

Purpose

According to the Department of Education, if the intended recipient of any prize or award is a student, meaning the recipient would not be eligible for the prize without enrollment at Dakota College at Bottineau (DCB), federal regulations mandate that any financial assistance shall be included in their financial aid package (HEA section 480(j)). Funds distributed from DCB to students must be properly accounted for so that DCB remains in compliance with federal financial aid.

Policy

Prizes may be categorized as cash, non-cash gifts (such as electronics), or cash equivalents (such as gift cards). Common items given to students that should be reported to the Financial Aid office include:

- gift cards,
- gas cards,
- personal miscellaneous items (i.e., a computer, tablet, or electronics),
- items likely to be exchanged for cash.

Items given to students that can be excluded from consideration include:

- plaques,
- medals,
- trophies,
- coffee-table books (versus textbooks or course-required readings),
- items of nominal value that are not educationally related,
- prizes not tracked (such as t-shirts thrown into a crowd).

If a recipient was not required to be a student and the contest was open to multiple audiences, the prize or award does not need to be reported to the Financial Aid office.

Non-cash gifts (such as electronics) or cash equivalent (such as gift cards) are placed on the student's account as a placeholder, there are no associated disbursement processes or potential refunds since the student has received the prize. The Financial Aid office will add the amount received to the student's Financial Aid total. If the student has exceeded their "need" or their cost of attendance (COA), the cash or gift card will replace loans or other aid. The student will be responsible for paying DCB back for "returned" Financial Aid. If the student has not met their "need" or COA in the Financial Aid package, then the amount will just be added to their total package. In general, unless it is considered a wage, it is considered financial assistance.

Section 668.16(b)(3) of the standards of administrative capability regulations requires all campus offices to report to the financial aid office any information that may have a bearing on a student's receipt of Title IV federal student aid. [34 CFR 668.16(b)(3); 673.5; 685.201]. The following



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notification statement will be provided to students before receiving prizes or awards: I understand and agree that per guidance from the U.S. Department of Education “a monetary award or prize provided by or through the school to a student must be treated as estimated financial assistance” under 34 CFR 673.5, 682.200 or 682.102, and as a result, my receipt of this non-cash prize will be reported to DCB’s Financial Aid Office (if you have questions regarding how this would affect your financial aid, please contact Financial Aid at 701-228-5437).

Students will sign the Prize and Award Disbursement log available in Student Services from the Financial Aid Director indicating that they have read and understood the notification statement.