	JOHNS HOPKINS HEALTH SYSTEM CORPORATION AND THE JOHNS HOPKINS HOSPITAL HUMAN RESOURCES POLICY and PROCEDURE MANUAL	Policy Number	HR333
		Effective Date	January 1, 2007
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POLICY

The Emergency Loan Program furnishes short-term loans from \$300 to \$750 to meet the specific emergency needs of those employees of Johns Hopkins Health System Corporation (JHHSC) and The Johns Hopkins Hospital (JHH) who satisfy the criteria as defined in this policy. The loans are underwritten through an agreement between the Department of Human Resources and the Johns Hopkins Federal Credit Union (the Credit Union).

The loan is provided by the Credit Union and subject to the current Credit Union rate of interest. The maximum period of the repayment of the loan is twenty six (26) weeks. The loan may be repaid early in order to reduce interest charges. In addition, the loan may be obtained independent of all other commitments that an applicant may have with the Credit Union (no Debt Ratio or Credit Rating is calculated by the Credit Union for applicants).


The loan will be available only if the applicant meets the criteria for a loan, as assessed by the HR Service Center. Exceptions may be made to the program as determined by the Director of Benefits.

ELIGIBILITY

1. The applicant must be a regular full time employee, scheduled to work 30 hours or more per week, in good standing with JHHSC/JHH (this includes: having no active serious discipline or anticipated discipline, suspension or termination; has not given "notice" or announced intention to resign; has *not* declared bankruptcy and/or whose employment is currently projected to continue in an "active" status for a minimum of the next six (6) months).
2. The applicant must have been employed for a minimum of one year.
3. It must be determined that an actual emergency exists (to be supported by the employee in the form of an eviction notice along with a signed copy of lease and rental agreement or "turn-off" (i.e. gas/electric) notice, and/or other similar proof of need) for a property that the employee owns.
4. If there is a previous loan record, the circumstances of the new emergency will be evaluated to ascertain the validity of the request.
5. The employee has not been granted or received another Emergency Loan within the previous twelve (12) month period.
6. If the employee applies for a third emergency loan within three year period, the employee must seek financial counseling through the Faculty and Staff Assistance program (FASAP) before the third loan may be granted.

Conditions and Terms

1. The amount for which a loan may be granted is a minimum of \$300, maximum of \$750.
2. The maximum period of the repayment of the loan is twenty six (26) weeks.

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3. All loans are made payable to the creditor.
4. The employee must be a member of the Johns Hopkins Federal Credit Union, or be willing and able to become a member of this organization, in order for the loan to be repaid by the employee through authorized payroll deductions from the wages of the employee. The minimum balance requirement for the Credit Union may be included as part of the loan.
5. An employee who resigns his or her employment, or whose employment is terminated prior to the completion of their loan repayment schedule, will agree (in advance of the issuance of the loan) to have any and all monies owed under the terms of the loan deducted from his/her final paycheck(s), and/or from any terminal pay (i.e. vacation, PTO, etc) which may be owed them by JHHSC/JHH.
6. If the employee defaults, or if employment terminates prior to the full repayment of the loan, the employee's primary department at the time the loan was made will be responsible for replenishing the Emergency Loan Fund (to the full extent of the balance owed) from the department's budget.
7. An employee will be limited to receiving only one (1) Emergency Loan per twelve month period.
8. Emergency Loans will be considered for the following (but not limited to) purposes:
 - a. Eviction - Court Order Notices
 - b. Utility Service Turn Offs
 - c. Telephone Service Turn Offs
 - d. Mortgage Foreclosure
 - e. Moving Expenses due to circumstances beyond the employee's control
 - f. Auto Repairs (only means of transportation to work and signed estimates for repair work are submitted.)
 - g. Funeral expenses - payable due to death of immediate family member as defined in the Bereavement section in the Paid Time Off Policy or as defined by the Collective Bargaining Agreement.
 - h. Car payment to prevent repossession


PROCEDURES

Employee

- 1) Obtains Emergency Loan Application package from the Department of Human Resources Benefits Office.
- 2) Completes Emergency Loan Application, Consent for Release of Confidential Information Form and Credit Union Application
- 3) Obtains supervisor's and manager/director's signature on the Emergency Loan Application Form.

Supervisor and Manager/Director

Signs Emergency Loan Application Form, indicating employee's continuing employment potential for a period of at least six months from the date of the application. If unable to confirm this, returns the form unsigned to the employee.

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- Employee** Returns the completed Emergency Loan Application, and Consent for Release of Confidential Information.
- HR Service Center** Reviews completed forms and reason for loan. If all conditions of the loan are met, advises employee to take the Loan Application to the Credit Union along with the Emergency Loan Disbursement Recommendation Form and all supporting documentation
- Employee** Delivers Emergency Loan Application and Emergency Loan Disbursement Recommendation Form to the Credit Union.
- Credit Union**
- 1) Processes Emergency Loan Application and Credit Union Application, if applicable.
 - 2) Advises Payroll Department of loan payroll deduction amount.
- Payroll Department** Deducts loan amount for the length of the loan. If the employee terminates prior to the completion of the loan, any and all monies owed under the terms of the loan will be deducted from the employee's final paycheck, and/or from any vacation pay which may be owed to the employee by JHHSC/JHH.
- Credit Union** Advises the HR Service Center monthly of any employees who defaulted on the repayment of the Loan.
- HR Service Center** Reimburses the Credit Union for any unpaid loan balance for the terminated employee and charges the amount to the employee's department cost center.

SPONSOR

Vice President, Human Resources.


REVIEW CYCLE

3 years

APPROVAL

 Vice President, Human Resources

 Date

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Amendment Record

Date	Page	Details of Amendment
1/1/04	1	Full time employee defined as scheduled to work 30 hours or more per week
1/1/04	1	Added: If the employee applies for a third emergency loan within three year period, the employee must seek financial counseling through the Faculty and Staff Assistance program (FASAP) before the third loan may be granted.
1/1/04	2	Added: Mortgage foreclosure, funeral expenses and car payment