

Treatment of Federal Student Aid Credit Balances and Voluntary Authorization to Retain Funds

A federal student aid (FSA) credit balance exists when HEA, Title IV federal student financial assistance funds received on behalf of a student for a payment period exceed the amount of institutional charges assessed to the student by the institution for that period. The FSA funds involved include Federal Pell Grants, Federal Direct Stafford Student Loans, Federal Direct PLUS loans, and Federal Campus-Based Program funds.

FSA credit balances issued to a student may be used for costs of attending school other than tuition and fees as estimated in your Cost of Attendance budget, or a FSA credit balance may be retained by the institution with the student's authorization (or parent's authorization in the case of a PLUS loan) and these funds could be applied to cover other educational charges owed by the student. These other charges may include but are not limited to, charges for tuition, fees, textbooks, supplies, uniforms, or materials purchased by the student, or any other educationally related charge incurred by the student.

Requesting that the institution retain your credit balance can assist you with more efficient budgeting of your educational expenses, and can result in students being able to complete their education without incurring unnecessary additional student loan debt.. If you do not wish to have the institution temporarily retain your credit balance, then any FSA credit balance will be returned to you within 14 days of the date the credit balance occurred. The student will be responsible to personally pay for any other educationally related charges incurred if the FSA credit balance is returned to the student and the student incurs other charges.

This authorization will remain in effect for each subsequent FSA payment period unless you withdraw it. If at the end of each academic year, or at the end of the program of study if earlier, it is determined that a FSA credit balance will not be applied to other allowable educational charges, the FSA credit balance will be returned to the student at that time. Signing this authorization is optional and voluntary. You may cancel this authorization at any time, or refuse to authorize the use of FSA funds for any individual item. Cancellation can be done by notice to the financial aid office. Cancellation is effective upon receipt of your notice of cancellation and is not retroactive. The student, and/or parent, will not earn interest on any credit balance funds held by the institution on behalf of the student or parent.

Estimated Credit Balance Amount \$ _____

Authorization

Each person signing below acknowledges that he/she has read the terms and conditions contained herein, and voluntarily requests that the institution retains and manages his/her FSA credit balance as described above.

(Student's Signature)

(Date)

(Parent's Signature)
For PLUS loans only

(Date)