

## **SHORT-TERM LOANS FOR UI INTERNATIONAL STUDENTS**

**Updated November 2007**

The University of Iowa has a limited amount of money available for short-term loans to students, administered through the Financial Aid Office. International students can sometimes choose between two different short-term loan programs, the details and procedures for which are described below. One goes by the name of “hallway loan,” because any currently registered UI student can apply for it by filling an application available in the hallway outside the Financial Aid Office and putting the completed application in a box there. The other is the short-term loan program for international students.

The main differences between the two programs are these: The maximum amount available through the “hallway program” is \$500, interest-free, repayable in the last month of the semester during which the loan is taken. Under the short-term loan program for international students, the maximum amount available is \$1500. The interest rate is 4%, and the loan must be repayed in full within one year (or before graduation, if that comes sooner). There are some additional differences, as described below.

### **“Hallway Program”**

#### **Description**

- The maximum amount available is \$500.
- No interest is assessed, unless the loan is not re-paid on time.
- Repayment is due with the final U-Bill of the term in which the loan was taken.

#### **Eligibility Criteria**

- Students may receive only one \$500 loan per semester.
- Students must be enrolled at the time the loan is applied for.
- Any previous loan(s) must have been repaid.
- Students must not owe any U-bill charges from a previous term.

#### **Procedure**

1. Go to the hallway outside the Financial Aid Office in Calvin Hall, and look for the application forms and instructions. Read and complete the application form and deposit it in the box.
2. The loan will be applied to your account with the university. If the loan creates a credit balance in your account, you can request a refund on the application form, and five to seven workdays later you will receive a check in the mail for the amount of the credit balance.

## **Short-Term Loan Program for International Students**

- The maximum amount available is \$1500.
- Loan requests must be justified on the basis of an educational or educationally-related expense or living expense.
- Short-term loans are not available while classes are not in session.
- Students have some choice in determining how and when the loan is repaid. Points to remember in determining a payment schedule include:
  - annual interest rate is 4%
  - all loans must be paid within one year or before graduation, whichever comes first
  - final repayment must be scheduled before graduation
- Students will receive a bill in the mail from a private collection company when the loan payment is due.

### **Eligibility Criteria**

- Students must be registered for the current semester.
- Only students in F-1 or J-1 student status who are participating in degree programs will be considered by OISS for the loans. Nondegree students are not eligible.
- Students are eligible for only one short-term loan each semester.
- Students new to the UI are not eligible for loans during their first year, unless they hold a UI graduate assistantship or scholarship from some other agency.
- Late registrants are not eligible for loans to cover the first 1/3 of tuition.
- Students must show evidence of ability to repay the loan by the specified due date.
- Students reapplying for a short-term loan must have fully repaid any previous loans.

### **Procedure**

1. Complete the top portion of the Short Term Loan application form, available as part of this packet.
2. Meet with an OISS adviser during walk-in hours, 9:30-11:30 or 1:30-3:30 Monday-Friday.
3. If the adviser approves your request, the necessary papers will be prepared and sent to the Financial Aid Office. The Financial Aid Office has the final authority to approve or deny a short-term loan request. It takes two business days to process the request.
3. The Financial Aid Office prepares the final loan agreement, which you must go (with your university ID card) to the Financial Aid Office to sign.
4. You can receive the amount deposited directly to your bank account, or have the amount applied to your University of Iowa account.

### **Consequences of Failure To Repay by Due Date**

- Registration is restricted until all indebtedness, including a reinstatement fee, is paid.
- Students cannot use their ID cards to add charges to their UI account.
- Transcripts will not be released.
- Students will not be permitted to register for any subsequent semester.
- Annual interest of 10% will be charged.

## Short-Term Loan Application for Foreign Students

Updated November 2007

The University of Iowa may, from time to time, request further information for the purpose of maintaining accurate financial aid records. No persons outside the University are provided this information. Responses to all items are required. Failure to repay a loan/UBill according to the established terms could have several serious consequences, including being restricted from registering for future semesters or withholding transcripts and diplomas until the UBill is paid in full. UBills that are significantly overdue could be sent to a collection agency.

\_\_\_\_\_  
*First Name* \_\_\_\_\_ *Last/Family Name*

\_\_\_\_\_  
*Visa Type* \_\_\_\_\_ *Student ID Number* \_\_\_\_\_ *Email*

\_\_\_\_\_  
*Street Address* \_\_\_\_\_ *City* \_\_\_\_\_ *State* \_\_\_\_\_ *Zip Code*

\_\_\_\_\_  
*Permanent Address (in home country)*

\_\_\_\_\_  
*Anticipated Graduation Date* \_\_\_\_\_ *Have you previously taken a short-term loan?* \_\_\_\_\_ *If so, has it been repaid?*

*Loan amount requested:* \$ \_\_\_\_\_ *to be repaid by (date)* \_\_\_\_\_.

\_\_\_\_\_  
*Purpose of the Loan*

\_\_\_\_\_  
*Applicant's Signature* \_\_\_\_\_ *Date*

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### To be completed by OISS only.

Total Amount Granted: \$ \_\_\_\_\_ Outstanding Loan?: \_\_\_\_\_

Credited to UBill: \$ \_\_\_\_\_

Direct Deposit to Bank \$ \_\_\_\_\_ Repayment Source(s): \_\_\_\_\_

Plan of Repayment:  \$ \_\_\_\_\_ + interest due in full on \_\_\_\_\_.

\$ \_\_\_\_\_ per month beginning \_\_\_\_\_ with final payment due \_\_\_\_\_.

\_\_\_\_\_  
*OISS Adviser* \_\_\_\_\_ *Signature* \_\_\_\_\_ *Date*

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### To be completed by Office of Student Financial Aid only.

Amount Granted: \$ \_\_\_\_\_ Loan Number: \_\_\_\_\_

Loan Account: \_\_\_\_\_ Date Processed: \_\_\_\_\_

\_\_\_\_\_  
*Loan Officer* \_\_\_\_\_ *Signature* \_\_\_\_\_ *Date*