

Allen University

Financial Aid Policy: Correct Disbursement of Scholarships

1. Objective

- Ensure accurate determination and disbursement of scholarships based on established eligibility criteria to comply with state regulations and institutional policies.

2. Scope

- This policy applies to all scholarships administered by the institution, specifically focusing on initial eligibility determination and disbursement processes.

3. Policy Statements

- **Eligibility Determination:**
 - Students must meet all specified eligibility criteria for each scholarship type as outlined by state regulations and institutional policies.
 - Specify that for the LIFE Scholarship, first-time freshmen must meet two of the following criteria:
 - 3.0 SC UGP GPA
 - 1100 SAT or 22 ACT score
 - Ranked in the top 30% of their graduating class
- **Documentation Requirements:**
 - Require documentation verifying eligibility criteria such as transcripts for GPA, official SAT/ACT scores, and class ranking reports.
- **Review Process:**
 - Implement a thorough review process before disbursing scholarships, including verification of all eligibility criteria by trained staff or committee members.
 - Establish checkpoints to ensure consistent application of eligibility criteria across all scholarship awards.
- **Disbursement Procedures:**
 - Disburse scholarships only after confirming that the student meets all specified eligibility criteria.
 - Ensure clear communication with students regarding the types and amounts of scholarships awarded based on their eligibility.
- **Auditing and Monitoring:**
 - Conduct periodic audits of scholarship awards and disbursements to identify any discrepancies or instances of incorrect eligibility determination.
 - Maintain documentation of audit findings and corrective actions taken.

4. Roles and Responsibilities

- **Financial Aid Office:**
 - Responsible for verifying and documenting student eligibility for scholarships based on established criteria.
 - Ensure staff are adequately trained on eligibility requirements and procedures for verifying eligibility.

5. Training and Communication

- **Staff Training:**
 - Provide ongoing training for staff involved in scholarship administration to stay updated on eligibility criteria and procedures.
 - Include training on identifying and addressing common errors in eligibility determination.
- **Communication:**
 - Communicate scholarship eligibility criteria clearly to students during the application and award notification processes.
 - Provide guidance on where students can find information and resources related to scholarship eligibility and requirements.

6. Review and Revision

- Regularly review and update the policy in response to changes in state regulations, institutional policies, or audit findings.
- Seek feedback from stakeholders (students, faculty, staff) on the effectiveness and clarity of the policy.

7. References

- Include references to state regulations (such as 62-1200.10 (A-C)) and institutional policies governing scholarship eligibility and disbursement.

8. Implementation Plan

- Specify timelines and responsible parties for implementing the revised policy and associated procedures.
- Ensure adequate resources are allocated for training, documentation, and system enhancements if needed.

9. Monitoring and Evaluation

- Establish metrics for monitoring the effectiveness of the policy in preventing incorrect disbursements.
- Conduct regular evaluations to assess compliance with the policy and identify areas for improvement.

10. Documentation

- Maintain comprehensive documentation of scholarship awards, eligibility determinations, audit findings, and corrective actions taken.

Policy and Procedures for Handling State Lottery Program Funds

1. Objective

- To establish clear policies and procedures for reconciling and managing state lottery program funds (HOPE and LIFE scholarships) to ensure compliance with program policies, rules, and regulations.

2. Scope

- This policy applies to all financial transactions related to HOPE and LIFE scholarships administered by the institution, including disbursements, refunds, and invoicing to the Commission on Higher Education (CHE).

3. Policy Statements

- **Reconciliation Process:**
 - Conduct a thorough reconciliation of state lottery program funds at the end of each award period.
 - Verify that disbursements to students, refunds for unused funds, and invoices to CHE accurately reflect transactions recorded in CHEMIS (Commission on Higher Education Management Information System).
- **Handling Unused Funds:**
 - Promptly identify and return unused funds (e.g., from cancelled scholarships) to CHE as per program guidelines.
 - Maintain records documenting the return of unused funds and ensure compliance with CHE reporting requirements.
- **Invoicing Procedures:**
 - Ensure timely and accurate invoicing of CHE for all disbursed LIFE scholarships.
 - Verify that all disbursed scholarships are properly invoiced to CHE to facilitate accurate financial reporting and reimbursement.
- **Documentation and Record-Keeping:**
 - Maintain comprehensive documentation of all transactions related to HOPE and LIFE scholarships, including disbursements, refunds, and invoices.
 - Retain records for audit purposes and provide transparency in financial reporting to CHE as required.
- **Training and Oversight:**
 - Provide training to staff responsible for administering state lottery program funds on the reconciliation process and compliance requirements.
 - Implement oversight mechanisms to review reconciliation procedures and ensure adherence to established policies.

4. Roles and Responsibilities

- **Financial Aid Office:**
 - Responsible for overseeing the reconciliation of state lottery program funds and ensuring accuracy in financial transactions.
 - Ensure staff are trained on procedures for handling HOPE and LIFE scholarships and compliance with CHE guidelines.
- **Institutional Compliance Officer:**
 - Monitor compliance with state lottery program policies and regulations, including reconciliation processes and reporting requirements.

- Conduct periodic audits to verify the accuracy and completeness of financial records related to state lottery funds.

5. Implementation Plan

- Develop an implementation timeline for the new policies and procedures, including training sessions for staff and updates to documentation systems.
- Assign responsibilities for implementing and monitoring adherence to the policy across relevant departments.

6. Review and Evaluation

- Schedule regular reviews of the policy to assess its effectiveness and identify areas for improvement.
- Solicit feedback from staff involved in the implementation process and make adjustments based on audit findings and best practices.

7. Communication

- Communicate the updated policies and procedures to all staff members involved in the administration of HOPE and LIFE scholarships.
- Provide guidance on where staff can find resources and support related to compliance with state lottery program requirements.

8. References

- Include references to relevant state regulations (e.g., 62-370 (B) and 62-1200.70 (B)) and CHE guidelines governing the administration of HOPE and LIFE scholarships.

9. Management Commitment

- Express commitment from management to uphold the policies and procedures outlined in this response.
- Allocate necessary resources and support to ensure successful implementation and ongoing compliance with state lottery program requirements.

10. Documentation

- Maintain a record of this management response as part of the institution's official policy documentation.
- Update documentation as necessary to reflect any future changes or amendments to the policy.