

Treasure Valley Community College

Code: DMAA-AR(3)

Revised/Reviewed: 9/20/16

Notification of Title IV Disbursement and Cancellation Options

Student Financial Assistance (SFA) Regulations governing Title IV student aid programs require that before an institution disburses Title IV, HEA program funds, the institution must notify a student of the amount of funds that the student can expect to receive under each Title IV, HEA program and how and when those funds will be disbursed. If those funds include Direct Loan Program funds, the notice must indicate which funds are from subsidized loans and which are from unsubsidized loans. Except in the case of a post-withdrawal disbursement, if an institution credits a student account with Direct Loan funds, the institution must notify the student or parent of:

1. The date and amount of the disbursement;
2. The student's right, or parent's right, to cancel all or a portion of the loan disbursement and have the loan proceeds returned to the holder of that loan;
3. The procedures and the time by which the student or parent must notify the institution that he or she wishes to cancel the loan disbursement.

The appropriate disbursement notice must be sent in writing no earlier than 30 days before, and no later than 30 days after, crediting the student's account at the institution. 34 C.F.R. § 668.165(a).

The Financial Aid Department will ensure that proper notification of disbursements and loan cancellation options are provided to all Title IV recipients with each disbursement in accordance with the regulation. In addition, documentation of the notification will be maintained in each Title IV recipient's file. The Financial Aid Department will also ensure that proper notification of the right to cancel all or a portion of a loan is made to each Direct Loan recipient in accordance with the regulation, with documentation of the notification maintained in each recipient's file.