



AUTHORIZATION FOR DISBURSEMENT OF TITLE IV FUNDS FREQUENTLY ASKED QUESTIONS

What are federal Title IV funds?

Title IV funds are federal student aid funds, which are from federal student aid programs administered by the U.S. Department of Education. Title IV funds include Direct Subsidized/Unsubsidized Loans, Direct Graduate PLUS Loan, Direct PLUS Loan, Federal Pell Grant, and Federal Supplemental Educational Opportunity Grant (SEOG). It does not include scholarships from the University, MAP Grants, Nurse Educator Scholarships, or other organizations/entities.

How are the Title IV funds applied to my student account?

The Department of Education requires that Title IV funds be applied only to specific allowable charges. Allowable charges include: tuition, mandatory fees, and room and board contracted by the University. If your total of Title IV funds exceeds the total of these qualifying charges, the University must refund that excess to you unless you give permission to do otherwise.

Why do I have an excess of Title IV funds?

Excess Title IV funds occur when the total amount of Title IV aid funds disbursed to your student account exceeds charges for tuition, mandatory fees, and room and board contracted by the University.

What is the purpose of the Title IV authorization form?

Olivet Nazarene University, in compliance with federal regulations, must obtain the voluntary permission from the student to apply federal financial aid proceeds to pay for charges related to a prior term, future term, or charges other than tuition, mandatory fees, and room and board contracted by the University.

Will signing the authorization form help me?

Yes. By signing the form, any excess Title IV funds will be permitted to be applied to prior non-allowable charges as well as any future non-allowable charges during the loan period. Furthermore, signing the form will help prevent a hold on your account for unpaid charges, which would prohibit you from registering and enrolling for future terms, obtaining transcripts, and receiving your diploma.

How will this affect my account if I *DO NOT* authorize Olivet Nazarene University to apply excess federal Title IV funds to prior year balance?

If you decline, Title IV aid will only pay current academic year charges. If you have a balance on your account after your current year charges are paid, you will have to pay any previous academic year charges with other funds or risk having your current classes dropped. Previous balances will have to be paid prior to attending any new courses if you decline this option.

How will this affect my account if I *DO NOT* authorize Olivet Nazarene University to apply excess federal Title IV funds to estimated future charges?

If you decline, Title IV aid will only pay current term charges. If your upcoming courses within the academic year are not fully covered by pending Financial Aid disbursements, you will result in a balance on your account. This is due to the fact that federal regulations prevent the University from holding funds to help with future balances without the student's authorization.

Title IV Calculation Example- Jane's academic year includes three terms (1920SF, 1920FW, 1920WS), She has a prior year balance of \$150.00. Her Financial Aid is then disbursed in three even amounts as illustrated below

1920SF		1920FW		1920WS	
Tuition	\$3,500.00	Tuition	\$7,250.00	Tuition	\$8,100.00
Financial Aid	<u>-\$6,333.00</u>	Financial Aid	<u>-\$6,333.00</u>	Financial Aid	<u>-\$6,334.00</u>
	<i>Credit : -\$2,833.00</i>		Balance : \$917.00		Balance : \$1,766.00

Balance from 2018 Award Year : **\$150.00**

Scenario 1 (Checked all "Yes" on disbursement form): **\$0.00 Balance**

Total Charges : \$19,000.00

Scenario 2 (Checked "No" on disbursement form): **\$2,833.00 Balance - Account on hold**

Total Financial Aid : \$-19,000.00

Scenario 1 : If Jane was to give the University full permission to process her Title IV funds, her 1920SF credit would be held on her account to help cover her upcoming term balances. Additionally, since her prior balance is below \$200.00, her prior year balance of \$150.00 would be covered by current Financial Aid. She would then be left with a zero balance.

Scenario 2 : If Jane was to not give the University full permission to process her Title IV funds, Olivet would have to issue her the credit on her account for the 1920SF term and she would have balances due for her upcoming two terms as well as the existing balance from 2018 Award Year. Her account would go on hold until these balances were paid.

Do I need to sign a new authorization form each award year?

Yes. Olivet Nazarene University requires a new Title IV form each award year

Does having an excess of Title IV funds mean that I have a credit balance on my student account?

Not necessarily. An excess of Title IV funds means that the amount of your federal financial aid exceeds the allowable charges (as defined above). You may log in to your Student Finance page to determine if you have a credit balance or an amount due to the university.

Where should I send my signed Title IV authorization form?

You can email your signed form to StudentFinance@olivet.edu or you can fax it to 815-939-5074.

I have further questions, who should I contact?

You can reach out to the Student Financial Services team via email StudentFinance@olivet.edu or you can call 815-939-5245.