Policy Name: Disbursement of Financial Aid

Purpose: This document contains the Office of Financial Aid’s current policies and procedures for disbursing aid to students.

Disclaimer: This policy is subject to change, without notice, in order to comply with administrative and regulatory requirements.

Policy Contents:

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Definitions and Terms:

MESG – Mississippi Eminent Scholars Grant
MTAG – Mississippi Tuition Assistance Grant
OFA – Office of Financial Aid
SEOG – Supplemental Educational Opportunity Grant
UM – University of Mississippi
Part 3.1 Disbursement Requirements

The OFA defines the award year as comprised of: Fall (Fall Semester, Fall 1 mini-session, and Fall 2 mini-session) and Spring (Winter intersession, Spring Semester, Spring 1 mini-session, and Spring 2 mini-session). Summer is considered a trailer to the award year. It is a combined term that includes May intersession, First Summer mini-session, Full Summer mini-session, Second Summer mini-session, and August intersession.

Because a student may be enrolled for only part of a term due to registration for mini-sessions only, the OFA will hold the disbursement of eligible funds (scholarships, loans, and grants) based on each individual student’s earliest course start date. This will ensure that funds are not released more than 10 days before the student actually begins classes. (Course start/stop dates are provided by the academic departments and entered into UM’s student system).

All financial aid funds must pass disbursement requirements in order to be processed. These rules are programmed into the OFA database system. Any disbursement issues create “diagnostics” that will explain the reason for the hold. OFA staff members can easily reference the diagnostics to determine what the next steps should be. Students can also view the diagnostic messages for their own financial aid package through the Award Notification module in the MyOleMiss portal. Diagnostics are dynamically created and will be automatically removed once an outstanding issue is resolved.

Part 3.1.a Timing of Disbursement

For Fall and Spring, the disbursement process (to credit funds to student bursar accounts) begins approximately 5 days before the beginning of the standard semester. For Summer, disbursement begins approximately 5 days before the beginning of Full Summer/First Summer. Once the process starts for a term, aid is disbursed on a daily basis (business days only) as university requirements are met. For some awards, the credit is made once funds are received from an outside source (e.g. non-UM scholarships and loans). For state grants like MTAG and MESG, disbursement will occur once the state office notifies the UM of their roster of approved awards.

Students awarded Federal Title IV aid (Pell Grant, Iraq and Afghanistan Service Grant, SEOG, Federal Direct Loan, Federal Perkins Loan, Federal Direct PLUS Loan or TEACH Grant) for summer cannot receive these monies unless they enroll in all credit hours for all summer terms reported on their Summer Application. Non-federal aid ready for release during the summer will credit to a student’s bursar account prior to the first day of class if eligibility is met at an individual mini-session level.

For students enrolled in iStudy (correspondence courses), no Title IV financial aid will be released until the midterm exam is completed (or 50% of the lessons if there is not a midterm exam). The midpoint is determined by the iStudy Department. Once confirmation is received, the OFA will release funds manually to the student’s bursar account.
If the amount of aid exceeds the amount that the student owes the university, a credit balance is created. In this case, the bursar’s office will refund the difference to the student by direct deposit to the student’s personal checking/saving account or via a check mailed to the student’s billing address on file. Students cannot pick up checks in person. (See the Bursar’s policy on “Refund Checks” at https://secure4.olemiss.edu/umpolicyopen/ShowDetails.jsp?istatPara=1&policyObjidPara=10644382.)

All refunds are given to the student except for credit balances caused by a Federal Parent PLUS loan. In these cases, the excess proceeds are delivered to the borrower. Checks will be mailed to the parent address on the PLUS application unless the parent signs up for direct deposit for PLUS loans. Direct Deposit applications are available at http://www.olemiss.edu/depts/bursar/directdeposit.html.

Federal Work-Study checks, based upon actual hours worked, are issued bimonthly by mail or direct deposit through the Payroll Department of Human Resources (see policy “5.0 Federal Work-Study”).

Financial aid refund checks that are not consummated within 240 days of issue will be cancelled by the Office of the Bursar. The funds will be returned to the financial aid programs that caused the credit balance.