

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

Students' Loans Fund Policies - amended October 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 Students' Loan 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

The following exclusions apply except in exceptional circumstances as resolved by the Applications Committee:

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

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.

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

3.5 Loan categories, maximum amounts and repayment periods

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 (Reg 26.1 ;14, 15, 16).

Category	Maximum \$	Repayment Periods	Repayment Methods
Grants	\$4,000	Referral Applications Committee required	Not required
General (Committee consideration required)	\$4,000	Referral Applications Committee required – up to 30 months	Cash, Cheque, Money Order, BPay or Credit Card
Specialist Equipment <i>(Length of repayment is dependent on length of course)</i>	\$2,500	Monthly – up to 30 months	Cash, Cheque, Money Order, BPay or Credit Card
Computers 1) Special requirements <i>(request must be supported by academic supervisor)</i> 2) For specified minimum requirement	\$2,000 \$1,200	Monthly – up to 18 months	Cash, Cheque, Money Order, BPay or Credit Card
Travel for University based research and placements	\$2,000	Monthly – up to 18 months	Cash, Cheque, Money Order, BPay or Credit Card
Living Expenses (rent, bond or relocation costs) or Course fees	\$1,000	Monthly – up to 12 months	Cash, Cheque, Money Order, BPay or Credit Card
Equipment, Specialist Software or Text books	\$500	Monthly – up to 6 months	Cash, Cheque, Money Order, BPay or Credit Card
Emergency Loan	Up to \$200	Within 1 month	Cash, Cheque, Money Order, BPay or Credit Card

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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, but are not limited to, meet the criteria below:

- a. Demonstration of essential need in order to complete University studies.
- b. Documented evidence of funds required.
- c. Normally, demonstration of the ability to contribute to the costs of the item(s).
- d. 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).
- e. 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.
- f. For travel assistance:
 - i. a report from the relevant Faculty on eligibility for Faculty travel grant, amounts approved and reasons for denial;
 - ii. proof of an OS HELP loan application and denial response.
- g. Course fees
 - i. will be considered only in cases where students are not eligible for FEE-HELP;
 - ii. are not available for the first semester of study.
- h. Specialist Equipment
 - i. equipment essential for course needs
 - ii. Guarantor is essential and repayment of loan is required one Semester prior to completion of course.
- i. General category
 - i. must be considered and resolved by the Applications Committee.

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.

3.7 Payment methods from the University to the students

Payment of the Student Loan to the student is generally made by Electronic Funds Transfer. In some circumstances where the University is the supplier, the method of payment may be made by internal journal transfer.

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Repayment of a student loan can be made by Cash, Cheque, Money Order, direct debit or Credit Card. Repayment may be made on a monthly period as advised by the Repayment Schedule for the loan.

Payment of the Emergency Student Loan of up to \$200 is paid in cash to the student. Repayment can be made by Cash, Cheque, Money Order, or Credit Card within 4 weeks. Emergency loans that have not been repaid are to be written off after a reasonable attempt has been made to recover the money.

Grants are not required to be repaid to the University.

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 (Regulation 26.1;15)

The University may institute proceedings for recovery of any amount outstanding should the student fail to repay any amount owing by the due date under the conditions of the loan or fail to have revised repayment proposal of the loan approved by the Committee or fail to observe any other condition applying to the student loan.

3.12 Failure to repay by due date (Regulation 26.1;16)

A Reminder letter is sent to students who fail to repay a student loan instalment by the due date. Students who fail to pay the instalment or renegotiate the repayment due date, the University shall write, to the student and the Guarantor, advising them that the University has suspended services and they shall not be permitted to re-enrol, obtain a transcript of their academic record, graduate or undertake other activities which require the discharge of financial obligations without the approval of the Standing Committee.

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.

3.14 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.

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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.

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