LOS ANGELES COUNTY COLLEGE OF NURSING AND ALLIED HEALTH
OFFICE OF FINANCIAL AID
POLICY & PROCEDURE MANUAL

Subject: **CASH CONTROL: VERIFICATION AND DISBURSEMENT OF STUDENT FINANCIAL AID**	Original Issue Date: August 11, 2005	Policy #: **160**
	Supersedes: January 25, 2018	Effective Date: March 25, 2021

Individuals/Committees Consulted: Director, Office of Educational Services FA Coordinator Expenditure Management	Reviewed & Approved by: Office of Financial Aid College Governance Committee	Approved by: Financial Aid Administrator (signature on file) Provost, College of Nursing & Allied Health (signature on file)

PURPOSE:

To ensure that financial aid is disbursed and recorded in a standardized manner

Definition:

Cash is defined as currency, coins, checks and other negotiable instruments.

Sources of Financial Aid disbursement include Title IV funds (Pell Grants and Direct Loans), campus-based programs (Federal Supplemental Educational Opportunity Grants (FSEOG), state grants, and scholarships.

POLICY:

The Financial Aid verification and disbursement process adheres to federal, state, and local regulations including:
- U.S. Department of Education Regulations
- California Student Aid Commission Regulations
- Los Angeles County Fiscal Manual: Internal Control Certification Program.

Federal financial aid is disbursed to students by Auditor Controller's Office.

PROCEDURE:

Financial Aid Request Preparation

Office of Financial Aid:
- Verifies eligibility of each Pell Grant and Direct Loan applicant on National Student Loan Database System (NSLDS) to avoid over awarding
- Generates financial aid origination through the Department of Education
- Checks student eligibility status with the Office of Educational Services (OES) by verifying:
    - Registration completion
    - Satisfactory academic progress
    - Enrollment status of at least ½ time

- Prepares origination and disbursement request in Ed Express for grants/loans in the Common Origination Disbursement (COD) system website

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- Prepares and sends grant and loan transmittal form to Expenditure Management indicating:
    - Individual student name, address, and College mailbox number for each check request
    - Amount of check to be disbursed to each student
    - Type of award (e.g., grant/loan subsidized or unsubsidized)
    - Total amount of checks
- Sorts check requests by type of grant (e.g., Pell, FSEOG) or loan (e.g., direct subsidized or unsubsidized). Expenditure Management holds each fund in separate accounts
- Updates Financial Aid Ledger with funds awarded/disbursed to each student.

Expenditure Management:
- Draws funds from U.S. Department of Education account
- Requests checks from Auditor Controller.

LA County Auditor Controller:
- Requests download of total loans requested from Department of Education
- Processes loan checks within 72 hours of receipt of download
  Note: Grant checks do not have same time constraints as loans
- Mails checks to student's School of Nursing mailbox.

Disbursement Follow Up

OES notifies Office of Financial Aid (OFA) when checks are received.

Office of Financial Aid:
- Informs OES if financial aid holds have been placed on student checks
- Notifies students when checks are placed in mailboxes
- Records disbursement date and amount on the Financial Aid Ledger
- Obtains and files student written confirmation of receipt
- Maintains and updates record of check requests/receipts.

Student completes and submits receipt of check to OFA as soon as possible

PROCEDURE DOCUMENTATION:
Financial Aid Ledger
Student Check Receipt
Student File

REFERENCES:

Department of Education Common Manual
Department of Education Federal Student Aid Website
Los Angeles County Fiscal Manual: Internal Control Certification Program
California Student Aid Commission Regulations
Federal Student Aid Regulations
College Policy #150: Collection and Security of Fees
College Office of Educational Services Policy #150: Cash Control: Collection and Deposit

DISTRIBUTION: College of Nursing & Allied Health Policy & Procedure Manual

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REVISION DATES:

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