

Ozarka College

Disbursement & Refund

Policies and Procedures

Ozarka College Financial Aid Office and the Finance 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 Finance 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 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 Finance 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 post to Sonis automatically. The Sonis 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 enrolled, but only pays for hours in which the student is enrolled in.

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

Disbursement occurs approximately one week after the credit to the student's account. The disbursement is made after the official 11th day enrollment and continues weekly for students with late disbursements.

Once Financial Aid office has sent the request for payment the process is turned over to the Finance Office. They are provided an EdExpress report for balancing purposes.

The funds are drawn down from GAPS 2 – 3 business days before the disbursement (on Monday or Tuesday).

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. Ozarka College 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 and Business Manager 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. A complete list of procedures appears in the Ozarka College Disbursement and Refund Policy, and a complete list of disbursement dates can be found on the Financial Aid website, <http://www.ozarka.edu/finaid/>.

Method of Disbursements

All tuition, fees, and applicable charges will be deducted from financial aid prior to a refund being issued. Students will be notified through myOzarka when their financial aid refund checks are 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. Direct deposit students receive their money on Thursday.
2. Check – for students not using direct deposit, financial aid refund checks will be issued once a week and will be available for pickup in the Finance Office on Thursdays after 12:00 pm. 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 are made according to the following schedule for the Fall and Spring semesters:

| | |
|-------------------------------|-------------|
| First week of semester | 100 percent |
| Second week of semester | 75 percent |
| Third week of semester | 50 percent |
| After third week | No Refund |

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

| | |
|-----------------------------------|-------------|
| Prior to first day of class | 100 percent |
| First two class days..... | 75 percent |
| Third and fourth days | 50 percent |
| After fourth day of class | No Refund |

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

Ozarka College 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. Ozarka College 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.