



Education That Works For a Lifetime

The US Department of Education recently made effective regulations governing federal student loan disbursements. The Connecticut Community Colleges, as a means of complying with said regulations, have enacted a newly automated and customized process within its Banner Financial Aid System.

In summary, on November 1, 2007, Final Federal Regulations (34 CFR 668.165(a)) were published regarding the notification of disbursement for all Title IV HEA funds. On July 1, 2008, these regulations were made effective. Compliance with these regulations require notification to be made to loan recipients no earlier than thirty (30) days before, and no later than thirty (30) days subsequent to the release of funds. Specific regard for the following items is to be included in the notification:

- The date of the disbursement(s)
- The type of loan(s) disbursed
- The amount of the disbursement(s) received by the institution
- Notice that the recipient has the right to fully or partially cancel the loan disbursement(s), and the means with which he or she would initiate said cancelation

The Connecticut Community Colleges have designed an automated process by which students or in the case of PLUS Loans, parents; will receive these notifications in a manner compliant with the regulation as stated above.

Specifically, the process will function in concert with nightly batch funding disbursements, an existing automated process already active in the Banner Financial Aid System. Once initiated by nightly batch funding disbursement, the loan notification process will identify individuals who received federal loan disbursements during the preceding day. In the case of students, they will be sent email notifications whenever possible, or have letters generated on their behalf in cases where no email address is present in the database. For parent recipients, letters will be generated in all instances. The process will generate a report for each of the twelve (12) campuses that will be placed in its respective network share drive. The report will contain both a summary of emails sent during the process as well as letters that require printing for the purpose of postal correspondence.

Please see attachments for samples of emails and letters.

Middlesex Community College
100 Training Hill Road
Middletown, CT 06457
(860) 343-5741

October 21, 2009

██████████
██████████ Avenue
Meriden, CT 06450

Dear ██████████ ██████████

The following loan disbursement(s) has been received by Middlesex Community College as of October 21, 2009.

Stafford Loan (Subsidized) \$388

In accordance with federal regulations, the college has applied the above loan funds to your student account. Any credit balances will be either mailed to you via paper check or applied to your account via direct deposit as you requested.

You have the right to cancel the above loan(s), or any portion of the loan(s), as follows:

- * You may cancel all or a part of your loan by informing the Financial Aid Office by November 04, 2009. If you cancel all or a portion of your loan as described in this paragraph, the school will return to your lender the cancelled amount of the loan money that the school has credited to your student account and the loan fees will be reduced or eliminated in proportion to the amount returned.
- * At any time within 120 days of disbursement, you may pay back all or a part of your loan. The loan fees will be reduced or eliminated in proportion to the amount returned.

If you have any questions about this communication, please contact the Financial Aid Office at (860)343-5741.

Sincerely,

Financial Aid Services
Middlesex Community College

Dear [REDACTED] [REDACTED]

The following loan disbursement(s) has been received by Middlesex Community College as of October 21, 2008

Stafford Loan (Unsubsidized) \$990

In accordance with federal regulations, the college has applied the above loan funds to your student account. Any credit balances will be either mailed to you via paper check or applied to your account via direct deposit as you requested.

You have the right to cancel the above loan(s), or any portion of the loan(s), as follows:

- You may cancel all or a part of your loan by informing the Financial Aid Office by November 04, 2008. If you cancel all or a portion of your loan as described in this paragraph, the school will return to your lender the cancelled amount of the loan money that the school has credited to your student account and the loan fees will be reduced or eliminated in proportion to the amount returned.
- At any time within 120 days of disbursement, you may pay back all or a part of your loan. The loan fees will be reduced or eliminated in proportion to the amount returned.

If you have any questions about this communication, please contact the Financial Aid Office at (603)343-5741.

Sincerely,

Financial Aid Services
Middlesex Community College