

FINANCE PROCEDURE MANUAL	TITLE: Financial Aid Direct PLUS Loan Check	
	NUMBER: FIN-SAS-008	VERSION: 01
	ISSUED DATE: 5/10/2011	REVISION DATE: 2/13/2013

➤ **Purpose:**

Direct PLUS loan checks should be issued to the recipient of the loan after institutional tuition and fees have been satisfied on behalf of the student. Any residual value of the PLUS loan should be issued to the recipient of the loan, not the student. These procedures will allow the issuance of any residual funds to be paid to the Direct PLUS loan recipient.

➤ **Definitions:**

Account Number: The combination of both the Org Unit and GL Code which defines the department and the transaction.

Aggregate Direct PLUS Loan check(s): Aggregate check which is made payable to the College as a result of Financial Aid disbursing the Direct PLUS loan funds through PantherNet. The aggregate check is deposited into a clearing account and re-distributed to the correct parent/recipient as individual recipient checks.

Customer Number (Record): A unique alphanumeric, number(s) and/or letter(s), code assigned in PantherNet to a parent/recipient used to process an individual recipient Direct PLUS loan check

Dependent Students: A determination made by the Federal Governments based on requirements established on the [FASFA website](#).

Direct PLUS Loan: Parents of dependent students may apply for a [Direct PLUS Loan](#) to help pay their child's education expenses as long as certain eligibility requirements are met. Eligibility requirements are determined by the College's Financial Aid Office.

Direct PLUS Loan Recipient (Recipient): A loan borrowed by a parent/recipient on behalf of a child/student to help pay for tuition and school related expenses. The recipient becomes a Customer in PantherNet.

Disbursement Request: An electronic document type in PantherNet, which requires accurate accounting information for the payment to be processed. A description of material and/or service, quantity, date, and cost should be included in the document.

Financier: A sub-system of PantherNet where all financial aid transactions are initiated.

Free Application for Student Federal Aid (FASFA): Application established by the Federal Department of Education to determine eligibility of federal funds available for students meeting the necessary requirements. .

General Ledger Classification (GL Code): Code used to indicate the type of transaction or account. GL Codes are determined by the [Accounting Manual for Florida's College System](#).

Individual Recipient Direct PLUS Loan check(s): Check which is made payable to the individual parent/recipient after the aggregate check is deposited into a clearing account.

Organizational Unit (Org Unit): Coding system used within the College that allows for clear identification of an area of responsibility and managerial responsibility/authority. These areas of responsibility may also be referred to as divisions, departments, sections, or offices. The numbering of the organizational units is based on the [Accounting Manual for Florida's College System](#).

PantherNet: The online Enterprise Resource Planning (ERP) system used to track and maintain operations at the College including financial, student, and payroll/personnel records.

➤ **Responsibility:**

Financial Aid Office – Processes PLUS loans (offering, accepting, and disbursing funds through PantherNet) according to their specifications/requirements. Notifies Lead Bursar with parent/recipient information once PLUS loan is accepted in PantherNet.

Cashier's Office – Receives aggregate check as a result of the Financial Aid Disbursement to the dependent student in PantherNet.

Lead Bursar – Deposits the aggregate check into a clearing account and re-distributes funds to the parent/recipient through a disbursement request processed in PantherNet. Lead Bursar also reconciles the clearing account in PantherNet on a regular basis.

➤ **Procedure Details:**

1. Financial Aid Office notifies the Lead Bursar with correct parent/recipient information once the PLUS loan is accepted in Financier.
2. The Lead Bursar establishes the parent/recipient as a valid customer in PantherNet. (Use customer type "DP"-Direct PLUS Loan).
3. Once the funds are disbursed by Financial Aid an aggregate check will be issued to the College.
4. Any institutional tuition and fees owed by the dependent student should be satisfied before the aggregate check is issued to the College.
5. The Lead Bursar will deposit the aggregate check into clearing account which is an organizational unit established in PantherNet. The Organizational unit will be reviewed regularly to ensure the balance of the clearing account is zero. Any discrepancies are resolved.
6. Individual disbursement requests are entered, approved and processed by the Lead Bursar

➤ **References:**

Accounting Manual for Florida's College System:

http://www.palmbeachstate.edu/finance/Documents/State_of_FL_Acctg_Manual.pdf

Direct Loan Process/Information:

<http://www.studentaid.ed.gov/types/loans/plus>

Financial Aid Office Home Page:

<http://www.palmbeachstate.edu/financialaid/>

Free Application for Federal Student Aid (FAFSA):

<http://www.fafsa.ed.gov/>