SAU Tech
Disbursement & Refund
Policies and Procedures

SAU Tech Financial Aid Office and the Business Office have distinctly important but separate functions within the disbursement process. The Financial Aid Office is responsible for certifying the eligibility for the type and amount of an award, and that the award may be disbursed to a student. The Business Office is responsible for the disbursement of funds to a student, returning funds to lenders and program accounts, and primary maintenance and accounting for these funds.

Financial Aid Office determines, by obtaining a financial aid history from the ISIR and National Student Loan Data System (NSLDS), whether a student is eligible for additional Title IV, HEA program assistance, based upon the amount of aid the student has previously received and whether the student is in default or owes a repayment on a grant or loan. The College does not disburse Title IV, HEA program assistance to the student prior to receipt of a financial aid history.

While the financial aid office awards aid and authorizes payment to these students, the Business Office actually disburses and delivers the funds. No financial aid, including aid from outside sources, may be disbursed to a student without prior coordination with the Financial Aid Office.

Procedures

Refunds are distributed to federal financial aid accounts as prescribed by law and regulation. Once all student files have been completed, verified, and/or originated, COD verifies the originations. The files are received in EdExpress through EdConnect and posted to POISE. The POISE system verifies the identities and enrollment statuses of students and any criteria that affect their aid eligibility prior to disbursement of funds. The system is set up to award based on full-time enrollment, but only pays for hours in which the student is enrolled.

Students are notified of the amount of their awards through an award notification letter and through MyCollege. The amounts on the award letter are based on full-time status. A disclaimer statement on the award letter states the award(s) is conditional based on enrollment and federal guidelines; the awards may be reduced or revoked.

Disbursement, or liquidation of funds, occurs after the official 11th day of class. If the student has excess financial aid, the disbursement will create a credit balance. The credit balance is paid to the students as soon as possible but no later than 14 days after the date the credit balance occurred on the student account.
After liquidation the Financial Aid Office sends in a disbursement record and the funds are drawn down through G5 the following day or as soon as they are authorized.

**Disbursement and Refunds for Federal Direct Loan**

Federal regulations require all student loan funds to be disbursed in at least two payments. If the student is a first-time borrower, the loan will not be disbursed until 30 days after the first day of classes. SAU Tech will not deliver subsequent disbursement of Federal Direct Loans prior to the midpoint of semester. The Financial Aid Director will calculate the midpoint of the semester by counting the first and last scheduled days of class and subtracting any breaks that are seven days or more from the total. Then the Director will take that number and divide it in half. Once the number is calculated the Financial Aid Director will determine the disbursement dates in the Spring semester each year for the new academic year. At this time, they will calculate and insure that the second loan disbursement is delivered after the midpoint of the semester.

**Method of Refunds**

All tuition, fees, and applicable charges will be deducted from financial aid prior to a refund being issued. Students will be notified through student email when their financial aid refund is available. Students have two options in order to receive their credit balance:

1. Direct Deposit - the college is able to pay a credit balance by initiating an electronic funds transfer (EFT) to a bank account designated by the student.

2. Check - for students not using direct deposit, financial aid refund checks will be issued and will be available for pickup in the Business Office. Students must provide photo identification and sign for refund check.

Pell grant is disbursed once per semester and student loans have two disbursements.

**Refund Policy**

Refunds of tuition and course related fees are made according to the following schedule for the Fall and Spring semesters:
Day 1-8 of semester ........................................ 100 percent
Day 9-14 of semester ........................................ 90 percent
Day 15-21 of semester .................................... 50 percent
Day 22-29 of semester .................................... 25 percent
After day 29 of semester ................................. No Refund

Refunds of tuition and course related fees are made according to the following schedule for the summer terms:

Day 1-2 ...................................................... 100 percent
Day 3-8...................................................... 90 percent
Day 9-15 ................................................... 50 percent
Day 16-22 ............................................... 25 percent
After Day 22 ........................ ......................... No Refund

Refunds will be given approximately two weeks after the date the class is dropped.

Refund dates are subject to change if the registration period is revised.

SAU Tech follows the guidelines of the Federal Refund policy or Pro-Rata Refund policy for a student who has received federal financial aid funds and who has withdrawn on or after the first day of class. A portion of the student’s award may need to be refunded to the Title IV programs and/or the student may need to repay a portion of the award funds received.

Refund and repayment amounts must be distributed according to a specific order of priority mandated in the law and regulations.

Refunds on behalf of student financial aid recipients must be distributed in the following order:

1. Unsubsidized Federal Direct Loans
2. Subsidized Federal Direct Loans
3. Federal Pell Grants
4. Other Student Financial Aid Programs
5. Other federal, state, private, or institutional sources of aid
6. The student

Repayments from student financial aid recipients must be distributed in the following order:

1. Federal Pell Grants
2. Other Student Financial Aid Programs
3. Other federal, state, private, or institutional sources of aid

The Financial Aid Director calculates a refund if the student received student financial aid funds and withdraws on or before the 60% point in time of the enrollment period for which he or she was charged.
The responsibility for returning unearned aid is allocated between the college and the student according to the portion of disbursed aid that could have been used to cover college charges and the portion of disbursed aid that could have been disbursed directly to the student once college charges were covered. SAU Tech will distribute the unearned aid back to the Title IV program as specified by law. The student will be billed for the amount the student owed to the Title IV programs and any amount due to the college resulting from the return of Title IV funds used to cover college charges.