

Ohio Business College

Federal Supplemental Educational Opportunity Grant (FSEOG) Policy

Regulatory References:

- 34 CFR 676.10
- 34 CFR 676.16(a) and (e)
- 34 CFR 676.20

Purpose

This policy establishes the institutional procedures for awarding, packaging, and reconciling Federal Supplemental Educational Opportunity Grant (FSEOG) funds at Ohio Business College (OBC). The College is committed to administering FSEOG funds in compliance with all applicable federal regulations and ensuring the fair and equitable treatment of all eligible students.

Student Eligibility Requirements

To receive an FSEOG award, a student must:

- Demonstrate financial need;
- Meet the general Title IV eligibility requirements;
- Be enrolled or accepted for enrollment as an undergraduate student; and
- Not have previously earned a bachelor's or first professional degree.

OBC must make FSEOG funds reasonably available (to the extent funds are available) to all eligible students. No eligible student is excluded from consideration.

Eligibility is determined by a Financial Aid Administrator during the Title IV review and packaging process. The standard institutional award is \$100.00 per term/payment period, subject to available funds. Any award amount above this standard must receive written approval from the Regional Financial Aid Director.

At the conclusion of the awarding cycle, additional funds may be awarded up to the federal maximum of \$4,000 per academic year to offset student need, provided the student remains eligible.

Special Adjustment (Effective Fall 2025 Quarter Only):

LPN to RN program students, who are FSEOG eligible, will receive a \$300 per quarter adjustment to address a prior packaging error.

Selection of Recipients and Priority Groups

OBC follows the federally defined selection criteria. Students with the lowest Student Aid Index (SAI) who are Pell Grant recipients in the award year are given priority.

OBC has established three **Selection Groups**:

1. **First Selection Group:** Pell-eligible students with a zero SAI (including SAIs as low as –1500, treated consistently per institutional policy).
2. **Second Selection Group:** -1500-0 SAI students who have reached their 600% Pell Lifetime Eligibility Used (LEU) limit.
3. **Third Selection Group:** All other Pell-eligible students, prioritized by SAI and financial need.

All students within Selection Group 1 must be awarded prior to awarding Selection Groups 2 and 3.

Fund Allocation at Campus Level

The annual FSEOG allocation is divided among OBC campuses based on historical, current, and projected enrollment data. Allocations are further divided between new and continuing students.

- **New Students:** Allocation is divided across start dates proportionally to historical and anticipated enrollment.
- **Continuing Students:** Awards are made each term until funds are exhausted.

Funds are reserved to ensure availability throughout the award year for each class start.

Awarding and Packaging Procedures

OBC awards FSEOG in accordance with federal and institutional policy:

New Students

1. Financial Aid Representatives tentatively award FSEOG to negative - zero SAI applicants during the estimate and packaging appointment.
2. Awards are made for the entire academic year, disbursed by payment period.

Continuing Students

1. FSEOG is awarded by term/payment period based on Selection Group priority until allocated funds are exhausted.

Reclaimed Funds

1. Reclaimed funds are defined as FSEOG dollars returned due to loss of eligibility (e.g., withdrawal).
2. These funds are re-awarded to eligible new or continuing students, prioritized by Selection Group and financial need.
3. Reclaimed funds are awarded until exhausted.

Award Amounts

- **Minimum Award:** \$100 per academic year (prorated if less than full-year enrollment).
- **Maximum Award:** \$4,000 per academic year (\$4,400 for approved study-abroad programs).

Awards may be disbursed in equal or unequal installments across payment periods, consistent with student costs and enrollment status.

Frequency and Method of Disbursements

FSEOG awards are divided by the number of payment periods attended. Disbursements may be adjusted to best meet student needs, provided they remain within federal and institutional guidelines.

Pell Grant LEU Consideration

Students who have reached the 600% Pell Grant LEU remain eligible for FSEOG and are placed in the Second Selection Group.

Internal Controls and Reconciliation

- FSEOG funds must be reconciled monthly, comparing drawdowns recorded in G6, institutional bank deposits, and disbursements to students.
- Fiscal and program records must be reviewed monthly to ensure accuracy in anticipated vs. actual disbursements.
- Discrepancies must be investigated and resolved promptly.

Compliance and Documentation

OBC maintains documentation of:

- Student eligibility and SAI determination;
- Pell Grant eligibility confirmation;
- Selection Group assignment;
- Award and disbursement records; and
- Reconciliation reports.

Policies are applied consistently to ensure compliance with the “reasonably available” requirement of federal regulations.

Effective Date: Summer 2025

Review Cycle: Annually, or as required by federal regulation changes