

Return of Title IV Funds Policy

The term "Title IV Funds" refers to the federal financial aid programs authorized under the Higher Education Act of 1965 (as amended) and, for students enrolled at The University, includes the following programs: unsubsidized Direct Loans and Direct PLUS Loans.

Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

According to the 1998 Amendments to the Higher Education Act, Section 484B, The University is required to determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student was scheduled to be in attendance. Up through the 60% point in each payment period, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the payment period, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. For a student who withdraws after the 60% point in time, there are no unearned funds.

This policy applies to students who withdraw, are approved for a leave of absence for longer than 180 days, or are academically dismissed from the institution. Tuition refunds for these students are determined in accordance with the following policy.

1. A student's withdrawal date is:

- a) the student's last date of attendance as documented by academically related activity (reported by the study program)
- b) an unofficial withdrawal (withdrawals without notification). In this case, the study program will check the last date of activity and may use a midpoint of term when this information cannot be established.

2. Determining the amount of Title IV funds to be returned:

- When Title IV funds are due for return, the school and the student may both be responsible for returning the funds. Funds that the school is not responsible for returning must be returned by the student.
- The University must return the lesser amount of the Title IV funds that the student does not earn.
- Refunds on all allowable charges, including tuition and fees, will be prorated on a per diem basis based on the number of days in attendance as a proportion to the number of days in the payment period, up to the 60% point in the semester. There are no refunds after the 60% point in time, as federal regulations understand that the aid has been "100% earned" after that point in time. A copy of the worksheet used for this calculation can be found at the end of this document.

3. Order of return of Title IV funds

- In accordance with federal regulations, the return of Title IV funds from The University should be paid in the following order:
- Unsubsidized Federal Direct Stafford Loan
- Federal Direct PLUS Loan

4. Post-withdrawal disbursement

If the student receives less federal student aid than the amount earned, The University offers, within 30 days of the date the school determines the student withdrew, a disbursement of the earned aid that was not received. This is called a post-withdrawal disbursement.

A post-withdrawal disbursement must be made within 180 days of the date the Financial Aid Office determines that the student withdrew. The amount of a post-withdrawal disbursement is determined by following the requirements for calculating earned Title IV aid and has no relationship to incurred educational costs.

The Financial Aid Office will notify a student about the post-withdrawal disbursement by sending an email with all the required information (calculation, deadlines and procedure).

5. Actions a school must take before making a post-withdrawal disbursement:

The Financial Aid Office will obtain confirmation from the student before making any disbursement of loan funds from a post-withdrawal disbursement. Without obtaining the student's permission, Title IV grant funds from a post-withdrawal disbursement are credited to the student's account to pay for Institutional Charges such as tuition or are disbursed directly to the student. The school will obtain the student's authorization to credit the student's account with Title IV aid for charges other than current charges.

6. Institutional responsibilities of The University regarding the return of Title IV Funds.

- Informing each student regarding this policy (by having the Financial Aid Office send a written notification by email to all incoming students and during entrance counseling sessions).
- Identifying students who are affected by this policy.
- Performing, within 30 days, the Return of Title IV Funds calculation for students who are subject to the policy.
- Returning the Title IV Funds that are due within 45 days of the date of determination.

7. Students' responsibilities regarding the return of Title IV Funds.

- Returning any funds to the Title IV programs that were disbursed directly to the student and for which the student was determined to be ineligible via the Return of Title IV Funds calculation.
- Students with Title IV financial aid must notify the IESE Financial Aid Office immediately of a pending withdrawal or leave, as federal refunds must be made within 45 days of the date of withdrawal or leave. Students have the right to obtain a final calculation of the return of Federal Funds.

8. Additional measures

The requirements for Title IV program funds when students withdraw are separate from the school refund policy. According to the University's regulations, the student might have to reimburse any funds to the school that were previously required to be returned to the U.S. federal government.

Treatment Of Title IV Funds When A Student Withdraws From A Credit-Hour Program

| | |
|--|---|
| Student's Name <input style="width: 90%;" type="text"/> | Social Security Number <input style="width: 90%;" type="text"/> |
| Date form completed <input style="width: 25%;" type="text"/> / <input style="width: 25%;" type="text"/> / <input style="width: 25%;" type="text"/> | Date of school's determination that student withdrew <input style="width: 25%;" type="text"/> / <input style="width: 25%;" type="text"/> / <input style="width: 25%;" type="text"/> |
| Period used for calculation (check one) <input type="checkbox"/> Payment period <input type="checkbox"/> Period of enrollment | |

*Monetary amounts should be in dollars and cents (rounded to the nearest penny).
When calculating percentages, round to three decimal places. (For example, .4486 = .449, or 44.9%)*

STEP 1: Student's Title IV Aid Information

| Title IV Grant Programs | Amount Disbursed | Amount that Could Have Been Disbursed | |
|---|---|---|---|
| 1. Pell Grant | <input style="width: 100%; height: 100%;" type="text"/> | <input style="width: 100%; height: 100%;" type="text"/> | E. Total Title IV aid disbursed for the period. <input style="width: 100%;" type="text"/> A. + <input style="width: 100%;" type="text"/> B. = <input style="width: 100%;" type="text"/> E. \$. |
| 2. Academic Competitiveness Grant | | | |
| 3. National SMART Grant | | | |
| 4. FSEOG | | | |
| 5. TEACH Grant | | | |
| 6. Iraq Afghanistan Service Grant | | | |
| A. <input style="width: 100%;" type="text"/> | | C. <input style="width: 100%;" type="text"/> | |
| Subtotal | | Subtotal | |
| Title IV Loan Programs | Net Amount Disbursed | Net Amount that Could Have Been Disbursed | |
| 7. Unsubsidized FFEL/Direct Stafford Loan | <input style="width: 100%; height: 100%;" type="text"/> | <input style="width: 100%; height: 100%;" type="text"/> | F. Total Title IV grant aid disbursed and that could have been disbursed for the period. <input style="width: 100%;" type="text"/> A. + <input style="width: 100%;" type="text"/> C. = <input style="width: 100%;" type="text"/> F. \$. |
| 8. Subsidized FFEL/Direct Stafford Loan | | | |
| 9. Perkins Loan | | | |
| 10. FFEL/Direct PLUS (Graduate Student) | | | |
| 11. FFEL/Direct PLUS (Parent) | | | |
| B. <input style="width: 100%;" type="text"/> | | | |
| Subtotal | | Subtotal | |
| | | | G. Total Title IV aid disbursed and that could have been disbursed for the period. <input style="width: 100%;" type="text"/> A. <input style="width: 100%;" type="text"/> B. <input style="width: 100%;" type="text"/> C. + <input style="width: 100%;" type="text"/> D. = <input style="width: 100%;" type="text"/> G. \$. |

STEP 2: Percentage of Title IV Aid Earned

| | | |
|---|---|---|
| <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> | <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> | <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> / <input style="width: 50px; height: 20px;" type="text"/> |
| Start date | Scheduled end date | Date of withdrawal |

A school that is not required to take attendance may, for a student who withdraws without notification, enter 50% in Box H and proceed to Step 3. Or, the school may enter the last date of attendance at an academically related activity for the "withdrawal date," and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawal date.

H. Percentage of payment period or period of enrollment completed

Divide the calendar days completed in the period by the total calendar days in the period (excluding scheduled breaks of five days or more **AND** days that the student was on an approved leave of absence).

| | | | | | |
|---|---|---|---|---|---|
| <input style="width: 80px; height: 25px;" type="text"/> | ÷ | <input style="width: 80px; height: 25px;" type="text"/> | = | <input style="width: 80px; height: 25px;" type="text"/> | % |
| Completed days | | Total days | | | |

- ▶ If this percentage is greater than 60%, enter 100% in Box H and proceed to Step 3.
- ▶ If this percentage is less than or equal to 60%, enter that percentage in Box H, and proceed to Step 3. **H.** %

STEP 3: Amount of Title IV Aid Earned by the Student

Multiply the percentage of Title IV aid earned (Box H) by the Total Title IV aid disbursed and that could have been disbursed for the period (Box G).

| | | | | | |
|---|---|---|---|---|---|
| <input style="width: 80px; height: 25px;" type="text"/> % | X | <input style="width: 80px; height: 25px;" type="text"/> | = | <input style="width: 80px; height: 25px;" type="text"/> | % |
| Box H | | Box G | | I. \$ | |

STEP 4: Title IV Aid to be Disbursed or Returned

- ▶ If the amount in Box I is greater than the amount in Box E, go to Item J (Post-withdrawal disbursement).
- ▶ If the amount in Box I is less than the amount in Box E, go to Title IV aid to be returned (Item K).
- ▶ If the amounts in Box I and Box E are equal, **STOP**. No further action is necessary.

J. Post-withdrawal disbursement

From the Amount of Title IV aid earned by the student (Box I) subtract the Total Title IV aid disbursed for the period (Box E). This is the amount of the post-withdrawal disbursement.

| | | | | | |
|---|---|---|---|---|---|
| <input style="width: 80px; height: 25px;" type="text"/> | - | <input style="width: 80px; height: 25px;" type="text"/> | = | <input style="width: 80px; height: 25px;" type="text"/> | % |
| Box I | | Box E | | J. \$ | |

Stop here, and enter the amount in "J" in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).

Step 4 continued ▶

Student's Name

Social Security Number

STEP 4: Aid to be Disbursed or Returned CONTINUED

K. Title IV aid to be returned

From the Total Title IV aid disbursed for the period (Box E) subtract the amount of Title IV aid earned by the student (Box I). This is the amount of Title IV aid that must be returned.

- = **K.\$** .

Box E Box I

STEP 5: Amount of Unearned Title IV Aid Due from the School

L. Institutional charges for the period

| | |
|---------|----------------------|
| Tuition | <input type="text"/> |
| Room | <input type="text"/> |
| Board | <input type="text"/> |
| Other | <input type="text"/> |
| Other | <input type="text"/> |
| Other | <input type="text"/> |

Total Institutional Charges = **L.\$** .

(Add all the charges together)

M. Percentage of unearned Title IV aid

100% - % = **M.** . %

Box H

N. Amount of unearned charges

Multiply institutional charges for the period (Box L) by the percentage of unearned Title IV aid (Box M).

X % = **N.\$** .

Box L Box M

O. Amount for school to return

Compare the amount of Title IV aid to be returned (Box K) to amount of unearned charges (Box N), and enter the lesser amount.

O.\$.

STEP 6: Return of Funds by the School

The school must return the unearned aid for which the school is responsible (Box O) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source.

Title IV Programs

Amount for School to Return

- | | |
|---|----------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan | <input type="text"/> |
| 2. Subsidized FFEL/Direct Stafford Loan | <input type="text"/> |
| 3. Perkins Loan | <input type="text"/> |
| 4. FFEL/Direct PLUS (Graduate Student) | <input type="text"/> |
| 5. FFEL/Direct PLUS (Parent) | <input type="text"/> |

Total loans the school must return = **P.\$** .

- | | |
|------------------------------------|----------------------|
| 6. Pell Grant | <input type="text"/> |
| 7. Academic Competitiveness Grant | <input type="text"/> |
| 8. National SMART Grant | <input type="text"/> |
| 9. FSEOG | <input type="text"/> |
| 10. TEACH Grant | <input type="text"/> |
| 11. Iraq Afghanistan Service Grant | <input type="text"/> |

STEP 7: Initial Amount of Unearned Title IV Aid Due from the Student

From the amount of Title IV aid to be returned (Box K) subtract the Amount for the school to return (Box O).

- = **Q.** .

Box K Box O

▶ If Box Q is ≤ zero, **STOP**. If greater than zero, go to Step 8

STEP 8: Repayment of the Student's loans

From the Net loans disbursed to the student (Box B) subtract the Total loans the school must return (Box P) to find the amount of Title IV loans the student is still responsible for repaying (Box R).

These loans consist of loans the student has earned, or unearned loan funds the school is not responsible for repaying. They are repaid to the loan holders according to the terms of the borrower's promissory note.

- = **R.\$** .

Box B Box P

▶ If Box Q is less than or equal to Box R, **STOP**.

The only action a school must take is to notify the holders of the loans of the student's withdrawal date.

▶ If Box Q is greater than Box R, proceed to Step 9.

STEP 9: Grant Funds to be Returned

S. Initial amount of Title IV grants for student to return

From the initial amount of unearned Title IV aid due from the student (Box Q) subtract the amount of loans to be repaid by the student (Box R).

- = **S.\$** .

Box Q Box R

T. Amount of Title IV grant protection

Multiply the total of Title IV grant aid that was disbursed and that could have been disbursed for the period (Box S) by 50%.

X **50%** = **T.\$** .

Box S

U. Title IV grant funds for student to return

From the Initial amount of Title IV grants for student to return (Box S) subtract the Amount of Title IV grant protection (Box T).

- = **U.\$** .

Box S Box T

▶ If Box U is less than or equal to zero, **STOP**. If not, go to Step 10.

STEP 10: Return of Grant Funds by the Student

Except as noted below, the student must return the unearned grant funds for which he or she is responsible (Box U). The grant funds returned by the student are applied in order as indicated, up to the amount disbursed from that grant program minus any grant funds the school is responsible for returning to that program in Step 6.

Note that the student is not responsible for returning funds to any program to which the student owes \$50.00 or less.

Title IV Grant Programs

Amount To Return

- | | |
|-----------------------------------|----------------------|
| 1. Pell Grant | <input type="text"/> |
| 2. Academic Competitiveness Grant | <input type="text"/> |
| 3. National SMART Grant | <input type="text"/> |
| 4. FSEOG | <input type="text"/> |
| 5. TEACH Grant | <input type="text"/> |
| 6. Iraq Afghanistan Service Grant | <input type="text"/> |

POST-WITHDRAWAL DISBURSEMENT TRACKING SHEET

Student's Name Social Security Number
 Date of school's determination that student withdrew / /

I. Amount of Post-withdrawal Disbursement (PWD)

Amount from "Box J" of the Treatment of Title IV Funds When a Student Withdraws worksheet **Box 1** \$.

II. Outstanding Charges For Educationally Related Expenses Remaining On Student's Account

Total Outstanding Charges Scheduled to be Paid from PWD **Box 2** \$.
 (Note: Prior-year charges cannot exceed \$200.)

III. Post-withdrawal Disbursement Offered Directly to Student and/or Parent

From the total Post-withdrawal Disbursement due (Box 1), subtract the Post-withdrawal Disbursement to be credited to the student's account (Box 2). This is the amount you must make to the student (grant) or offer to the student or parent (Loan) as a Direct Disbursement.

\$. - \$. = **Box 3** \$.
 Box 1 Box 2

IV. Allocation of Post-withdrawal Disbursement

| Type of Aid | Loan Amount School Seeks to Credit to Account | Loan Amount Authorized to Credit to Account | Title IV Aid Credited to Account | Loan Amount Offered as Direct Disbursement | Loan Amount Accepted as Direct Disbursement | Title IV Aid Disbursed Directly to Student |
|-----------------------------|---|---|----------------------------------|--|---|--|
| Pell Grant | N/A | N/A | | N/A | N/A | |
| ACG | N/A | N/A | | N/A | N/A | |
| National SMART Grant | N/A | N/A | | N/A | N/A | |
| FSEOG | N/A | N/A | | N/A | N/A | |
| TEACH Grant | N/A | N/A | | N/A | N/A | |
| Iraq Afghanistan Svc. Grant | N/A | N/A | | N/A | N/A | |
| Perkins | | | | | | |
| Subsidized FFEL / Direct | | | | | | |
| Unsubsidized FFEL / Direct | | | | | | |
| FFEL / Direct Grad Plus | | | | | | |
| FFEL / Direct Parent Plus | | | | | | |
| Totals | | | | | | |

V. Authorizations and Notifications

Post-withdrawal disbursement loan notification sent to student and/or parent on / /

Deadline for student and/or parent to respond / /

- Response received from student and/or parent on / / Response not received
 School does not accept late response

VI. Date Funds Sent

Date Direct Disbursement mailed or transferred Grant / / Loan / /