

2023/2024 U.S. Direct Loan Quality Assurance Policy and Procedures Summary.

Following published guidance by the Department of Education Brunel University London established a quality assurance system for U.S. Direct Loans as described in this document.

All policies and procedures concerning Title IV funding are designed with these quality assurance principles in mind.

Direct Loan Quality Assurance Requirement Overview.

The Direct Loan Program regulations at 34 CFR 685.300(b) (9) require schools to implement and document a quality assurance process to ensure that they are complying with program requirement and meeting program objectives.

A university should have a quality assurance process in place that documents that the school is:

- Reporting loan records, disbursements and adjustments to disbursements correctly to the Common Origination and Disbursement (COD) System.
- Disbursing and returning loan funds in accordance with regulatory requirements.
- Disbursing the correct loan amount to the correct student.
- Completing monthly reconciliation and Program Year Closeout.

To be effective, the steps for implementing a Direct Loan quality assurance process will be unique to each university and need to consider the characteristics of a university's academic policies and programmes and its borrower population. Universities are encouraged to use self-assessments to examine their procedures and act on an ongoing basis to strengthen areas of risk.

Options for Meeting the Direct Loan Quality Assurance Requirement.

The Department of Education (the Department) does not mandate the method by which universities meet the quality assurance requirement. Universities may have institutional-designed assessments and quality assurance processing place to ensure that the Direct Loan quality assurance requirement is met.

Reporting Loan Records, Disbursements and Adjustments to Disbursements Correctly in The COD System.

Description of Process.

The Destination Point Administrator (DPA) utilises the University's student records systems and secure spreadsheets to record and originate all Federal Direct Loans. The spreadsheets provide a disbursement roster available to the DPA and all relevant staff members. Using information from the University's student records systems, enrolment of students on the list is verified and provides details of anticipated disbursements to the Finance Department. Once the DPA has drawn down the funds, the Finance Department posts the credits to the student accounts and refunds any excess payments within 3 days, meeting the Federal requirements to post the credits within 3 days and disburse the funds within 14 days.



U.S. DIRECT LOANS QUALITY ASSURANCE POLICY AND PROCEDURES

Measurable Assessment

- Ensuring all loan records maintain a 'Registered' status within our student records systems until the end of the years closeout.
- Responding in a timely manner to COD School Monitoring 30 Day Warning Reports.
- Comparing the COD Pending Disbursements and Actual Disbursements Reports with the University's student records systems.

Disbursing and Returning Loan Funds in Accordance with Regulatory Requirements.

Description of Process.

For any students requesting Federal Student Aid (FSA), before any loan is initiated, Brunel University London require a Student Aid Report (SAR) from the FAA system (FAA Access to CPS online), formal confirmation of the funding from the student (which specifies the loan type and the amount for each loan the student is requesting), and a signed Master Promissory Note (MPN). Any flags on the SAR must be resolved. The DPA verifies the aggregate loan limit in the National Student Loan Data System (NSLDS) for each student. If any of these items are not received or if any of these items are flagged by either the University systems or COD, we cannot initiate loans or disburse funds to the student.

Prior to each disbursement, the DPA checks the University's student record system and US Loans Change in Data reports to ensure that Satisfactory Academic Progress (SAP) has been maintained. Once SAP is confirmed the DPA requests the disbursements via COD and initiates the drawdown of funds in G5. Once the funds are received in the University's nominated bank account the fund are allocated to the student accounts and any excess is refunded to the student's UK bank account. Brunel University London will allocate the funds to the student accounts and refund any excess in accordance with the Federal requirements (as above).

Regular reports from the University's student record system identify any changes in the student's enrolment status which indicates a potential change in the student's eligibility to continue to receive FSA funds. The student should also report any such changes to the Funding Team.

Where a student withdraws or suspends their studies the DPA and the Funding Team undertakes a return of Title IV funds calculation to determine if funds need to be returned and notifies the student accordingly. Where necessary funds are returned within the required timeframe and loans are adjusted as required in COD.

Measurable Assessment

- Ensuring all loan records maintain a 'Registered' status within our student records systems until the end of year closeout.
- Monitoring enrolment, SAP and eligibility alerts within the University records and responding appropriately.
- Responding in a timely manner to COD School Monitoring Reports and COD 30 Day Warning Reports.
- Comparing COD Pending Disbursement Reports and Actual Disbursement Reports with the University's student records systems.



U.S. DIRECT LOANS QUALITY ASSURANCE POLICY AND PROCEDURES

Disbursing the Correct Loan Amount to the Correct Student.

Description of Process

The DPA schedules the disbursement dates for the academic year. This occurs at least once per academic semester.

Direct Loan funds are drawn down based on the disbursement schedule and received into the University's nominated bank account. The DPA notifies the Finance Team of the funds expected per student and in total (in U.S. dollars). Once the Funds have been received, the Finance Team allocate to the individual student accounts and instigate the refunds of excess funds. The Finance team notify the DPA of deductions and refund amounts in pounds sterling.

Measurable Assessment

- Ensuring all loan records maintain a 'Registered' status within the University's student records systems until the end of year closeout.
- Monitoring enrolment, SAP and eligibility alerts within the University's student records systems and responding appropriately.
- Responding in a timely manner to COD School Monitoring Reports and COD 30 Day Warning Reports.
- Comparing COD Pending Disbursement Reports and Actual Disbursement Reports with the University's student records systems.

Completing Monthly Reconciliation and Program Year Closeout.

Description of Process

Brunel University London creates a spreadsheet that monitors and reconciles the disbursement of funds in COD, top the funds requested via G5 and the amounts received in the University's nominated bank account, how they are applied to the individual student accounts and the refunds of any excess.

Measurable Assessment

- Maintaining timely and accurate reconciliation records.
- Maintaining timely and accurate year-end closeout documentation.