

Policies for the Office of Student Financial Aid

Subject

Alternative Loans (H-4)

Office of Student Financial Aid/Scholarships

August 2015

Page 1 of 2

Students have the option to apply for an Alternative Loan with a lender of their choice. Alternative Loans will be processed and awarded to students once notification is received from the lender. Students Alternative Loan can be awarded up to the Cost of Attendance, minus any other aid awarded.

EFT Disbursement and Auto Debit Withdrawal for Alternative Loans

Below is a brief description of the current procedure for disbursement of loan funds by EFT and return of loan funds by Auto Debit.

An awarding officer receives a copy of the EFT disbursement roster one day prior to the scheduled EFT disbursement deposit (dump) into the EFT disbursement account, or the awarding officer in charge will perform functions necessary to open and print the electronic EFT disbursement roster files the day of the EFT disbursement deposit (dump).

The awarding officer in charge of EFT disbursements will receive confirmation from Business Affairs documenting the amount of money dumped into the EFT disbursement account. The awarding officer will match the monetary amounts dumped into the EFT disbursement account to the total amount of funds listed on the disbursement rosters. **The amounts must match.** Any discrepancies will be resolved immediately with the lender's disbursing agent by the awarding officer in charge of EFT disbursements. If discrepancies are not resolved within 3 days, the lender/servicer will be asked to take the funds back until a resolution can be determined.

EFT disbursement deposits will be logged into a logbook listing lender and amount deposited. Awarding officer in charge will perform functions necessary to download electronic EFT disbursement roster files.

Those students determined to be eligible for loan funds will have the loan funds posted to their account as an accept.

Students will be notified, by email, of the disposition of their loan funds.

Auto Debit request totals are logged into the logbook next to its corresponding EFT deposit.

Auto Debit requests are updated through Great Lakes to authorize the withdrawal of funds from the EFT disbursement account. Business Affairs will email verification of withdrawals by Auto Debit from the EFT disbursement account (known as DJ's) to the Awarding Officer to be logged in the log book and notated on the students' individual accounts in FAM.

Awarding officer in charge of EFT disbursements will maintain and monitor the logbook of EFT deposits and withdrawals by auto debit to ensure timely disbursement of deposited funds and accurate withdrawals by lenders through the auto debit process. The Awarding officer will resolve any discrepancies or problems found in the EFT disbursement account immediately. In the event EFT cannot be utilized, Paper Check Policy will be followed.

The Office of Student Financial Aid sends an email notification to the student email address letting the student know a disbursement has been made on their account.

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Page 2 of 2

Loan Checks (In the case of Paper Checks)

Outlined below is the current procedure for a student loan check disbursement.

- A. Checks are cross-referenced to the roster to insure that all checks were received.
- B. Loan checks are entered on Loan Payment screen in FAM.
- C. Awarding Officer verifies eligibility, attaches Loan Disbursement Sheet, and prepares for transfer to Cashier's Office for disbursement, or mailed certified to students for endorsement if necessary
- D. Cashiers disburse checks and return the signed disbursement sheets to Financial Aid to be filed in the student folder.
- E. Checks that are not picked up at Cashier's are returned to the Financial Aid Office for resolution.