Quality of Assurance Practice and William D. Ford Direct Loan

Purpose:	As per the Direct Loan Program regulations 34 CFR 685.300 (b) (9), this policy documents the quality assurance processes to ensure that Murdoch University is complying with program requirements and meeting program objectives.		
Audience:	Staff, Students, Public		
Contact Officer:	Financial Aid Administrator	**Phone:**	08 9360 2733

Definitions:
- COD – Common Origination and Disbursement System
- Program Year Closeout – reconciliation of Award Year in COD
- G5 – US Department of Education's grants management system
- SAR – Student Aid Report
- FAFSA – Free Application for Federal Student Aid
- NSLDS – National Student Loan Data System

1. Application
1.1. This policy applies to all processes and staff engaged in the administration of the Direct Loan program

2. Overview
2.1. Federal regulations require that institutions participating in the Direct Loan program maintain policies and procedures ensuring that administratively capable and compliant processes are used when administering program funds. Compliant administration begins with student application and continues throughout the award packaging, disbursement, reporting and reconciliation stages. The following processes are implemented in repose to the Direct Loan Quality Assurance requirements:-
- Return to Title IV Policy
- SAP Policy

3. Loan Application Process
3.1. All eligible students applying for US Federal Loans must complete the following loan steps which are detailed on the Murdoch University website:-
- US Loan Request form
- FAFSA
- Entrance Counselling
- Stafford MPN
- Plus MPN

3.2. The following processes will be completed by the Financial Aid Administrator at Murdoch University: -
- Student enrolment at Murdoch University
- Application checklist
- Loans assessment
- Disbursement preparation
- Calculating Cost of Attendance
- Issuing Award Letter
- Originate loan in COD
- Verify student loan or Batch once accepted

4. Loan Disbursement Process

4.1. Financial Aid administrators are encouraged to refer to the following documents while conducting the loan disbursement process to ensure all compliance issues are considered: -

- Academic Dates

4.2. The following processes will be completed by the Financial Aid Administrator: -

- Send disbursement to all students no greater than 30 days from the date of disbursement
- Confirm disbursement
- Reconcile COD
- Advise Finance of USD amount G5 Draw Down
- Disburse loan funds

5. Zero Balance for Direct Loan Program Year Closeout - COD

5.1. If Murdoch University's reconciliation has been completed and Murdoch agrees with the Ending Cash Balance which should be Zero, complete the Program Year Closeout Balance confirmation within COD and will keep a copy on file for the Audit.

6. Return to Title IV

6.1 Students will advise the Financial Aid Administrator of any changes to their enrolment. Financial Aid Administrators will follow the processes outlined in the Return to Title IV Policy.

7. Satisfactory Academic Progress

7.1. The Financial Aid Administrator is encouraged to refer to the following procedures and documents while reviewing Satisfactory Academic Progress to ensure all compliance issues are considered:

- SAP Policy

7.2. The following processes will be completed by the Financial Aid Administrator:

- Review Student Performance
- Contact students who are not meeting SAP

8. NSLDS Reporting

8.1. Participating schools are required to complete enrolment reporting for all students receiving US Federal Loans every 60 days. At Murdoch University reports are scheduled for the 1st of each month.

9. Exit Counselling

9.1. All US Loan students must complete exit counselling each time they withdraw or graduate.

9.2. The Financial Aid Administrator will request all graduating students must complete Exit Counselling and provide up to date contact information.