

Distributing Aid to Students

SCC 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).

For the purposes of disbursing federal grant and loan funds, SCC uses institutional funds to disburse Title IV funds to a student prior to the drawdown and receipt of Title IV funds.

SCC does not penalize Title IV recipients for nonpayment of fees due to financial aid regulations or delays attributable to the school (delay for 30 days the first disbursement for first-time borrowers). In order to insure that this policy is strictly monitored, students with pending aid (finalized aid that has not been transmitted) are removed from lists of potential registration purge or late fee assessment. This identification procedure is carried out through communication between the Financial Aid Director and the Business Office.

Authorization for disbursement of Title IV funds to an amount equal to any charges incurred in the Blackhawk Bookstore is received on the Financial Aid Information form. Additional 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, fees, and contracted room and board.

Pell eligible students are provided the opportunity to purchase books for a period beginning two weeks prior to the start of a payment period (or term) during the fall and spring. For all other terms, students are provided the opportunity to purchase books for a period beginning one week prior to the start of a student's payment period. The Pell-eligible student's ability to charge books against their student account is limited by the presumed credit balance generated by the Pell grant. This opportunity to purchase books at the college's bookstore ceases when credit balance checks are disbursed to the students. A student may choose not to utilize this opportunity to purchase books. No additional forms are required to opt-out.

Disbursing FWS Funds to Pay Minor Prior-Year Institutional Charges:

SCC 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):

SCC does not hold excess Title IV Funds. There are no policies or procedure that allows a student or parent to authorize SCC to hold excess Title IV Funds beyond the required disbursement time frame noted within cash management regulations.

Student & Parent Notifications:

Student notification of Title IV disbursement occurs via a printed format sent directly to the student's or parent's preferred mailing address recorded in the Datatel system.

Notification includes:

- 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.
- Offering a student (or PLUS borrower) any portion of a post-withdrawal disbursement not credited to the student's account, and notification to the student and PLUS borrower of the procedures for requesting the undisbursed funds.

Each of these notification examples are generated by SCC's Financial Aid Office.