

STUDENT ACCESS LOAN PROGRAM REGULATIONS

2011-2012 Award Year



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Georgia Student Finance Commission
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Tucker, Georgia 30084

STUDENT ACCESS LOAN PROGRAM REGULATIONS

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STUDENT ACCESS LOAN (SAL) PROGRAM OVERVIEW

The Student Access Loan Program is administered by the Georgia Student Finance Authority (GSFA) and may be funded by state general funds, proceeds from the Georgia Lottery for Education and public and/or private donations. The program provides low interest loans to eligible students who have unmet financial need. The Student Access Loan Program is authorized in Georgia law at §O.C.G.A. 20-3-395.

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**STUDENT ACCESS LOAN PROGRAM
DEFINITIONS**

DEFINITIONS

“Academic Year” means a period of time, usually nine months, during which a student would normally be expected to complete the equivalent of two semesters or three quarters of postsecondary instruction.

“Annual Percentage Rate” or APR means the cost of the borrower’s credit on a yearly basis expressed as a percentage.

“Authority” or “GSFA” means the Georgia Student Finance Authority, the agency responsible for administering certain postsecondary educational student financial aid programs offered by the State of Georgia and other programs for which funds may be appropriated or assigned to it by the State Legislature, or from other sources, from time to time.

“ACH” means the Automated Clearing House.

“Award Year” or “Loan Period” means up to three consecutive semesters or four consecutive quarters.

“Award-Year Reconciliation” means a final student-by-student reconciliation for an Award-Year conducted by Eligible Postsecondary Institutions with the Authority, immediately following the completion of an Award Year.

“Baccalaureate Degree” means a four-year college level Degree conferred on students by a postsecondary institution upon completion of a unified program of study in an academic discipline or major at the Undergraduate level. Baccalaureate (Bachelor’s) Degrees typically require a student to earn at least 120 semester or 180 quarter hours of college Degree credit.

“Borrower” means the person or student who completed the application and executed the promissory note for the Student Access Loan Program.

“Cost of Attendance” means the estimated expenses, both direct and indirect, which may be incurred by a student and the student’s family to finance the cost of receiving a postsecondary education. These expenses include tuition, fees, room, meals, books, supplies, transportation and personal expenses, as determined by the student’s postsecondary institution and as defined by Federal Title IV Regulations.

“Deferment” means a period of time approved by the Authority during repayment in which the borrower, upon meeting certain conditions, is not required to make payments on the loan and during which time interest continues to accrue on the loan principal. The specific deferments offered are Unemployment, Economic Hardship, In school and Active Military.

“Eligible High School” means any private or public secondary educational institution located within the State of Georgia authorized to grant high school diplomas and is, accredited by the Southern Association of Colleges and Schools, the Georgia Accrediting Commission, the Georgia Association of Christian Schools, the Association of Christian Schools International, the Georgia Private School Accreditation Council, or the Southern Association of Independent Schools. If the institution is not located in the State of Georgia, then it must be currently accredited by the Southern Association of Colleges and Schools or one of the following entities: New England Association of Schools and Colleges, Middle States Association of Colleges and Schools, North Central Association of Colleges and Schools, Northwest Association of Accredited Schools (successor to the Northwest Association of Schools and Colleges), Western Association of Schools and Colleges, the Alabama Independent School Association. Any high school not meeting the definition of an “Eligible High School” is considered to be an ineligible high school.

“Eligible Non-Citizen” means a person who, in accordance with the Federal Title IV Regulations, is a United States permanent resident with a Permanent Resident Alien Card (I-551); or a conditional permanent resident (I-551C); or the holder of an Arrival-Departure Record (I-94) from the Department of Homeland Security showing any one of the following designations: “Refugee”, “Asylum Granted”, “Parolee” (I-94 confirms paroled for a minimum of one year and status has not expired); or “Cuban-Haitian Entrant”. Victims of human trafficking, in accordance with the Victims of Trafficking and Violence Protection Act, may also be considered Eligible Non-Citizens. Persons with an F1 or F2 student visa, a J1 or J2 exchange visitor visa, or a G series visa are not Eligible Non-Citizens.

“Eligible Postsecondary Institution” means an institution that is:

(A) A unit of the University System of Georgia that offers associate or baccalaureate degrees;

(B) A unit of the Technical College System of Georgia that offers associate or baccalaureate degrees; or

(C) An institution of higher education located in this state that offers associate or baccalaureate degrees; that is accredited by a regional accrediting agency recognized by the United States Department of Education; that is not a Bible school or college; that admits as regular students only persons who have a high school diploma, a general educational development diploma, or a degree from an accredited postsecondary institution; and whose students are eligible to participate in the federal Pell Grant program.

"Expected Family Contribution" or “EFC” means expected family contribution calculated in accordance with Title IV of the Higher Education Act of 1965 as amended, et, seq.

“Expected Financial Aid” or “EFA” means the amount of financial aid awarded to students for use toward their Cost of Attendance at an Eligible Postsecondary Institution during an Award Year. Such aid includes federal student loans, scholarships and grants and state student loans, scholarships and grants excluding private education loans and Federal Work-Study (FWS).

“Enrolled” means the student is attending an eligible postsecondary institution at least half time.

“FAFSA” means Free Application for Federal Student Aid, the paper or electronic form provided and processed by the United States Department of Education and used by students to apply for Federal Title IV Programs, institutional aid and some state aid programs.

“Federal Title IV Programs” means student financial aid programs administered by the United States Department of Education that are authorized by Title IV of the Higher Education Act of 1965 as amended, et seq.

“Forbearance” means a period of time approved by the Authority during repayment in which the borrower, upon meeting certain conditions, is permitted to temporarily cease making payments on the loan. Interest continues to accrue on the loan during the forbearance period.

“GAcademy411” means the State of Georgia’s website, located online at www.GAcademy411.org that provides information on careers, Georgia’s postsecondary institutions, student financial aid and access electronic college and financial aid applications.

“Georgia Public School System” means an employment site in Georgia, approved for service-cancellation at a public elementary, middle, or secondary level school under the authority of a city or county school system Board of Education.

“Georgia Resident” or “Georgia Residency” means an individual or the status of such individual who is a United States citizen or Eligible Non-Citizen and is domiciled in the State of Georgia and meets the in-state Tuition requirements of the governing body of the USG Eligible Postsecondary Institution or TCSG eligible postsecondary institution he or she attends, as specified and limited by these regulations, or meets the criteria of the *Georgia Residency Requirements for State Programs Regulation*, as specified and limited by these regulations, if attending a private Eligible Postsecondary Institution.

“Financial Hardship” means a condition experienced by the student whereby making required installments of interest places the student under undue hardship as determined by the Authority.

“Home Institution” means an Eligible Postsecondary Institution in which the student is normally enrolled and is in a matriculated status working toward a degree.

“Host Institution” means a postsecondary institution a student is temporarily attending as a Transient student.

“Incarcerated” means to be confined by a competent public authority or under due legal process. A student is considered Incarcerated if he or she is serving a criminal sentence in a federal, state, or local penitentiary, prison, jail, reformatory, work farm, half-way house, or similar correctional institution (whether operated by the government or a contractor) or is sentenced to home detention.

“Interest Rate” means the interest rate as established in § O.C.G.A. 20-3-395.

“Promissory Note” is a legally binding agreement the borrower signs to obtain a loan, in which the borrower promises to repay the loan, with interest, in periodic installments. The agreement also includes information about any grace period, deferment, or cancellation provisions and the student’s rights and responsibilities with respect to the loan.

“Repayment” means the period(s) of time during which payments of principal and/or interest are required.

“Reasonable Interest Rate” means an interest rate no higher than the *Wall Street Journal* prime rate effective on July 1 for the fiscal year beginning July 1 of each year. If an outstanding loan made under these regulations is subject to the Reasonable Interest Rate, the Reasonable Interest Rate for the current fiscal year shall apply to such a loan during that fiscal year without regard to the interest rate at the time of the loan's origination or the interest rate at the time of the student's default.

“Satisfactory Academic Progress” means the academic standards required of students by their postsecondary institutions in order to be eligible to receive payment from Federal Title IV Programs, in accordance with Federal Title IV Regulations.

“Service Cancellation” means the benefit that may be provided to certain borrowers who teach in accordance with these regulations in a Georgia Public School System. Such eligible students are awarded one year of service cancellation for each year of teaching. No portion of any loan may be canceled for service the borrower performed before the date the loan was disbursed, or during the same period in which the loan was received. The benefit is cancellation of a portion or all of one or more outstanding loans made under the Student Access Loan Program in exchange for teaching in a STEM field in a Georgia Public School System.

“Service Credit” means the monetary amount of Service Cancellation benefit for one year that is associated with each Student Access Loan Program Promissory Note. Each one year Service Credit shall be made up of two one-half year service credits each of which shall be in the amount of one-half of the original principal amount of such Promissory Note.

“STEM” means teaching professions in Science, Technology, Engineering and Mathematics that may be eligible for Service Cancellation.

“Student” means the person or borrower who completed the application and executed the promissory note for the Student Access Loan Program.

“SURFER” means the web-based system used by Eligible Postsecondary Institutions to electronically transmit and receive student data, award information and conduct other administrative activities related to the Authority’s or Commission’s scholarship, grant and loan programs.

“Technical College System of Georgia” or “TCSG” means the State of Georgia’s unified system of public technical colleges, formerly known as the Department of Technical and Adult Education (DTAE), which is governed by the Board of Commissioners of the Technical College System of Georgia.

“Transient” means a student is attending a Host Institution and is granted temporary admission for the purpose of completing course work and earning postsecondary credit to transfer back to his or her Home Institution toward a degree.

“Tuition” means the charges to a student for postsecondary academic instruction without regard to other fees such as technology, activity, athletic, health, etc.

“Undergraduate” means a student who is in attendance at an Eligible Postsecondary Institution and who is in the process of obtaining an Associates or Baccalaureate Degree.

“University System of Georgia” or “USG” means the State of Georgia’s unified system of public colleges and universities, which is governed by the Board of Regents

“Withdrawal Date” means the date the student withdraws, as determined by the institution. The institution must determine the withdrawal date in accordance with the procedures set forth for determining withdrawal date under the Higher Education Act of 1965, as amended.

A. ELIGIBILITY REQUIREMENTS

CITIZENSHIP

A student must be a United States Citizen or an Eligible Non-Citizen, according to Federal Title IV Programs requirements, for a minimum of 12 consecutive months immediately preceding the first day of classes of the school term for which the Student Access Loan is sought.

GEORGIA RESIDENCY

A student attending a USG or TCSG institution who meets the Georgia Residency requirements of the Board of Regents or the Technical College System of Georgia at the time of his or her high school graduation, or equivalent, must also meet such Georgia Residency requirements immediately prior to the first day of classes of the school term for which the Student Access Loan is sought.

A student attending a private Eligible Postsecondary Institution who meets the Georgia Residency requirements of the *Georgia Residency Requirements for State Programs Regulations* at the time of his or her high school graduation, or equivalent, must also meet such Georgia Residency requirements immediately prior to the first day of classes of the school term for which the Student Access Loan is sought.

ENROLLMENT

1. A student must be enrolled at least half time at an Eligible Postsecondary Institution that grants associates or baccalaureate degrees.
2. A student must be classified and enrolled as at least half-time through the last day of the institution's drop/add period in order to be eligible for Student Access Loan Program Funds.
3. If the Eligible Postsecondary Institution is unable to document the student's class attendance to the Award Date, the student is considered to have unofficially withdrawn and is ineligible for the Student Access Loan Program.

ELIGIBLE STUDENTS

Student eligibility shall be determined annually. A student who has graduated from an eligible high school shall be eligible for a loan for the first year of attendance at an eligible postsecondary institution if the student graduated from an eligible high school before May 1, 2007, with a cumulative grade average of at least a 75 numeric average in his or her core curriculum subjects or if a student graduated from an eligible high school on or after May 1, 2007, with a cumulative grade point average in the student's core curriculum subjects of at least 2.5 on a 4.0 scale.

A student's high school cumulative grade average or grade point average shall be calculated by the Georgia Student Finance Commission using the methods set out in O.C.G.A § 20-2-157.

A student is eligible for a second or subsequent year of attendance at an eligible postsecondary institution if that student has earned a cumulative postsecondary grade point average of 2.0

INELIGIBLE STUDENTS

A student is ineligible for the Student Access Loan Program if he or she:

1. Is not a United States citizen or a permanent resident alien who meets the definition of an eligible noncitizen under federal Title IV requirements;
2. Has not complied with United States Selective Service System requirements for registration, if such requirements are applicable to the student;
3. Is in default on a Federal Title IV educational loan or a State of Georgia educational loan, provided that a student who is otherwise eligible and has fully repaid the defaulted loan will be eligible to obtain a loan under this subpart for future academic terms but not retroactively;
4. Owes a refund on a Federal Title IV student financial aid program or a Georgia student financial aid program, provided that a student who is otherwise eligible and has fully paid the refund owed will be eligible to obtain a loan under this subpart for future academic terms, but not retroactively;
5. Has been convicted of a felony offense involving marijuana, a controlled substance, or a dangerous drug as set out in Code Section 20-1-23 or 20-1-24 of the "Drug-free Postsecondary Education Act of 1990," provided that such ineligibility extends from the date of conviction to the completion of the next academic term;
6. Is incarcerated; or
7. Does not meet any of the other eligibility requirements.

MAXIMUM AWARD AMOUNT

1. A student may receive the Student Access Loan up to a maximum of \$10,000 per Award Year.
2. Students may borrow an aggregate amount not to exceed \$40,000.

SATISFACTORY ACADEMIC PROGRESS

A student must maintain Satisfactory Academic Progress, as defined and certified by his or her Eligible Postsecondary Institution.

SELECTIVE SERVICE REGISTRATION

A student must meet Federal Title IV Selective Service registration requirements.

DEFAULT AND REFUND

A student must not be in default on a Federal Title IV Programs or State of Georgia educational loan nor owe a refund on a Federal Title IV or State of Georgia student financial aid program. If the student has repaid the defaulted loan or refund in full, he or she is eligible to receive the Student Access Loan beginning with the term in which repayment was made in full, but not for previous terms.

DRUG-FREE ACT

A student is ineligible if, in accordance with the Drug-Free Postsecondary Education Act of 1990, he or she has been convicted for committing certain felony offenses involving marijuana, controlled substances, or dangerous drugs. A student is ineligible to receive Student Access Loan Program funds from the date of conviction to the completion of the next academic term.

INCARCERATED INDIVIDUALS

Incarcerated individuals are ineligible to receive Student Access Loan Program funds.

B. APPLICATION PROCESS

FAFSA APPLICATION

A student is required to complete the Free Application for Federal Student Aid (FAFSA) for each academic year in which he or she intends to borrow in order to apply for the Student Access Loan Program.

INITIAL STUDENT ACCESS LOAN PROGRAM APPLICATION PROCESS

1. Applications for the Student Access Loan will be made available online at www.GAcollge411.org.
2. An applicant must complete his or her portion of the application and submit it to GSFA. Applications shall be submitted electronically. By submission of the online application, the student authorizes GSFA to review the information

provided, share the information with various other organizations for the purpose of validating the data provided and/or to ensure postsecondary institutions may be able to certify student eligibility.

3. A student must file the application online during the open application cycle(s). Depending upon application volume and available funding, there may be only one application cycle per year. The cycle date(s) will be released by GSFA at certain times during the state fiscal year.
4. Supplemental documentation requested by the institution or GSFA to support or verify a student's application information may be submitted after the deadline. Such a request will not jeopardize the student's eligibility.
5. Applications will then be randomly selected from the pool of applications received during specific application cycles.
6. Once randomly selected the applicant's information will be sent to the Eligible Postsecondary Institution for certification. Eligible Postsecondary Institutions will be provided with certain deadline dates by which they must complete the certification.
7. Once the application is certified by the Eligible Postsecondary Institution, the student will be notified of the status and provided with further instructions, the Promissory Note and the Student Self Certification Form for completion.
8. The student must complete their Promissory Note and the Private Education Loan Applicant Self Certification Form and return the originals to the Authority.
9. No disbursements will be made until the completed Promissory Note is received by the Authority.

APPLICATION RENEWAL PROCESS

1. A Borrower must apply annually for the Student Access Loan Program.
2. Prior receipt of a Student Access Loan does not guarantee or ensure future selection or eligibility for the Student Access Loan in subsequent years.
3. Borrowers must maintain a cumulative postsecondary grade point average of 2.0, as calculated by the Eligible Postsecondary Institution to be eligible for future funding.
4. Borrowers must continue to meet all other eligibility requirements.

C. ELIGIBLE POSTSECONDARY INSTITUTIONS

The following postsecondary institutions are eligible to participate in the Student Access Loan Program:

Abraham Baldwin Agricultural College
Agnes Scott College
Albany State University
Albany Technical Institute
Altamaha Technical Institute
American Intercontinental University
Andrew College
Appalachian Technical College
Argosy University
Armstrong Atlantic State University
Art Institute of Atlanta
Athens Technical College
Atlanta Christian College
Atlanta College of Art
Atlanta Metropolitan College
Atlanta Technical College
Augusta State University
Augusta Technical College
Bainbridge College
Bauder College
Berry College
Brenau University
Brewton-Parker College
Central Georgia Technical College
Chattahoochee Technical College
Clark Atlanta University
Clayton State University
College of Coastal Georgia
Columbus State University
Columbus Technical College
Covenant College
Dalton State College
Darton College
DeKalb Technical College
DeVry University
East Georgia College
Embry Riddle Aeronautical University
Emmanuel College
Emory University
Fort Valley State University
Gainesville State College
Georgia Aviation Technical College
Georgia College and State University
Georgia Gwinnett College
Georgia Highlands College
Georgia Institute of Technology
Georgia Military College
Georgia Northwestern Technical College
(Coosa Valley)
Georgia Perimeter College
Georgia Southern University

Georgia Southwestern State University
Georgia State University
Gordon College
Gwinnett Technical College
Heart of Georgia Tech
Herzing University
Kennesaw State University
LaGrange College
Lanier Technical College
Life University
Macon State University
Medical College of Georgia
Mercer University
Middle Georgia College
Middle Georgia Technical College
Morehouse College
Moultrie Technical College
North Georgia College and State University
North Georgia Technical College
North Metro Technical College
Ogeechee Technical College
Oglethorpe University
Okefenokee Technical College
Paine College
Piedmont College
Reinhardt College
Saint Leo University
Sandersville Technical College
Savannah College of Art and Design
Savannah State University
Savannah Technical College
Shorter University
South Georgia College
South Georgia Technical College
South University
Southeastern Technical College
Southern Crescent Technical College (Griffin Tech)
Southern Polytechnic State University
Southwest Georgia Technical College
Spelman College
Swainsboro Technical College
Thomas University
Toccoa Falls College
Truett-McConnell College
University of Georgia
University of West Georgia
Valdosta State University
Waycross College
Wesleyan College
West Georgia Technical College (West Central)
Wiregrass Georgia Technical College (Valdosta
Tech)
Young Harris College

If a postsecondary institution not listed above is eligible for the Student Access Loan Program, then that institution should contact GSFA and request consideration for participation in the Student Access Loan Program. The institution will be required to submit certain documentation as part of the request.

D. DETERMINATION AND NOTIFICATION OF AWARDS

1. The maximum annual loan amount a student may receive under the Student Access Loan Program is \$10,000 or the student's Cost of Attendance (COA) less the student's Expected Family Contribution (EFC) and the student's Expected Financial Aid (EFA) including such benefits as Federal PLUS Loans and U.S. Department of Veterans Affairs Education benefits, whichever is less.
2. The Student must certify that they have diligently sought all other forms of student aid including federal and state funded student loans, scholarships and grants. Students must agree to provide evidence of such diligence to GSFA upon request by GSFA. Evidence of their diligence includes copies of applications and the results of such applications. Federal Work-Study (FWS) awards are not included as part of the student's EFA when determining the maximum annual loan amount of the Student Access Loan.

Students shall not decline a federal student loan or other federal or State of Georgia student aid as described above in lieu of a Student Access Loan. Student Access Loans are to be loans of last resort, not general funding and may not supplant federal and state loan, grant or scholarship financial aid including Federal PLUS Loans.

3. Student Access Loan Program funds may be awarded for a full or partial Award Year. The student may choose to attend any semester or quarter during the Award Year.
4. The Eligible Postsecondary Institution shall set the disbursement dates for each term.
5. Each loan shall be disbursed in at least one disbursement per academic term.
6. Each loan shall be assessed an origination fee to be charged at the time of each disbursement. The total fee amount per loan shall be 5% of the loan amount not to exceed \$50. To the extent possible, the fee amount shall be deducted in equal amounts from each disbursement.
7. Student Access Loan Program funds may be used to cover any part of the student's Cost of Attendance. Student Access Loan Program funds cannot be used for costs over and above the student's actual Cost of Attendance.
8. A student whose application is selected during the random selection process to receive a Student Access Loan will receive an email notification along with subsequent instructions.

9. A student whose application is certified by the Eligible Postsecondary Institution will receive an email notification that includes instructions regarding the completion of the Promissory Note and other disclosures or supporting documentation that must be signed and notarized by the applicant acknowledging his or her financial obligation, financial aid options and potential service cancellation option.
10. Loan disbursements will be sent to the financial aid office at the Eligible Postsecondary Institution.
11. All applicants who do not qualify will receive a denial notification from the Georgia Student Finance Authority.

E. SCHOOL CERTIFICATION

Eligible Postsecondary Institutions shall be required to certify student eligibility for a Student Access Loan. Certification shall be completed using online tools provided by GSFA or its affiliates. Schools shall certify the following data elements:

1. Student Residency.
2. Student Citizenship.
3. Loan amount.
4. Requested disbursement dates.
5. The student's Anticipated Graduation Date.
6. The student's postsecondary cumulative grade point average.
7. Satisfactory Academic Progress.

F. PROCEDURES FOR DISBURSING FUNDS

DISBURSEMENT

The Authority will disburse Student Access Loan Program funds as close as practical to the dates requested by the Eligible Postsecondary Institution. GSFA can make disbursements no earlier than fourteen (14) days before the first day of classes of each term. GSFA will calculate the actual disbursement amount(s) based on the school certified loan amount and number of requested disbursement dates. Schools may request up to two disbursement dates per loan. If a school requests two disbursement dates, then the certified loan amount will be equally divided between the two dates.

AWARD ADJUSTMENTS

An Eligible Postsecondary Institution may adjust the borrower's loan amount each school term to reflect the student's particular circumstances. If the award amount needs to be adjusted to a lesser amount and the adjustment affects a pending disbursement, the institution has the authority to reduce the award and must notify

GSFA at minimum within 36 hours of the disbursement date that the disbursement is to be changed. Increases to the award amount are possible and subject to available funding. Eligible Postsecondary Institutions should contact GSFA to request an increase.

RETURN OF FUNDS

If an Eligible Postsecondary Institution delivers loan proceeds to or on behalf of a student on or after the first day of the period of enrollment for which the loan was intended and the school is unable to document that the student attended classes on at least a half-time basis during the enrollment period, then the borrower is ineligible for those funds and the school must promptly return the Student Access Loan Program funds to GSFA.

CALCULATION OF REFUNDS

A refund calculation is only required when a student's Cost of Attendance or financial aid package changes or is adjusted so that the student is no longer eligible for the Student Access Loan Program amount as certified by the Eligible Postsecondary Institution. In the event the student is no longer eligible for the original certified loan amount, the Eligible Postsecondary Institution must return a portion of the Student Access Loan Program funds so that the student's total financial aid from all sources does not exceed the student's cost of attendance.

REPORT OF ADJUSTMENTS

1. Monthly or within 30 days of making an award adjustment, the Eligible Postsecondary Institution will remit the refund dollar amounts associated with full refunds or partial refunds to GSFA by check, Automated Clearing House (ACH) or Fedwire Funds Service. The refunded amounts must also include borrower by borrower detail. Failure to comply with the return of funds may delay future Student Access Loan Program disbursements.
2. Procedures and forms will be provided for ACH or Fedwire Funds Service instructions and borrower detail information.

RECONCILIATION

1. The Eligible Postsecondary Institution must conduct a complete borrower-by-borrower Award-Year Reconciliation with GSFA and submit a Reconciliation Certification Form to GSFA by August 15 following the completion of the Award Year.
2. GSFA will provide the institution with a letter to confirm that reconciliation is complete and final for the Award Year.

G. RECORD RETENTION

1. An Eligible Postsecondary Institution shall maintain accurate records, books, documents and other evidence concerning the loan, including, but not limited to individual student files for a minimum of three years after the Award Year in which the aid was awarded; or longer if required by an applicable statute, rule or regulation or such other time period as requested in writing by the Authority.
2. Documentation contained within an individual student file or record, which supports the original determination of a borrower's eligibility must be retained by the institution and available for review by the Authority on the institution's campus, located within the State of Georgia, for at least three calendar years after the most recent Award Year for which the borrower received Student Access Loan Program funds. Institutions are permitted to maintain these documents in an imaged media format. The imaged media format must be capable of reproducing an accurate, legible and complete copy of the original document.
3. Such documentation may include, but is not limited to, copies of Permanent Resident Alien Cards, Georgia State Income Tax Returns, student financial aid applications and academic transcripts from previous institutions. Documentation regarding a borrower's eligibility is not limited to files, records and other information received and maintained by the institution's student financial aid office. Documentation supporting a student's eligibility that is received and maintained by the institution's admissions office, registrars office, business office and other administrative operations of the institution must be available to the Authority for review. It is the institution's responsibility to resolve any inconsistencies or conflicting information within a student's records, prior to awarding or disbursing funds to the student.
4. An institution may be required to retain student records involved in a program review, audit, or investigation for more than the three-year retention period described above. If the three-year retention period expires before the issue in question is resolved, the institution must continue to retain all associated records until resolution is reached.

H. REPAYMENT OF LOAN OBLIGATION

REPAYMENT WHILE ENROLLED IN SCHOOL

1. While enrolled in school, borrowers are required to make annual interest payments. Borrowers may be temporarily exempt from making interest only payments during in school periods if the borrower is able to demonstrate to GSFA that making such interest payments during the in school period places a severe economic hardship on the borrower. GSFA has sole discretion in approving in school economic hardship requests.

2. Interest that accrues during the six month grace period will be added to the principal balance when the borrower enters repayment of principal and interest.
3. Interest payments will be due annually on the loan and in accordance with the repayment schedule set by GSFA.
4. Payments shall be made by preauthorized debit, ACH or check (No cash payments).
5. There is no penalty for early repayment.

REPAYMENT WHILE NOT ENROLLED IN SCHOOL

1. While not enrolled in school, borrowers are required to make monthly payments of principal and interest on the loan.
2. The repayment period, not inclusive of in school, deferment and forbearance periods shall be ten years.
3. While on a deferment or forbearance, borrowers are required to make interest only payments.
4. Payments shall be made by preauthorized debit, ACH or check. (No cash payments).
5. Accrued interest may be capitalized at the beginning of the ten year repayment period and at the end of a deferment or forbearance.
6. There is no penalty for early repayment.

SERVICE CANCELLATION

1. In order to request Service Cancellation of a portion(s) of their loan, the borrower must teach, either full time or half time as certified by an authorized school official, as an employee in a Georgia Public School System in a Science, Technology, Engineering or Mathematics (STEM) field.
2. For each Academic Year worked as a STEM teacher, a borrower may request cancellation of one corresponding year of borrowing under this Program.
3. The borrower may request service cancellation at any time during the repayment period but the borrower must request service cancellation within 12 months of completing the qualifying term of service.

4. The borrower must provide the Authority, as it requires, evidence of completion of the teaching obligation.
5. Service Cancellation may be requested for part time teaching in STEM fields.
6. Service Cancellation is available at the rate of up to one year of Service Credit for each year of study or its equivalent for which a Student Access Loan Program Loan was made to a student.
7. In order to be eligible for any Service Credit, a teacher must have worked a minimum of 90 days in a STEM field, in a Georgia Public School at the elementary, middle or secondary level during the Academic Year for which he or she is seeking Service Cancellation. If a teacher worked between 90-135 days in an Academic Year then that teacher shall be eligible for Service Cancellation in the amount of one-half Service Credit. If a teacher worked greater than 135 days in an Academic Year then that teacher shall be eligible for Service Cancellation in the amount of one-year Service Credit (two one-half-year Service Credits).

Upon approval by the Authority of the borrower's certified Service Cancellation request, the Service Credit amount shall be applied to the then outstanding balance of the oldest Student Access Loan in the borrower's account. In no case can the actual Service Credit amount that is applied to the borrower's Student Access Loan exceed the outstanding balance of that specific Student Access Loan at the time of approval of the borrower's request.

DELINQUENCY

A borrower is delinquent when they fail to make any required payment within fifteen (15) calendar days of the due date. In the event of a delinquency the borrower may be charged late fees. In the event of delinquency lasting longer than fifteen (15) calendar days, any future loan disbursements will be held until such time that the delinquency is resolved. If the delinquency is not resolved in a timely manner, then GSFA may, at its discretion, hold or cancel any subsequent scheduled disbursements.

DEFAULT

1. If the borrower fails to meet the repayment obligation outlined herein and in his or her Promissory Note, the borrower will be considered to be in default of their obligation.
2. Default occurs when the borrower fails to make regularly scheduled payments of any kind for a period of ninety (90) days.

3. In the event of default the Interest Rate shall convert to the Reasonable Interest Rate. The borrower's Interest Rate shall remain at the Reasonable Interest Rate for the remainder of the life of the loan.
4. Any future disbursements of a borrower's Student Access Loan shall be cancelled in the event of default.
5. A borrower in default status will pay all reasonable collections costs as determined by the Authority.

DEFERMENT OF REPAYMENT

A student may apply for a deferment of repayment of principal under certain conditions as listed below:

1. Unemployment.
2. Economic Hardship.
3. In School Status.
4. Active Duty Military.

FORBEARANCE OF REPAYMENT

A student may apply for a discretionary forbearance of repayment under certain conditions as determined by the Authority. The conditions below are examples are not limited to this list.

1. The borrower has personal problems (such as economic hardship) that are temporarily affecting the borrower's ability to make scheduled payments.
2. The borrower is unemployed but has already received the maximum unemployment deferment.
3. The borrower has had poor health or a prolonged illness or disability but does not meet applicable disability cancellation criteria.
4. Forbearance can be granted for a period not to exceed twenty four cumulative months.

CANCELLATION OF REPAYMENT

The Authority shall cancel a borrower's repayment obligation if it determines:

1. On the basis of a sworn affidavit of a qualified physician satisfactory to the Authority, the borrower is permanently and totally disabled; or
2. On the basis of a death certificate or other evidence of death that is conclusive under State of Georgia law, the borrower has died.

PROMISSORY NOTE

The complete service credit and cash repayment requirements are provided in the Student Access Loan Program Promissory Note. For purposes of the service or cash repayment obligations, if any discrepancy exists between the content of these regulations and the Student Access Loan Program Promissory Loan Note that the borrower signed, the Promissory Note shall control.