Financial Aid Over Awards and Over Payments Policy

POLICY: Financial Aid Over Awards and Overpayments			
POLICY NUMBER:	720.02.01	**CUSTODIAN:**	Academic Dean
APV'D DATE:	08/18/2020		
EFFECTIVE DATE:	08/18/2020	**REVIEW DATE:**	August 2020
REFERENCES: Federal regulations HEA Sec.484 (a) (3) 34 CFR 668.22 668.32 668.35			

Part 1. Policy Background and Purpose

White Earth Tribal and Community College (WETCC) will ensure all regulations are followed in the administration of financial aid for students.

Part 2. Definitions

A Financial Aid Over Payment occurs when a student is disbursed more aid than the cost of attendance.

Financial Aid Over Awards - Occurs when a student's financial aid package (federal, institutional, state, Tribal, and outside aid) and other resources exceeds the demonstrated financial need for the award period by more than an allowable tolerance.

NSLDS – National Student Loans Database System

Title IV Aid is a term that refers to federal financial aid funds which includes the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant Program (FSEOG), and Federal Work Study Program.

Cost of Attendance – The estimated total cost of attending an institution includes:

1) direct costs such as: tuition, fees, supplies, and books.
2) indirect costs such as: housing, food, transportation and parking costs, costs, purchase or rental of a computer, miscellaneous costs specific to certain student circumstances related to attendance such as dependent care during period of class attendance or study, expenses related to disabilities, study abroad, educational loan fees, and others, and student health insurance costs.

Financial Need – is the cost of attendance subtracting the student's Expected Family Contribution (EFC).

Need Based Funds – are financial awards based on the student's financial need.

Expected Family Contribution (EFC) – a measure of how much the student and his or her family can be expected to contribute to the cost of the student's education for the year. The EFC is calculated according to a formula specified in the law and is based upon the

information provided by the student and their family during the FAFSA filing process.

Grant – Gift aid awarded to the student that does not need to be repaid. Grants are typically based on financial need.

Scholarship – Gift aid awarded to the student that does not need to be repaid. Scholarship awards are typically based on merit or a combination of merit and need, such as academic excellence, talent, affiliation with various groups, or career aspirations.

Financial Aid Professional Adjustment – is when there are special or unusual family or student circumstances that may call for a revision in a student's eligibility for financial aid.

Adjustment return - is when financial aid is returned due to enrollment level changes.

Part 3. Responsibility

The Financial Aid Coordinator is responsible to administer this policy.

Students are responsible to provide the Financial Aid Coordinator all the requested information to ensure we are accurate and compliant with regulations.

Part 4. Policy

If an over award is discovered, U.S. Department of Education guidelines regarding over awards will be followed and aid may need to be adjusted in this order: work program, FSEOG, scholarships.

Subpart A. Over Award

Federal regulations restrict the amount of need-based funds, which a student may receive in a designated period of time.

If a student is awarded more financial aid then they are eligible to receive, an over award occurs. WETCC is required to return the excess funds to the awarding agency.

The Financial Aid Coordinator will issue a written notice to the student outlining the details of the over award.

To avoid an over award situation:

a. Students must notify the financial aid office when receiving assistance from any outside source
b. Students must make sure to list all resources on all financial aid forms and documents.

Students should check with the financial aid office before seeking additional assistance

to determine what effects additional funds will have on their financial aid package.

Subpart B. Over Payment
Title IV grant over awards that are unresolved become overpayments and will be reported to NSLDS which will hinder a student's ability to receive future funds from any Title IV participating post-secondary institution.

Subpart C. Professional Judgement
The Higher Education Act of 1992 allows financial aid administrators to make professional judgment decisions when there are special or unusual family or student circumstances that may call for adjustments in determining a student's eligibility for financial aid. Circumstances requiring professional judgment must be analyzed on a case-by-case basis and must be documented.

Professional judgment adjustments may increase or decrease a student's EFC or cost of attendance. Specified adjustments may be made to data elements, but not to the formula. Adjustments made will apply to all institutional, state and Title IV aid awarded. Circumstances, which may warrant a professional judgment decision, include, but are not limited to the following:

- A change in income of the student's family that would affect the family's ability to pay for college expenses. Examples would be loss of employment, loss of untaxed benefits, a separation or death. Acceptable documentation: letter from employer (on company letterhead) documenting separation from employment (must include last day worked); unemployment benefits determination document; last pay stub; severance pay documentation; copy of divorce decree or legal separation; copy of a death certificate; social security benefits termination notice; or termination of child support notice.

- Student requests consideration as an independent student. Acceptable documentation: Appeal form; notarized letters from the student, a family member, and a professional explaining the extenuating circumstances in detail that may warrant a change in dependency status.

- Excessive medical expenses. Acceptable documentation: Verification of medical expenses paid by family from doctors, hospitals, etc. or copy of tax return verifying itemized deductions, showing medical expenses.

The information necessary for the above situations is detailed in the associated documentation. The documentation must be complete before an appeal will be considered.

Documentation of professional judgment decisions will be maintained in the student's financial aid folder. Professional judgment situations are unique. Circumstances other than those listed may be considered and will require documentation specific to that situation.

The Financial Aid Coordinator is responsible for making professional judgment decisions and will seek final approval from the Associate Dean of Student Services. All decisions are final and cannot be appealed.

Subpart D. Adjustments

Pell grants are never adjusted. If there is a Title IV over award the institution must look at other aid that the school controls and reduce that aid in the following order: Work programs, FSEOG, and scholarships.

If a student stops attending all classes (officially or unofficially) prior to the 60% point of the semester, repayment of a portion of the dispensed financial aid is required.