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

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**Subject:** Loans and Receivables  
**Effective:** January, 1989  
**Revised:** May, 2018  
**Last Reviewed:** April, 2018  
**Responsible Office:** SRFS  
**Approval:** Executive Director, SRFS

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### PURPOSE

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

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### 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 (Heartland-ECSI) 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.