

U.S. Federal Student Aid

LOAN DISBURSEMENT POLICY

TITLE:

U.S. Federal Student Aid Loan Disbursement Policy

POLICY:

Loan Disbursements of Federal Student Aid will be made in accordance with the following terms:

Timelines: Students will be notified of an impending disbursement within 7 days of the scheduled disbursement date. Students must accept the amount(s) of the pending disbursement(s) prior to disbursement of the funds to the student account.

Disbursements not confirmed within the required timeframes will not be drawn down from the U.S. Treasury. Students will need to wait until the next scheduled disbursement to receive their funds.

Incidence: Disbursement dates will vary from year to year, however, the main two disbursement dates will be one week after the Withdrawal date for each semester. If four disbursement dates are required for the student, then the other two disbursement dates will be after the mid-semester break.

A student who is in the first year of bachelor-level study and a first-time borrower will receive four disbursements for the first academic year, then will receive two disbursements per academic year for subsequent years.

All other students will receive two disbursements per academic year.

A minimum of two disbursements per academic year is required if a student is enrolled in a full academic year (2 semesters).

Refunds/ Release of Funds: Students receiving four disbursements per academic year are required to pay a minimum of one-quarter of their tuition owing at each disbursement. Students receiving two disbursements per academic year are required to pay a minimum of one-half of their tuition owing at each disbursement.

Surplus funds will be released to the student's NZ Bank account (on provision of required documentation) to meet living costs if the student has no outstanding student tuition account balance or charges pending for the disbursement period.

Continued academic attendance: Release of any disbursement is contingent on the student's continued attendance and participation in academic activities. The University reserves the right to withhold disbursements should there be evidence of a full or partial withdrawal from the University as per the FSA Return of Title IV Policy.

DEFINITIONS:

Disbursement: A disbursement is a release or partial release of the loan funds from the lender to the borrower (via the University).

Delivery: is the release of disbursement funds from the University to the student.

AUDIENCE:

All students applying for or receiving U.S. Federal Student Aid
Finance staff
Federal Aid Administrators and International Office Staff
Pastoral Care staff

RELEVANT LEGISLATION:

U.S. Amended *Higher Education Act* 1965.
U.S. Federal Regulations Title 34, 668 (Student Assistance General Regulations) and 685 (William D Ford Direct Loan Programme)

LEGAL COMPLIANCE:

Universities accredited to administer U.S. Federal Student Aid are required to comply with U.S. Federal Regulations.

RELATED PROCEDURES/DOCUMENTS:

MU FSA Satisfactory Academic Performance Policy
MU FSA Return of Title IV Policy
MU FSA Cost of Attendance Policy Student Fee Policy
General Terms and Conditions

DOCUMENT MANAGEMENT & CONTROL

Reviewed by	:	Amy Odom
Authorised By	:	Greg Huff
Date Reviewed	:	24 October 2019
Review Requirement	:	Annually