Case Studies in Withdrawals and the Return of Title IV Aid

On the pages that follow, you will find examples of the withdrawal calculations performed for students enrolled in various types of programs and institutions. By reviewing these case studies, you can gain additional insight into the process of Returning Title IV funds.

Case Study 1 – *A student attending a semester-based community college, receiving grants and due a post-withdrawal disbursement.*

Case Study 2 – *Treatment of LEAP funds at a semester-based community college with a scheduled break.*

Case Study 3 – *Treatment of loans and LEAP funds for a student enrolled in a clock-hour program.*

Case Study 4 – *A student attending a four-year public university offering classes in trimesters is receiving grants and work-study.*

Case Study 5 – *Treatment of partially disbursed loans at a four-year, semester-based private school.*

Case Study 6 – *When both the school and the student must return grant funds.*

Case Study 7 – *Aid included as Aid that could have been disbursed when a school performs the Return calculation on an enrollment period basis.*

CASE STUDY 1: PENNY JONES, PART 1

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 Worksheet *Treatment of Title IV Funds when a Student Withdraws from a Credit Hour Program*, 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;
- calculate the percentage of the period the student completed;
- calculate both the percentage and the amount of Title IV aid earned by the student;
- determine either that the student is due a post-withdrawal disbursement (PWD) of Title IV aid or that Title IV aid must be returned; and
- determine the amount of the PWD or return as well as the additional steps required.

School Profile

Everyone Should Have an Education Community College is a two-year, public, residential, credit-hour institution.

Academic Year/Program	2 semesters 32 weeks
Period	16 weeks 110 calendar days
Period Start Date	August 23
5 Consecutive Day Break	No (no Sat. – Sun. classes)
Required to Take Attendance	No
Method for Matching FSEOG	Fund-specific

Student Profile

Penny Jones is a first-year student who was home-schooled in Virginia. Charges to her account for the first semester are as follows:

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

Balances remaining on Penny's account include:

Health Insurance	$	250.00
Books & Supplies	$	400.00
Room & Board	$	1,250.00

School Authorized to Credit Account for Other Charges: Yes (all charges)

Penny's financial aid package included the following annual awards:

Pell Grant	$	3,125.00
FSEOG	$	1,500.00
State Grants	$	1,000.00
Institutional Awards	$	1,500.00

Discussion

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

Pell Grant	$	0.00
FSEOG	$	750.00
State Grants (not funded by LEAP)	$	500.00
Institutional Awards	$	750.00

Although Penny is grateful for the assistance, she is concerned about how her total costs for the 15 credit hours she is taking this semester and her room and board are going to be covered.

Tuition and Fees	$	1,000.00
Room and Board	$	2,250.00
Health Insurance	$	250.00
Books voucher good only at ESHECC campus bookstore	$	400.00

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 from classes without academic penalty. To help her make a decision, she requests information on the withdrawal process. You are fairly certain that Penny is having a hard time adjusting to college life and want to encourage her to hang in until the end of the semester, December 10. However, because you're in the midst of trying to resolve your problems reporting Pell origination records (so that you then can make Pell disbursements, including Penny's $1,562.50 disbursement), you don't have time at the moment to talk to her. You ask her to set an appointment to see you the following week, on October 13.

When Penny comes to see you on October 13, she confesses that the last class she attended was on September 30. Because she doesn't see how she can get caught up on the work she's missed, she is adamant about withdrawing, so you give her instructions on completing the college's official withdrawal process and advise her where she can get the appropriate form. Finally, you remind her that the school's policy is that the date of withdrawal is the date the student turns in the signed form (which she did on October 15).

Let's review some basic information about Penny as well as our learning objectives for this case. Penny attended a two-year community college, which was on the semester system. Students earned academic credits based on credit hours taken. Before withdrawing, Penny received her FSEOG disbursement, but not her Pell Grant.

The first thing we'll need to do is to decide on the date of the school's determination that Penny withdrew. Then, we'll complete Step 1: Student's Title IV Aid Information, which includes:

- Title IV aid disbursed
- Title IV aid disbursed plus Title IV aid that could have been disbursed

Solution

The date of the institution's determination is the date you were advised by Penny that she had decided to withdraw. On the earlier date, October 8, she was only thinking about withdrawing. Date of the institution's determination that the student withdrew = October 13.

Step 1: Student's Title IV Aid Information

A. Although Penny also received disbursements of state and institutional aid, only Title IV aid is considered in the return of funds calculation. Also, because Penny's school uses the fund-specific method (depositing the institutional match into the school's FSEOG account), the nonfederal share is used in the calculation. Title IV aid disbursed = $750.00.

FSEOG	$ 750.00

B. Because of your problems reporting Pell origination records, Penny's Pell Grant had not been disbursed yet. But, she was eligible for the disbursement, so the amount of the Pell Grant that could have been disbursed is included in the total. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $2,312.50.

FSEOG	$ 750.00
Pell Grant	$ 1,562.50

Step 2: Percentage of Title IV Aid Earned

1. Withdrawal date = October 13

   Note: Since ESHECC is not required by an outside entity to take attendance, the withdrawal date is the date Penny provided official notice of intent to withdraw—October 13. (Note that the school's policy that the withdrawal date is the date the student turns in the signed withdrawal form—which she did on October 15—is superseded by federal requirements for a student receiving Title IV aid.) Although Penny stopped attending classes on September 30, she didn't notify the school (begin the process) until October 13. Remember when she came to see the FAO on October 8, she was only thinking about withdrawing. Note that the school could have documented a last date of attendance at an academically-related activity and used that as her withdrawal date if it so chose.

2. Payment period start date = August 23

3. Payment period end date = December 10

4. Percentage of payment period completed:

   - Since the student attended a credit-hour school, the percentage of aid completed is calculated by dividing the number of calendar days completed by the total number of calendar days in the payment period. Number of calendar days completed in payment period = 52 calendar days

   - Because the semester does not include a scheduled break of 5 or more consecutive days, all of the calendar days in the period from August 23 to December 10 are counted. Number of calendar days in payment period = 110 calendar days

   - 52 days / 110 days = .4727, rounded to .473, or 47.3%. Percentage of payment period completed = 47.3%

   C. Percentage of payment period completed (47.3%), up to and including 60%; otherwise, if greater than 60%, then 100%. Percentage of Title IV aid earned = 47.3%.

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

D. 47.3% (% of Title IV aid earned from item C) X $2,312.50 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from item B) = $1,093.812, rounded to $1,093.81. Amount of Title IV aid earned by the student = $1,093.81.

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

E. Because the total aid earned (item D) is greater than the total aid disbursed (item A), Penny is due a post-withdrawal disbursement. $1,093.81 (item D) – $750.00 (item A) = $343.81. Post-withdrawal disbursement = $343.81.

If a post-withdrawal disbursement is due the student, the next step is to complete the Post-Withdrawal Disbursement Tracking Sheet.

F. Title IV aid to be returned = N/A

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

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

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

Period used for calculation (check one) *v* ☐ 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		*$1,562.50*
2. Subsidized FFEL/Direct Stafford Loan			6. FSEOG	*$750.00*	
3. Perkins Loan			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** $ *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*

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 OR 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 or enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

52 (completed days) ÷ *110* (total days) = *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)

47.3% (Box C) X *$ 2,312.50* (Box B) = **D** $ *1,093.81*

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.

$ 1,093.81 (Box D) – *$ 750.00* (Box A) = **E** $ *343.81*

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.

_____ (Box A) – _____ (Box D) = **F** $.

Post-Withdrawal Disbursement Tracking Sheet

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

Amount of Post-Withdrawal Disbursement

A. Amount from Box E of "Treatment of Title IV Funds When a Student Withdraws" Worksheet **A** $ *343.81*

Post-Withdrawal Disbursement Credited to Student's Account

B. Total outstanding charges on student's account **B** $ *1,900.00*

C. Total amount of post-withdrawal disbursements credited to student's account

- Amount of post-withdrawal disbursement credited for tuition, fees, room and board (if student contracts with the institution) $ *343.81*
- Amount of post-withdrawal disbursement credited for other current charges + $ *0.00*
- Amount of post-withdrawal disbursement credited for minor prior year charges + $ *0.00*

Total Amount Credited to Account **C** $ *343.81*

D. Student and/or parent authorization to credit account for other current charges or minor prior year charges (if necessary) obtained on ___/___/___

E. If a post-withdrawal disbursement of loan funds is credited to account, date of notification to student and/or parent ___/___/___

Post-Withdrawal Disbursement Offered to Student/Parent

F. Total amount of post-withdrawal disbursement (Box A) – amount of post-withdrawal disbursement credited to student's account (Box C) = Total amount to offer to student/parent **F** $ *0.00*

G. Notification sent to student and/or parent on ___/___/___

H. ☐ Response received from student/parent on ___/___/___

☐ Response not received

I. Amount accepted **I** $.

J. Accepted funds sent on ___/___/___

Post-Withdrawal Disbursement Made From

Pell Grant	*$343.81*	Subsidized FFEL/Direct Stafford Loan	
FSEOG		Unsubsidized FFEL/Direct Stafford Loan	
Other Title IV programs (grants)		Perkins Loan	
		FFEL/Direct PLUS	
		Other Title IV programs (loans)	

CASE STUDY 2: PENNY JONES, PART 2

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

Discussion

Penny is the same student as in Case Study 1. The differences to the scenario are that Penny lives at home, all of her Title IV aid was disbursed prior to her withdrawal, her $500 state grant consists of 50% LEAP funds, and the fall semester has a scheduled break that runs Monday, October 18, through Friday, October 22.

Solution

Date of the institution's determination that the student withdrew = October 13

Step 1: Student's Title IV Aid Information

A. Because the state grant consists of 50% LEAP funds, it must be included in the calculation. Remember, aid consisting in any part of identified Title IV funds (e.g., LEAP) is included in the calculation. Title IV aid disbursed = $2,812.50.

Pell Grant	$ 1,562.50
FSEOG	$ 750.00
State Grant	$ 1,000.00

B. All her aid was disbursed. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $2,812.50

Step 2: Percentage of Title IV Aid Earned

1. The withdrawal date stays the same. Withdrawal date = October 13

2. Payment period start date = August 23

3. Payment period end date = December 10

4. Percentage of payment period completed

- The number of calendar days completed remains the same. (Penny withdrew before the scheduled fall break.) Number of calendar days completed in payment period = 52 calendar days.

- Because the semester includes a scheduled break of at least five consecutive days, not all of the calendar days in the period are counted. In this situation, the break begins on Monday and ends on Friday, and there are no classes on Saturday and Sunday. So, in addition to excluding the 5-day break from the count of calendar days, we also exclude both weekends immediately preceding and following the break (in this case, a total of 9 days). Number of calendar days in payment period = 101.

- 52 days ÷ 101 days = .5148, rounded to .515, or 51.5%. Percentage of payment period completed = 51.5%.

C. Percentage of Title IV aid earned = 51.5%. [Item C (51.5%) up to and including 60%; otherwise, if greater than 60%, then 100%.]

Step 3: Amount of Title IV Aid Earned by Student

D. 51.5% (% of Title IV aid earned from item C) X $2,812.50 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from item B) = $1,448.437, rounded to $1448.44. Amount of Title IV aid earned by student = $1,448.44.

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

E. Because the total Title IV aid earned (item D) is less than the aid disbursed (item A), no post-withdrawal disbursement is due and we proceed to item F. Post-withdrawal disbursement = N/A

F. Because the total aid disbursed (item A) is greater than the total aid earned (item D), Title IV aid will need to be returned. $2,812.50 (item A) – $1,448.44 (item D) = $1,364.06. Title IV aid to be returned = $1,364.06.

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

G. Penny was not on campus in this scenario. Institutional charges for the payment period or period of enrollment = $1,400.00

Tuition and fees	$1,000.00
Books and Supplies	$ 400.00

H. Subtract % Title IV aid earned (item C) from 100% (100% – 51.5% = 48.5%). Percentage of Title IV aid unearned = 48.5%

I. First, calculate the amount of unearned institutional charges: $1,400.00 (institutional charges from item G) X 48.5% (% Title IV aid unearned from item H) = $679.00 (no rounding needed). Amount of unearned institutional charges = $679.00.

J. Then, compare the amount of Title IV aid to be returned (item F) to unearned institutional charges (item I) and enter the lesser amount for item J.

Item F =	$1,364.06
Item I =	$ 679.00

Amount of unearned Title IV aid due from the school = $679.00

Step 6: Return of Funds by the School

No funds are returned to FSEOG and the LEAP grant, since the total Title IV aid returned does not exceed the amount of Pell funds received. Return of funds by the School:

Pell Grant	$679.00

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

K. Subtract the amount of Title IV aid that the school must return from the total amount of Title IV aid that is to be returned. $1,364.06 (item F) – $679.00 (item J) = $685.06. Initial amount = $685.06

Step 8: Return of Funds by the Student

Initial amount to return multiplied by 50%. $685.06 X 50% = $342.53 (no rounding needed). Return of funds by the student:

Pell Grant	$342.53

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

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

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

Period used for calculation (check one) *v* ☐ 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	*$1,562.50*	
2. Subsidized FFEL/Direct Stafford Loan			6. FSEOG	*$ 750.00*	
3. Perkins Loan			7. Other Title IV programs*	*$ 500.00*	
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** $ *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 OR 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 or enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

52 (completed days) ÷ *101* (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)

51.5% (Box C) X $ *2,812.50* (Box B) = **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.

___ (Box D) – ___ (Box A) = **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.

$2,812.50 (Box A) – *$1,448.44* (Box D) = **F** $ *1,364.06*

Student's Name *Penny Jones* **Social Security Number** *Case Study 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 (Box G) X *48.5%* (Box H) = **I** $ *679.00*

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	*$679.00*
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 (Box F) – *$679.00* (Box J) = **K** $ *685.06*

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	*$685.06*	x 50% =	*$342.53*
2. Subsidized FFEL/Direct Stafford Loan*		6. FSEOG		x 50% =	
3. Perkins Loan*		7. Other Title IV programs (x 50% for grant funds)			
4. FFEL/Direct PLUS*					

*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.

CASE STUDY 3: HARRY SPRINGER

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

Learning Objectives

- Calculate ratio of completed clock hours to scheduled clock hours.
- Calculate percentages of Title IV aid earned and unearned based on clock hours.
- Determine withdrawal date for student who did not provide notification of intent to withdraw.

School Profile

Quality Tech School (QTS) is a proprietary, clock-hour institution

Academic Year/Program	900 clock hours 30 weeks
Period	450 clock hours 15 weeks
Period Start Date	September 7
Period End Date	December 22
5 Consecutive Day Break	No
Taking Attendance Required	Yes
Method for Matching FSEOG	Fund-specific

Student Profile

Harry Springer enrolled at QTS for a fall term consisting of 450 clock hours over 15 weeks. Charges to his account are as follows:

Tuition and Fees	$	1,750.00/15 week period
Room and Board		(nonresidential school)
Books and Supplies	$	250.00/15 week period
Student Account Balance	$	250.00

Balances remaining on Harry's account include:

Books and Supplies	$	250.00

School authorized to credit account for other charges: Yes (all charges)

Harry Springer was eligible for the following annual awards:

Net Subsidized Stafford Loan	$	2,000.00
Perkins Loan	$	1,500.00
Institutional Awards	$	1,000.00

Discussion

Harry's student account was credited with both Stafford and Perkins loan disbursements for the fall period. However, the disbursement of the institutional grant was placed on hold until Harry turned in the required form. Also, Harry did not live on campus but was charged $250.00 for books, which had to be purchased at QTS' campus store.

Everything seemed to be going very well for Harry—until fall break. Due to personal problems, Harry didn't return to QTS, and he didn't bother to let anyone know that he was dropping out. It wasn't until you called him on November 5—to give him a last chance to turn in the institutional form still needed—that you discovered he hadn't returned after fall break (November 2-4). Upon checking with the director of the program, you verified that Harry had completed 210 of the 250 clock hours scheduled for completion on the last day he attended prior to fall break (November 1).

Using the information provided, complete the worksheet.

Note: QTS is required to take attendance and uses the fund-specific method to match FSEOG funds. Harry withdrew without providing official notification.

Decide on the date of the school's determination that Harry withdrew, and then complete *Step 1: Student's Title IV Aid Information.*

Solution

November 5 is the date you called Harry about the needed form and he told you he wasn't coming back. Date of the institution's determination that the student withdrew = November 5.

Step 1: Student's Title IV Aid Information

A. Title IV aid disbursed = $ 1,750.00

Subsidized Loan	$ 1,000.00
Perkins Loan	$ 750.00

B. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $1,750.00

Note: All Title IV aid was disbursed.

Step 2: Percentage of Title IV Aid Earned

To be able to complete Step 2, we'll need to note the:

- total number of clock hours in the period = 450
- number of clock hours Harry completed = 210
- number of clock hours Harry was scheduled to complete = 250.

1. November 1 is Harry's last date of attendance taken from attendance records. Withdrawal date = November 1.

2. Percentage of payment period completed:

   - Calculation 1: Determine percentage of clock hours completed in the period. Divide the number of clock hours completed by the number of clock hours in the period. 210 ÷ 450 = .4666, rounded to .467, or 46.7%. Since this percentage is less than (or equal to) 60%, proceed to Calculation 2. Clock hours completed = 46.7%.

   - Calculation 2: Determine the ratio of clock hours completed to clock hours scheduled to be completed. Divide the number of clock hours completed by the number of clock hours scheduled to be completed. 210 ÷ 250 = .8400, rounded to .840, or 84.0%. Since this percentage is greater than 70%, calculate the percentage completed using scheduled clock hours (rather than completed clock hours). The ratio = 84.0%.

   - Determine percentage of payment period completed. 250 hours ÷ 450 hours = .5555, rounded to .556, or 55.6%.

   C. Percentage of Title IV aid earned = 55.6%. Percentage of payment period completed (55.6%), up to and including 60%; otherwise, if greater than 60%, then 100%. (Note that the 60% threshold can't be reached using scheduled hours completed.) Percentage of payment period completed = 55.6%.

Step 3: Amount of Title IV Aid Earned by Student

D. 55.6% (% of Title IV aid earned from item C) X $1,750.00 (total Title IV aid disbursed and that could have been disbursed from item B) = $973.00 (no rounding needed). Amount of Title IV aid earned by student = $973.00.

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

E. Because the total Title IV aid earned (item D) is less than the aid disbursed (item A), no post-withdrawal disbursement is due and we proceed to item F. Post-withdrawal disbursement = N/A.

F. Because the total Title IV aid disbursed (item A) is greater than the aid earned (item D), Title IV aid will need to be returned. $1,750.00 (item A) – $973.00 (item D) = $777.00. Title IV aid to be returned = $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 = $2,000.00

Tuition and Fees	$ 1,750.00
Books and Supplies	$ 250.00

Note: The charge for books and supplies is considered an institutional charge, since they must be purchased from QTS' bookstore.

H. Subtract % Title IV aid earned (item C) from 100% (100% – 55.6% = 44.4%). Percentage of Title IV aid unearned = 44.4%.

I. First, calculate the amount of unearned institutional charges. $2,000.00 (institutional charges from item G) X 44.4% (% Title IV aid unearned from item H) = $888.00 (no rounding needed). Amount of unearned institutional charges = $888.00.

J. Then, compare the amount of Title IV aid to be returned (item F) to unearned institutional charges (item I) and enter the lesser amount for Item J.

Item F =	$ 777.00
Item I =	$ 888.00

Amount of unearned Title IV aid due from the school = $777.00.

Step 6: Return of Funds by the School

No Perkins funds are returned, since the total Title IV aid returned does not exceed the amount of the subsidized loan ($777.00) received.

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

K. Subtract the amount of Title IV aid that the school must return from the total amount of Title IV aid that is to be returned. $777.00 (item F) – $777.00 (item J) = $0.00.

Step 8: Return of Funds by the Student

N/A

Questions and Answers

Q: Under what scenario would institutional awards be used in calculating the return of Title IV funds?

A: Institutional awards are never included in the calculation.

Q: Since Harry did not provide notification that he was withdrawing from his clock-hour program, how is the withdrawal date determined? And, since the number of clock hours completed is going to be used in the calculation, why do we need Harry's withdrawal date?

A: Harry's withdrawal date is taken from attendance records, since his school requires that attendance be taken. We need to know Harry's withdrawal date so that we can determine how many clock hours were scheduled to be completed as well as how many clock hours were completed as of the date he withdrew, as both items of information are needed to perform the calculation.

Q: What constitutes *official notification*?

A: *Official notification* is the notice that the student provides to the school that he or she is withdrawing. This can be done by following the school's prescribed policy or by providing the office(s) designated by the school with notice in writing or orally (in person, over the telephone by an individual acting on behalf of the student, or via alternative means specified by the school, such as a Web site).

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*

Date Form Completed ___/___/___ **Date of the institution's determination that the student withdrew** *11 / 5 /*

Period used for calculation (check one) *v* ☐ 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	*$1,000.00*		6. FSEOG		
3. Perkins Loan	*$ 750.00*		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

210 (completed hours) ÷ *450* (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.

210 (completed hours) ÷ *250* (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%).

250 (scheduled to complete) ÷ *450* (total hours) = *55.6* %

*Excused absences do NOT count as completed hours. **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)

55.6% (Box C) X *$1,750.00* (Box B) = **D** *$ 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.**

Student's Name *Harry Springer* **Social Security Number** *Case Study 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.

[ ] Box D – [ ] Box A = **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.

$1,750.00 Box A – *$973.00* Box D = **F** $ *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).

$2,000.00 Box G X *44.4%* Box H = **I** $ *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	*$777.00*	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).

$777.00 Box F – *$777.00* Box J = **K** $ *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 (x 50% for grant funds)			
4. FFEL/Direct PLUS*					

*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.

CASE STUDY 4: BILL DONAHUE

Calculating the return of Title IV funds for a student receiving grants and attending a four-year public university (trimesters).

Learning Objectives

- Determine the withdrawal date for a student attending a school that is required to take attendance.
- Review the criteria that determine if a school is required to take attendance.
- Determine the effect of FWS earnings on the return of Title IV funds calculation.

School Profile

Big State University (BSU) is a 4-year, public, residential credit-hour institution.

Academic Year/Program	3 trimesters 30 weeks
Period	10 weeks (68 calendar days)
Period Start Date	January 10
Period End Date	March 17
5 Consecutive-Day Break	No
Taking Attendance Required	Yes
Method for Matching FSEOG	Fund-specific

Student Profile

Bill Donahue is a first-year student at BSU majoring in chemistry. Bill is living on campus and spends his free time at his FWS job in the Chemistry Department. Charges to his account are as follows:

Tuition and Fees	$	900.00/10 week trimester
Room	$	600.00/10 week trimester
Board	$	400.00/10 week trimester
Health Insurance	$	300.00/per academic year

(required of all students and remains in effect for the entire period, even if students cease attendance)

Balances remaining on Bill's account include:

Health Insurance	$	258.34

School Authorized to Credit Account for Other Charges: Yes (all charges)

His financial aid for the academic year is:

Pell Grant	$	3,125.00
FSEOG	$	2,100.00
FWS	$	1,800.00

Discussion

Bill is not required to purchase his books and supplies from BSU. On February 10 (32 calendar days), you were advised by the Chair of the Chemistry Department that Bill was suspended for the rest of the academic year (it appears that he was spending his FWS hours on his own "special projects" in the Chemistry lab). Upon checking with his professors, you determined that his last date of class attendance was February 8 (30 calendar days). Prior to this incident, Bill's student account had been credited for the term with:

Pell Grant	$	1,041.67
FSEOG	$	700.00
FWS	$	200.00

Using the information provided, complete the worksheet.

Solution

Date of the institution's determination that the student withdrew = February 10.

Step 1: Student's Title IV Aid Information

A. Remember that, although disbursed, the FWS earnings ($200.00) are never included in the calculation. In addition, we use 100% of the FSEOG funds awarded for the semester, since BSU uses the fund specific method of matching FSEOG funds. Title IV aid disbursed equals $1,741.67.

Pell Grant	$ 1,041.67
FSEOG	$ 700.00

B. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $1,741.67.

Step 2: Percentage of Title IV Aid Earned

1. BSU requires that attendance be taken. Therefore, Bill's date of withdrawal is taken from attendance records, which indicated that February 8 was his last date of attendance. Withdrawal date = February 8.

2. Payment period start date = January 10

3. Payment period end date = March 17

4. Date of institution's determination that Bill withdrew = February 10.

5. Percentage of payment period completed

   - Number of calendar days completed in payment period = 30 calendar days

   - Number of calendar days in payment period = 68 calendar days

   - 30 days ÷ 68 days = .4411, rounded to .441, or 44.1%. Percentage of payment period completed = 44.1%

C. Item C up to and including 60%; otherwise, if greater than 60%, then 100%. Percentage of Title IV aid earned = 44.1%

Step 3: Amount of Title IV Aid Earned by Student

D. 44.1% (% of Title IV aid earned from item C) X $1,741.67 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from item B) = $768.076, rounded to $768.08. Amount of Title IV aid earned by student = $768.08.

Step 4: Total Title IV Aid to B e Disbursed or Returned

E. Because the total Title IV aid earned (item D) is less than the aid disbursed (item A), no post-withdrawal disbursement is due and we proceed to item F. Post-withdrawal disbursement = N/A.

F. Because the total Title IV aid disbursed (item A) is greater than the aid earned (item D), Title IV aid will need to be returned. $1,741.67 (item A) – $768.08 (item D) = $973.59. Total Title IV aid to be returned = $973.59.

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

G. Because health insurance is required of all students and remains in effect for the entire period, even if the student withdraws, it is not considered an institutional charge. Institutional charges for the payment period = $1,900.00.

Tuition and Fees	$ 900.00
Room	$ 600.00
Board	$ 400.00

H. Subtract % Title IV aid earned (item C) from 100% (100% – 44.1% = 55.9%). Percentage of Title IV aid unearned = 55.9%.

I. First, calculate the amount of unearned institutional charges. $1,900.00 (institutional charges from item G) X 55.9% (%Title IV aid unearned from item H) = $1,062.10 (no rounding needed). Amount of unearned institutional charges = $1,062.10.

J. Then, compare the amount of Title IV aid to be returned (item F) to unearned institutional charges (item I) and enter the lesser amount for item J.

Item F =	$ 973.59
Item I =	$ 1,062.10

Amount of unearned Title IV aid due from the school = $973.59.

Step 6: Return of Funds by the School

No FSEOG funds are returned, since the total Title IV aid returned does not exceed the amount of the Pell Grant received. (FWS earnings are not included in the calculation.)

Pell Grant	$ 973.59

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

K. Subtract the amount of Title IV aid that the school must return from the total amount of Title IV aid that is to be returned. $973.59 (item F) – $973.59 (item J) = $0.00. Initial amount of unearned Title IV aid due from student = $0.00.

Step 8: Return of Funds by the Student

N/A

Questions and Answers

Q: The amount of Pell Grant the school is responsible for returning is $973.59. Can the school round the amount? If so, to what?

A: Yes. The school could choose to round the amount. If so, the amount of Pell Grant returned would be $974, since monetary amounts are rounded to the nearest dollar.

Q: If BSU's accrediting agency required that attendance be taken only during the first two weeks of the term, would this change how the withdrawal date is determined?

A: Yes. The regulations do not pertain to schools that are required to take attendance for only a brief portion of the period, but if an outside agency requires attendance to be taken for a group of students (such as those receiving benefits from another government agency), this last date of attendance for this group would be determined by attendance records (and the midpoint determination would not apply).

Q: Why wasn't the $200 in FWS wages that had been credited to Bill's student account included in the calculation?

A: FWS wages are never included in calculating the return of Title IV funds.

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

Student's Name *Bill Donahue* **Social Security Number** *Case Study 4*

Date Form Completed ___/___/___ **Date of the institution's determination that the student withdrew** *2 / 10 /*

Period used for calculation (check one) *v* ☐ 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	*$1,041.67*	
2. Subsidized FFEL/Direct Stafford Loan			6. FSEOG	*$ 700.00*	
3. Perkins Loan			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** $ *1,741.67*

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** $ *1,741.67*

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 OR school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

- Withdrawal date *2 / 8 /* Payment period/period of enrollment start date *1 / 10 /* end date *3 / 17 /*
- 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 or enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

30 (completed days) ÷ *68* (total days) = *44.1* %

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 *44.1*%

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)

44.1% (Box C) X $ *1,741.67* (Box B) = **D** $ *768.08*

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.

[ ] (Box D) – [ ] (Box A) = **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.

$1,741.67 (Box A) – *$768.08* (Box D) = **F** $ *973.59*

Student's Name *Bill Donahue* **Social Security Number** *Case Study 4*

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 *$900.00* Board *$400.00* Other _____

Room *$600.00* Other _____ Other _____

Total Institutional Charges **G** $ *1,900.00*

H. Percentage of Title IV aid unearned (100% - Box C) **H** *55.9%*

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

$1,900.00 (Box G) X *55.9%* (Box H) = **I** $ *1,062.10*

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** $ *973.59*

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	*$973.59*
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).

$973.59 (Box F) – *$973.59* (Box J) = **K** $ *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 (x 50% for grant funds)			
4. FFEL/Direct PLUS*					

*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.

CASE STUDY 5: JOSEANNE CARR

Calculating the return of Title IV funds for a student attending a four-year private school (semesters) and receiving loans (partially disbursed).

Learning Objectives

- Calculate the return of Title IV funds for a student who is responsible for returning loan funds.
- Determine how to handle Title IV funds that were not disbursed prior to the student's withdrawal.
- Determine the distinction between the student's withdrawal date and the date the school determined the student withdrew.

School Profile

Elite College of the South (ECS) is a two- and four-year private, credit-hour institution.

Academic Year/Program	2 semesters 30 weeks
Period	15 weeks 105 calendar days
Period Start Date	September 9
Period End Date	December 22
5 Consecutive Day Break	No
Taking Attendance Required	Yes
Method for Matching FSEOG	N/A

Student Profile

Joseanne Carr entered ECS one academic year ago. Charges to her account are as follows:

Tuition and Fees	$	11,000.00/30 week acad. yr.
Student Account Balance:	$	0000.00
School Authorized to Credit Account for Other Charges:		Yes (all charges)

Joseanne's financial aid package included the following annual awards:

Subsidized Stafford Loan	$	1940.00
Unsubsidized Stafford Loan	$	1455.00
PLUS Loan	$	10,670.00
ECS Award	$	2,000.00

Discussion

Upon entering ECS one academic year ago, Joseanne Carr was torn between a four-year program in communications and a two-year program in interior design. After consulting her personal on-line psychic, she chose the program in interior design and decided to live off campus. Amazingly, the psychic must have gotten Joseanne's reading confused with someone else's, as Joseanne is really struggling in her third semester and has decided that she needs some time away. Although she planned to stop by the Financial Aid Office on October 4 to let those kind folks know that she was withdrawing, she was late for an appointment with her manicurist and didn't have the time. Luckily, by October 14, all of Joseanne's professors had contacted you to advise that she had stopped attending classes. You determined that her last date of attendance was October 1 (23 calendar days into the semester). At that point, her charges for the semester were $5,500.00, and all of her financial aid, except the unsubsidized loan that was projected to be in on October 17, was disbursed.

Using the information provided, complete the worksheet.

Solution

Date of the institution's determination that the student withdrew = October 14

Step 1: Student's Title IV Aid Information

A. Title IV aid disbursed = $6,305.00

Subsidized Loan	$	970.00
PLUS	$	5,335.00

B. Aid that was disbursed plus aid that could have been disbursed includes the unsubsidized Stafford loan of $727.50 that could have been disbursed. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $7,032.50.

Step 2: Percentage of Title IV Aid Earned

1. Withdrawal date = October 1

2. Payment period start date = September 9

3. Payment period end date = December 22

4. Percentage of payment period completed

   - Number of calendar days completed in payment period = 23 calendar days

   - Number of calendar days in payment period = 105 calendar days

   - 23 days ÷ 105 days =.2190, rounded to .219, or 21.9%. Percentage of payment period completed = 21.9%.

C. Item C up to and including 60%; otherwise, if greater than 60%, then 100%. Percentage of Title IV aid earned = 21.9%.

Step 3: Amount of Title IV Aid Earned by Student

D. 21.9% (% of Title IV aid earned from item C) X $7,032.50 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from item B) = $1,540.117, rounded to $1,540.12. Amount of Title IV aid earned by student = $1,540.12.

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

E. Because the total Title IV aid earned (item D) is less than the aid disbursed (item A), no post-withdrawal disbursement is due and we proceed to item F. Post-withdrawal disbursement = N/A.

F. Because the total aid disbursed (item A) is greater than the total aid earned (item D), Title IV aid will need to be returned. $6,305.00 (item A) – $1,540.12 (item D) = $4,764.88. Total Title IV aid to be returned = $4,764.88.

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

G. Institutional charges for the payment period or period of enrollment = $5,500.00.

Tuition and Fees	$ 5,500.00

H. Subtract % Title IV aid earned (item C) from 100% (100% – 21.9% = 78.1%). Percentage of Title IV aid unearned = 78.1%.

I. First, calculate the amount of unearned institutional charges. $ 5,500.00 (institutional charges from item G) X 78.1% (% Title IV aid unearned from item H) = $ 4,295.50 (no rounding needed). Amount of unearned institutional charges = $ 4,295.50.

J. Then, compare the amount of Title IV aid to be returned (item F) to unearned institutional charges (item I) and enter the lesser amount for item J.

Item F =	$ 4,764.88
Item I =	$ 4,295.50

Amount of unearned Title IV aid due from the school = $ 4,295.50.

Step 6: Return of Funds by the School

Subsidized Loan	$ 970.00
PLUS Loan	$ 3,325.50

Note: The non-disbursed Unsubsidized Stafford loan of $727.50 will need to be cancelled.

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

K. Subtract the amount of Title IV aid that the school must return from the total amount of Title IV aid that is to be returned. $4,764.88 (item F) — $4,295.50 (item J) = $469.38. Initial amount of unearned Title IV aid due from student = $469.38.

Step 8: Return of Funds by the Student

PLUS Loan	$ 469.38

Note: Remember, in the case of Parent PLUS loans, the parent—not the student—is responsible for returning the loan funds as per the terms of the promissory note signed.

Questions and Answers

Q: What would the withdrawal date have been if taking attendance were not required at ECS and you had not discovered Joseanne's withdrawal until the last week of the fall semester?

A: Because Joseanne did not begin the withdrawal process or otherwise notify the school of her intent to withdraw, the withdrawal date would have been the *midpoint of the payment period for which Program Assistance was disbursed*. In this case, her professors documented from attendance records that she stopped attending on October 1, before the midpoint of the period. Therefore, attendance at an academically-related event later than the midpoint of the period wouldn't apply.

Q: How do Joseanne's parents take care of returning the PLUS loan funds of $469.38? When all is said and done, how much of the original net disbursement of $5,335.00 will they still owe?

A: They simply repay the funds in accordance with the terms of the promissory note. And, they still owe $2,009.50 ($5,335.00 – $ 3325.50 = $2,009.50), plus loan origination fees.

Q: What is the distinction between "withdrawal date" and "date of the institution's determination that the student withdrew" in the return of Title IV funds?

A: Withdrawal date affects the number of days the student completed and, in turn, the percentage of aid earned as well as the percentage of aid unearned. The date of the institution's determination that the student withdrew starts the clock with regard to the various time-sensitive requirements to which the institution and student must adhere.

Remember that the withdrawal date and the date of the school's determination are not necessarily the same date.

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

Student's Name *Joseanne Carr* **Social Security Number** *Case Study 5*

Date Form Completed ___/___/___ **Date of the institution's determination that the student withdrew** *10 / 14 /*

Period used for calculation (check one) *v* ☐ 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		*$ 727.50*	5. Pell Grant		
2. Subsidized FFEL/Direct Stafford Loan	*$ 970.00*		6. FSEOG		
3. Perkins Loan			7. Other Title IV programs*		
4. FFEL/Direct PLUS	*$5,335.00*		*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** *$ 6,305.00*

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** *$ 7,032.50*

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 OR school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

- Withdrawal date *10 / 1 /* Payment period/period of enrollment start date *9 / 9 /* end date *12 / 22 /*
- 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 or enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

23 (completed days) ÷ *105* (total days) = *21.9* %

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 *21.9%*

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)

21.9% (Box C) X *$ 7,032.50* (Box B) = **D** *$ 1,540.12*

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.

___ (Box D) – ___ (Box A) = **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.

$6,305.00 (Box A) – *$1,540.12* (Box D) = **F** *$ 4,764.88*

Student's Name *Joseanne Carr* **Social Security Number** *Case Study 5*

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 *$5,500.00* Board _____ Other _____

Room _____ Other _____ Other _____

Total Institutional Charges **G** | $ *5,500.00*

H. Percentage of Title IV aid unearned (100% - Box C) **H** | *78.1%*

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

$5,500.00 (Box G) X *78.1%* (Box H) = **I** | $ *4,295.50*

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** | $ *4,295.50*

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	*$ 970.00*	6. FSEOG	
3. Perkins Loan		7. Other Title IV programs	
4. FFEL/Direct PLUS	*$3,325.50*		

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).

$4,764.88 (Box F) – *$4,295.50* (Box J) = **K** | $ *469.38*

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*	*$469.38*	(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.

CASE STUDY 6: RONNIE DESMOND

Calculating the return of Title IV funds for a student attending a four-year, low-cost private school (semesters) and receiving loans and grants (partially disbursed).

Learning Objectives

- Calculate the return of Title IV funds for a student who is responsible for returning loan and grant funds.
- Determine the school's requirements for dealing with a student who owes a grant overpayment.
- Review the effect of rescinding a notice of intent to withdraw on determining the student's withdrawal date.

School Profile

Heartland of the Country College (HCC) is a four-year private, credit-hour institution.

Academic Year/Program:	2 semesters 30 weeks
Period:	15 weeks 114 calendar days
Period Start Date:	January 12
Period End Date:	May 5
5 Consecutive Day Break:	No
Taking Attendance Required:	No
Method for Matching FSEOG:	Fund-specific

Student Profile

Ronnie Desmond is a first-time freshman at HCC. Charges to his account are as follows:

Tuition and Fees	$	2,000.00/30 week acd yr.
Room and Board		(nonresidential student)
Books and Supplies	$	500.00/30 week acd yr.
Student Account Balance:	$	0000.00

School Authorized to Credit Account for Other Charges: Yes (all charges)

Ronnie's financial aid package includes the following annual awards:

Subsidized Stafford Loan	$	1,115.50 (Net)
Pell Grant	$	3,125.00
FSEOG	$	2,000.00

Discussion

Just recently, Ronnie Desmond and his sister, Mary, ended a short run as hosts of a local radio program. Unsure of what to do with the rest of his life, Ronnie decided to enroll as a first-time freshman at HCC for the spring semester. For the one semester, in addition to his tuition and fees, he was charged $250.00 for books and supplies, which **must be purchased from the campus bookstore**. Although he had to take out a small student loan for living expenses, he had the full support of his wife. Ronnie did very well—until March 20, when he and Mary got a call from the radio station promising a very lucrative long-term contract and begging them to come back. That same day, Ronnie contacted the Financial Aid Office to advise that he was withdrawing from HCC (68 calendar days into the semester) and to find out what to do next. With the exception of the Stafford loan that had just been certified, all of his financial aid for the semester had been disbursed.

Using the information provided, complete the worksheet.

Solution

Date of the institution's determination that the student withdrew = March 20

Step 1: Student's Title IV Aid Information

A. Because HCC uses the fund-specific method of matching FSEOG funds, 100% of Ronnie's FSEOG grant is used in the calculation. Title IV aid disbursed = $2,562.50.

Pell Grant	$	1,562.50
FSEOG	$	1,000.00

B. Aid that was disbursed plus aid that could have been disbursed includes the subsidized Stafford Loan of $557.75 that could have been disbursed. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $3,120.25.

Step 2: Percentage of Title IV Aid Earned

1. Withdrawal date = March 20

2. Payment period start date = January 13

3. Payment period end date = May 5

4. Percentage of payment period completed

   - Number of calendar days completed in payment period = 68 calendar days

   - Number of calendar days in payment period = 114 calendar days

   - 68 days ÷ 114 days = .5964, rounded to .596, or 59.6%. Percentage of payment period completed = 59.6%.

C. Item C up to and including 60%; otherwise, if greater than 60%, then 100%. Percentage of Title IV aid earned = 59.6%.

Step 3: Amount of Title IV Aid Earned by Student

D. 59.6% (% of Title IV aid earned from item C) X $3,120.25 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from item B) = $1,859.669 (rounded to $1,859.67). Amount of Title IV aid earned by student = $1,859.67.

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

E. Because the total Title IV aid earned (item D) is less than the aid disbursed (item A), no post-withdrawal disbursement is due and we proceed to item F. Post-withdrawal disbursement = N/A.

F. Because the total aid disbursed (item A) is greater than the total aid earned (item D), Title IV aid will need to be returned. $2,562.50 (item A) – $1,859.67 (item D) = $702.83. Title IV aid to be returned = $702.83.

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

G. Institutional charges for the payment period or period of enrollment = $1,250.00

Tuition and Fees	$ 1,000.00
Books and Supplies	$ 250.00

H. Subtract % Title IV aid earned (item C) from 100% (100% – 59.6% = 40.4%). Percentage of Title IV aid unearned = 40.4%.

I. First, calculate the unearned institutional charges. $1,250.00 (institutional charges from item G) X 40.4% (% Title IV aid unearned from item H) = $505.00 (no rounding needed). Amount of unearned institutional charges = $505.00.

J. Then, compare the amount of Title IV aid to be returned (item F) to unearned institutional charges (item I) and enter the lesser amount for item J.

Item F =	$	702.83
Item I =	$	505.00

Amount of unearned Title IV aid due from the school = $505.00

Step 6: Return of Funds by the School

Pell Grant	$	505.00

Note: The non-disbursed subsidized loan of $557.75 would need to be cancelled.

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

K. Subtract the amount of Title IV aid that the school must return from the total amount of Title IV aid that is to be returned. $702.83 (item F) – $505.00 (item J) = $197.83. Initial amount of unearned Title IV aid due from student = $197.83.

Step 8: Return of Funds by the Student

Initial amount to return multiplied by 50%. $197.83 X 50% = $98.915 (rounded to 98.92).

Pell Grant	$	98.92

Questions and Answers

Q: Had Ronnie's loan been disbursed at the time of withdrawal, would he have had to repay (return) the loan immediately?

A: No. Immediate repayment of the loan is not required because it is expected the loan will be repaid according to the terms and conditions of the promissory note the student signed.

Q: What happens if Ronnie is unable to repay the portion of the Pell Grant that must be returned?

A: Ronnie remains eligible for Title IV aid for up to 45 days from the earlier of the date the school mails him a notification of his obligation or the date the school is required to send him that notification. Ronnie can continue his eligibility by returning the overpayment or by agreeing to a repayment arrangement.

Q: What would the withdrawal date have been if Ronnie had changed his mind and rescinded his notice of withdrawal, and finally decided definitely to withdraw on March 27?

A: The withdrawal date used for the calculation of return of Title IV funds would have been the earlier date, March 20. Remember that if the institution allows the student to rescind the official notification of intent to withdraw, and the student subsequently ceases attendance, the rescission is negated and the withdrawal date is the student's original withdrawal date.

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

Student's Name *Ronnie Desmond* **Social Security Number** *Case Study 6*

Date Form Completed ___/___/___ **Date of the institution's determination that the student withdrew** *3 / 20 /*

Period used for calculation (check one) *v* ☐ 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	*$1,562.50*	
2. Subsidized FFEL/Direct Stafford Loan		*$557.75*	6. FSEOG	*$1,000.00*	
3. Perkins Loan			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** $ *2,562.50*

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** $ *3,120.25*

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 OR school may enter a last date of attendance at an academically-related activity for "withdrawal date" and proceed from there.

- Withdrawal date *3 / 20 /* Payment period/period of enrollment start date *1 / 13 /* end date *5 / 5 /*
- 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 or enrollment (exclude scheduled breaks of 5 days or more AND days that a student was on approved leaves of absence).

68 (completed days) ÷ *114* (total days) = *59.6* %

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 *59.6*%

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)

59.6% (Box C) X $*3,120.25* (Box B) = **D** $ *1,859.67*

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.

___ (Box D) – ___ (Box A) = **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.

$*2,562.50* (Box A) – $*1,859.67* (Box D) = **F** $ *702.83*

Student's Name *Ronnie Desmond* **Social Security Number** *Case Study 6*

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 *$250.00* Other _____

Total Institutional Charges **G** $ *1,250.00*

H. Percentage of Title IV aid unearned (100% - Box C) **H** *40.4%*

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

$1,250.00 (Box G) X *40.4%* (Box H) = **I** $ *505.00*

J. Compare the amount of Title IV aid to be returned (Box F) to Box I and enter the lesser amount. **J** $ *505.00*

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	*$505.00*
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).

$702.83 (Box F) – *$505.00* (Box J) = **K** $ *197.83*

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	*$197.83*	x 50% =	*$98.92*
2. Subsidized FFEL/Direct Stafford Loan*		6. FSEOG		x 50% =	
3. Perkins Loan*		7. Other Title IV programs (x 50% for grant funds)			
4. FFEL/Direct PLUS*					

*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.

CASE STUDY 7: JORDAN AIRE

Calculating the return to Title IV funds for a student attending a clock-hour school that performs the return to Title IV funds calculations on an enrollment period basis.

Learning Objectives

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

- determine when a school may make a second or subsequent disbursement of a FFEL or Direct Loan;
- calculate the percentage and amount of Title IV aid earned by a student attending a school that performs the return to Title IV funds calculations on a period of enrollment basis;
- perform a return to Title IV funds calculation using scheduled hours rather actual hours;
- in the calculation, use net loan proceeds rather than the gross loan amount.

School Profile

Learn to Earn Training School (LETS) is a proprietary clock-hour institution.

Program	1,500 clock hours 50 weeks
Academic Year / Period of Enrollment	900 clock hours 30 weeks
Academic Year Start Date	January 3
Academic Year End Date	July 28
Five Consecutive Day Break	No
Taking Attendance Required	Yes
Method for Matching FSEOG	Fund-Specific

Student Profile

Jordan Aire enrolled at LETS for an electronic technology program that runs for 50 weeks and 1500 clock hours. The period of enrollment is the academic year or 900 clock hours (30 weeks). Charges to his account are as follows:

Tuition and Fees	$	5,000.00 / 30 week academic year
Room and Board		(nonresidential school)
Books and Supplies	$	500.00 / 30 weeks
School Authorized to Credit Account for Other Charges	Yes (all charges)	

Jordan Aire was eligible for the following annual awards:

Pell Grant	$	1,400.00
Subsidized Stafford Loan	$	2,625.00

Discussion

Jordan's student account was initially credited with $700.00 in Pell funds and a net Stafford Loan Disbursement of $1,260. (Though the school is using period of enrollment as the basis for the return to Title IV funds calculation, the Pell and Stafford Loan regulations require that the funds be disbursed in payment periods as defined in 34 CFR 668.4.)

Jordan completes the first half of the academic year (first payment period), attends a portion of the second payment period, and withdraws to go into the Navy. At the point Jordan withdrew, he had completed 500 of the 650 clock hours he was scheduled to complete as of the date he withdrew.

Solution

Step 1: Student's Title IV Aid Information

A. When Jordan withdrew, he had received the first scheduled disbursements of the Pell Grant and loan, but had not yet received any disbursement for the second half of the period of enrollment. Title IV aid disbursed = $1,960.00.

Subsidized Loan	$	1,260.00
Pell Grant	$	700.00

So long as the conditions for late disbursements in 34 CFR 668.164(g)(2) were met prior to the date the student became ineligible, any undisbursed Title IV aid **for the period for which the return calculation is performed** is counted as aid that could have been disbursed (regardless of whether the institution was prohibited from making the disbursement on or before the day the student withdrew because of the limitations in 34 CFR 668.164(g)(4) or elsewhere).

The Department had processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC) for the student, so the Pell Grant funds that had not yet been disbursed ($700.00) are included as Aid That Could Have Been Disbursed.

The student's loan application has been certified, so the second disbursement ($1,260.00) of the loan is also included as Aid That Could Have Been Disbursed.

Aid that could have been disbursed = $700.00 + $1,260.00 = $1,960

B. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = $3,920.00.

Step 2: Percentage of Title IV Aid Earned

Information used to complete Step 2:

- Total clock hours in the period 900
- Number of clock hours Jordan completed 500
- Number of clock hours scheduled to be completed 650

1. Determine the percentage of clock hours completed in the period. Divide the number of clock hours completed by the number of clock hours in the period of enrollment. 500 hours divided by 900 hours = .5555, rounded to .556, or 55.6%. Since this is less than 60%, proceed to calculation 2.

2. Determine the ratio of clock hours completed to clock hours scheduled to be completed. Divide the number of clock hours completed by the clock hours scheduled to be completed. 500 hours divided by 650 hours = .7692, rounded to .769, of 76.9%. Since this percentage is greater than 70% calculate the percent of the period completed (which is also the percent of aid earned) using scheduled hours (rather than completed hours).

C. Calculate the percent of the period completed. 650 scheduled hours divided by 900 hours in the period of enrollment = .7222, rounded to .722, or 72.2%. (Note that the concept of a student earning 100% of the Title IV aid if the percentage completed exceeds 60% does not apply if scheduled hours are used.)

Step 3: Amount of Title IV Aid Earned by Student

D. The amount of Title IV aid earned is equal to the percentage of Title IV aid earned (C) times the total Title IV aid disbursed plus Title IV aid that could have been disbursed for the period of enrollment. Amount of Title IV aid earned by student = (72.2% X $3,920.00) = $2,830.24.

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

E. The student had been disbursed $1,960 of the $2,830.24, so he is owed a post-withdrawal disbursement of $870.24.

A post-withdrawal disbursement must be made first from any available grant funds. The student had $700.00 in Pell Grant funds that had not, but could have been disbursed, so the entire $700.00 in Pell funds must be used to make a post-withdrawal disbursement.

In addition, the student is still owed $170.24 in a post-withdrawal disbursement. However, the late disbursement rules provide that the student may not receive a late second or subsequent disbursement of a Title IV education loan unless the student has graduated or successfully completed the period of enrollment for which the loan was intended. Therefore, although the second scheduled loan disbursement of $1,260 was included in the calculation of earned aid, the student cannot receive any of those funds. **Therefore, the actual amount of the student's post-withdrawal disbursement is the $700 in Pell Grant funds.**

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

Student's Name Jordan Aire **Social Security Number** _____

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

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	$700	$700
2. Subsidized FFEL/Direct Stafford Loan	$1,260	$1,260	6. FSEOG		
3. Perkins Loan			7. Other Title IV programs* *Do not include FWS.		
4. FFEL/Direct PLUS					

A. Total Title IV aid disbursed (NOT aid that could have been disbursed) for the payment period or period of enrollment **A** $ 1,960.00

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** $ 3,920.00

STEP 2: Percentage of Title IV Aid Earned

C. • Withdrawal date ___/___/___

• Percentage of payment period or period of 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 500 (completed hours) ÷ 900 (total hours) = 55.6 %

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. 500 (completed hours) ÷ 650 (scheduled to complete) = 76.9 %

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%).

*Excused absences do NOT count as completed hours 650 (scheduled to complete) ÷ 900 (total hours) = 72.2 % **C** 72.2 %

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) 72.2 % (Box C) x $3,920.00 (Box B) = **D** $ 2,830.24

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.**

Student's Name Jordan Aire **Social Security Number** _____

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.

$2,830.24 (Box D) – $1960.00 (Box A) = **E** $ ~~870.24~~ 700.00

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.

_____ (Box A) – _____ (Box D) = **F** $.

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 _____ Board _____ Other _____

Room _____ Other _____ Other _____

Total Institutional Charges **G** $.

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

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

_____ (Box G) x _____ % (Box H) = **I** $.

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

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

_____ (Box F) – _____ (Box J) = **K** $.

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.

Post-Withdrawal Disbursement Tracking Sheet

Student's Name Jordan Aire **Social Security Number** _____

Amount of Post-Withdrawal Disbursement

A. Amount from Box E of "Treatment of Title IV Funds When a Student Withdraws" Worksheet **A** $ 700.00

Post-Withdrawal Disbursement Credited to Student's Account

B. Total outstanding charges on student's account **B** $ 0.

C. Total amount of post-withdrawal disbursement credited to student's account

- Amount of post-withdrawal disbursement credited for tuition, fees, room and board (if student contracts with the institution) $ _____
- Amount of post-withdrawal disbursement credited for other current charges + $ _____
- Amount of post-withdrawal disbursement credited for minor prior year charges + $ _____

Total Amount Credited to Account **C** $ 0.

D. Student and/or parent authorization to credit account for other current charges or minor prior year charges (if necessary) obtained on ___/___/___

E. If a post-withdrawal disbursement of loan funds is credited to account, date of notification to student and/or parent ___/___/___

Post-Withdrawal Disbursement Offered to Student/Parent

F. Total amount of post-withdrawal disbursement (Box A) – amount of post-withdrawal disbursement credited to student's account (Box C) = Total amount to offer to student/parent **F** $ 700.00

G. Notification sent to student and/or parent on ___/___/___

H. ☐ Response received from student/parent on ___/___/___

☐ Response not received

I. Amount accepted **I** $ 700.00

J. Accepted funds sent on ___/___/___

Post-Withdrawal Disbursement Made From

Pell Grant	_____	Subsidized FFEL/Direct Stafford Loan	_____
FSEOG	_____	Unsubsidized FFEL/Direct Stafford Loan	_____
Other Title IV programs (grants)	_____	Perkins Loan	_____
		FFEL/Direct PLUS	_____
		Other Title IV programs (loans)	_____