine if the student meets the eligibility criteria described above.

The Awards, Financial Aid and Student Employment Centre staff will approve emergency loan funding for students who meet the eligibility criteria.

Centre staff will prepare a cheque requisition for each approved student and forward it to the Director of Finance & Budgets for signature. Once signed, the requisition is forwarded to the Finance Department along with a copy of the promissory note duly signed by the student.

The cheque will be ready within 4 business days.

Students who do not meet the eligibility criteria for an emergency loan will be denied assistance. A student who wishes to appeal a denial for assistance may be referred to the Director of Student Services for further assessment. The Director of Student Loans may approve/deny emergency loan funding for the student at his/her discretion.

## **6. Repayment**

The loan is to be repaid within 30 days.

Payments will be made to the University Cashier.

If applicable, the emergency loan will be deducted directly from the student's government financial assistance.

## **7. Overdue Loans**

Interest of prime rate plus 2% will be applied to overdue loans.

Overdue and/or defaulted loans will be subject to the "Student Accounts Receivable Billing and Collection Policy".

Outstanding student emergency loans will result in the student being denied final transcripts, and will also result in a financial hold being placed on the student's University account.