

Methods of Distributing Aid, Student Notifications and Authorizations

Federal Aid is distributed to eligible students who complete the Free Application for Federal Student Aid (FAFSA) and meet all required eligibility criteria as further described within the application instructions. Students should go to www.FAFSA.ed.gov to complete the application or visit the financial aid office for any questions regarding the FAFSA.

Students are also encouraged to visit their library or research on the internet sources for additional scholarship programs not administered or awarded by the institution.

Disbursing Federal Student Aid

Funds received as financial assistance for a student are electronically credited to the student's account. The student (and parent in the case of PLUS loans) is sent a notification when loan funds have been disbursed or credited to his/her account. Paper copies of these notifications are available upon request from the financial aid office.

Financial aid funds are normally scheduled for disbursement at the beginning of each payment period. HCI College may also utilize 'Early Disbursement' processing; with this processing, student funds are requested up to ten (10) days prior to the scheduled start of classes. Using this funding allows students to receive their funding early in the payment period, the requirements for processing federal student aid credits also provides students to receive their funds to be used for other educationally related expenses, earlier in the payment period. However, all funds are refunded for students that do not start classes for that payment period.

Programs Using Credit Hours in Standard Academic Terms

Financial aid is awarded based on an academic year as defined on a program-by-program basis at the institution. Disbursement of aid varies by the type of assistance. For programs using standard academic terms, a portion of the Federal Pell Grant and Federal Supplemental Educational Opportunity Grant (SEOG), for those who qualify, will be paid to the student's account during each payment period or term. Federal Work Study is paid to employed students through the HCI College payroll system, in the form of direct deposit or paper checks.

To receive Federal Student Loan proceeds, the student (parent in the case of PLUS loans) must complete and sign a valid promissory note. The loan proceeds are used to satisfy the student's tuition and fees for the academic year and are disbursed once per term, for the standard term programs. Once tuition and fees charged by the institution have been met, the student may receive the excess amount of federal student aid that creates a credit on the account. A first-time borrower's account will not be credited with Federal Direct loans until 30 days after their first day of class and once they have completed loan entrance counseling.

PROCEDURES FOR PAYING FEDERAL STUDENT AID (FSA) CREDIT BALANCES

When Federal Student Aid (FSA) funds are posted to a student account, each student's ledger is evaluated to determine if a Title IV credit balance exists. FSA funds are received for the student; parents may also utilize a PLUS loan which is a parent loan to assist the student. FSA credit balances from a PLUS loan are payable to the parent.

When determining whether an FSA credit balance exists, the payment period is evaluated to determine the amount of allowable institutional charges for the payment period and amount of FSA funds received for the same period. For students enrolled in a standard term programs, the student's payment period is the semester (15 or 16 weeks).

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The institution utilizes a passive notification (except for parents using a PLUS loan). The borrower requests the loan amount(s) during their packaging appointment in the financial aid office, this is documented on the Cost Estimate worksheet. A Funding Estimate will also be provided to the borrower indicating each award amount, disbursement amounts and estimated dates the disbursements are expect at the school. If the borrower decides to decline or make adjustment to the type or the amount of the loan, they must contact the financial aid office.

Parent PLUS Master Promissory Note (PLUS MPN)

For Parent PLUS loans made under the multi-year feature of the MPN, the regulations that govern the loan programs require the financial aid office at the school to document an active confirmation of Parent PLUS loan funds via an estimated award letter. The confirmation process is to provide a means for the parent borrower to accept or decline a PLUS loan made for a student's subsequent academic year. This assists in providing the parent borrower with greater control and understanding of PLUS loan debt. The active confirmation is documented when the parent signs an award letter.

Notice of Right to Cancel

When loan disbursements for the Federal Stafford loan funds are received at the school, a receipt is generated and emailed to the student and/or parent. The Notice of Right to Cancel is also included on this receipt; this notice gives the borrower information on how and when the loan can be cancelled.

STUDENT AUTHORIZATIONS

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beyond the end of the loan period, nor an FSA credit balance of other funds beyond the end of the last payment period in the award year for which the funds were awarded.

This authorization may be withdrawn at any time by providing written notice to the financial aid office on their campus. If the student or parent (as applicable) withdraws their authorization, the school will deliver any remaining credit balance to them within 14 days. (Note that the cancellation is not retroactive).