

Policy Redesign Project

All policies and procedures are being reviewed as part of this project. This document is pending review, but remains in effect until the review is carried out.

Student Loan and Student Grant Schemes Policy

Establishment: Council, 22 October 1993

Last Amended: Deputy Vice-Chancellor (Academic), 8 February 2016

Nature of Amendment: Consequential amendments arising from the establishment of the Deputy Vice-Chancellor (Students)

Date Last Reviewed: July 2015

Responsible Officer: Director, Financial Services

Policy

1.1 The University may provide financial assistance to students whose academic performance is likely to be impaired by financial difficulty by: making short term loans available to enrolled students (Student Loan Scheme); and making grants available to students enrolled in the second or later year of an award of the University to assist recipients to continue their enrolment in their current course (Student Grant Scheme).

1.2 Loans and grants provided via these schemes will not be available to students enrolled in off-shore programs.

1.3 The Student Loan and Student Grant Schemes will be administered by the University and Flinders University Student Association (FUSA) - Student Assist. The funds available to support these schemes will be managed by the Financial Services Division.

1.4 An annual review of the operation of the Student Loan and Student Grant Schemes will be conducted. The Director, Financial Services Division will ensure that a report relating to this review will be provided to the Vice-President (Corporate Services) by no later than 30 June the following year. The report will include the following: information regarding the number and value of loans and grants provided; the proportion of students receiving financial assistance who subsequently ceased to be enrolled; financial data relating to the operation and viability of the fund supporting the schemes; and where relevant, recommendations regarding the future operation of the schemes.

1.5 The Manager, Student Policy and Projects, or nominee, shall investigate and decide on appeals from students who have been refused loans or grants. His or her decision shall be final.

1.6 Records relating to applications for loans and grants will normally only be available to the applicant, the officers responsible for administering the fund and staff of the Financial Services Division responsible for the financial management of the fund. In the case of bad debts, loan records will also be made available to the University's debt collector. The Manager, Student Policy and Projects, or nominee shall have access to records relating to appellants.

Student Loan Scheme

2.1 Operation of the Loan Scheme

2.1.1 The Manager, Student Engagement will nominate Student Assist - Officers (SAO) to be responsible for determining applications for loans.

2.1.2 The Director, Financial Services (or nominees) will be responsible for authorising the payment of loan monies to approved applicants and for approving loans in the absence of a nominated SAO. Nominees may not include staff in Banking and Receipting or Accounts.

2.1.3 The Financial Services Division will be responsible for the financial management of the loan funds and the administration of loans. This includes monitoring expenditure from, and payments to, the loan account, and providing data on a regular basis to the relevant SAO about amounts loaned, payments recouped, the balance of the loan account and bad debts.

2.1.4 The loan limit will be \$500 for any one student. In exceptional circumstances the Director, Financial Services, or nominee, may approve a higher amount. The purposes for which a loan may be provided are set out in [Appendix A](#).

2.2 Eligibility

2.2.1 The Student Loan Scheme shall be administered as a lender of last resort. Applicants will be expected to have tried to obtain loans from other sources.

2.2.2 A student's capacity to repay the debt will be taken into account in considering an application for a loan.

2.2.3 A student with an outstanding loan will not normally be eligible for a subsequent loan.

2.2.4 A student's debt payment history with the University, including previous Student Loan payment history, will be taken into account in considering applications for subsequent loans.

2.3 Applications

2.3.1 Students applying for loans are responsible for providing accurate documentary evidence to substantiate their loan application. Such documentation must include confirmation of the student's current financial situation in the form of statements of income, expenditure and any outstanding loans, and evidence to support the purpose of the particular loan application (eg, receipts, quotations, letters of support from academic staff). In the event that this information is found to be inaccurate, loan approval will be withheld or revoked.

2.3.2 Applications for student loans are to be made on the prescribed application form and lodged in person at an interview with one of the nominated SAO's. Loan applications, with the exception of applications for emergency loans, will normally be processed within 10 working days.

2.3.3 The SAO will discuss with the student the reasons for the loan, sources of assistance previously approached and repayment proposals. The student's enrolment and previous loan history will be checked at that time.

2.3.4 As a result of the interview the SAO may decide:

- (i) to approve the loan;
- (ii) to not approve the loan;
- (iii) to ask the student to provide more information.

2.3.5 In the case of approval of a loan, the SAO will:

- (i) establish a loan agreement with the student to include provision for the regular payment of an agreed amount;
- (ii) advise the student of the conditions of the loan;
- (iii) present a copy of the loan agreement to the Supervisor, Banking and Receipting.

2.3.6 Upon presentation of the loan agreement the Supervisor, Banking and Receipting will:

- (i) arrange for the full amount of the loan to be direct deposited into Students nominated bank account;
- (ii) set up an instalment plan on the Student Information System as per the loan agreement.

2.3.7 In the case of non-approval of a loan, the SAO will notify the student to this effect, giving reasons in writing why the loan was not approved in accordance with the eligibility criteria and advising the student of his/her appeal rights.

2.4 Repayment of Loans

2.4.1 A student who has been granted a loan shall enter into a written agreement with the University to repay the loan on conditions approved by an officer responsible for administering the fund. These conditions will normally be as follows:

- (a) Minimum loan repayments shall be set at \$25 per fortnight or 5% of the loan, whichever is greater.
- (b) Repayments shall be made on a regular basis to the Banking and Receipting Office of the Financial Services Division.
- (c) Loans must normally be repaid within 12 months.
- (d) Loans will be interest free.
- (e) If a person ceases to be an enrolled student, his/her loan must be discharged in full prior to leaving the University.
- (f) A student who is unable to meet the agreed payments may seek to renegotiate those payments either by contacting the Supervisor, Banking and Receipting or by contacting the SAO.
- (g) A student who does not discharge his or her debt to the University will have this debt recorded on his/her student record in the Student Information System, and will be subject to the provisions of the University's Policy on Students with Outstanding Debts. In addition, the matter may be placed in the hands of a debt collector for recovery.

Student Grants Scheme

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- 3.1 Recipients of grants will be enrolled students in the second or later year of an award of the University or other students as determined by the Deputy Vice-Chancellor (Academic).
- 3.2 Priority will be given to the following: undergraduate students; students who have not previously accessed a grant; students facing particular difficulty in continuing their studies in the second half of the year.
- 3.3 The aim of a grant will be to assist the student to continue their enrolment in their current course.
- 3.4 The value of the grant will not exceed \$500 unless approved by the Deputy Vice-Chancellor (Academic).
- 3.5 Grants should be available to students who are ineligible for a loan or for whom a loan would be inappropriate.
- 3.6 Applicants must demonstrate that other sources of assistance have been sought and are unavailable or inappropriate.
- 3.7 Students applying for grants are responsible for providing accurate documentary evidence to substantiate their application. Such documentation must include confirmation of the student's current financial situation in the form of statements of income, expenditure and any outstanding loans, and evidence to support the purpose of the particular grant application (eg, receipts, quotations, letters of support from academic staff). In the event that this information is found to be inaccurate, grant approval will be withheld or revoked.
- 3.8 The Vice-Chancellor will determine the annual allocation to the Student Grant Scheme for inclusion in the University budget.
- 3.9 There will be no requirement to repay the grant.
- 3.10 Flinders University Student Association (FUSA) will be responsible for advertising the availability of the grants.
- 3.11 Allocation of grants will be determined by a small group comprising two Student Assist Officers (SAO) nominated by the Manager, Student Engagement and a nominee of the Deputy Vice-Chancellor (Students).
- 3.12 A list of the successful applicants will be provided by the SAO to the Supervisor, Banking and Receipting.

Appendix A: Purposes for which a Student Loan may be granted

1. Emergency Loans

Emergency loans will be granted to students who can provide, to the satisfaction of the Student Assist Officer (SAO), evidence of emergency circumstances that necessitate the provision of funds within 24 hours. Subject to the approval of the SAO: (i) cash loans, to a maximum of \$50, will be available immediately from the Banking and Receipting Office; (ii) cheques for emergency loans will be available within not more than 24 hours from the approval of the loan.

2. Domestic Expenses

(a) Bond money and rent in advance - A loan may be granted when there is evidence that expenditure of this kind is unplanned and not able to be met from a student's normal resources. Where accommodation is to be shared, the student should detail his/her share of the establishment costs in the loan application. Loans will not normally be granted to retain rental accommodation during vacation periods.

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- (b) Removal costs - A loan may be provided to assist with the costs of removal within the Adelaide metropolitan area.
 - (c) Connection charges and operating costs - Deposits and connection fees for gas, electricity, water and telephone may qualify a student for a loan if evidence is provided that the amount involved is beyond the student's capacity to pay.
 - (d) Utilities (eg Telephone, Gas, Electricity) - These costs are usually regarded as being part of a student's normal budget. However, a student may qualify for a loan, if he/she can provide evidence of hardship and incapacity to pay such charges.
 - (e) Insurance Loans - may be granted to cover the costs of household contents insurance.
 - (f) Household and appliance repairs - A loan may be provided in cases of emergency leading to a decline in living conditions (eg failure of a hot water service or refrigerator).
 - (g) Structural alterations - Such costs are generally seen as being outside the scope of the fund. A student would qualify for a loan only in exceptional circumstances, where there is evidence that a small expenditure would lead to a reduction in a student's weekly costs or would rectify a poor study environment.

3. Transport Expenses

- (a) Car repairs - A loan may be granted if there is evidence that a student requires his/her vehicle to attend classes, travel to work or transport dependants, or because he/she has a disability.
- (b) Registration and insurance - Registration costs are generally seen as being outside the scope of the fund, on the grounds that they would be included within a student's normal budget. A student would qualify for a loan only in exceptional circumstances where there is evidence that deregistration is imminent and the student requires his/her vehicle to attend classes, travel to work or transport dependants, or because he/she has a disability. Loans may be granted to cover the costs of third party property insurance and the excess component of an insurance claim.
- (c) Vehicle purchase - Loans will not normally be granted to fund the purchase of a car, because the purchase price will generally exceed the loan limit of \$500. However, where there is evidence that a student requires his/her vehicle to attend classes, travel to work or transport dependants, or because he/she has a disability, consideration will be given to a loan application to fund a part of the cost of a vehicle.
- (d) Purchase of bicycles, motor cycles and safety equipment - Loan applications to fund the purchase of bicycles, motor cycles and associated safety equipment will be considered where there is evidence that a student requires this transport to attend classes or travel to work.
- (e) Fines - In cases where payment of a fine is no longer negotiable, a loan may be provided to avoid the issue of a warrant and imprisonment.
- (f) Parking Permits - loans may be granted for the purchase of Flinders University Car Parking Permits, permits may be for either Semester or Full year Permits.

4. Books and Equipment

A loan may be granted to cover the costs of textbooks and other equipment directly related to the study needs of the student. Loans will not normally be granted to fund the purchase of a computer, because the purchase price will generally exceed the loan limit of \$500. However, a loan may be granted for the purchase of a second hand computer, or where there is evidence that the loan will be a partial contribution towards the total purchase price, with the balance to be provided by the student from other sources.

5. Clothing

A loan may be provided in cases where a student requires a special item of clothing to qualify for employment or to undertake a field placement. Basic clothing requirements for students will also be considered. (See also clause 7(a) below).

6. Travel

- (a) Employment related travel - A loan may be approved to cover the costs of travel incurred in gaining vacation employment outside the Adelaide metropolitan area;
- (b) Travel costs resulting from family emergency - A loan may be granted in cases where travel costs are incurred at short notice due to death, illness, or another emergency within a student's family;
- (c) Field trips/placements - A student may be granted a loan to cover costs incurred in attending a field trip/placement or other educational excursion, which is a requirement of the course or topic in which the student is enrolled. Academic staff will be asked to substantiate such expenditure;
- (d) Travel associated with intramural sport etc - A loan may be granted to assist with travel costs when a student is representing the University and can provide evidence that he/she will face hardship due to the additional expenses. Evidence will be sought to substantiate the student's involvement in the sporting activity.

7. Dependants

- (a) General expenses - A loan may be provided to cover costs relating to a student's dependants.
- (b) Child minding expenses - A loan may be granted to assist a student who is experiencing difficulty in meeting child minding costs. However, such support will not be provided on an ongoing basis.

8. Medical, Dental or Optical Expense

Loans may be granted to cover the costs of urgent and unplanned medical, dental or optical treatment.

9. Visa Fees

Loans will not be approved to cover the costs of visas for full fee-paying international students.

10. Other Purposes

Students may apply for loans for purposes other than those detailed above. However, these applications must be supported by evidence that financial difficulties are having, or are likely to have, an adverse effect on a student's academic performance.