
Introduction to Volume 4

The purpose of this publication is to provide participating schools with guidance on how to request, disburse, manage and report on the use of Federal Student Aid funds.

Here, we provide a summary of the changes and clarifications presented in greater detail in the chapters that follow. **Alone, the text herein does not provide schools with the guidance needed to satisfactorily administer the Title IV, HEA programs.** For more complete guidance, you should refer to the text in the chapters cited, the Code of Federal Regulations (CFR) and the Higher Education Assistance Act (HEA) as amended:

Throughout this volume, new information is indicated with the following symbol:



When we believe that historically there might be some misunderstanding of a requirement, or wish to emphasize a topic, we indicate that with:

Major Changes



We've updated the Volume to include references to the Iraq and Afghanistan Service Grants where applicable.

Chapter 1 — Disbursing Federal Student Aid Funds

- We clarify the minimal elements schools must include in an authorization to hold a credit balance.
- We explain the eligibility criteria a school must review before awarding a student a second Iraq and Afghanistan Service Grant within an award year .
- We explain in the ACG, SMART, TEACH, and Iraq Afghanistan Service Grant programs, schools do not receive an initial CFL.
- We remind schools that if a school receives a valid SAR/ISIR for a student who is no longer enrolled, it must calculate the student's Pell Grant, Iraq Afghanistan Service Grant, ACG/SMART or TEACH Grant based on the student's enrollment status on the date the student ceased to be eligible.
- We explain that a school may not make a late disbursement of an ACG/SMART Grant, Pell or Iraq Afghanistan Service Grant from a second scheduled award if a student's enrollment status was not half-time on the date the student ceased to be enrolled.
- We explain that a school may not originate or certify a loan for a period that includes hours in an academic year in which the student is no longer enrolled (regardless of whether a student has ceased attendance or advanced to the next academic year).

Chapter 2 — Requesting and Managing FSA Funds

- We explain the relationship between CFL, Cash Control accounts and G5 for Pell, ACG/SMART, Teach, and Iraq and Afghanistan Service Grants for the upcoming award year.