**Owner:** Director of Student Services

**Version number:** 4.0

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**Approved by:** Student Services Executive

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**[Title] Policy**

**US Federal Funds Policy**

1. **SCOPE AND PURPOSE**
	1. This policy outlines Bournemouth University (BU) responsibilities for administering US Federal Financial Aid (Title IV funds), Veteran Affairs Educational Funding, Sallie Mae and Earnest Private Loans for BU applicants and students from the USA. BU is approved as an eligible educational institution to participate in Federal Student Financial Aid Programs (William D. Ford Direct Loan Program specifically) and is bound by the regulations of the US Department of Education (US DoE).

1.2 BU is also approved to process VA benefits (Chapter 33 (post-9/11 GI Bill) and Chapter 35 specifically) with the US Department of Veterans Affairs.

1.3 If you would like this document in a different format, please email fedloans@bournemouth.ac.uk (fedloans@)

1. **KEY RESPONSIBILITIES**
	1. Overall responsibility for this policy lies with the Director of Student Services; responsibility for the management and implementation of this policy lies with the Primary Destination Point Administrator (DPA), with the day-to-day assistance of the Destination Point Administrator/s.
	2. All staff that deal with US students in receipt of funding from the US DoE are responsible for ensuring this policy, and the procedures and policies in 3.0 are followed to guarantee BU compliance. This compliance is tested on an annual basis via an audit of student records performed by an external auditor approved by the US DoE.
2. **LINKS TO OTHER BU DOCUMENTS**

[Satisfactory Academic Progress (SAP) Code of Practice](https://intranetsp.bournemouth.ac.uk/policy/Satisfactory-Academic-Progress-%28SAP%29-Code-of-Practice.doc)

[Fees Policy (including R2T4 and LOA)](https://www.bournemouth.ac.uk/students/help-advice/important-information)

[Attendance and Withdrawals procedures](https://staffintranet.bournemouth.ac.uk/aboutbu/policiesprocedures/academicregulationspoliciesprocedures/)

[University Rules and Regulations](https://staffintranet.bournemouth.ac.uk/aboutbu/policiesprocedures/academicregulationspoliciesprocedures/)

1. **How to identify if your student is in receipt of US funding**

4.1 In the ‘Student Details’ section of myHub, the OLR Payment Method will state ***‘****Student by U.S. Federal Loan’.*

1. **Prior to enrolment**

5.1 To be able to calculate the Cost of Attendance (COA) in line with US DoE regulations, the student must have been offered a place on a full-time (or part-time if not on a Student Visa) course at BU for the next academic year and must have submitted a Free Application for Federal Student Aid (FAFSA) for the next academic year, which generates a Student Aid Report (SAR).

5.2 If there are any warnings or mistakes on the SAR, BU must address and resolve these with the student and/or US DoE before calculating the COA, which is the maximum amount of money the student is eligible to borrow.

5.3 Before BU can process their loan, the student must confirm in writing how much of these eligible funds they wish to borrow. It is the student’s responsibility to inform BU at this point of any changes to their financial circumstances, which will affect the funds they are eligible to borrow e.g. receipt of any scholarship, discount, grant or other private loans.

 5.3.1 If, after the COA amount is confirmed, the student declares that they are in receipt of any of these additional funds, BU is required to re-calculate the COA, which may affect how much money the student is eligible to borrow.

5.4 Once the COA has been confirmed, BU must not certify the loan until the student has completed their Annual Student Loan Acknowledgement (ASLA), Entrance Counselling (EC) and their Master Promissory Note/s (MPN).

5.5 After the loan has been approved by the US DoE, BU must issue an official Notification Letter to the student confirming the loan amounts and disbursement dates.

5.5.1 The US DoE dictates that Federal Loans for an academic year must be split into at least 2 equal disbursements, one for each payment period. It is BU policy to divide the annual Federal Loans in 2 (UG and PGR) or 3 (PGT) equal disbursements, one for each term.

1. **Post enrolment**

6.1 The first disbursement must not be released to the student until they are in the UK and fully enrolled on their BU course. The [Satisfactory Academic Progress (SAP) Code of Practice](https://intranetsp.bournemouth.ac.uk/policy/Satisfactory-Academic-Progress-%28SAP%29-Code-of-Practice.doc) outlines how this is monitored.

1. **Record keeping**

7.1 The US DoE requires that the following student documents are retained by BU until the US DoE has confirmed that they have completed their fiscal compliance checks and that the audit outcome is satisfactory. These documents can be hard copy or electronic records and must be made available annually to the external auditor:

* Student Aid Report (SAR)
* Annual Student Loan Acknowledgement (ASLA)
* Entrance Counselling (EC)
* Master Promissory Note (MPN)
* Cost of Attendance (COA)
* BU Offer Letter
* Notification Letter (NL)
* Evidence of student’s change of circumstances
* Evidence of invitation to Exit Counselling
1. **Monitoring and reporting during the academic year**

8.1 BU must monitor the academic engagement and progress of all US students in receipt of US Federal Loans and VA Educational Funds every 60 days, in line with BU [Satisfactory Academic Progress (SAP) Code of Practice](https://intranetsp.bournemouth.ac.uk/policy/Satisfactory-Academic-Progress-%28SAP%29-Code-of-Practice.doc) and US DoE enrolment reporting requirements. The following enrolment status must be reported:

* Full time enrolment
* Changing from full-time to part-time
* Withdrawal, Interruption or Leave of Absence, in line with the R2T4 policy
* Graduation, which is defined as the date of the last academic engagement
1. **References and further information**

Electronic Code of Federal Regulations - <https://www.ecfr.gov/current/title-34/subtitle-B/chapter-VI/part-668>

Federal Student Aid (FSA) - https://studentaid.gov/

FSA Foreign School Information - https://fsapartners.ed.gov/knowledge-center/topics/foreign-school-information

**Glossary of terms**

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| ASLA | Annual Student Loan Acknowledgement  |
| COA | Cost of Attendance |
| DPA | Destination Point Administrator |
| EC | Entrance Counselling |
| ExitC | Exit Counselling |
| FAFSA | Free Application for Federal Student Aid |
| MPN | Master Promissory Note |
| NL | Notification Letter |
| OL | Offer Letter (UF or CF) |
| R2T4 | Return to Title IV |
| SAP | Satisfactory Academic Progress |
| SAR | Student Aid Report |
| SM  | Sallie Mae Private Loans |
| SSN | Social Security Number |
| VA | Veteran Affairs |