

## **POLICY NO. 2**

**Area: Board of Trustees**

Adopted: September 18, 1998

Certified by \_\_\_\_\_

Dr. Adolphus Andrews  
Vice President  
Administration and Finance

Revisions Approved:

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### **SUBJECT: Establishment of a University Emergency Revolving Student Loan Fund**

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The Board of Trustees of Central State University, in the context of increasing the quality of services provided to students, and to supplement traditional Federal, State, and commercial loan sources, determined a need to enable students to pay current living expenses through a University Emergency Revolving Loan Program while their traditional sources of financial aid are being processed during the quarter.

The one-time capitalization of this fund will be funded from the University's current General Fund Account and set-up in perpetuity. The amount will be up to \$750,000 and the borrowers must be Central State University students currently enrolled.

This fund will be a revolving loan fund in which the repayment received will be used to fund new loans in the future. The repayment will come from the students as their traditional sources of financial aid are processed during the quarter and must be made in the quarter that the loan is issued.

The loan will be secured by a promissory note.