



Case Study 3-I: Penny Jones

Calculating the return of Title IV funds for a student attending a two-year community college (semester) and receiving grants (partially disbursed)

Learning Objectives

Learn to complete Steps 1 – 4 of the Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program worksheet, and:

- Be able to identify the basic information needed to complete the worksheet, including the withdrawal date and date of the institution’s determination that the student withdrew
- Be able to calculate the percentage of the period the student completed
- Be able to calculate both the percentage and the amount of Title IV aid earned by the student
- Be able to determine either that the student is due a post-withdrawal disbursement (PWD) of Title IV aid or that Title IV aid must be returned
- Be able to determine the amount of the PWD or return as well as the additional steps required

School Profile

| | |
|-----------------------------|--|
| Name: | Everyone Should Have an Education Community College (ESHECC) |
| School Type: | 2 year, public, residential, credit hour |
| Academic Year/Program: | 2 semesters, total of 32 weeks |
| Period: | 16 weeks (110 calendar days) |
| Period Start Date: | August 23 |
| Period End Date: | December 10 |
| 5 Consecutive Day Break: | No (no Sat. – Sun. classes) |
| Taking Attendance Required: | No |
| Method for Matching SEOG: | Fund specific |

Charges to Student’s Account:

| | |
|--------------------------|------------------------------|
| Tuition and fees | \$ 1,000.00/16 week semester |
| Room and Board | \$ 2,250.00/16 week semester |
| Books and Supplies | \$ 400.00/16 week semester |
| Health Insurance | \$ 250.00/academic year |
| Student Account Balance: | \$ 1,900.00 |

| | |
|------------------|------------|
| Health Ins | \$ 250.00 |
| Books & Supplies | \$ 400.00 |
| Room & Board | \$1,250.00 |

School Authorized to Credit

Account for Other Charges: Yes (all charges)

Student Profile

Penny Jones is a first-year student who was home-schooled in Virginia. After determining that she was eligible to receive Title IV funds, her FA administrator packaged her aid to include the following annual awards:

| | |
|------------|----------------------|
| \$3,125.00 | Pell Grant |
| \$1,500.00 | SEOG |
| \$1,000.00 | State Grants |
| \$1,500.00 | Institutional Awards |

On the first day of the fall semester, August 23, Penny received the following disbursements to her student account:

| | |
|-----------|-----------------------------------|
| \$ 0.00 | Pell Grant |
| \$ 750.00 | SEOG |
| \$ 500.00 | State Grants (not funded by LEAP) |
| \$ 750.00 | Institutional Awards |

Although Penny is grateful for the assistance, she is concerned about how her total costs for the fifteen credit hours she is taking this semester and her room and board are going to be covered:

| | |
|------------|--|
| \$1,000.00 | Tuition and Fees |
| \$2,250.00 | Room and Board |
| \$ 250.00 | Health Insurance |
| \$ 400.00 | Voucher for books (good only at ESHECC campus bookstore) |

On October 8, Penny came by your office to advise that she doesn’t think she is doing very well and is considering dropping out prior to November 1, the last day to withdraw



Case Study 3-I: Penny Jones

Learning Objectives

- Identify basic information need to complete worksheet
- Calculate percentage of period completed
- Calculate percentage and amount of title IV aid earned
- Determine whether student is due a post-withdrawal disbursement or Title IV aid must be returned

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Step I: Student's Title IV Aid Information

- Date of school's determination that student withdrew
- Item A: Title IV aid disbursed
- Item B: Title IV aid disbursed plus Title IV aid that could have been disbursed

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Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program

Student's Name Penny Jones Social Security Number Case Study 3-1

Date Form Completed ___/___/___ Date of the institution's determination that the student withdrew 10 / 13 /

Period used for calculation (check one) payment period period of enrollment

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

STEP 1: Student's Title IV Aid Information

| | Net Amount Disbursed | Net Amount That Could Have Been Disbursed | Amount Disbursed | Amount That Could Have Been Disbursed |
|---|-------------------------|---|---------------------|---|
| 1. Unsubsidized FFEL/Direct Stafford Loan _____ | | | | |
| 2. Subsidized FFEL/Direct Stafford Loan _____ | | | \$750.00 | |
| 3. Perkins Loan _____ | | | | |
| 4. FFEL/Direct PLUS _____ | | | | |
| | | | | \$1,562.50 |
| 5. Pell Grant _____ | | | | |
| 6. FSEOG _____ | | | | |
| 7. Other Title IV programs* _____ | | | | |

*Do not include FWS.

A. Total Title IV aid disbursed (NOT aid that could have been disbursed) for the payment period or period of enrollment A \$ 750.00

B. Total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment B \$ 2,312.50

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Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program

Student's Name Penny Jones Social Security Number Case Study 3-1

STEP 2: Percentage of Title IV Aid Earned

C. • If school is not required to take attendance and student withdrew without notification, enter 50% in Box C and proceed to Step 3. If school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

- Withdrawal date 10/13 / ___ / ___ Payment period/period of enrollment start date 8/23 / ___ / ___ end date 12/10 / ___ / ___
- Percentage of payment period or period enrollment completed

Determine the calendar days completed in the payment period or period of enrollment divided by the total calendar days in the payment period or period of enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

$$\frac{\text{52}}{\text{completed days}} \div \frac{\text{110}}{\text{total days}} = \text{47.3} \%$$

If this amount is less than or equal to 60%, enter this amount in Box C. If this amount is greater than 60% (with or without rounding), enter 100% in Box C.

C 47.3%

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

D. Percentage of Title IV aid earned (Box C) x the total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box B)

$$\frac{\text{47.3\%}}{\text{Box C}} \times \frac{\text{\$ 2,312.50}}{\text{Box B}} = \text{D } \text{\$ 1,093.81}$$

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Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program

Student's Name Penny Jones Social Security Number Case Study 3-1

Step 4: Total Title IV Aid to be Disbursed or Returned

If the amount in Box D is greater than the amount in Box A, go to item E. If the amount in Box A is greater than the amount in Box D, go to item F. **If the amounts in Boxes A and D are equal, STOP. No further action is necessary.**

E. **Post-withdrawal disbursement.** Subtract Title IV aid disbursed for the payment period or period of enrollment (Box A) from the amount of Title IV aid earned (Box D). This is the amount of the post-withdrawal disbursement due. Stop here and go to the post-withdrawal disbursement tracking sheet.

$$\begin{array}{rcccl}
 \boxed{\$ 1,093.81} & - & \boxed{\$ 750.00} & = & \boxed{\$ 343.81} \\
 \text{Box D} & & \text{Box A} & & \text{E}
 \end{array}$$

F. **Title IV aid to be returned.** Subtract the amount of Title IV aid earned (Box D) from Title IV aid disbursed for the payment period or period of enrollment (Box A). This is the amount of Title IV aid that must be returned.

$$\begin{array}{rcccl}
 \boxed{} & - & \boxed{} & = & \boxed{\$.} \\
 \text{Box A} & & \text{Box D} & & \text{F}
 \end{array}$$

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Case Study 3-1 Review Exercise

Check all the boxes of the data elements that are relevant to this particular case study.

- Amount of state grant(s) disbursed
- Date student began the process of withdrawing from school
- Date student skipped her first class
- Amount of institutional grant(s) awarded
- Amount of Pell Grant awarded
- Date fall semester began
- Date fall break began
- Date student began thinking about withdrawing
- Amount of library fines the student incurred
- Amount of tuition and fees charged for the period
- Amount of housing allowance for a student living at home
- Amount of voucher for books purchased in campus bookstore
- Number of credit hours the student's parent wanted her to take
- Amount of Pell Grant disbursed
- Amount of Perkins loan award for which student is eligible
- Student's year in college
- Date semester ended
- Date student submitted the signed withdrawal form



Case Study 3-2: Penny Jones

Treatment of other aid consisting of federal funds when calculating the return of Title IV funds

Learning Objectives:

Learn to complete Steps 4 – 8 of the Return of Title IV Funds Worksheet, and:

- Be able to determine the amount of Title IV funds that must be returned
- Be able to determine the amount of unearned Title IV funds due from the school and the order of return of funds to the various programs
- Be able to determine the amount of unearned Title IV funds due from the student and the order of return of funds to the various programs
- Be able to determine the steps in handling grant overpayments owed by the student

Student Profile

Penny's situation has changed somewhat. All of her Title IV aid, including her Pell Grant, was disbursed prior to her withdrawal from college (no change to the withdrawal date). In addition, she's not residing on campus, the \$500.00 state grant she received consisted of 50% LEAP funds, and the semester has a fall break that runs October 18 through October 22.



Case Study 3-2: Penny Jones

- Same student as Case Study 3-1
- Same scenario, except that
 - Penny lives at home
 - All aid was disbursed
 - State grant consists of 50% LEAP funds
 - Semester has scheduled break of at least 5 consecutive days

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Case Study 3-2: Penny Jones

Learning Objectives

- Determine how much Title IV funds must be returned
- Determine how much school is responsible for returning and order of return
- Determine how much student is responsible for returning and order of return
- Determine steps in handling grant overpayments

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Treatment of Title IV Funds When a Student Withdraws from a Credit Hour Program

Student's Name Penny Jones Social Security Number Case Study 3-2

Date Form Completed / / Date of the institution's determination that the student withdrew 10 / 13 /

Period used for calculation (check one) payment period period of enrollment

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

STEP 1: Student's Title IV Aid Information

| | Net Amount Disbursed | Net Amount That Could Have Been Disbursed | Amount Disbursed | Amount That Could Have Been Disbursed |
|---|----------------------|---|-----------------------------|---------------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan | | | | |
| 2. Subsidized FFEL/Direct Stafford Loan | | | | |
| 3. Perkins Loan | | | | |
| 4. FFEL/Direct PLUS | | | | |
| | | | 5. Pell Grant | |
| | | | 6. FSEOG | |
| | | | 7. Other Title IV programs* | |
| | | | | <small>*Do not include FWS.</small> |

A. Total Title IV aid disbursed (NOT aid that could have been disbursed) for the payment period or period of enrollment **A** \$ 2,812.50

B. Total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment **B** \$ 2,812.50

STEP 2: Percentage of Title IV Aid Earned

C. *If school is not required to take attendance and student withdrew without notification, enter 50% in Box C and proceed to Step 3. If school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

- Withdrawal date 10 / 13 / Payment period/period of enrollment start date 8 / 23 / end date 12 / 10 /
- Percentage of payment period or period enrollment completed

Determine the calendar days completed in the payment period or period of enrollment divided by the total calendar days in the payment period or period of enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

$$\frac{52}{\text{completed days}} \div \frac{101}{\text{total days}} = 51.5\%$$

If this amount is less than or equal to 60%, enter this amount in Box C. If this amount is greater than 60% (with or without rounding), enter 100% in Box C.

C 51.5%

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

D. Percentage of Title IV aid earned (Box C) x the total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box B)

$$\frac{51.5\%}{\text{Box C}} \times \frac{\$2,812.50}{\text{Box B}} = \text{D } \$1,448.44$$

Step 4: Total Title IV Aid to be Disbursed or Returned

If the amount in Box D is greater than the amount in Box A, go to item E. If the amount in Box A is greater than the amount in Box D, go to item F. **If the amounts in Boxes A and D are equal, STOP. No further action is necessary.**

E. **Post-withdrawal disbursement.** Subtract Title IV aid disbursed for the payment period or period of enrollment (Box A) from the amount of Title IV aid earned (Box D). This is the amount of the post-withdrawal disbursement due. Stop here and go to the post-withdrawal disbursement tracking sheet.

$$\text{Box D} - \text{Box A} = \text{E } \$$$

F. **Title IV aid to be returned.** Subtract the amount of Title IV aid earned (Box D) from Title IV aid disbursed for the payment period or period of enrollment (Box A). This is the amount of Title IV aid that must be returned.

$$\frac{\$2,812.50}{\text{Box A}} - \frac{\$1,448.44}{\text{Box D}} = \text{F } \$1,364.06$$

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Student's Name Penny Jones Social Security Number Case Study 3-2

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

G. Institutional charges for the payment period or period of enrollment

Tuition and Fees \$1,000.00 Board _____ Other _____
 Room _____ Other \$400.00 Other _____
 Total Institutional Charges **G** **\$ 1,400.00**

H. Percentage of Title IV aid unearned (100% - Box C) **H** **48.5%**

I. Multiply institutional charges for the payment period or period of enrollment (Box G) times the percentage of Title IV aid unearned (Box H).

\$1,400.00 X 48.5% = **I** **\$ 679.00**
Box G Box H

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** **\$ 679.00**

STEP 6: Return of Funds by the SCHOOL

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

| | Amount for School to Return | | Amount for School to Return |
|---|-----------------------------------|----------------------------|-----------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan | _____ | 5. Pell Grant | <u>\$679.00</u> |
| 2. Subsidized FFEL/Direct Stafford Loan | _____ | 6. FSEOG | _____ |
| 3. Perkins Loan | _____ | 7. Other Title IV programs | _____ |
| 4. FFEL/Direct PLUS | _____ | | |

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

K. Subtract the amount of Title IV due from the school (Box J) from the amount of Title IV to be returned (Box F).

\$1,364.06 - \$679.00 = **K** **\$ 685.06**
Box F Box J

STEP 8: Return of Funds by the STUDENT

The student (or parent for a PLUS loan) must return unearned aid for which the student is responsible (Box K) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source, after subtracting the amount the school will return. Amounts to be returned to grants are reduced by 50%.

| | Amount for Student to Return | | Initial Amount to Return | | Amount for Student to Return |
|--|------------------------------------|----------------------------|-----------------------------|---------|------------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan* | _____ | 5. Pell Grant | <u>\$685.06</u> | x 50% = | <u>\$342.53</u> |
| 2. Subsidized FFEL/Direct Stafford Loan* | _____ | 6. FSEOG | _____ | x 50% = | _____ |
| 3. Perkins Loan* | _____ | 7. Other Title IV programs | _____ | | _____ |
| 4. FFEL/Direct PLUS* | _____ | (x 50% for grant funds) | | | |

*Loan amounts are returned in accordance with the terms of the promissory note. No further action is required other than notification to the holder of the loan of the student's withdrawal date.

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Case Study 3-2 Review Exercise

Please read each of the following statements. Indicate in the spaces next to each whether the statement is “True” or “False.”

- _____ 1. A school may establish a policy for the refund of institutional charges independently of the requirements for the return of Title IV funds.
- _____ 2. A school may establish its own withdrawal policy/process independently of the requirements for the return of Title IV funds.
- _____ 3. For students who receive Title IV aid, the withdrawal policy/process a school establishes internally takes precedence over the federal requirements for the return of Title IV funds.
- _____ 4. The school is not required to publish and make available to students its internal policies regarding refunds and withdrawals.
- _____ 5. The withdrawal date used in the return of Title IV funds calculations must be consistent with the withdrawal date documented by the school’s registrar and used internally.
- _____ 6. Generally, state and institutional aid is not considered in the return of Title IV funds calculation.
- _____ 7. A student’s withdrawal date and the date the school determined the student withdrew are not necessarily one in the same.
- _____ 8. A school that is required to take attendance must determine a student’s withdrawal date from the attendance records.
- _____ 9. A school that is not required to take attendance may determine the student’s withdrawal date from the student’s attendance at an academically-related event, only if the student did not begin the school’s withdrawal process or otherwise notify the school of his/her intent to withdraw.
- _____ 10. Because clock-hour schools use clock hours completed and/or scheduled in the return of Title IV calculation, these schools are not required to document the student’s withdrawal date.
- _____ 11. If a student withdraws without providing notification, the date of the school’s determination is same as the student’s withdrawal date.

- 12. The date the school becomes aware that the student withdrew is the “trigger” date for various notifications the school must provide.
- 13. If the school is responsible for returning Title IV funds, the deadline for returning the funds is 30 days after the school’s determination that the student withdrew.
- 14. If the student is due a post-withdrawal disbursement and has remaining Title IV loan funds available after charges have been credited to the student’s account, the school must make the offer for the disbursement within 90 days of its determination that the student withdrew.
- 15. Schools are not required to determine if their students who receive Title IV aid withdrew without notification.



Case Study 3-3: Harry Springer

Calculating the return of Title IV funds for a student who received loans and LEAP funds, and is attending a proprietary school (clock hour)

Learning Objectives

- Calculate ratio of completed clock hours to scheduled clock hours
- Calculate percentage of Title IV aid earned/unearned based on clock hours
- Determine withdrawal date for student who didn't provide notification of intent to withdraw

School Profile

| | |
|-------------------------------|-------------------------------|
| Name: | Quality Tech School (QTS) |
| School Type: | Proprietary, clock-hour |
| Academic Year/Program: | 900 clock hours over 30 weeks |
| Period: | 450 clock hours over 15 weeks |
| Period Start Date: | September 7 |
| Period End Date: | December 22 |
| 5 Consecutive Day Break: | No |
| Taking Attendance Required: | Yes |
| Method for Matching SEOG: | Fund specific |
| Charges to Student's Account: | |
| Tuition and Fees | \$1,750.00/15 week period |
| Room and Board | (non-residential school) |
| Books and Supplies | \$ 250.00/15 week period |
| Student Account Balance: | \$ 250.00 |
| Books & Supplies | \$250.00 |
| School Authorized to Credit | |
| Account for Other Charges: | Yes (all charges) |

Treatment of Title IV Funds When a Student Withdraws from a Clock Hour Program

Student's Name Harry Springer Social Security Number Case Study 3-3
 Date Form Completed / / Date of the institution's determination that the student withdrew 11 / 5 /
 Period used for calculation (check one) payment period period of enrollment

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

STEP 1: Student's Title IV Aid Information

| | Net Amount Disbursed | Net Amount That Could Have Been Disbursed | | Amount Disbursed | Amount That Could Have Been Disbursed |
|---|----------------------|---|-----------------------------|------------------|---------------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan | | | 5. Pell Grant | | |
| 2. Subsidized FFEL/Direct Stafford Loan | <u>\$1,000.00</u> | | 6. FSEOG | | |
| 3. Perkins Loan | <u>\$ 750.00</u> | | 7. Other Title IV programs* | | |
| 4. FFEL/Direct PLUS | | | *Do not include FWS. | | |

A. Total Title IV aid disbursed (NOT aid that could have been disbursed) for the payment period or period of enrollment **A** \$ 1,750.00
 B. Total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment **B** \$ 1,750.00

STEP 2: Percentage of Title IV Aid Earned

C. • Withdrawal date 11 / 1 /
 • Percentage of payment period or period enrollment completed
Calculation 1 – Determine the clock hours completed* in the payment period or period of enrollment divided by the total clock hours in the payment period or period of enrollment

$$\frac{210}{\text{completed hours}} \div \frac{450}{\text{total hours}} = 46.7\%$$
 If this percentage is greater than 60%, enter 100% in Box C and proceed to Step 3.
 If this percentage is less than or equal to 60%, proceed to Calculation 2.
Calculation 2 – Determine the clock hours completed* in the payment period or period of enrollment divided by the clock hours scheduled to be completed as of the date the student withdrew.

$$\frac{210}{\text{completed hours}} \div \frac{250}{\text{scheduled to complete}} = 84.0\%$$
 If this amount is less than 70%, enter the percentage from Calculation 1 in Box C and proceed to Step 3. If this amount is 70% or greater, determine the clock hours scheduled to be completed as of the date the student withdrew divided by the total clock hours in the payment period or period of enrollment and enter this amount in Box C (this amount may be greater than 60%).

$$\frac{250}{\text{scheduled to complete}} \div \frac{450}{\text{total hours}} = 55.6\%$$
C 55.6%

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

D. Percentage of Title IV aid earned (Box C) x the total of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box B)

$$\frac{55.6\%}{\text{Box C}} \times \frac{\$1,750.00}{\text{Box B}} = \text{D } \underline{\$ 973.00}$$

Step 4: Total Title IV Aid to be Disbursed or Returned

If the amount in Box D is greater than the amount in Box A, go to item E. If the amount in Box A is greater than the amount in Box D go to item F. **If the amounts in Boxes A and D are equal, STOP. No further action is necessary.**

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Student's Name Harry Springer Social Security Number Case Study 3-3

Step 4: Total Title IV Aid to be Disbursed or Returned: Continued

E. **Post-withdrawal disbursement.** Subtract Title IV aid disbursed for the payment period or period of enrollment (Box A) from the amount of Title IV aid earned (Box D). This is the amount of the post-withdrawal disbursement due. Stop here and go to the post-withdrawal disbursement tracking sheet.

$$\begin{array}{r} \boxed{} - \boxed{} = \\ \text{Box D} \qquad \text{Box A} \qquad \text{E} \end{array} \quad \boxed{\$ }$$

F. **Title IV aid to be returned.** Subtract the amount of Title IV aid earned (Box D) from Title IV aid disbursed for the payment period or period of enrollment (Box A). This is the amount of Title IV aid that must be returned.

$$\begin{array}{r} \boxed{\$1,750.00} - \boxed{\$973.00} = \\ \text{Box A} \qquad \text{Box D} \qquad \text{F} \end{array} \quad \boxed{\$ 777.00}$$

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

G. Institutional charges for the payment period or period of enrollment

Tuition and Fees \$1,750.00 Board _____ Other _____
 Room _____ Other \$ 250.00 Other _____
 Total Institutional Charges **G** \$ 2,000.00

H. Percentage of Title IV aid unearned (100% - Box C) **H** 44.4%

I. Multiply institutional charges for the payment period or period of enrollment (Box G) times the percentage of Title IV aid unearned (Box H).

$$\begin{array}{r} \boxed{\$2,000.00} \times \boxed{44.4\%} = \\ \text{Box G} \qquad \text{Box H} \qquad \text{I} \end{array} \quad \boxed{\$ 888.00}$$

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** \$ 777.00

STEP 6: Return of Funds by the SCHOOL

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

| | Amount for School to Return | | Amount for School to Return |
|---|-----------------------------------|----------------------------|-----------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan | | 5. Pell Grant | |
| 2. Subsidized FFEL/Direct Stafford Loan | <u>\$777.00</u> | 6. FSEOG | |
| 3. Perkins Loan | | 7. Other Title IV programs | |
| 4. FFEL/Direct PLUS | | | |

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

K. Subtract the amount of Title IV due from the school (Box J) from the amount of Title IV to be returned (Box F).

$$\begin{array}{r} \boxed{\$777.00} - \boxed{\$777.00} = \\ \text{Box F} \qquad \text{Box J} \qquad \text{K} \end{array} \quad \boxed{\$ 0.00}$$

STEP 8: Return of Funds by the STUDENT

The student (or parent for a PLUS loan) must return unearned aid for which the student is responsible (Box K) by repaying funds to the following sources, in order, up to the total net amount disbursed from each source, after subtracting the amount the school will return. Amounts to be returned to grants are reduced by 50%.

| | Amount for Student to Return | | Initial Amount to Return | | Amount for Student to Return |
|--|------------------------------------|----------------------------|-----------------------------|---------|------------------------------------|
| 1. Unsubsidized FFEL/Direct Stafford Loan* | | 5. Pell Grant | | x 50% = | |
| 2. Subsidized FFEL/Direct Stafford Loan* | | 6. FSEOG | | x 50% = | |
| 3. Perkins Loan* | | 7. Other Title IV programs | | | |
| 4. FFEL/Direct PLUS* | | (x 50% for grant funds) | | | |

*Loan amounts are returned in accordance with the terms of the promissory note. No further action is required other than notification to the holder of the loan of the student's withdrawal date.

