



SAN DIEGO COMMUNITY COLLEGE DISTRICT

Administrative Procedure

Chapter 5 – Student Services

AP 3001.3 – STUDENT LOAN DEFAULTS

This procedure details the regulations adopted by the District to withhold services from students or former students who have defaulted on a student loan.

1. DEFINITIONS

- a. Default - Failure of borrower to honor the obligation to repay a student loan. The default must be reported to the college by the Student Aid Commission.
- b. Student loan - Loans granted under the Stafford Loan Program (formerly Guaranteed Student Loan) and Supplemental Loan for Students Program.
- c. Services - Include, but are not limited to, copies of official transcripts, official grade reports, and diplomas.
- d. Withholding of registration privileges is prohibited in accordance with California Education Code Section 66022.

2. IMPLEMENTATION

- a. When notice is received from the California Student Aid Commission that a student is in default under the Stafford Loan Program (formerly Guaranteed Student Loan Program), the college Financial Aid Officer shall:
 - 1) Mail written notice with affidavit of mailing (Attachment I) to the student concerned at the student's last known address. The notice will inform the student that a "hold" has been placed on their record for purposes of withholding the services listed under item 1.c. The notice must include a statement that a student may clear the hold on services by direct communication with the California State Student Aid Commission.
 - 2) Place a hold on:
 - a) The provision of grades;
 - b) The provision of transcripts;
 - c) The provision of diplomas;
 - d) Registration privileges may not be withheld.

The hold may be removed by the Financial Aid Office only.

Reference: Education Code, Section 66022

Approved by
the Chancellor: November 28, 2016

Supersedes: 10/14/98; 4/13/10