**EMERGENCY LOANS TO STUDENTS**

**Purpose and Scope**

To outline administrative procedures for establishing and maintaining an emergency loan fund and making emergency loans to students.

**Administration**

Student body funds shall not be used for any purpose which represents an accommodation, loan or credit to anyone other than a student. Emergency loans for meals, transportation, etc., may be made to students at the discretion of the site principal/administrator. Funds for emergency loans to students may be provided by gifts to the student body organization, by transferring funds from the Associated Student Body (ASB) general fund, or by site funds.

**Loans Funded by Donations or ASB**

When a gift of money for student loans is accepted, the funds are deposited in the student body bank account and a student loan trust account is established.

If funds for a student loan account are provided by ASB, a "Student Loan and Welfare Funds" trust account must be established with funds transferred from the ASB general fund. Total ASB funds transferred shall not exceed $100 per year.

**Providing a Cash Fund for Loans**

After a student loan trust account has been established, a student body check must be drawn to provide cash for making loans. The "Cash on Hand, Emergency Loan" account is established to record the amount of cash drawn.

At the close of the school year, cash on hand at the site must be deposited in the ASB bank account. The amount deposited is credited to the "Cash on Hand, Emergency Loan" account.

If, because of uncollectible loans, the amount deposited in the ASB bank account is less than the cash amount initially established, an amount sufficient to zero out the "Cash on Hand, Emergency Loan" account must be transferred from the student loan trust account.

**Reports and Records**

All financial records are to be maintained at the school site.