

## Overaward Policy

The Office of Student Financial Aid and Scholarships is required to monitor and adjust students' financial aid awards to eliminate overawards and/or overpayments in compliance with federal and state regulations and institutional policy.

### **What is an Overaward?**

An overaward exists when any of the following situations occur:

#### Cost of Attendance Overaward

- The student's financial aid exceeds the student's Cost of Attendance (COA). Financial aid is defined as any educational cash or cash-equivalent benefits paid to the student's account or directly to the student because of enrollment, such as:
  - Pell Grants;
  - Direct Subsidized and Unsubsidized Loans;
  - Direct PLUS and Graduate PLUS Loans;
  - Long-term need-based loans;
  - Grants (federal, state, institutional, external)
  - Scholarships (federal, state, institutional, external), including athletic scholarships and scholarships that require future employment;
  - Employer reimbursement of employee's tuition;
  - Waivers of tuition and fees;
  - Net income from need-based employment such as FWS;
  - AmeriCorps awards or post-service benefits

### **How does an Overaward occur?**

Overawards are usually the result of the student receiving scholarship aid after the student's Financial Aid Package was created.

Overawards may also be created when the student's Student Aid Index, SAI, increases as a result of Verification. Overawards can result from application errors as well. Regardless of the reason for the overaward, the Office of Student Financial Aid and Scholarships is bound by regulations and policy to correct it.

Resolving the overaward could result in the student owing the University money if the overawarded financial aid funds have already disbursed to the student's account.

### **How are Overawards corrected?**

Following federal and state regulations and institutional policy, the Financial Aid will resolve the overaward in a way that is most favorable to the student.

To avert or alleviate an overaward, the Financial Aid Office will determine whether the student has increased costs that were not anticipated when the student was initially awarded. Following

## Overaward Policy

this step, if the student's total aid still exceeds their COA or financial need, loans will be canceled or reduced and returned to the lender. Following this step, if there is still an overaward and the student is employed under the Federal Work-Study Program, the student will be requested to stop working. If after loans and Federal Work-study have been adjusted and an overaward still remains, grants and scholarships or other forms of gift aid will be canceled or reduced.

**The order in which aid funds are adjusted or reduced to resolve an overaward is as follows:**

1. Private Student Loans.
2. Federal Direct PLUS Loan
3. Federal Direct Unsubsidized Loan
4. Federal Direct Subsidized Loan
5. FWS – Federal Work Study
6. FSEOG – Federal Student Educational Opportunity Grant
7. Other State Funds
8. Internal Scholarships
9. External Scholarships