Distribution of Aid Disbursements

Overview
It is the policy of the University of Michigan that refunds from financial aid disbursements be paid directly to students via the Payroll system. The two standard options for disbursements are direct deposit and U.S. Mail.

Business Process

Direct Deposit (recommended option). Students may authorize the direct deposit of financial aid funds to their selected financial institution (bank, credit union, and/or savings and loan association).

- The student completes the “Direct Deposit Authorization” form. The Payroll Office must receive the request at least two weeks prior to the scheduled disbursement.
- If the student changes their financial institution, a new “Direct Deposit Authorization” form must be completed again, at least two weeks prior to the scheduled disbursement.
- Awarding offices are urged to encourage students to promptly complete Direct Deposits forms as soon as an offer of assistance is accepted that will require Payroll distribution.

U.S. Mail – If Direct Deposit arrangements have not been made, refunds for financial aid issued via Payroll will be sent to the student via U.S. mail. The following address logic (using the address data populated in the Student Administration database) will be used to determine where the check will be sent:

1. CURRENT: As provided during admission or updated by the student via Wolverine Access. Please remind your students of the importance of making timely and accurate updates to their current addresses to ensure prompt delivery of financial aid funds! This is especially important for new students.

2. PERMANENT: As provided during admissions or updated by the student via Wolverine Access.

3. BILLING: If no current or permanent address exists on the central student administration’s record, the check will be sent to the student’s billing address.

4. If there is not an active current, permanent, or billing address, the funds remain on the student’s account. Student Accounts will email the student and inform them there is a refund on hold that cannot be released until an active address is entered into Wolverine Access. This is true even if the student has direct deposit.

TO REQUEST DIRECT DEPOSIT
The “Direct Deposit Authorization” form can be requested by calling the Payroll Office at 764-8253, and it is available on the Payroll Office’s web site at [http://www.payroll.umich.edu/](http://www.payroll.umich.edu/) (select “Forms / Tables”).