



**“Excellence in Healthcare Education”**

§ Title 34, Chapter VI, 668.165 - Notices and authorization requirements:

\_\_\_\_\_ Before an institution disburses Title IV program funds for any award year, the **institution must notify a student of the amount of funds** that the student or his or her parent can expect to receive under each title IV program, **and how and when those funds will be disbursed**. If those funds include Direct Loan program funds, the notice must indicate which funds are from subsidized loans, which are from unsubsidized loans, and which are from PLUS loans.

\_\_\_\_\_ Except in the case of a post-withdrawal disbursement made, if an institution **credits a student** ledger account with Direct Loan, the **institution must notify the student or parent** of the anticipated date and amount of the disbursement; **the student's or parent's right to cancel all or a portion** of that loan and have the loan proceeds returned to the Secretary; and the procedures and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, loan disbursement.

\_\_\_\_\_ The institution must provide the notice of this section in writing no earlier than **30 days before, and no later than 30 days after**, crediting the student's ledger account at the institution, if the institution obtains affirmative confirmation from the student; or no earlier than 30 days before, and no later than seven days after, crediting the student's ledger account at the institution if the institution does not obtain affirmative confirmation from the student.

\_\_\_\_\_ A student or parent must inform the institution if he or she **wishes to cancel all or a portion of loan** disbursement. The institution must return the loan, cancel the loan, or do both, in accordance with program regulations provided that the institution receives a loan cancellation request, by the later of the **first day of a payment period or 14 days** after the date it notifies the student or parent of his or her right to cancel all or a portion of a loan if the institution obtains affirmative confirmation from the student; or within 30 days of the date, the institution notifies the student or parent of his or her right to cancel all or a portion of a loan, if the institution does not obtain affirmative confirmation from the student. If a student or parent requests a loan cancellation after the period set forth, the institution may return the loan proceeds, cancel the loan, or do both, in accordance with program regulations.

\_\_\_\_\_ An institution must **inform the student or parent in writing** regarding the outcome of any **cancellation** request.

\_\_\_\_\_ Affirmative confirmation is a process under which an institution obtains written confirmation of the types and amounts of Title IV loans that a student wants for the period of enrollment before the institution credits the student's account with those loan funds. An **institution is not required by this section to return any loan proceeds** that it disbursed directly to a student or parent. If an institution obtains written authorization from a student or parent, as applicable, the institution may use the student's or parent's Title IV program funds to **pay for charges that are included in that authorization**. In obtaining the student's or parent's authorization to perform an activity the institution **may not require or coerce** the student or parent to provide that authorization; **must allow the student or parent to cancel or modify that authorization at any time**. The modification takes effect on the date the institution receives the modification notice. If a student or parent cancels an authorization to use title IV program funds to pay for authorized or if a student or parent cancels an authorization to hold title IV, the institution must pay those funds directly to the student or parent as soon as possible but no later than 14 days after the institution receives that notice. If an institution holds excess student funds the institution must identify the amount of funds the institution holds for each student or parent in a subsidiary ledger account designed for that purpose; maintain, at all times, cash in its depository account in an amount at least equal to the amount of funds the institution holds on behalf of the student or the parent; and notwithstanding any authorization obtained by the institution under this paragraph, pay any remaining balance on loan funds by the end of the loan period and any remaining other title IV program funds by the end of the last payment period in the award year for which they were awarded.

**My initials above indicate that I was informed of my Rights and Responsibilities as a Student Loan Borrower.**

**Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_