



# IMPLEMENTATION REMINDER –

**Release date:** 4/05/2011

**Requirement:** Disbursement Rules Include Timely Book and Supply Allowance

**Regulation / Law:** Final Rules published in the Federal Register on Oct. 29, 2010  
<http://edocket.access.gpo.gov/2010/pdf/2010-26531.pdf>

**Effective Date:** 07/01/2011 (Institutions must monitor the new rules no later than the end of the first payment period that begins after July 1. For example, semester schools may monitor for the first time under these rules at the end of fall semester. Policy must be published in advance, however.)

**Summary:** An institution is required to provide a way for a Federal Pell Grant eligible student to obtain or purchase required books and supplies by the seventh day of a payment period under certain conditions if the student were to have a Title IV credit balance. Institutions may issue a bookstore voucher, make a cash disbursement, issue a stored-value card, or otherwise extend credit to students to make needed purchases. The institution has the flexibility to choose one or more of these disbursement methods.

Institutions are required to provide consumer information regarding the method in which Title IV, HEA funds are made available to students. Institutions must also provide a manner by which students can opt out of the institutionally proscribed disbursement method. The institution may, but is not required to, offer the student another way to purchase books and supplies so long as it does not otherwise delay providing funds to the student as a credit balance.

Institutions do not need to obtain written authorization from the student to credit a student's account at the institution for the books and supplies

**Impact Areas:** Advising, Athletics, Financial Aid, Instruction, Provost, Registrar.

**Resources:** NASFAA –  
[http://www.nasfaa.org/Main/Original\\_Content\\_Format/2010/Final\\_Program\\_Integrity\\_Rules\\_\\_Disbursement\\_Rules\\_Include\\_Timely\\_Book\\_\\_\\_Supply\\_Allowance.aspx](http://www.nasfaa.org/Main/Original_Content_Format/2010/Final_Program_Integrity_Rules__Disbursement_Rules_Include_Timely_Book___Supply_Allowance.aspx)