

STUDENT LOAN SCHEME POLICY AND PROCEDURE



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1 PURPOSE

- 1.1 This policy and procedure provides guidance, eligibility and application requirements for the Student Loan Scheme at CQUniversity.

2 SCOPE

- 2.1 This policy and procedure applies to domestic students enrolled in a diploma, undergraduate or postgraduate course at CQUniversity who are experiencing temporary financial difficulties that may impact on their studies.
- 2.2 This policy and procedure does not apply to:
- international students
 - students enrolled in an enabling course, such as Skills for Tertiary Education Preparatory Studies (STEPS) or Tertiary Entry Program (TEP), or
 - vocational education and training (VET) students enrolled in a course other than a Diploma level.

3 POLICY STATEMENT

- 3.1 CQUniversity provides funds for the provision of loans to eligible domestic students who are enrolled (as per Student Admissions guidelines and conditions set by the Commonwealth Government) in any diploma, undergraduate or postgraduate course at CQUniversity.
- 3.2 Student loans are only available for eligible living and study expenses such as rent, bond, connection fees for utilities and utility costs, textbooks, or musical instruments as verified by the unit coordinator to be deemed as an essential component of the course in which the student is enrolled. Under extenuating circumstances other items may be considered (e.g. motor vehicle registration, computer software and/or maintenance).

- 3.3 Items which are not eligible for student loans include capital expenditure items such as vehicles, modems, furniture, electrical items, tuition and fines or late fees imposed by CQUniversity or other entities.
- 3.4 The maximum amount allowed for any single loan is \$1,000. All students applying for a loan must meet the eligibility criteria and submit the application with relevant supporting documentation. The Student Loan Scheme is not intended as a regular means of financial support.

4 PROCEDURE

Eligibility

- 4.1 To be eligible for a student loan, students must be studying in a CQUniversity diploma, undergraduate or postgraduate course and demonstrate that a genuine need exists based on their current financial circumstances. Students must demonstrate that they have the ability to re-pay the loan in the time specified.
- 4.2 The following students are not eligible for the Student Loan Scheme:
- students enrolled in an enabling course such as the STEPS or TEP
 - VET students in any course other than a Diploma course
 - international students
 - students enrolled in their first term of study at CQUniversity
 - students who currently hold a student loan (either from CQUniversity or another Australian university)
 - students concurrently enrolled at CQUniversity and another Australian university seeking a loan to pay for study expenses for items related to the other institution
 - students who already have an overdue CQUniversity debt (until such time as the debt is repaid)
 - students whose CQUniversity loan has lapsed into default and monies have had to be recovered through a debt collection agency, and
 - students studying overseas.

Conditions

- 4.3 The following conditions apply to all student loans:
- the maximum loan amount for any eligible student is loan is \$1000
 - students aged under 18 years must have a parent or guardian sign a Guarantor Form Extension. Loans will not be given unless written permission from the guarantor is received.
 - students will make repayments of \$50 per fortnight on their loan commencing 14 days after the loan has been funded, unless prior approved arrangements have been made as a result of extenuating circumstances. Requests for an extension to a loan must be made directly to the Student Scholarships Team in Student Central, however this will only be considered if the student has begun to repay the loan and extenuating circumstances can be demonstrated
 - loans must be paid within three months from the date of withdrawal, exclusion or completion of a course at CQUniversity or by the original due date, whichever is sooner, and
 - students are required to maintain current contact details on MyCentre.

Application process

- 4.4 Students should download the [Student Loan Scheme Application Form](#) from the CQUniversity website and complete it independently if possible; however assistance can be provided by Student Central upon request.
- 4.5 Applications will not be processed unless all fields and requested supporting documentation (proof of income, personal bank statements, statements of liabilities and quotes for purpose of loan) are submitted.

- 4.6 Applications must be received by Student Central no later than close of business each Monday (excluding public holidays) to ensure they can be assessed and processed within one week. Applications received after Monday will not be assessed or processed until the following week.
- 4.7 Student Central will notify students of the outcome of their application within five working days of application.

Authorisation and processing

- 4.8 All loan applications will be received and assessed by the Student Scholarships Team. Student Central will notify students of the outcomes of their applications, confirm timeframes for repayments and forward successful applications to the Finance Directorate for loan processing.
- 4.9 The Student Scholarships Team will assess and consider the capacity of the student to repay the loan based on the reasonable expenses and evidence provided in the application, confirm the legitimacy of quotes provided, consider previous loan repayment history, student lifecycle stage and academic progress to date.
- 4.10 Approved Student Loan Applications will be forwarded to the Finance Directorate for processing on a weekly basis.
- 4.11 Where a student loan application is denied, students will be provided with feedback on how this decision was made and where possible, alternative options for financial support. Students are able to make future applications if their capacity to repay a loan has improved or contributing factors to previous denied applications have changed. A student with a denied application will have only one additional opportunity to submit another loan application during each academic term they are enrolled.
- 4.12 Loan funds are deposited directly into the nominated bank account indicated on the [Student Loan Application Form](#). Depending on the financial institution, payment may take several days to be received after processing. If the loan is for textbooks to be purchased through the CQUniversity Bookshop, payment cannot be made directly to the Bookshop. Students are responsible for ordering their required textbooks and organising payment.
- 4.13 Students are responsible for establishing direct deposit, direct debits other repayment methods against the loan. Unless otherwise negotiated, repayment terms are \$50.00 per fortnight. The first repayment is due 14 days after funding of the loan into the student's nominated bank account.
- 4.14 The Student Scholarships Team will follow up with students within one month of a new loan being funded to confirm the student understands the repayment obligations and has made arrangements to begin repaying the loan.
- 4.15 The Student Scholarships Team will monitor student loan repayment progress through the University's student management system, StudentOne, on a monthly basis and follow up with students who have not commenced or are not maintaining the required repayment schedule.
- 4.16 Student Central will consider reasonable requests for loan repayment extensions on a merit basis only. Students will need to have previously demonstrated a commitment to repaying the loan before any extension will be considered or have an extenuating circumstance. Extension repayment terms will be at the discretion of the Senior Coordinator Course Advice and Student Financials.
- 4.17 The Student Scholarships Team will communicate any approved repayment extensions with the Financial Services Division and ensure the new repayment terms are honoured by the student through monitoring StudentOne.
- 4.18 CQUniversity is under no obligation to approve loans. CQUniversity acknowledges provision for such loans and acts in the best interests of all students in consideration of loan applications, based on the criteria in these principles.

Non-payment of loans

- 4.19 CQUniversity will take all necessary measures provided in law to recover outstanding loans and charges owing under this scheme. Failure to pay the outstanding amount within 46 days of the original due date, unless an extension has been approved, will result in the matter being automatically placed in the hands of a debt collection agency. On loans that have been extended, the 46 day provision will apply from the re-negotiated deadline date.
- 4.20 Loans that are not paid by the due date and that lapse into default, will result in negative service indicators being enforced in accordance with [Collections Policy and Procedure \(FMPM\)](#). Examples of negative service indicators include results being withheld, re-enrolment being denied and computer access being removed.
- 4.21 In accordance with [Collections Policy and Procedure \(FMPM\)](#), where legal action is required, recoverable court costs will be added to the outstanding amount due.
- 4.22 If a student has not made regular repayments in the past, the Senior Coordinator Course Advice and Student Financials reserves the right to refer students for advice prior to consideration of any new loan application. Approval for a loan will be made with the guidance of any relevant Student Central employee.
- 4.23 Student Central regularly monitor loans in default.

5 RESPONSIBILITIES

Compliance, monitoring and review

- 5.1 The Director Student Central, Senior Coordinator Course Advice and Student Financials and Finance Directorate share responsibility for implementing, monitoring, reviewing and ensuring compliance with this policy and procedure.

Reporting

- 5.2 An annual report will be submitted to the first Audit, Risk and Finance Committee of the year for the previous calendar year. All student Loans reports will be handled conjointly by the Finance Directorate and Student Central. The report will contain the following details:
- the number of applications received
 - the number and value of loans approved
 - the number and value of current loans
 - total number and value of loans in default
 - action taken during the period to review loans in default
 - total number and value of loans written off
 - an overview of the general purpose for loans approved e.g. transport, food, books, accommodation etc., and
 - any other relevant matters.

Records management

- 5.3 Employees must manage records in accordance with the [Records Management Policy and Procedure](#). This includes retaining these records in a recognised University recordkeeping information system.
- 5.4 University records must be retained for the minimum periods specified in the University Sector Retention and Disposal Schedule on the [Queensland State Archives website](#).

6 DEFINITIONS

- 6.1 Terms not defined in this document may be in the University [glossary](#).

7 RELATED LEGISLATION AND DOCUMENTS

[Collections Policy and Procedure \(FMPM\)](#)

[Financial Accountability Act 2009](#) (Qld)

[Financial and Management Performance Standard 2019](#) (Qld)

[National Consumer Credit Protection Regulations 2010](#) (Cwlth)

[Student Loan Scheme Application Form](#)

8 FEEDBACK

8.1 Feedback about this document can be emailed to policy@cqu.edu.au.

9 APPROVAL AND REVIEW DETAILS

Approval and Review	Details
Approval Authority	Audit, Risk and Finance Committee
Advisory Committee	N/A
Administrator	Director Student Central
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Notes	This document was formerly known as the Special Assistance for Students – Student Loan Scheme Policy and Procedure (21/10/2015). This document is effective from Higher Education Term 2, 2019 (15/07/2019) and VET July Intake (8/7/2019).