

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Max** Social Security Number — —

Step 1: Basic Information

	Disbursed	Could Have Been Disbursed		Disbursed	Could Have Been Disbursed
Unsubsidized Stafford Loan	_____	_____	Federal PLUS	_____	_____
Subsidized Stafford Loan	_____	_____	Direct PLUS	_____	_____
Unsubsidized Direct Loan	_____	_____	Pell Grant	_____	_____
Subsidized Direct Loan	_____	_____	FSEOG	_____	_____
Perkins Loan	_____	_____	Other Title IV Programs <small>(Do not include FWS)</small>	_____	_____

A. Title IV aid disbursed (NOT aid that could have been disbursed) for the payment or enrollment period A.

B. Total Title IV aid disbursed, or that could have been disbursed, for the payment or enrollment period B.

C. Percentage of payment period or enrollment period completed
 If school is not required to take attendance and student withdrew without notification, enter 50% in line C (or the school may choose to use a documented attendance date that is past the 50% point)

Withdrawal date / / Payment or enrollment period start date / / (start date) and end date / / (end date)

Calendar days completed in the payment or enrollment period divided by the total calendar days in the payment or enrollment period ,

OR

Clock hours completed in the payment or enrollment period divided by the total clock hours in the payment or enrollment period , C.

D. Institutional charges for the payment or enrollment period D.

E. Percentage of Title IV aid earned (equal to line C up to 60%, otherwise 100%) E.

F. Percentage of Title IV aid unearned (100% – line E) F.

Step 2: Amount of Title IV Aid Earned by Student

G. Percentage of Title IV aid earned (line E) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

 (line E) x (line B) G.

Step 3: Amount of Title IV Aid Unearned by Student

H. Percentage of Title IV aid unearned (line F) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

 (line F) x (line B) H.

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Max**

Step 4: Total Title IV Aid to be Disbursed

I. If the amount of Title IV aid earned (line G) is greater than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the Title IV aid disbursed for the payment or enrollment period (line A) from the amount of Title IV aid earned (line G). This is the amount of disbursement due.

<input type="text"/>	-	<input type="text"/>		I. <input type="text"/>
(line G)		(line A)		(total due)



If a disbursement is due, **DO NOT** complete steps 5-9

Step 5: Amount of Unearned Title IV Aid to be Returned

J. If the amount of Title IV aid earned (line G) is less than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the amount of Title IV aid earned (line G) from Title IV aid disbursed for the payment or enrollment period (line A). This is the amount of Title IV aid that must be returned.

<input type="text"/>	-	<input type="text"/>		J. <input type="text"/>
(line A)		(line G)		

Step 6: Amount of Unearned Title IV Aid Due From the SCHOOL

K. Institutional charges for the payment or enrollment period (line D) are multiplied by the percentage of Title IV aid unearned (line F).

<input type="text"/>	x	<input type="text"/>		K. <input type="text"/>
(line D)		(line F)		

L. Compare the amount of Title IV aid unearned (line H) to line K and enter the lesser amount.

L.

Step 7: Funds to be Returned by the SCHOOL

The school must return the unearned aid for which the school is responsible (line L) by repaying funds to the following sources, in the following order, up to the total received from each source until the amount in line L is reached.

	Amount for School to Return	Amount Remaining for the Program		Amount for School to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan	_____	_____	6. Federal PLUS	_____	_____
2. Subsidized Stafford Loan	_____	_____	7. Direct PLUS	_____	_____
3. Unsubsidized Direct Loan	_____	_____	8. Pell Grant	_____	_____
4. Subsidized Direct Loan	_____	_____	9. FSEOG	_____	_____
5. Perkins Loan	_____	_____	10. Other Title IV Programs	_____	_____

Step 8: Amount of Unearned Title IV Aid Due From the STUDENT

M. The amount of Title IV aid unearned to be returned (line J) minus the amount of Title IV aid due from the school (line L).

<input type="text"/>	-	<input type="text"/>		M. <input type="text"/>
(line J)		(line L)		

Step 9: Funds to be Returned by the STUDENT

The student (or parent for a PLUS Loan) must return unearned aid for which the student (or parent) is responsible (line M) in the following order:

	Amount for Student to Return	Amount Remaining for the Program		Initial Amount to Return	Amount for Student to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan	_____	_____	8. Pell Grant	_____	x 50% = _____	_____
2. Subsidized Stafford Loan	_____	_____	9. FSEOG	_____	x 50% = _____	_____
3. Unsubsidized Direct Loan	_____	_____	10. Other Title IV Programs	_____	_____	_____
4. Subsidized Direct Loan	_____	_____				
5. Perkins Loan	_____	_____				
6. Federal PLUS Loan	_____	_____				
7. Direct PLUS Loan	_____	_____				

Remember—Loan amounts are returned according to the terms of the loan.

d. Grant Overpayments

Notes



Grant Overpayments

- ◆ School collects that portion of the grant owed by the student.
- ◆ If school can't collect from the student, it reports the overpayment to NSLDS within 30 days if it determines student owes an overpayment.
- ◆ Student loses eligibility for Title IV aid unless the overpayment is paid in full or satisfactory repayment arrangements are made.

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2. Consumer Information Requirements



Consumer Information Requirements

Schools must provide the following consumer information to all enrolled and prospective students:

- ◆ all refund policies,
- ◆ requirements of the new “return of Title IV aid” procedures, and
- ◆ all requirements for officially withdrawing from school.

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3. Refunds—The “Old” Method

- Schools must provide for a refund of unearned tuition, fees, room and board, and other charges assessed to students who received Title IV aid.
- Chapter 3, Section 4, of the 1998-99 *Federal Student Aid Handbook* contains an in-depth discussion and case studies on refunds and repayments.



Refund and Repayment (“Old” Method)

School provides a refund for unearned tuition, fees, room and board, and other charges.

- ◆ Unearned portion returned as a refund on behalf of the student.
- ◆ School must also assess if student owes a repayment of unearned funds.

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Excluded Institutional Charges (“Old” Method)

- ◆ Administrative fee
- ◆ Documented cost of unreturnable equipment
- ◆ Documented cost of returned equipment not in good condition

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Notes



Fair and Equitable Refund ("Old" Method)

A school must provide Title IV recipients with a refund that is at least as much as the largest refund under the following three methods:

- ◆ a state refund policy under applicable state law or regulations issued by a state agency established through an enforceable regulatory process,
- ◆ a refund policy established by a nationally recognized accrediting agency and approved by ED, or
- ◆ a pro rata calculation.

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Fair and Equitable Refund ("Old" Method) (cont'd)

To determine largest refund, the school must:

- ◆ calculate the results of each method separately,
- ◆ compare the results, and
- ◆ use the calculation that provides the largest result.

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- In cases where the pro rata calculation does not apply and where no state or accrediting agency standards exist, the school must compare the federal refund calculation with the school's own policy, if one exists. Then the school uses the calculation that produces the larger refund.

4. Unpaid Charges—The “Old” Method

Notes



Unpaid Charges (“Old” Method)

When calculating a refund, a school must first determine a student’s unpaid charges.

Total Institutional Charges

-Total Aid Paid to Institutional Charges

=Student’s Scheduled Cash Payment

-Student’s Cash Paid

=Unpaid Charges



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- Late disbursements of Title IV aid count toward the amount of total aid paid.

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Ellen** Social Security Number **XXX—XX — XXXX**

Step 1: Basic Information

	Disbursed	Could Have Been Disbursed		Disbursed	Could Have Been Disbursed
Unsubsidized Stafford Loan	_____	_____	Federal PLUS	_____	_____
Subsidized Stafford Loan	_____	\$975	Direct PLUS	_____	_____
Unsubsidized Direct Loan	_____	_____	Pell Grant	\$1,500	_____
Subsidized Direct Loan	_____	_____	FSEOG	\$ 500	_____
Perkins Loan	_____	_____	Other Title IV Programs <small>(Do not include FWS)</small>	_____	_____

A. Title IV aid disbursed (NOT aid that could have been disbursed) for the payment or enrollment period **A. \$2,000**

B. Total Title IV aid disbursed, or that could have been disbursed, for the payment or enrollment period **B. \$2,975**

C. Percentage of payment period or enrollment period completed
 If school is not required to take attendance and student withdrew without notification, enter 50% in line C (or the school may choose to use a documented attendance date that is past the 50% point)

Withdrawal date **9/20/99** Payment or enrollment period start date **9/7/99** and end date **12/27/99**
(start date) (end date)

Calendar days completed in the payment or enrollment period divided by the total calendar days in the payment or enrollment period **14** , **112**

OR

Clock hours completed in the payment or enrollment period divided by the total clock hours in the payment or enrollment period

C. 12.5%

D. Institutional charges for the payment or enrollment period **D. \$7,600**

E. Percentage of Title IV aid earned (equal to line C up to 60%, otherwise 100%) **E. 12.5%**

F. Percentage of Title IV aid unearned (100% – line E) **F. 87.5%**

Step 2: Amount of Title IV Aid Earned by Student

G. Percentage of Title IV aid earned (line E) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

G. \$371.87

Step 3: Amount of Title IV Aid Unearned by Student

H. Percentage of Title IV aid unearned (line F) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

H. \$2,603.13

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Ellen**

Step 4: Total Title IV Aid to be Disbursed

I. If the amount of Title IV aid earned (line G) is greater than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the Title IV aid disbursed for the payment or enrollment period (line A) from the amount of Title IV aid earned (line G). This is the amount of disbursement due.

\$371.87 (line G) - **\$2,000** (line A) = I. **-\$1,628.13** (total due)



If a disbursement is due, **DO NOT** complete steps 5-9

Step 5: Amount of Unearned Title IV Aid to be Returned

J. If the amount of Title IV aid earned (line G) is less than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the amount of Title IV aid earned (line G) from Title IV aid disbursed for the payment or enrollment period (line A). This is the amount of Title IV aid that must be returned.

\$2,000 (line A) - **\$371.87** (line G) = J. **\$1,628.13**

Step 6: Amount of Unearned Title IV Aid Due From the SCHOOL

K. Institutional charges for the payment or enrollment period (line D) are multiplied by the percentage of Title IV aid unearned (line F).

\$7,600 (line D) × **87.5%** (line F) = K. **\$6,650**

L. Compare the amount of Title IV aid unearned (line H) to line K and enter the lesser amount.

L. **\$2,603.13**

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Step 7: Funds to be Returned by the SCHOOL

The school must return the unearned aid for which the school is responsible (line L) by repaying funds to the following sources, in the following order, up to the total received from each source until the amount in line L is reached.

	Amount for School to Return	Amount Remaining for the Program		Amount for School to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			6. Federal PLUS		
2. Subsidized Stafford Loan	\$975	\$0	7. Direct PLUS		
3. Unsubsidized Direct Loan			8. Pell Grant	\$ 1,500	\$0
4. Subsidized Direct Loan			9. FSEOG	\$ 128.13	\$371.87
5. Perkins Loan			10. Other Title IV Programs		

Step 8: Amount of Unearned Title IV Aid Due From the STUDENT

M. The amount of Title IV aid unearned to be returned (line J) minus the amount of Title IV aid due from the school (line L).

\$1,628.13 (line J) - **\$2,603.13** (line L) = M. **\$0**

Step 9: Funds to be Returned by the STUDENT

The student (or parent for a PLUS Loan) must return unearned aid for which the student (or parent) is responsible (line M) in the following order:

	Amount for Student to Return	Amount Remaining for the Program		Initial Amount to Return	Amount for Student to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			8. Pell Grant			
2. Subsidized Stafford Loan			9. FSEOG			
3. Unsubsidized Direct Loan			10. Other Title IV Programs			
4. Subsidized Direct Loan						
5. Perkins Loan						
6. Federal PLUS Loan						
7. Direct PLUS Loan						

Remember—Loan amounts are returned according to the terms of the loan.

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Ellen, again** Social Security Number **XXX — XX — XXXX**

Step 1: Basic Information

	Disbursed	Could Have Been Disbursed		Disbursed	Could Have Been Disbursed
Unsubsidized Stafford Loan	<u> </u>	<u> </u>	Federal PLUS	<u> </u>	<u> </u>
Subsidized Stafford Loan	\$975	<u> </u>	Direct PLUS	<u> </u>	<u> </u>
Unsubsidized Direct Loan	<u> </u>	<u> </u>	Pell Grant	\$1,500	<u> </u>
Subsidized Direct Loan	<u> </u>	<u> </u>	FSEOG	\$ 500	<u> </u>
Perkins Loan	<u> </u>	<u> </u>	Other Title IV Programs <small>(Do not include FWS)</small>	<u> </u>	<u> </u>

A. Title IV aid disbursed (NOT aid that could have been disbursed) for the payment or enrollment period **A. \$2,975**

B. Total Title IV aid disbursed, or that could have been disbursed, for the payment or enrollment period **B. \$2,975**

C. Percentage of payment period or enrollment period completed
 If school is not required to take attendance and student withdrew without notification, enter 50% in line C (or the school may choose to use a documented attendance date that is past the 50% point)

Withdrawal date **10/4/99** Payment or enrollment period start date **9/7/99** and end date **12/27/99**
(start date) (end date)

Calendar days completed in the payment or enrollment period divided by the total calendar days in the payment or enrollment period **28** , **112**

OR

Clock hours completed in the payment or enrollment period divided by the total clock hours in the payment or enrollment period **C. 25%**

D. Institutional charges for the payment or enrollment period **D. \$7,600**

E. Percentage of Title IV aid earned (equal to line C up to 60%, otherwise 100%) **E. 25%**

F. Percentage of Title IV aid unearned (100% – line E) **F. 75%**

Step 2: Amount of Title IV Aid Earned by Student

G. Percentage of Title IV aid earned (line E) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)
25% (line E) x **\$2,975** (line B) **G. \$743.75**

Step 3: Amount of Title IV Aid Unearned by Student

H. Percentage of Title IV aid unearned (line F) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)
75% (line F) x **\$2,975** (line B) **H. \$2,231.25**

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Ellen, again**

Step 4: Total Title IV Aid to be Disbursed

I. If the amount of Title IV aid earned (line G) is greater than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the Title IV aid disbursed for the payment or enrollment period (line A) from the amount of Title IV aid earned (line G). This is the amount of disbursement due.

\$743.75 (line G) - **\$2,975** (line A) = I. **-\$2,231.25** (total due)



If a disbursement is due, **DO NOT** complete steps 5-9

Step 5: Amount of Unearned Title IV Aid to be Returned

J. If the amount of Title IV aid earned (line G) is less than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the amount of Title IV aid earned (line G) from Title IV aid disbursed for the payment or enrollment period (line A). This is the amount of Title IV aid that must be returned.

\$2,975 (line A) - **\$743.75** (line G) = J. **\$2,231.25**

Step 6: Amount of Unearned Title IV Aid Due from the SCHOOL

K. Institutional charges for the payment or enrollment period (line D) are multiplied by the percentage of Title IV aid unearned (line F).

\$7,600 (line D) x **75%** (line F) = K. **\$5,750**

L. Compare the amount of Title IV aid unearned (line H) to line K and enter the lesser amount.

L. **\$2,231.25**

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Step 7: Funds to be Returned by the SCHOOL

The school must return the unearned aid for which the school is responsible (line L) by repaying funds to the following sources, in the following order, up to the total received from each source until the amount in line L is reached.

	Amount for School to Return	Amount Remaining for the Program		Amount for School to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			6. Federal PLUS		
2. Subsidized Stafford Loan	\$975	\$0	7. Direct PLUS		
3. Unsubsidized Direct Loan			8. Pell Grant	\$1,256.25	\$243.75
4. Subsidized Direct Loan			9. FSEOG		
5. Perkins Loan			10. Other Title IV Programs		

Step 8: Amount of Unearned Title IV Due from the STUDENT

M. The amount of Title IV aid unearned to be returned (line J) minus the amount of Title IV aid due from the school (line L).

\$2,231.25 (line J) - **\$2,231.25** (line L) = M. **\$0**

Step 9: Funds to be Returned by the STUDENT

The student (or parent for a PLUS Loan) must return unearned aid for which the student (or parent) is responsible (line M) in the following order:

	Amount for Student to Return	Amount Remaining for the Program		Initial Amount to Return	Amount for Student to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			8. Pell Grant			
2. Subsidized Stafford Loan			9. FSEOG			
3. Unsubsidized Direct Loan			10. Other Title IV Programs			
4. Subsidized Direct Loan						
5. Perkins Loan						
6. Federal PLUS Loan						
7. Direct PLUS Loan						

Remember—Loan amounts are returned according to the terms of the loan.

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Max** Social Security Number **XXX —XX —XXXX**

Step 1: Basic Information

	Disbursed	Could Have Been Disbursed		Disbursed	Could Have Been Disbursed
Unsubsidized Stafford Loan	_____	_____	Federal PLUS	_____	_____
Subsidized Stafford Loan	_____	_____	Direct PLUS	_____	_____
Unsubsidized Direct Loan	_____	_____	Pell Grant	\$1,325	_____
Subsidized Direct Loan	_____	_____	FSEOG	\$ 250	_____
Perkins Loan	\$1,300	_____	Other Title IV Programs <small>(Do not include FWS)</small>	_____	_____

A. Title IV aid disbursed (NOT aid that could have been disbursed) for the payment or enrollment period **A. \$2,875**

B. Total Title IV aid disbursed, or that could have been disbursed, for the payment or enrollment period **B. \$2,875**

C. Percentage of payment period or enrollment period completed
 If school is not required to take attendance and student withdrew without notification, enter 50% in line C (or the school may choose to use a documented attendance date that is past the 50% point)

Withdrawal date **2 / 2 / 99** Payment or enrollment period start date **1 / 3 / 99** and end date **4 / 17 / 99**
(start date) (end date)

Calendar days completed in the payment or enrollment period divided by the total calendar days in the payment or enrollment period _____ , _____

OR

Clock hours completed in the payment or enrollment period divided by the total clock hours in the payment or enrollment period

180 , **450** **C. 40%**

D. Institutional charges for the payment or enrollment period **D. \$1,000**

E. Percentage of Title IV aid earned (equal to line C up to 60%, otherwise 100%) **E. 40%**

F. Percentage of Title IV aid unearned (100% – line E) **F. 60%**

Step 2: Amount of Title IV Aid Earned by Student

G. Percentage of Title IV aid earned (line E) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

40% (line E) x **\$2,875** (line B) **G. \$1,150**

Step 3: Amount of Title IV Aid Unearned by Student

H. Percentage of Title IV aid unearned (line F) multiplied by Title IV aid disbursed or that could have been disbursed for the payment or enrollment period (line B)

60% (line F) x **\$2,875** (line B) **H. \$1,725**

Treatment of Title IV Funds When a Student Withdraws

Student's Name **Max**

Step 4: Total Title IV Aid to be Disbursed

I. If the amount of Title IV aid earned (line G) is greater than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the Title IV aid disbursed for the payment or enrollment period (line A) from the amount of Title IV aid earned (line G). This is the amount of disbursement due.

\$1,150 (line G) - **\$2,875** (line A) = I. **-\$1,725** (total due)



If a disbursement is due, **DO NOT** complete steps 5-9

Step 5: Amount of Unearned Title IV Aid to be Returned

J. If the amount of Title IV aid earned (line G) is less than the amount of Title IV aid disbursed for the payment or enrollment period (line A), subtract the amount of Title IV aid earned (line G) from Title IV aid disbursed for the payment or enrollment period (line A). This is the amount of Title IV aid that must be returned.

\$2,875 (line A) - **\$1,150** (line G) = J. **\$1,725**

Step 6: Amount of Unearned Title IV Aid Due From the SCHOOL

K. Institutional charges for the payment or enrollment period (line D) are multiplied by the percentage of Title IV aid unearned (line F).

\$1,000 (line D) x **60%** (line F) = K. **\$600**

L. Compare the amount of Title IV aid unearned (line H) to line K and enter the lesser amount.

L. **\$600**

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Step 7: Funds to be Returned by the SCHOOL

The school must return the unearned aid for which the school is responsible (line L) by repaying funds to the following sources, in the following order, up to the total received from each source until the amount in line L is reached.

	Amount for School to Return	Amount Remaining for the Program		Amount for School to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			6. Federal PLUS		
2. Subsidized Stafford Loan			7. Direct PLUS		
3. Unsubsidized Direct Loan			8. Pell Grant		\$1,325
4. Subsidized Direct Loan			9. FSEOG		\$250
5. Perkins Loan	\$600	\$700	10. Other Title IV Programs		

Step 8: Amount of Unearned Title IV Aid Due From the STUDENT

M. The amount of Title IV aid unearned to be returned (line J) minus the amount of Title IV aid due from the school (line L).

\$1,725 (line J) - **\$600** (line L) = M. **\$1,125**

Step 9: Funds to be Returned by the STUDENT

The student (or parent for a PLUS Loan) must return unearned aid for which the student (or parent) is responsible (line M) in the following order:

	Amount for Student to Return	Amount Remaining for the Program		Initial Amount to Return	Amount for Student to Return	Amount Remaining for the Program
1. Unsubsidized Stafford Loan			8. Pell Grant	\$425	\$212.50	\$1,112.50
2. Subsidized Stafford Loan			9. FSEOG			
3. Unsubsidized Direct Loan			10. Other Title IV Programs			
4. Subsidized Direct Loan						
5. Perkins Loan	\$700	\$0				
6. Federal PLUS Loan						
7. Direct PLUS Loan						

Remember—Loan amounts are returned according to the terms of the loan.