



Category	
POLICY: # 3-34 Direct Loan Quality Assurance Policy	
Approval	
LT Approved: 7/1/19	
Effective Date: 7/1/19	
Revised: 7/1/19	
Responsible Party: Director, Financial Aid	

PURPOSE:

Reporting of Federal Direct Loan in accordance with Reg. 685.309, 685.303, 685.102

DEFINITIONS:

1. COD – Common Origination Disbursement System
2. SIS – WSU Tech’s internal Student information system (plus)
3. R2T4- Return to title four.
4. FRS – WSU Tech’s internal student Financial Records system (plus)

POLICY: In accordance with the direct loan program regulations at 34 CFR 685.300(b) (9), WSU Tech has implemented and documented a quality assurance process to ensure the college is complying with program requirements and meeting program objectives that ensures WSU Tech:

1. Reports loan records, disbursements, and adjustments to disbursements correctly to the Common Origination Disbursement system.
2. Disburses and returns loan funds in accordance with regulatory requirements.
3. Disburses the correct loan amount to the correct student.
4. Completes monthly reconciliation and Program Year Closeout.

PROCEDURES:

1. The Financial Aid Director and/or Assistant Director will import files from COD into Banner (current year) and print any origination/anticipated response import edit reports, Disbursement response import edit reports, and origination response reports.
2. These reports will be reviewed by the Financial Aid Director for fields that have errors reported.
3. Errors will be correct by the Financial Aid Director and resubmitted to COD.

4. Student's record in Banner will be verified by the Financial Aid Director and if a correction is needed, the Director will make the correction.
5. Corrections to the student's record, submitted to COD, will be verified by the Financial Aid Director.
6. Corrections to the student's Banner record will be verified by the Financial Aid Specialist.
7. Any return of student funds will be submitted back to the Department of Education via an offset of funds requested by WSU Tech's Controller.
8. The students' origination record will be decreased by the amount calculated per return to Title IV worksheet provided by the Department of Education federal student aid and updated through Banner by the Financial Aid Director.
9. An adjustment to the student's record, in Banner, will be made for the amount calculated through the R2T4 Banner process by the Financial Aid Director.
10. Verification of adjustment of funds made to the student record for R2T4 will be verified by the Financial Aid Specialist.
11. Month-end federal direct loan reconciliation will be completed by the Financial Aid Director.
 - a. Review Banner award maintenance student record and actual disbursement list report from COD and compare month end balance and resolve any discrepancies.
 - b. Review GL account balances and Banner award maintenance student records federal student loan month end balances. Resolve any discrepancies with the business office.
 - c. Review the total direct loan award amounts from COD listed on the school yearly totals report. Resolve any discrepancies
12. Year-end program closeout: a. Repeat steps for month end reconciliation. b. Retrieve balance confirmation report from direct student loans on COD and verify WSU Tech's ending loan balance agrees with COD's ending balance, this should be zero, and submit.