

## **1701 LONG-TERM STUDENT LOANS - PERKINS, HPL, NSL & INSTITUTIONAL**

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**Subject: Loans and Receivables**  
**Effective: January, 1989**  
**Revised: April, 2015**  
**Last Reviewed: April 2016**  
**Responsible Office: OSFS**  
**Approval: Associate VP SRFS**

### **PURPOSE**

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To assist students in financing the cost of education, the University administers several governmental and institutional loan programs.

### **POLICY**

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- 1. Student Registration & Financial Services (SRFS) has the responsibility and authority to administer all student loans.**
- 2. The University Director of Financial Aid will ensure adherence to all program terms and conditions as prescribed by government and/or University regulations.**
- 3. The University Director of Financial Aid will ensure that eligibility is determined in accordance with the Needs Analysis consistent with government regulations and University policy.**
- 4. Any student borrower must sign a promissory note (hard copy or e-signature) and disclosure statements as required prior to disbursement of his/her loan.**
- 5. Long-term student loans must be applied to a student's billing account.**
- 6. Student Registration & Financial Services is responsible for administering, disbursing and collecting all current long-term student loans.**
- 7. Student loans past due in excess of 120 days will be referred for collection to third parties such as collection agencies.**
- 8. The University utilizes an external agency (Affiliated Computer Services – ACS) a division of Xerox for servicing student loans, including performance of all due diligence requirements, and providing billing services, as permitted by law.**
- 9. SRFS will maintain the required loan loss reserve(s) for loans guaranteed by the University such as the Penn Guaranteed Loan Program.**