

# **Chamberlin/Funds for Education Loan Policy**

**Approved Feb 6, 2019**

1. The loan recipients promise to notify the branch by July 1 each year of their status and updated contact information for the life of their loans. This stipulation should be included in the promissory note.
2. A reminder of the notification requirement should be sent in June via email where possible, or in writing. Debtors making periodic current payments may be judged to be satisfying the notification requirement via their payments. All correspondence with the loan recipients is to be managed by the Chamberlin/FFE treasurer or by an assistant if so desired by the treasurer.
3. Two months before a debtor's loan payments are to start, she/he should be reminded via email or in writing that payments are to start soon.
4. By July 31 debtors who have not provided updates via email or US Mail shall be contacted again via email or in writing, reminding them of their communication responsibility.
  - a. The communication shall emphasize the fact that this status update was part of their agreement.
  - b. In the case of loans which are in arrears, the communication shall include both the amount of the total loan and the amount in arrears and shall indicate that the loan may be turned over to a collection agency and/or reported to the credit bureaus.
  - c. In the case of loans which are not yet due, the communication shall indicate that failure to comply with this requirement will result in the loan becoming due in full immediately.
  - d. In either case, the communication shall indicate that we can be flexible regarding the loan repayment terms, but only if they keep us regularly updated.
5. If there is no response by August 31, a registered or signature-confirmation letter shall be sent to the debtors and their co-signers indicating that such action may be taken.
6. If there is still no response by September 30, the payment/nonpayment information will be carefully documented and the case may be turned over to a collection service.
7. If a collection service is unsuccessful, the debt may be reported to the credit agencies or dismissed.