

T H E
LOS ANGELESSM
FILM SCHOOL

LAFS Procedure for Paying Federal Student Aid Credit Balances

The Los Angeles Film School (LAFS) receives disbursements each semester based on packaged and guaranteed financial aid. If a student borrows more than tuition to cover additional education costs within the confines of the Cost of Attendance (i.e. final project or living expenses), a stipend check will be issued to the student based on the following credit balance policy:

- Students must sign an 'Authorization to Hold a Federal Student Aid Credit Balance Form' in order for the school to issue a credit balance to the student/parent within the timeframes outlined below.
- All tuition for the semester in which a credit balance is scheduled must be received before a student can receive a stipend check. Any delays in providing documentation to financial aid or adjustments due to verification changes may result in a delay of the stipend check.
- Due to circumstances outside the institution's control, there are instances when a scheduled disbursement does not occur as the result of a processing error with the lender or Department of Education. When this happens, the funds do not post to the student account on the expected date. This situation will result in a delay of the stipend check as funds must be received in order to issue any credit balances to the student. The school will do everything possible to ensure that the matter is resolved as quickly as possible so as not to result in a lengthy delay.
- Schools must disburse credit balances to students within 14 days as a requirement of the U.S. Department of Education. Credit balances only occur after a disbursement is made on a student account. Once funds are received, the school can guarantee that a stipend check will be issued within 14 days between the date of disbursement to the institution and the issuing of a stipend check to a student. We encourage students to plan accordingly.
- If a student is using Stafford Loans as part of their total Financial Aid package, please note that there is a 30-day waiting period for the initial disbursement of loans to first time borrowers (this only applies for stipends issued in the first semester of the freshman academic year of study). Depending on the amount of funds borrowed above tuition and fees, this delay in Stafford loans will result in one of the following scenarios:
 - If projected stipend is less than net award of Stafford loan(s), there will be a delay of the entire stipend check until federal loans have disbursed and generated a credit balance on the student account.
 - If projected stipend is more than the net award of Stafford loan(s), there will be two stipend checks issued. The first will be based on a credit balance from funding not subject to the 30-day Stafford loan delay. The second check will be based on the additional credit balance that occurs as a result of the Stafford loan disbursement(s) following the 30-day rule.
- Per U.S. Department of Education regulations, the institution is required to issue credit balances for PLUS loans directly to the parent borrower unless we receive authorization in writing from the parent borrower (prior to loan disbursement) to release the check to the student. Please contact Financial Aid for more information and a copy of this form.
- If a student takes a leave of absence or does not attend one or more terms, a stipend in a subsequent semester may be reduced based on a change in enrollment status (particularly impacts federal aid recipients).

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- For students utilizing Post-9/11 G.I. Bill benefits and planning to use federal aid towards a credit balance on the student account, please note that disbursements of VA funding occur at monthly intervals based on certification of attendance. The school must wait until all tuition and fees for a semester are paid for before a stipend check can be issued. This may mean that the student will have to wait until the end of the semester before all monthly payments from the VA have been received before a credit balance shows up on the account and a check can be processed. Additionally, the Department of Veterans Affairs can take up to three months to issue disbursements to an institution upon certification of attendance, which may also result in delays of any potential credit balances to the student account. We encourage all post-9/11 GI Bill students to utilize their monthly BAH stipend from the Veteran's Administration and budget accordingly until all funding has been received for a semester of study.
- If a student borrows a private loan to cover living expense costs, all tuition and fees for a semester must be paid before a stipend check can be issued.
- All students must meet Satisfactory Academic Progress in order to receive timely disbursements of federal financial aid and subsequent stipend checks. Any students that are in a probationary status and fail to meet the terms of their Academic Improvement Plan will no longer be eligible to receive disbursements of federal or state assistance. Any stipends attached to these funds will be delayed until such time that the students regain eligibility. Please see the "Satisfactory Academic Progress" policy for further details.
- It is important to note that students who are academically dismissed or withdraw from the program may end up owing a balance to The Los Angeles Film School based on stipends issued for federal funding not yet earned (i.e. student attempted less than 60% of their semester).
- Stipend checks are disbursed on Fridays in the Business Office. If you have questions about your loan disbursements, please contact Financial Aid. Otherwise, if you have questions about the date and time to pick up stipend checks, please contact the Business Office directly.
- All fees for tuition, security deposit, and laptop/software package are deducted from the first stipend check. There is no option to defer these deductions from any future disbursements. The security deposit is refundable upon graduation and is contingent upon the student returning the equipment undamaged, cleared of all outstanding fees with Business Office, and receiving proper clearance from the Library, Student Development, and Operations. Laptop costs are non-refundable.