The Financial Aid Disbursement Process

How will I receive my financial aid funds?
The accepted financial aid funds shown in your Offer of Financial Assistance letter are disbursed to you through your Metropolitan State student account. A student account is established for you with the University Business Office shortly after you have been admitted. Your student account reflects most of your financial activities with the University – charges for tuition and fees, charges for book credits, records of payments made and miscellaneous charges such as the orientation fee, application fee and even library fines. “Disbursed” means that financial aid funds are transferred from the bank accounts where they are temporarily held to University bank accounts. These transfers are shown as payments on your student account.

The Business and Financial Aid offices consider charges for tuition, fees and books to be final for most students after the end of the add/drop period of each term (even though we recognize that for adjustments for individual students will continue throughout the term.) Once charges are considered final, the financial aid funds for each student may be disbursed. When financial aid funds are disbursed, the system does a final review of your status, and disburses the financial aid that is appropriate for the number of credits for which you are enrolled. (Your Offer of Financial Assistance shows how your awards vary by the number of credits for which you enroll.)

What is a “Financial Aid Overage” check?
Your Offer of Financial Assistance may include funds for expenses that you are expected to have as a result of your education, but are not charged directly by the University. These expenses are called “indirect expenses.” At Metropolitan State, indirect expenses include allowances for housing, meals, personal items and transportation. Your offer of financial aid is intended to assist you with both your direct and indirect education expenses. When your disbursed financial aid is more than the direct expenses charged on your student account, this creates a balance on your student account that the University must give to you. This balance is called a “Financial Aid Overage.” The University issues Financial Aid Overages in the form of checks that are mailed to students, or as electronic fund transfers that are deposited directly to a student’s personal bank account. (A form for requesting direct deposit is enclosed.) You are then free to use the funds from the Financial Aid Overage for your personal expenses related to your educational activities.

Does registration affect the amount of my grants and loans?
Yes. Certain grant funds, such as the Federal Pell Grant, the Minnesota State Grant, the Minnesota Post-Secondary Child Care Grant, and others, are based on the number of credits for which you are registered on a particular date. This date is when the student is considered to have “locked in” his or her enrollment level and is currently the 10th day of the term at Metropolitan State. This date is called a “census” date, meaning an official fixed point in time when all registered credits are counted. If you register for additional credits after the census date you may not receive additional Pell or Minnesota Grant program funds on the basis of the additional course registrations, even if your Offer of Financial Assistance indicates a larger grant award at the higher enrollment level.

To make sure that you receive the maximum grant funds, you must register for all of your courses before the end of the add/drop period. Even though you can register for some courses, such as independent studies, after the end of the add/drop period, you will not receive additional grant funds for these credits. If some of the courses you need for your degree program are initially filled when you attempt to register, be sure to try again throughout your registration window. The University will cancel course registration for students who have not made payment arrangements before the tuition deadline date, and that can result in a previously-filled course having an open seat.
The Federal Stafford loan, the Minnesota SELF loan and some private educational loans require that you be enrolled at least half time in order to receive the loan. Each term, an undergraduate student must be enrolled in at least six (6) undergraduate credits, and a graduate student must be enrolled in at least four (4) graduate credits in order to receive loan funds. If a student initially is registered for less than the half time level, but later adds courses and is again enrolled at least half time, the student may request that the Office of Financial Aid reinstate the loan(s) for the term.

All registered coursework must apply to your degree program. If you are taking coursework that appears to be outside of your degree program (e.g. a graduate student taking undergraduate courses, or an undergraduate student taking graduate courses) then you must provide documentation from your academic advisor that the coursework is required for your degree program before funds will be disbursed to you.

Adjustments to and returns of disbursed financial aid
When financial aid funds are disbursed to you, it is done with the expectation that you will begin participation in and successfully complete all courses for which you were registered. Oftentimes, students do not complete all courses. A student may need to withdraw from a course; a student may fail a course; be allowed to drop a course after the end of the add/drop period or a student may withdraw or fail all courses in a term. Any one of these events will trigger a review of the student’s course participation record. This review process can lead to adjustments to and returns of the financial aid for the term.

There are two basic rules to “earning” your financial aid for a term: 1. Attend or otherwise actively participate in all registered courses, and 2. Remain enrolled in those courses for at least 60% of the number of days in the term (excluding breaks of 5 days or more.) If you withdraw or fail a course, the Office of Student Financial Aid will contact the professor for that course to determine if you actively participated in the course. If the professor cannot or does not confirm that you actively participated in the course (by attending class in person, participating in on-line discussions, etc.) then any financial aid you received for that course will be canceled and the funds deducted from your student account. This will create a balance which you will owe to the University, and which must be repaid before you can register for courses for an upcoming semester.

If, however, you begin participation in all courses, but withdraw before completing 60% of the semester, then the Office of Student Financial Aid will perform a required return of funds calculation. This return of funds calculation will determine the percentage of financial aid you “earned.” Any financial aid that is considered “unearned” will be returned in the following order:
1. Federal Unsubsidized Stafford loan
2. Federal Subsidized Stafford loan
3. Federal Pell Grant
4. Federal Supplemental Education Opportunity Grant
5. Private Scholarships
6. Institutional Grant or Scholarship funds.

Minnesota State Funds are returned only if the student is granted a refund of tuition, and the tuition refund exceeds the funds that would be returned to the Federal programs.

Important: Retroactive drops with refunds (that is, a registration cancellation which occurs after the end of the add/drop period) granted by the Registration Appeal Committee will automatically result in the cancellation and return of some or all of the financial aid disbursed for that term. This can lead to a student owing the University the entire amount of any Financial Aid Overage check received! It is important to speak to a Financial Aid Officer before completing a registration appeal and requesting a retroactive drop with refund.