

Gifts and Prizes Policy
Ferris State University Policy and Procedure
Office of Financial Aid

Owner: Director

Staff responsible: All

Effective: 05/28/15

Reviewed/Revised: 08/04/20

Applicable Federal (or State, or Institutional) Guidance:

FSA Handbook Volume 3

Applicable FSU Reports:

None

Financial Aid Policy:

This Policy Statement outlines the standard practice for payments to students from academic or other units when the payments are made for non-employment purposes. To comply with US Department of Education regulations, student payments, awards, prizes, and gifts (here after referred to as "Resources") for academic pursuits or achievements must be reported to the Financial Aid Office. Academic pursuit is defined as any involvement or activity for the purpose of aiding or enhancing his/her education, study, training or research.

Payments to students who are receiving other forms of financial aid for any purpose are a form of financial assistance and may require one of the following actions to be taken, regardless of the University system used to make the payment:

- An adjustment to the financial aid award that the student has already received in the current semester or may receive in a subsequent semester, and /or
- An adjustment to the student's overall cost of attendance budget.

The Financial Aid Office has the responsibility to determine whether adjustments are necessary. Department representatives making awards or payments to the student have the responsibility to inform the Financial Aid Office about the student's financial assistance and the semester for which it is effective (i.e., Fall 20xx, Spring 20xx, Summer 20xx) through a designated web based form in MyFSU.

Overview:

Ferris State University has determined that all non-employment resources will be entered into the Financial Aid module of the student information system, Banner, in order that all such resources will be monitored appropriately. The Financial Aid Office is responsible for determining the effect of student resources on all federal and state financial aid as well as on institutional aid programs and athletic awards. Federal Regulations state that it is the responsibility of other offices at the institution to share with the Financial Aid Office any information that impacts a student's Title IV (Financial Aid) eligibility. The Financial Aid Office will determine if this resource must be considered in the student's financial aid package and if any adjustments to the Cost of Attendance may be made to offset this award. Any resource must be reported to the Financial Aid Office as soon as possible after a decision has been made to offer a student a resource and, whenever possible, prior to notifying the student of said resource.

What is considered a resource?

Types of things that must be considered are gifts, prizes or awards given to students including cash, gift cards and physical items. Examples of this may include gifts given by departments to top performing students, random drawing prizes for students completing surveys, registration or travel fees for conferences etc.

(Note: Prizes awarded for competition open to both students and non-students alike are NOT considered resources).

The basic test to determine if an item needs to be counted as a resource would be: If the gift/prize/award, was given as a result of being a Ferris student and it is not considered employment then it must be counted as a resource.

Payment for wages is not considered a resource and must be run through the normal FSU Student Employment process.

How is the resource applied to the students account?

If the resource occurs in an ongoing or annual basis, it should be set up as a scholarship fund.

If the resource is in the form of a payment to students (not gift cards, physical gifts etc.) but does not occur in an ongoing or re-occurring fashion then it should be set up and run as a Miscellaneous Scholarship. By using the designated Ferris web based form, the Department representative will indicate that it wants to process a Miscellaneous Scholarship. Funds must be transferred from the Department FOAP to a designated Financial Aid Office FOAP. The scholarship will not be awarded until the funds have transferred and the payment will be applied to the student account.

All other resources should be reported using the designated Ferris web based form. Any exceptions to these formats are subject to the discretion of the Financial Aid Director.

Students may not receive cash or checks directly from academic or support units for any Resources, defined as an academic pursuit per this policy. These payments must be made through the Banner financial aid module.

Procedures:

All reporting is to be done through a designated Ferris web based form that will require the following items to be completed:

- Student Name and ID
- Type and value of resource
- Specific expense (if any) this amount is meant to cover.
- Semester for which resource is given

Determining what has to be counted as a resource

The Financial Aid Office will review the award information that is submitted and determine if it must be considered a resource and be included in the calculation of the student's financial aid package. Doing so may or may not reduce other financial aid awards. If it does affect financial aid, the FSU Over award policy will apply.

Offsetting educational expenses

If the resource awarded to a student is for an educational purpose and can be considered as one of the approved Cost of Attendance expense items, the Financial Aid Office may allow the Cost of Attendance to be increased to allow these additional countable resources. Upon receipt of the web based form, the Financial Aid Office may request additional documentation from the requestor, if necessary, to support the educational purpose for which the funds are given. This may allow the students aid to remain the same as the increased Cost of Attendance expense would offset the award.

Aid for Non-Enrolled Terms:

Resources should be awarded only for semesters in which a student is enrolled. The department or office that makes the award must designate the semester(s) to which the aid applies.