

SAU Tech's Disbursement & Credit Balance 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.

The 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

Once student files have been completed, verified, and 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 for eligible programs. Disbursements are distributed to federal financial aid accounts as prescribed by law and regulation.

Students are notified of the amount of their awards through an award notification letter, sent via email, and through MyCollege – Campus Connect. 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 (5th day in summer terms). 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 to COD and the funds are drawn down through G5 the following day or as soon as they are authorized.

Disbursement and Credit Balance 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-year, first-time borrower, the loan will not be disbursed until 30 days after the first day of classes after their program of study begins. SAU Tech will not deliver subsequent disbursement of Federal Direct Loans prior to the midpoint of the payment period. To determine the midpoint of the payment period, the Financial Aid Director will calculate the midpoint of the payment period by counting the first and last scheduled days of class, divide it in half, and use the day after the 50% point. 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 payment period. Student loans have two disbursements unless a loan is originated and disbursed after the 50% point of the payment period.

Disbursement and Credit Balance for Federal Pell Grant

Pell grant is recalculated and disbursed once, at the census day of each term, unless there is a change in EFC for the student. Summer Pell grant is recalculated and disbursed once, at the census date of the summer one/extended summer for students enrolled in summer one/extended summer classes, and students must be enrolled in all classes for which they expect to receive Pell by that date. The Financial Aid Office will view summer terms as one term, and will disburse aid accordingly. If students are only enrolled in summer two classes, Pell will be recalculated at the census of that term. If there is a change in EFC, the student will be awarded Pell according to the corrected EFC, and the student's Pell award will have to be recalculated according to the corrected EFC.

Disbursement and Credit Balance for Clock Hour Programs

Payment periods and disbursement procedures for clock-hour students' Federal Student Aid will be applied to student accounts in two or more payments, depending on the number of academic years for their program. The first payment period begins at the start of a program and ends at the halfway point of the academic year. Unless a student has paid the tuition, fees and other associated institutional costs towards the program with his/her own money or other funding, some or all of the federal aid a student is eligible for will first go to reduce the student's bill. See the chart below for information on how payments are typically applied.

Payment Schedule – Cosmetology Program

Clock Hours Completed	Weeks Completed	Financial Aid Eligibility	Comments
0-450	0-17	Payment Period 1	Eligible/Program Start
451-900	18-34	Payment Period	Cannot progress to Payment Period 2 until

		2	450 hours and 17 weeks are completed and verified
901-1200	35-43	Payment Period 3	Cannot progress to Payment Period 3 until 900 hours and 34 weeks are completed and verified
1201-1500	44-51	Payment Period 4	Cannot progress to Payment Period 4 until 1200 hours and 43 weeks are completed and verified

If the course curriculum calls for any credit hours courses for completion of the program, students should be advised that mixing clock hour and credit hour enrollment during the payment period will only return aid payments for clock hour enrollment. There will be no recognition of the credit hours for additional aid to be considered. However, all courses (clock hour and credit hour) will be considered when satisfactory academic progress is reviewed.

Method of Disbursing Credit Balances

All tuition, fees, and applicable charges will be deducted from financial aid prior to a credit balance being issued. Students will be notified through student email when their financial aid credit balance 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 credit balance checks will be issued and will be available for pickup in the Business Office. Students must provide photo identification and sign for credit balance checks.

Institutional 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 semester25 percent
After day 29 of semesterNo 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 22No Refund

Refunds of tuition and course related fees 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.

Return of Title IV Funds Information

SAU Tech follows the guidelines of the Federal Return of Title IV Funds 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 PLUS Loans
4. Federal Pell Grants
5. Other Federal Student Financial Aid Programs
6. The student

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

1. Federal Pell Grants
2. Other Federal Student Financial Aid Programs

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 or previously disbursed aid for which the student received a refund. For full details on return of Title IV funds, please see SAU Tech's Return of Title IV Funds policy.