



Concordia University Credit Balance Policy

DEPARTMENT OF EDUCATION REGULATION(S):

Per federal regulatory standard, Financial Student Aid [FSA] disbursements to the student's account creates an FSA credit balance, the credit balance is issued to the student via a refund check or direct-deposit no later than 14 days after:

- The date the balance occurred on the students account, if the balance occurred after the first day of class of a payment periods, or
- The first day of class(es) of a payment period if the credit balance occurred on or before the first day of class of that payment period.

"A school may not require a student to take action to obtain his or her credit balance. It is the sole responsibility of the school to pay, or make available, any Title IV credit balance within the 14-day regulatory time frame." -Cite FR 72-152, August 8, 2007, Page 44630

CSP INSTITUTIONAL POLICY:

Concordia University disburses Title IV to eligible students each semester (Fall, Spring and Summer) after the conclusion of the initial latest posted Drop/Add Period for all students/all programs, also called the 'Census Date.' Any credit balance produced as the result of institutional aid will be eliminated, as the intent of institutional grants and scholarships is to pay up to 100% of *direct education costs* exclusively; not to produce a refund check.

DEPARTMENT OF EDUCATION REGULATION(S):

Current regulations outline that schools have latitude to determine which FSA program funds create an FSA credit balance. Currently, the Department of Education does not specify how a school must determine which FSA program funds creates and FSA credit balance, *except* to say that Direct Stafford Loans must be applied to unpaid charges before they can be applied to other charges or disbursed to the student in the form of a refund check.

CSP INSTITUTIONAL POLICY:

Because schools have latitude to determine which FSA program funds create an FSA credit balance, regardless to actual date of fund(s) disbursement to a student account, CSP shall consider the order of fund application as outlined below when determining how/when a credit balance is determined:

- I. Plus Loans (Parent and Graduate)
- II. Stafford Loan(s)
- III. Private Education Loans
- IV. Federal and State Grant(s)
- V. Institutional scholarships
- VI. Outside Scholarships