

FREQUENTLY ASKED QUESTIONS FEDERAL TITLE IV

What are federal Title IV funds? Title IV funds are federal student aid funds, which are from federal student aid programs administered by the U.S. Department of Education. Title IV funds include Direct Subsidized/Unsubsidized Loan, Direct Graduate PLUS Loan, Direct PLUS Loan, Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), and Federal Perkins Loan. It does not include scholarships from the College or other private organizations.

How are Title IV funds applied to my student account? The Department of Education requires that Title IV funds be applied only to specific allowable charges. Allowable charges include: tuition, mandatory fees, and room and board if applicable, contracted by the College.

Why do I have an excess of Title IV funds? Excess Title IV funds occur when the total amount of Title IV aid funds disbursed to your student account exceeds charges for tuition, mandatory fees, and room and board if applicable, contracted by the College.

What is the purpose of the Title IV authorization form? Velvatex College of Beauty Culture, in compliance with federal regulations, must obtain the voluntary permission from the student or parent borrower to apply federal financial aid proceeds to pay for charges related to a prior term, future term, or charges other than tuition, mandatory fees, and room and board if applicable, contracted by the College.

Will signing the authorization form help me? Yes. By signing the form, any excess Title IV funds will be permitted to be applied to prior non-allowable charges as well as any future non-allowable charges during the loan period. Furthermore, signing the form will help prevent an “account hold” for unpaid charges, which would prohibit you from registering and enrolling for future semesters, obtaining grades/transcripts, and receiving your diploma.

My scholarship/fellowship covers my tuition and fees, so my Title IV funds should go toward covering the books, kit, uniform and any other allowable charges on my student account. It does not matter whether or not you have a scholarship/fellowship. Federal regulations require that Title IV funds pay for your tuition, mandatory fees, and room and board if applicable, contracted by the College, unless you sign the authorization form, which gives us permission to utilize Title IV funds to cover other non-allowable charges on your student account.

If I sign the authorization form, will I still be able to request a refund for the credit balance on my student account? Yes, your authorization is permission for the College to hold excess Title IV funds on your student account but it does not prevent you from requesting a refund. You may request a refund of excess Title IV funds or any other eligible credit balance on your student account during your enrollment at the College.

Do I need to sign a new authorization form each semester? No, by signing this document, you are granting the College authorization to retain excess Title IV funds while you are a student at the College, including breaks in enrollment. You may rescind your authorization at any time.

Does having an excess of Title IV funds mean that I have a credit balance on my student account? Not necessarily. An excess of Title IV funds means that the amount of your federal financial aid exceeds the allowable charges (as defined above).

Where should I send my signed Title IV authorization form? You may reply to the Title IV email that was sent to you. If you did not receive an email, you may obtain a form in the office.

If I still have questions, who can I contact? Please contact our office if you have any additional questions or concerns.