



DISBURSEMENTS

Disbursement Process

Due to the separation of duties requirement, EIC recognizes that no one office may be responsible for both the authorizing and disbursing of financial aid. The delivery of Title IV funds must be carried out by organizationally independent individuals in accordance with cash management rules. While the Financial Aid Office awards aid and authorizes payment to these students, the College Accountant and Bursar's Office actually disburses and delivers the funds.

The Director of Financial Aid, and at his/her direction the staff of the Financial Aid Office, is responsible for the approval and the authorization of payment of Title IV programs. The Accountant and Bursar's Office is responsible for the disbursement and delivery of Title IV funds.

The enrollment status of students is verified through DiamondSIS prior to the authorization of aid disbursements. It is the responsibility of the Director of Financial Aid to ensure the award eligibility criteria (including enrollment status) have been verified prior to authorizing payment. Any funds received in excess of the student's semester charges will be refunded to the student via an institutionally-generated check or cash. For Title IV credit balances, this will be completed within 14 days of creation of balance. Any unclaimed refunds of financial aid funds, whether Title IV or state-based, will be returned as per the awarding agencies regulations. *Beginning Fall 2019, credit balances in excess of \$50.00 will be issued via check.*

EIC's Financial Aid Office also collaborates with the Registrar's Office to ensure the timely and accurate processing of student withdrawals. Students who have elected to withdraw from courses at EIC have their enrollment data updated immediately in order to ensure the proper processing of financial aid.

Definition of Disbursements & Disbursement Methods

EIC defines *Disbursement* as: The process through which FSA program funds are paid to a student (or parent for PLUS Loan funds).

Disbursements are made via a credit to a student's institutional account rather than a cash disbursement made directly to the student or parent (in the case of a PLUS loan). Receipt of Title IV funds must occur prior to crediting a student's account in cases of student withdrawal. Returning student funds are disbursed following confirmation of attendance in accordance with the institutional attendance policy; students must demonstrate regular attendance for the 14 day period following term start. For new students, federal grant funds are disbursed following confirmation of attendance in accordance with the institutional attendance policy; loans are disbursed to new student accounts 30 days following the term start, and after confirmation of attendance in accordance with the institutional attendance policy. Funds will not be disbursed for a student with questionable

attendance until he/she can establish a regular pattern of attendance for the term. For any student on verification, funds are not disbursed until federal verification is complete.

Delayed Disbursement for First Time Borrowers

EIC delays the disbursement of Federal Direct loan funds until 30 calendar days after the student's program of study begins if the student is in the first year of an undergraduate program and is a first-time Federal Direct borrower at EIC.

Prior to awarding delayed Federal Direct loan funds to an EIC student, the EIC Financial Aid Office confirms that he or she remains an eligible student. For such an award, confirmation includes that the student is enrolled at least half time and has not unofficially withdrawn from classes. EIC determines and documents that a student remains eligible to receive Federal Direct loan funds through an Enrollment Report from the DiamondSIS system, and if a student ceases to meet minimum eligibility requirements to receive loan funds, the loan is cancelled before the 30 day delayed disbursement date.

Student & Parent Authorizations

Written authorization must be provided by the student or parent in order to disburse Title IV funds by crediting the student's account to pay current institutional charges for educationally-related activities other than tuition and fees, including books.

Disbursing Funds to Pay Minor Prior-Year Institutional Charges

EIC does not disburse aid to pay minor prior-year institutional charges. It is the responsibility of the student to pay all prior-year charges before enrolling in a subsequent term.

Holding Excess Title IV Funds (Credit Balances)

EIC does not hold excess Title IV Funds. If a student or parent elects to retain a credit balance on the student account beyond the 14 day return of funds window, to pay institutional charges or other expenses, he/she must submit a request in writing prior to creation of credit balance.

Student & Parent Notifications

Student notification of Title IV disbursement occurs via electronic notification via DiamondSIS to the student's College email address. Notifications include:

- Eligibility for funds from Title IV programs.
- Title IV loan proceeds credited to the student's account, notification to the borrower of the disbursement date and amount, his or her right to cancel all or a portion of the loan, and the procedures for requesting cancellation.

Each of these notification examples are generated by EIC's Financial Aid Office or the Federal Direct Loan servicers.