As a representative for civil rights organizations and a recent student, we appreciate the Department’s proposal in §668.164(c)(1) to require institutions to return remaining Title IV funds from meal plans to students. The institutional practice of “sweeping” these meal plans at the end of the semester as revenue to the college, rather than providing funds designed to help students afford their costs of attendance back to those students, creates significant challenges for responsible budgeting and unfairly deprives students of funds they need to pay for school supplies, living costs, and other costs of attendance.

However, many institutions currently use meal plans in which students purchase “vouchers” or “swipes” for meals. To avoid a possible loophole in the Department’s proposal, we propose to further clarify that the funds institutions must return from meal plans include the value of such vouchers. The Department’s proposed language appears in red, below; my proposed addition is highlighted in yellow.

34 CFR §668.164(c)

(c) Crediting a student's ledger account.

(1) An institution may credit a student's ledger account with title IV, HEA program funds to pay for allowable charges associated with the current payment period. Allowable charges are—

   (i) The amount of tuition, fees, and institutionally provided room and board assessed the student for the payment period or as provided in paragraph (c)(5) of this section, the prorated amount of those charges if the institution debits the student’s ledger account for more than the charges associated with the payment period. Any title IV, HEA program funds allocated for meal plans must be fully utilized for the benefit of the respective students. No institution may retain unused meal plan funds that were paid for with title IV, HEA program funds, and any remaining balance, including the cash value of any unused meal vouchers, at the end of the payment period must be returned to the student as soon as possible but no later than 14 days after the end of the payment period;

   (ii) The amount incurred by the student for the payment period for purchasing books, supplies, and other educationally related goods and services provided by the institution for which the institution obtains the student's or parent's authorization under § 668.165(b).