

COLLEGE POLICY

Policy No. & Title:	C-120 Student Loans
Policy Sponsor:	Executive Vice-President
Reference Cmtee:	Policy & Procedure Committee
Effective:	2021-08-01
Next Review:	2024-07-31
Supersedes:	Student Loan Policy, OSAP Default Management Policy_October 2018, Default Management Presentations – June 2016, OSAP Confirmation of Enrolment Policy April 2015, Audit Compliance

Purpose

To establish the guidelines and expectations for the conditions and provision of student loans, their required documentation for a successful disbursement, and the eligibility requirements associated with student loans.

Scope

This policy applies to all College students, employees, delivery partners, affiliates, volunteers, and contractors.

Definitions

OSAP: the Ontario Student Assistance Program. A government sponsored funding body providing a combination of grants and loans to student in approved programs.

Disbursement: A sum of money in the form of a grant or loan, with a set start (“disbursement”) date and set end (“expiry”) date.

Grant: A non-repayable disbursement.

Loan: A repayable disbursement, typically with an interest rate for payments made on a repayment schedule. Student loans typically come with a ‘grace’ period immediately following program completion/termination/withdrawal where the individual does not begin to repay the loan until after the grace period.

Negotiated: The provision of the disbursement to the funded party (*i.e.*, giving the money to the student).

POLICY

- 1) The College is approved to provide student loans for its programs.
- 2) The College shall ensure it maintains its ability to provide student loans by following the regulations and requirements set forth by the respective funding bodies and government audit requirements.

- 3) Students must meet the eligibility requirements of the funding body to receive any disbursement, including but not limited to:
 - a) Attendance – students must be current, including internships, on the negotiated disbursement date(s).
 - b) Participation – students must attend the stipulated program hours as scheduled.
 - c) Academic Standing – students must be in good academic standing to receive disbursements:
 - i) Students on a Student Success Plan may be eligible for a disbursement provided their plan is followed, agreed to, and re-negotiated if required
 - ii) Students who continue to be academically unsuccessful are not eligible for student loans.
- 4) The disbursement must not be negotiated prior to the disbursement date.
- 5) The disbursement must not be negotiated after the expiry date.
- 6) Students may have their disbursement directed to the College or to themselves.
- 7) The Financial Aid Officer shall ensure, prior to the disbursement of funds, the student is eligible for the disbursement, whether directly or to the College.
- 8) The Financial Aid Officer shall ensure the student is provided information regarding loan repayment. Such information shall be provided at various times throughout the student's program of study.

Related Policies

A-103 Attendance

A-111 Academic Progression

A-119 Grades, Evaluations & Exams

Supporting Documents/Forms

C-120p Student Loans – Procedure