Policy Name: Disbursement of Financial Aid

Purpose: This document contains the Office of Financial Aid’s current policies and procedures for disbursing aid to students.

Disclaimer: This policy is subject to change, without notice, in order to comply with administrative and regulatory requirements.

Policy Contents:

3.1 Disbursement Requirements
3.2 Timing of Disbursement
3.3 Confirming Enrollment & Attendance
3.4 Late Disbursement
3.5 Delivery of Funds
3.6 Appendix A

Definitions and Terms:

MESG – Mississippi Eminent Scholars Grant
MTAG – Mississippi Tuition Assistance Grant
OFA – Office of Financial Aid
SEOG – Supplemental Educational Opportunity Grant
UM – University of Mississippi
Part 3.1 Disbursement Requirements

The OFA defines the award year as comprised of: Fall (Fall Semester, Fall 1 mini-session, and Fall 2 mini-session) and Spring (Winter intersession, Spring Semester, Spring 1 mini-session, and Spring 2 mini-session). Summer is considered a trailer to the award year. It is a combined term that includes May intersession, First Summer mini-session, Full Summer mini-session, Second Summer mini-session, and August intersession.

Because a student may be enrolled for only part of a term due to registration for mini-sessions only, the OFA will hold the disbursement of eligible funds (scholarships, loans, and grants) based on each individual student’s earliest course start date. This will ensure that funds are not released more than 10 days before the student actually begins classes. (Course start/stop dates are provided by the academic departments and entered into UM’s student system).

All financial aid funds must pass disbursement requirements in order to be processed. These rules are programmed into the OFA database system. Any disbursement issues create “diagnostics” that will explain the reason for the hold. OFA staff members can easily reference the diagnostics to determine what the next steps should be. Students can also view the diagnostic messages for their own financial aid package through the Award Notification module in the MyOleMiss portal. Diagnostics are dynamically created and will be automatically removed once an outstanding issue is resolved.

Part 3.2 Timing of Disbursement

For Fall and Spring, the disbursement process (to credit funds to student bursar accounts) begins approximately 5 days before the beginning of the standard semester. For Summer, disbursement begins approximately 5 days before the beginning of Full Summer/First Summer. Once the process starts for a term, aid is disbursed on a daily basis (business days only) as university requirements are met. For some awards, the credit is made once funds are received from an outside source (e.g. non-UM scholarships and loans). For state grants like MTAG and MESG, disbursement will occur once the state office notifies the UM of their roster of approved awards.

Students awarded Federal Title IV aid (Pell Grant, Iraq and Afghanistan Service Grant, SEOG, Federal Direct Loan, Federal Perkins Loan, Federal Direct PLUS Loan or TEACH Grant) for summer cannot receive these monies unless they enroll in all credit hours for all summer terms reported on their Summer Application. Non-federal aid ready for release during the summer will credit to a student’s bursar account prior to the first day of class if eligibility is met at an individual mini-session level.

For students enrolled in iStudy (correspondence courses), no Title IV financial aid will be released until the midterm exam is completed (or 50% of the lessons if there is not a midterm exam). The midpoint is determined by the iStudy Department. Once confirmation is received, the OFA will release funds manually to the student’s bursar account.
Part 3.3 Confirming Enrollment & Attendance

Certain circumstances will prevent automatic disbursement of financial aid. These include,

**Not Enough Credit Hours to Meet Awarding Requirements** – This applies to students who are not yet enrolled for any courses, (i.e., new undergraduates do not typically sign up for classes until they attend an Orientation session), or who do not have enough booked hours.

Financial aid is usually provided for full-time students, although some aid programs do allow part-time students to receive funding. Students who are not registered for enough hours will have to add more classes to qualify for some financial aid awards. Students can indicate on their “Financial Aid Award Notification” in myOleMiss what their actual enrollment hours will be. Since financial aid packaging is based on anticipated enrollment levels, this could mean that awards will be reduced or cancelled if the student does not meet the hours requirements for that award. Please note the enrollment level definitions below:

<table>
<thead>
<tr>
<th>Program Type</th>
<th>Full-time</th>
<th>3/4-time</th>
<th>1/2-time</th>
<th>Less than 1/2-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undergraduate, Pharmacy (EE 1-3, Pre-Pharm, PY 1-4)</td>
<td>12 or more hours</td>
<td>9-11 hours</td>
<td>6-8 hours</td>
<td>1-5 hours</td>
</tr>
<tr>
<td>Graduate, MBA, PMBA, Online Grad</td>
<td>9 or more hours</td>
<td>7-8 hours</td>
<td>5-6 hours</td>
<td>1-4 hours</td>
</tr>
<tr>
<td>Law, LLM – Space Law</td>
<td>10 or more hours</td>
<td>8-9 hours</td>
<td>5-7 hours</td>
<td>1-4 hours</td>
</tr>
</tbody>
</table>

**Waitlisted Courses** – This is a tentative class status, for which students are not considered to be officially registered. Once a term starts, students should consult with their instructor(s) to determine whether they will be enrolled in the desired course(s). Or, students may consider signing up for different course(s). Otherwise, if the inability to secure a waitlisted course or courses changes a student’s enrollment status (e.g., from full-time to part-time), then the student’s financial aid package may have to be adjusted.

**Audit Courses** – Courses taken for “no grade” (which means that there will be no credits or hours earned for the course), do not count towards a student’s enrollment for financial aid purposes.

**Independent Study (iStudy) Courses** – Correspondence courses, offered through the Office of Independent Study, do not always follow the timeframe of a traditional semester. Students enrolled in iStudy courses may or may not be eligible for financial aid. Typically, the student must register for term-based (not full-year) iStudy courses to qualify. Please visit [http://finaid.olemiss.edu/istudy/](http://finaid.olemiss.edu/istudy/) and [http://www.outreach.olemiss.edu/istudy/financial_aid.html](http://www.outreach.olemiss.edu/istudy/financial_aid.html) for more information.
Courses Coded as “Free of Charge” – This course is set by UM administrators, and is typically used when outside organizations have a contract with UM to pay for a class for their employees. Students who are not responsible for paying any tuition for their course(s), have a reduced “Cost of Attendance” which may impact their eligibility for other financial aid. Any possible awards must be determined and processed manually.

Courses that are Mismatched to Your Degree Program – If you are taking a graduate/professional class but pursuing an undergraduate degree, we would treat the class as irrelevant to your academic program and therefore ineligible for aid. The same is true for graduate/professional students taking undergraduate courses (i.e., 100 to 400 level) – unless those undergraduate classes are specifically listed as required prerequisites for your academic program (published in the catalog for all students in that major). We cannot consider case-by-case exceptions, so letters from instructors will not be able to establish eligibility.

Part 3.4 Late Disbursement

In certain conditions, students may still be able to receive a disbursement of federal Title IV aid after the payment period is over. Students may be considered for a disbursement if they are otherwise eligible for federal Title IV aid and the following conditions apply: they are no longer enrolled for the term at least half-time, or no longer enrolled at UM for the award year. Based on federal regulations, the OFA will determine based on the charts in Appendix A, if the student is eligible for a late disbursement (see Part 3.6, Appendix A), and if a late disbursement request form is required.

Part 3.5 Delivery of Funds

If the amount of aid exceeds the amount that the student owes the university, a credit balance is created. In this case, the bursar’s office will refund the difference to the student by direct deposit to the student’s personal checking/saving account or via a check mailed to the student’s billing address on file. Students cannot pick up checks in person. (See the Bursar’s policy on “Refund Checks” at https://secure4.olemiss.edu/umpolicyopen/ShowDetails.jsp?isatPara=1&policyObjidPara=10644382.)

All refunds are given to the student except for credit balances caused by a Federal Parent PLUS loan. In these cases, the excess proceeds are delivered to the borrower. Checks will be mailed to the parent address on the PLUS application unless the parent signs up for direct deposit for PLUS loans. Direct Deposit applications are available at http://www.olemiss.edu/depts/bursar/directdeposit.html.
Federal Work-Study checks, based upon actual hours worked, are issued bimonthly by mail or direct deposit through the Payroll Department of Human Resources (see policy “5.0 Federal Work-Study”).

Financial aid refund checks that are not consummated within 240 days of issue will be cancelled by the Office of the Bursar. The funds will be returned to the financial aid programs that caused the credit balance.
# How to Determine Eligibility for Fall Disbursement of a Direct Loan and Teach Grant

(Including Subsidized, Unsubsidized, Parent and Grad Plus)

<table>
<thead>
<tr>
<th>FALL/SPRING LOAN PERIOD</th>
<th>FALL/SPRING LOAN PERIOD</th>
<th>FALL/SPRING LOAN PERIOD</th>
<th>FALL ONLY LOAN PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Student is going to graduate at the end of fall OR</strong>&lt;br&gt;<strong>Indicated plans not to return in the spring</strong></td>
<td><strong>Student has registered for spring hours already</strong>&lt;br&gt;(registered for at least one federal hour)</td>
<td><strong>The student is not going to graduate and has not indicated plans to leave, BUT is not currently registered for spring classes</strong></td>
<td><strong>Eligible only if the student requests it, because the loan period is over.</strong>&lt;br&gt;(Spring enrollment is irrelevant in this case.)&lt;br&gt;Form? Yes</td>
</tr>
</tbody>
</table>

**Loan originated prior to fall semester end date**<br>Must have locked in at least ½ time fed enrollment for Fall and not withdrawn.<br><br>Eligible, but loan period must be fall only.<br>Form? Yes

**Eligibility depends on Spring SAP status.**

If Satisfactory or Probation, the loan should disburse automatically as long as there are no other diagnostics holding it up.<br>Form? No

If Unsatisfactory, the student can have the fall amount by request only. The loan period must be changed to fall only.<br>Form? Yes

**Eligibility depends on Spring SAP status.**

If Satisfactory or Probation, the student can have the loan by request only, because there is no other evidence that he/she will return.<br>Form? Yes

If Unsatisfactory, the student can have the fall amount by request only. The loan period must be changed to fall only.<br>Form? Yes

**Eligibility depends on Spring SAP status.**

If Satisfactory or Probation, the student can have the loan by request only, because there is no other evidence that he/she will return.<br>(**Every effort should be made to register the student for spring classes in order to avoid manual disbursements.**) Form? Yes

**Eligibility depends on Spring SAP status.**

If Unsatisfactory, Ineligible. Unless the Spring SAP status can be resolved (so it could still be a valid Fall/Spring loan), loan should be cancelled. It was not originated in time to become a fall only loan.

Eligible only if the student requests it, because the loan period is over. (Spring enrollment is irrelevant in this case.) Form? Yes

**Ineligible. Loan should be cancelled.**

**Loan originated during the gap period between semesters**<br>Must have locked in at least ½ time fed enrollment for Fall and not withdrawn.<br>ISIR must have had an “official EFC” (not rejected) before the end of Fall.<br><br>Ineligible. Loan should be cancelled.
Perkins Loan

- The federal regs for Perkins state that students must “still be enrolled for the academic year” to be eligible. Ask the Bursar to lift the accounts receivable hold to allow registration if possible.
- The loan will disburse automatically for fall if (1) there is any Spring federal enrollment AND (2) the student is not on SAP suspension – as long as no other diagnostics are holding it up.
- If no Spring enrollment, the loan must be manually disbursed. It must have been awarded before the end of the Fall semester. Spring SAP status is irrelevant. Late disbursement form is required.

SEOG

- The federal regs for SEOG state that students must “still be enrolled for the academic year” to be eligible. Ask the Bursar to lift the accounts receivable hold to allow registration if possible.
- The grant will disburse automatically for fall if (1) there is any Spring federal enrollment AND (2) the student is not on SAP suspension – as long as no other diagnostics are holding it up.
- If no Spring enrollment, the grant must be manually disbursed. The award must have been added prior to the end of Fall. (We should never manually award a late Fall SEOG anyway.) Spring SAP status is irrelevant. Late disbursement form is required.

Pell Grant

- Originated Pell will disburse automatically for fall if (1) there is any Spring federal enrollment AND (2) the student is not on SAP suspension – as long as no other diagnostics are holding it up.
- If no Spring enrollment, the grant must be manually disbursed. Spring SAP status is irrelevant. No late disbursement form is required because Pell is an entitlement.

**LATE DISBURSEMENT REQUEST FORMS MUST BE PROCESSED NO LATER THAN 180 DAYS AFTER FALL SEMESTER ENDS**
(but no later than the federal deadline for FISAP processing – typically the end of September)

Updated 1/6/2017
**How to Determine Eligibility for Spring Disbursement of a Direct Loan and Teach Grant**

*(including Subsidized, Unsubsidized, Parent and Grad Plus)*

**Loans will not originate after spring semester has ended**

<table>
<thead>
<tr>
<th>FALL/SPRING LOAN PERIOD</th>
<th>SPRING ONLY LOAN PERIOD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Second Disbursement</strong></td>
<td><strong>Eligible only if the student requests it, because the loan period is over.</strong></td>
</tr>
<tr>
<td>Loan originated prior to spring semester end date</td>
<td><strong>Form? Yes</strong></td>
</tr>
<tr>
<td>1. Must have locked in at least ½ time fed enrollment for Spring and not withdrawn.</td>
<td></td>
</tr>
<tr>
<td>2. ISIR must have had an “official EFC” (not rejected) before the end of Spring.</td>
<td></td>
</tr>
<tr>
<td>3. In all cases, the student should be meeting Spring SAP.</td>
<td></td>
</tr>
<tr>
<td>Student completed the entire loan period with all earned grades (no abandoned F’s). Eligible. Form? Yes</td>
<td></td>
</tr>
<tr>
<td>Student did not complete the entire loan period. Ineligible.</td>
<td></td>
</tr>
</tbody>
</table>

**Perkins Loan**
- The loan must be manually disbursed. It must have been awarded before the end of the Spring semester. Late disbursement form is required.

**SEOG**
- The award must have been added prior to the end of Spring. (We should never manually award a late Spring SEOG anyway.) Late disbursement form is required.

**Pell Grant**
- No late disbursement form is required because Pell is an entitlement. The grant must be manually disbursed.

**LATE DISBURSEMENT REQUEST FORMS MUST BE PROCESSED NO LATER THAN 180 DAYS AFTER SPRING SEMESTER ENDS**
*(but no later than the federal deadline for FISAP processing – typically the end of September)*
Request for Late Disbursement

This form is used to request a late disbursement of federal grants and/or loans. You can be considered for a disbursement if you are otherwise eligible for Federal Title IV aid and the following situations apply:

- For a Direct Loan, you are **no longer enrolled for the term as at least a half-time student**; OR
- For Federal Pell Grant, FSEOG, Federal Perkins Loan, or TEACH Grant you are **no longer enrolled at the institution for the award year**.

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TO BE COMPLETED BY OFFICE OF FINANCIAL AID:

<table>
<thead>
<tr>
<th>STUDENT LAST NAME</th>
<th>STUDENT FIRST NAME</th>
<th>STUDENT MIDDLE NAME</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>OLE MISS STUDENT NUMBER</th>
<th>TERM</th>
<th>AID YEAR</th>
<th>NEXT TERM OF ENROLLMENT</th>
<th>GRAD DATE</th>
</tr>
</thead>
</table>

Below are the award amounts currently available to you.

<table>
<thead>
<tr>
<th>Aid Type</th>
<th>Offer Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Pell Grant</td>
<td></td>
</tr>
<tr>
<td>Federal Supplemental Grant (SEOG)</td>
<td></td>
</tr>
<tr>
<td>Federal Direct Subsidized Loan</td>
<td></td>
</tr>
<tr>
<td>Federal Direct Unsubsidized Loan</td>
<td></td>
</tr>
<tr>
<td>Federal Direct Graduate PLUS Loan</td>
<td></td>
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<tr>
<td>Federal Direct Parent PLUS Loan</td>
<td></td>
</tr>
<tr>
<td>Federal Perkins Loan</td>
<td></td>
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</tbody>
</table>

Currently, the balance on your Bursar statement is $______________.

**TO BE COMPLETED BY STUDENT AND PARENT (IF APPLICABLE):**

Funds are disbursed in accordance with your wishes. Please indicate your preference below:

- [ ] I would like the funds to be disbursed to my Bursar account in full. Any amount in excess of the outstanding charges should be sent to me (or the parent, if a PLUS Loan) as a refund.

- [ ] I would like just enough funds disbursed to cover my outstanding Bursar charges at the time of processing. (Please note that any grants that are awarded will be credited first, before loan funds.)

It is important to understand that accepting any late disbursements of student loan funds will increase your overall student loan debt. By accepting all or a portion of a Federal Direct, Graduate PLUS, Parent PLUS, or Perkins Loan, I know that I am responsible for repayment in accordance with the terms of my master promissory note. Please visit [www.studentaid.ed.gov](http://www.studentaid.ed.gov) for current interest rates.

__Student Signature_____________________________ Date____________________

__Parent Signature*_____________________________ Date____________________

* (PARENT SIGNATURE REQUIRED FOR PLUS LOAN ONLY)

<table>
<thead>
<tr>
<th>STUDENT TELEPHONE NUMBER</th>
<th>STUDENT EMAIL ADDRESS</th>
</tr>
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<tbody>
<tr>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>PARENT TELEPHONE NUMBER</th>
<th>PARENT EMAIL ADDRESS</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
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</table>