

Federal Student Aid Regulations and Guidance

VERIFICATION

Circle response

A school may accept a tax return without the tax filer's signature, if the tax preparer has stamped, typed, signed, or printed his/her name and reported his/her SSN, EIN (Employer Identification Number), or PTIN (Preparer Tax Identification Number),

- Q 1. A school may accept a tax return without the tax filer's signature or the tax preparer's name, if it has stamped, typed, signed, or printed the name of the tax preparer's company or organization, e.g., H & R Block. True or False

ACADEMIC YEAR

Every eligible program, including graduate programs, must have a defined academic year. The academic year is used to determine the student's eligibility for loans, Pell Grants, as well as ACG and National SMART grants. For FSA purposes, an academic year is defined by the following criteria:

- Q 2. in weeks of instructional time for both undergraduate and graduate programs. True or False

- Q 3. In credit hours or clock hours for both undergraduate and graduate programs True or False

GENERAL ELIGIBILITY REQUIREMENTS

A student must be enrolled at least half time to be eligible for Direct Loan or FFEL Program funds.

- Q 4. A student must be enrolled at least half time to disburse campus-based funds, i.e., Perkins Loan, Federal Work Study, and SEOG Grant. True or False

SATISFACTORY ACADEMIC PROGRESS

To quantify academic progress a school must set a maximum time frame in which a student is expected to finish a program. Assume during a SAP review, the student meets **all** requirements (i.e., school's minimum requirements for cumulative GPA and completion rate, and has not exceeded the maximum time frame).

- Q 5. If it is clear that a student cannot mathematically finish the program within the maximum time frame period, the student must be treated as ineligible for federal aid. True or False

AWARDING FEDERAL AID

Assume a school offers programs on a traditional standard academic calendar (i.e., semesters, trimesters, or quarters) that includes an intersession between Fall and Spring semester (or Fall and Winter quarter).

- Q 6. The institution at its discretion may choose not to award/disburse federal aid funds for the intersession...
Or
The institution must award/disburse federal aid funds for the intersession. . At its discretion may not award/disburse aid
Or
Must award/disburse aid

AWARDING FEDERAL AID (Not Packaging)

Assume a school offers programs on a traditional standard academic calendar (i.e., semesters, trimesters, or quarters) that includes summer mini-sessions.

- Q 7. The institution at its discretion may establish a policy that it will not award/disburse federal loan funds for summer mini-sessions
Or
The institution must award/disburse federal loan funds for any and all summer mini-sessions At its discretion may not award/disburse loan
Or
Must award/disburse loan

Federal Student Aid Regulations and Guidance

EARLY DISBURSEMENT

- Q 8. The earliest that a school may disburse federal student aid (FSA) funds by crediting the student's account or by paying directly to the student is ten (10) calendar days before the first day of classes for that payment period. True or False

Assume the institution does not qualify for a low cohort default rate exemption, if a student is in the first year of an undergraduate program and is a first-time Stafford borrower, the earliest that an institution may make the first installment of a Stafford loan is –

- Q 9. 30 calendar days from the date the student's program of study begins
Or
30 calendar days after the date the student's program of study begins. 30 days from the start of program
Or
30 days after the start of program

If a program offers short courses (e.g., accelerated, modular, mini) that are not the standard length of a term, and the student enrolls solely in courses that begin later in the term,

- Q 10. The earliest that a school may disburse federal student aid funds by crediting the student's account or by paying directly to the student is ten (10) calendar days before the first day of the start of classes in the student's enrollment record, not the first day of the term. True or False

PROMPT DISBURSEMENT

A school must make disbursement of federal aid funds and FFEL loan funds that have been deposited in the school's bank account as soon as administratively feasible but -

- Q 11. no later than three (3) business days from the date funds are deposited. That is, the three (3) business days includes the date deposited. 3 business days from date of deposit
Or
no later than three (3) business days after funds are deposited in the school's bank account. 3 business days after date of deposit

EXCESS CASH

If an institution cannot disburse FSA funds, including Direct Loan funds, in the required three (3) days because of circumstances outside the school's control,

- Q 12. it may maintain some excess cash for up to seven (7) additional calendar days. 7 additional days
or
it may maintain some excess cash for up to ten (10) additional calendar days. 10 additional days

PROMPT RETURN OF FFEL FUNDS

An institution may be able to justify a delay disbursing FFEL loan funds for up to—

- Q 13. Ten (10) business days after the three (3) business days if the student has not met all the FFEL program eligibility requirements; and the institution expects the student to meet those requirements within this 10 day period. If the student has not met all the requirements
Or
Ten (10) business days after the three (3) business days if the school requires additional time to arrange the disbursement and determine the student's eligibility; and/or the institution expects the student to meet those eligibility requirements within this 10day period. If the school requires additional time to arrange disbursement and determine eligibility

Federal Student Aid Regulations and Guidance

PROMPT RETURN OF FFEL FUNDS (continued)

An institution must return funds to a lender promptly but —

- Q 14. No later than ten (10) business days after the date the institution is required to disburse the funds, which could be 3 or 13 business days.
Or
No later than ten (10) calendar days of the date the institution is required to disburse the funds, which could be 3 or 13 business days.
- Ten business days
Or
Ten calendar days

FEDERAL CREDIT BALANCE

Whenever an institution disburses federal student aid funds by crediting a student's account and the total amount of all federal aid funds credited exceeds the amount of tuition and fees, room and board, and other authorized charges the institution assessed the student, the institution must pay the resulting credit balance directly to the student as soon as possible but—

- Q 15. Within 14 days of the balance occurring if the credit balance occurred after the first day of class of a payment period
Or
No later than 14 days after the balance occurred if the credit balance occurred after the first day of class of a payment period
- Within 14 days of balance occurring
Or
No later than 14 days after balance occurred

LATE DISBURSEMENT

A SAR/ISIR with an “official EFC” is an EFC calculated by the Department and provided on a SAR/ISIR. A “valid EFC” is defined as an ISIR with an EFC based on information that is correct and complete.

- Q 16. An “official EFC” may not necessarily be a “valid EFC”.
- True or False

When determining a student's eligibility for a late disbursement (except PLUS loan),

- Q17. A student must be considered for a late disbursement as long as the Department has processed the FAFSA and created a SAR/ISIR with an official EFC before the student became ineligible.
- True or False
- Q 18. If the SAR/ISIR that the school received has a processing date that is beyond the date the student ceased attendance, the school has no further responsibility for making a determination of eligibility for a late disbursement.
- True or False
- Q 19. A late disbursement of a Pell Grant can only be made if the school receives a valid SAR/ISIR.
- True or False

RETURN TO TITLE IV FUNDS

An institution that is not required to take attendance must determine the withdrawal date for a student who withdraws from all courses without providing notification to the institution -

- Q 20. no later than 30 calendar days from the end of the payment period
Or
no later than 30 calendar days after the end of the payment period
- 30 days from end of payment period
Or
30 days after end of payment period

If a student is entitled to a post-withdrawal disbursement, the student must be notified –

- Q 21. no later than 30 days after the date of the institution's determination that the student withdrew
or
no later than 45 days after the date of the institution's determination that the student withdrew
- 30 days
Or
45 days

Federal Student Aid Regulations and Guidance

RETURN TO TITLE IV FUNDS (continued)

An institution must return the amount of unearned Title IV funds for which it is responsible as soon as possible but –

- Q 22. no later than 45 days from the date of the institution's determination that the student withdrew
or
No later than 45 days after the date of the institution's determination that the student withdrew
- 45 days from date of determination
Or
45 days after date of determination

For Return of Title IV Funds (RTIV), institutionally scheduled breaks of five or more consecutive days are excluded from the Return calculation as periods of nonattendance, and therefore do not affect the calculation of the amount of Federal Student Aid earned.

- Q 23. If a student is enrolled in a weekend program that offers courses on Saturday and/or Sunday only and the scheduled break starts on Monday and ends on Friday, the five weekdays count as a scheduled break for RTIV purposes.
- True or False

A student begins earning Title IV funds on his or her first day of attendance

- Q 24. If a student withdraws before the close of a school's add/drop period, the school must perform a Return of Title IV Funds calculation using the number of days the student attended class.
- True or False

For a student who withdraws after the 60% point-in-time in a payment period,

- Q 25. a school is not required to complete a Return of Title IV Funds calculation.
- True or False

REPORTING DISBURSEMENTS

Federal Pell Grant, ACG, National SMART Grant and Direct Loan disbursement records -

- Q 26. Should be submitted to COD no later than 30 days after making a disbursement or becoming aware of the need to adjust a student's disbursement.
Or
Must be submitted to COD no later than 30 days after making a disbursement or becoming aware of the need to adjust a student's disbursement.
- Should be submitted no than later than 30 days
Or
Must be submitted no than later than 30 days

DEFAULTED FEDERAL LOANS

A student in default on a federal loan can be eligible for Title IV if he has made repayment arrangements that are satisfactory to the loan holder.

- Q 27. After the student makes six consecutive, full, voluntary payments on time, he regains eligibility for Title IV funds, although the loan remains in default status.
- True or False
- Q 28. After the student makes twelve consecutive, full, voluntary payments on time, he regains all benefits of the program, including any remaining deferment eligibility, and the loan is considered to be rehabilitated.
- True or False

UPDATING PROGRAM PARTICIPATION APPLICATION

A school must report to the U.S. Department of Education (DOE) –

- Q 29. and wait for written approval from DOE before disbursing FSA funds when it adds a non-degree program as an "eligible program" that is not currently approved.
- True or False
- Q 30. a change to the name of the president (or CEO), chief fiscal officer, or chief financial aid officer within 10 calendar days of the change.
- True or False

Federal Student Aid Regulations and Guidance