

**La Trobe University
Students' Loan Fund Standing Committee**

Students Loans Fund Policies - amended February 2008

1. Fund overview

The purpose of the Student Loan Fund is to provide financial support for students during the period that they are enrolled at La Trobe University in their degrees or postgraduate candidature. The financial support will be related to the students' essential needs in order to complete their studies.

2. Management overview (Please see Regulation 26.1 for full details)

The Fund's purpose is to provide financial assistance to students. (Statute 26)

The Student Loans Fund Standing Committee administers the Students' Loan Fund and other monies made available by Council for loans and grants to students.(Reg 26.1; 2)

Applications for loans or grants are to be made in writing to the Students Loan Fund Application Committees for evaluation according to the policies and conditions established by the Standing Committee (Reg 26.1; 9) but the Applications Committee may authorise individual members of the Committee to approve or reject the application (Reg 26.1; 11).

3. Policies

3.1 Student eligibility for loans

- Currently enrolled Higher Education student ¹
- Unable to continue with University studies without the financial support
- Demonstration of ability to repay loan and likelihood of repayment of the loan
- Receipt or expenditure of the student loan would not be inconsistent with any legal obligations upon the student (including any visa obligations) and would not be inconsistent with any previous declarations made by the student to the University or any Commonwealth or State Government Authority regarding their ability to meet the costs of travel, tuition or living expenses.

3.2 Loan exclusions

These exclusions apply except in exceptional circumstances as resolved by the Applications Committee.

- Daily parking costs at University campuses
- Daily transport costs to and from the University

¹ Higher Education student does not include students at the International College.

3.3 Guarantor requirements

Unless otherwise resolved by the Applications Committee, a guarantor will be required for loans greater than \$200.

The University will establish the guarantor relationship and communicate with the guarantor directly, not through the student applying for the loan.

3.4 Administration fee

No administration fees will apply to the loans.

3.5 Loan categories and maximum amounts

Regulation 26.1; 12 requires the Standing Committee to determine types of loans and amounts for each type of loan.

The total maximum loan per student at any one time is normally \$2,500. Where special needs have been approved by the Applications Committee, the total maximum loan at any one time is \$4,000.

Category	Maximum \$
Living Expenses (rent, bond or relocation costs)	1,000
Text books	500 per semester
Travel for University based research and placements	2,000
Equipment	500 per semester
Course fees	1,000
Computers - specified minimum requirement - special requirements (request must be supported by academic supervisor)	1,200 2,000
Specialist software	500
General (Applications Committee consideration only)	4,000

3.6 Loan application criteria

In drafting its policies, the Standing Committee is cognisant of the debt problems that could be created for students once they enter into a loan agreement.

Applications must meet the criteria below.

- Demonstration of essential need in order to complete University studies
- Documented evidence of funds required

- Normally, demonstration of the ability to contribute to the costs of the item(s)
- Demonstration of ability to repay according to agreed schedule. (Proof of ongoing income is required eg Centrelink documentation, pay slips, demonstration of future employment prospects, demonstration of employment record)
- Evidence of the necessity of the proposed items to complete University studies. For example, handbook information, course book lists, academic references indicating support for the application. This requirement only applies to loans for items directly related to course requirements such as texts, equipment, travel and placements.
- For travel assistance:
 - o a report from the relevant Faculty on eligibility for Faculty travel grant, amounts approved and reasons for denial
 - o proof of an OS HELP loan application and denial response
- Course fees
 - o will be considered only in cases where students are not eligible for FEE-HELP.
 - o are not available for the first semester of study.
- General category
 - o Must be considered and resolved by the Applications Committee

3.7 Payment methods from the University to the students

- (a) Cash
 - Emergency grants and loans
- (b) Cheque
 - Directly to the supplier of the goods or services specified by the student
- (c) Internal journal transfer where the University is the supplier
 - eg, GSF and course fees)
- (d) Direct transfer to student's bank
 - Only where the above options do not apply

3.8 Repayment periods (see Reg 26.1 ;14, 15, 16)

Amount	Normal period of loan	Normal Repayment schedule
Up to \$500	6 months	Monthly payments, amounts to be negotiated
\$500 - \$1,000	Up to 12 months	Monthly payments to be negotiated.
Greater than \$1,000	Up to 18 months	Monthly payments to be negotiated
	Special circumstances	Referral to Applications Committee required

3.9 Repayment methods from the students to the University

Cash
Cheque/ money order
BPay
Credit Card

3.10 Loan repayment extensions and variations

Extensions and variations to agreed loan repayment schedules may be approved by the Applications Committee. The loan contract will be revised accordingly.

Normally, where repayment is overdue, no new application will be approved that subsumes the current outstanding loan.

In exceptional circumstances the Applications Committee may resolve to approve a second loan that subsumes an existing loan but only if the schedule of payments of the existing loan is being fully adhered to and the total loan amount does not exceed the maximum allowable. In all other respects the second loan must adhere to the Standing Committee's policies. This decision must be approved by at least two members of the Applications Committee.

3.11 Recovery of Outstanding Loans

See Regulation 26.1;15

.....upon advice from the Student Loan Fund Application Committee, the University may institute proceedings for recovery of any amount outstanding, including interest, should a borrower:

(a) fail by the due date to repay any amount owing under the conditions of the loan;

(b) fail to have a revised repayment proposal of the loan approved by that Committee; or

(c) fail to observe any other condition applying to any such loan.

3.12 Failure to repay by due date

See Regulation 26.1;16

Borrowers who have failed by the due date to repay or to make arrangements in accordance with the conditions of their loans have a financial obligation to the University and shall not be permitted to re-enrol, obtain a transcript of their academic record or graduate or undertake other activities which require the discharge of financial obligations without the approval of the Standing Committee.

Note that if loan repayments are in good standing, no encumbrances will apply. That is, a student can re-enrol, obtain a transcript or graduate if the loan repayments are occurring as specified in the current loan contract.

3.13 Grants

Grants will be considered for all students, including international students, in cases of extreme hardship, where repayment is unrealistic. Grant applications will be considered by the Applications Committee.

In cases of emergency, at least two members of the Applications Committee will be required to approve a grant application.

3.14 Day to day Administrative Management

On a day to day basis the above policies will be administered through the Academic Services Division.

Applications may be referred to the Applications Committees for assessment.

The designated Academic Services officer will report all loan and grant applications and the monitoring of current loans to the relevant Applications Committee.

All applications will be fully documented according to the above requirements before the financial assistance may be approved either by the designated officer or the Applications Committees.