

Federal Capital Contribution (FCC) Loans

Due Diligence Check List

Institution Name: _____

Discipline: _____ State: _____

(Examples: Medicine, Dentistry, Associate, Diploma)

FCC Loan Fund: HPSL PCL LDS NSL

(Circle one)

Contact Person: _____

Contact Person Phone Number: _____ Email: _____

Borrower Name: _____

Separation Date: ____/____/____ Grace Period Ended: ____/____/____

First Payment Due: ____/____/____ Date Borrower Defaulted on Loan: ____/____/____

Date School Determined Loan Uncollectible: ____/____/____

(a) Principal Amount Loaned

(b) Principal Amount Repaid

(c) Principal Amount Cancelled

\$ _____

\$ _____

\$ _____

(d) Principal Amount Outstanding (a-b-c=d)

(e) Penalty/Late Charges Outstanding

(f) Interest Repaid

\$ _____

\$ _____

\$ _____

(g) Interest Cancelled

(h) Interest Outstanding

(i) Total Outstanding Balance (d+e+h=l)

\$ _____

\$ _____

\$ _____

Refer to Student Financial Aid Guidelines, Fiscal Management, Collections

for documentation requirements and guidance.

Below is a check list of items to show due diligence for an FCC loan determined uncollectible.

=====SUBMIT COPIES ONLY=====

1. Has loan been reviewed in accordance with the due diligence requirements and write-off procedures in the Student Financial Aid Guidelines, Fiscal Management, Collections?

☐ Yes ☐ No (Do not submit)

2. Have you enclosed copy(s) of the Promissory Notes(s)?

☐ Yes ☐ No (Do not submit)

3. Have you enclosed a copy of the repayment schedule?

☐ Yes ☐ No

4. Have you enclosed entrance interview documentation (effective 09/23/85)?

☐ Yes ☐ No ☐ N/A

5. Have you enclosed exit interview documentation (effective 9/23/85)?

☐ Yes ☐ No ☐ N/A

6. Were deferments or cancellations granted on this loan?
- ☐ Yes - Enclosed is/are approved form(s).
- ☐ No
7. Have you enclosed documentation of required contacts, including grace period (effective 9/23/85), deferment (effective 09/23/85), billing and follow-up? (Refer to the due diligence requirements and write-off procedures in the Student Financial Aid Guidelines, Fiscal Management, Collections)
- ☐ Yes - Enclosed is a copy of the billing agent's service agreement or school's billing procedures and its effective dates and evidence of required contacts as listed above for the borrower
- ☐ Yes - A copy of the billing agent's service agreement or school's billing procedures applicable to this loan has already been submitted with previous write-off requests. Enclosed are evidence of required contacts as listed above for this borrower.
- ☐ No - (Do not submit)
8. (a) Was the borrower a skip?
- ☐ Yes - Date classified as a skip: __/__/__. Evidence of the skip is enclosed (i.e., return to sender correspondence). A copy of the school's written procedures followed in attempting to locate a borrower and evidence to document that those procedures were followed must be enclosed.
- ☐ No
- (b) Was a commercial firm or collection agency used to locate this borrower?
- ☐ Yes - Enclosed is a copy of the contract which states they perform skip tracing.
- ☐ No
9. Has the loan been referred to a commercial or in-house collection agency?
- ☐ Yes - Enclosed is a copy of the commercial agency's collection procedures, (and if used, the in-house written procedures), evidence of dates of referral, results of placement, and the date the account was returned.
- ☐ No
10. Was the loan litigated?
- ☐ Yes - Enclosed is a copy of the judgment and further efforts taken after litigation to collect the loan.
- ☐ No
- If you answered no to question 10, you must check one of the following:
- ☐ (a) the borrower filed bankruptcy and the loan was discharged through the bankruptcy proceedings, the following additional documentation is submitted: Notice of Creditors, Proof of Claim and Final Discharge.
- ☐ (b) enclosed is a current third party statement (e.g., an attorney or collection agency) why litigation was not pursued (i.e., not cost – effective).
11. Was the loan reported to a Credit Bureau?
- ☐ Yes - Enclosed is the date and supporting documentation.
- ☐ No
12. Have you included documentation of your semi-annual collection effort(s)?
- ☐ Yes ☐ No
13. I certify that the documentation provided is true, complete, and correct to the best of my Knowledge.

Any person who knowingly makes a false statement or misrepresentation in the documentation is subject to penalties which may include fines and imprisonment under Federal statute.

Authorized Official's Signature

Date