
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: Penny Jones

Calculating the return of Title IV funds for a student attending a two-year community college (semester) who is receiving Title IV grants and loans (partially disbursed), and is due a post-withdrawal disbursement.

Case Study 2: Bob Ellison

Calculating the return of Title IV funds when a student receiving Title IV grants and loans at a low-cost public community college that measures progress in credit hours withdraws and both the school and the student must return grant funds.

Case Study 3: Richard Sherman

When a student receiving Title IV grants and loans at a school that uses the aggregate method for matching the school's FSEOG Federal allocation withdraws unofficially.

Case Study 4: Harry Springer

When a student receiving Title IV grants and loans at a school that measures academic progress in clock hours and performs its Return calculations on a period of enrollment basis withdraws unofficially.

Case Study 5: Jordan Aire

When a student receiving Title IV grants and loans at a school that measures academic progress in clock hours and performs its Return calculations on a payment period basis withdraws unofficially.

Case Study 6: Bob White

When a student receiving Title IV grants and loans at a school that utilizes a non-term course structure, measures academic progress in credit hours, and performs its Return calculations on a payment period basis, officially withdraws, reenters within 180 days, and withdraws again.

CASE STUDY 1: PENNY JONES

Calculating the return of Title IV funds for a student attending a two-year community college (semester) who is receiving Title IV grants and loans (partially disbursed), and is due a Post-withdrawal Disbursement

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;
- calculate the percentage of the payment period or period of enrollment 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;
- determine the amount to be offered to the student or returned; and
- provide the information a school must maintain in its files when a student is eligible for a Post-withdrawal Disbursement, and complete a Post-Withdrawal Tracking Sheet.

School Profile

Everyone Should Have an Education Community College (ESECC) is a two-year, public, semester-based institution that measures academic progress in credit hours.

Academic Year/Program	2 semesters 32 weeks
Period	16 weeks 110 calendar days
Period Start Date	August 23
Institutionally Scheduled Break	None
Required to Take Attendance	No

Student Profile

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

Tuition and fees	\$	1,000.00/16-week semester
Technology fee	\$	100.00/16-week semester
Books and Supplies	\$	400.00/16-week semester
Health Insurance	\$	200.00/academic year

Charges remaining on Penny's account after the withdrawal:

Tuition	\$	100.00
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School Authorized to Credit
Account for Other Charges: Yes (all charges)

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

Pell Grant	\$	2,000.00
Direct Subsidized Loan	\$	3,500.00
State Grant	\$	500.00
College Grant	\$	200.00

Discussion

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

Pell Grant	\$	1,000.00
Direct Subsidized Loan	\$	0.00
State Grant	\$	500.00
College Grant	\$	100.00

Although Penny is grateful for the assistance, she is concerned about meeting her living costs for the year.

On October 8, Penny came to the Financial Aid 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. After you provide her preliminary information, you ask her if it is her intent to withdraw. Penny says that she needs some time to think it over, and makes a follow-up appointment for October 13.

When Penny comes to see you on October 13, she indicates 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 forms. Penny picks up the forms from the registrar on October 14. She turns the completed forms in 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 Pell Grant disbursement, but not her Direct Loan.

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, and
- 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 (October 13). On the earlier date, October 8, she was only thinking about withdrawing.

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

Note that for a student who provides notification to the institution of his or her withdrawal, the *date of determination* is the student's withdrawal date, or the date of notification of withdrawal, whichever is later (34 CFR 668.22(l)(3)(i)). In this case, the dates are identical, October 13.

The withdrawal date for Title IV purposes, October 13, is described in *Step 2*.

STEP 1: Student's Title IV Aid Information

Box A.	Title IV grants aid disbursed –	
	Pell Grant	\$ 1,000.00
	A. =	\$ 1,000.00

Box B. Net Title IV loans disbursed = \$ 0.00

Box C. Title IV grants that could have been disbursed = \$ 0.00

Box D. Penny's Direct Loan had not been disbursed yet. But, she was eligible for the disbursement. Net Title IV loans that could have been disbursed = \$1,750.00

D = \$ 1,750.00

Box E. Although Penny also received disbursements of state and institutional aid, only Title IV aid is considered in the return of funds calculation. Title IV aid disbursed = \$1,000.00.

Pell Grant \$ 1,000.00

Box F. Box F is equal to the \$1,000.00 from Box A plus \$0.00 from Box C. Box F = \$1,000.

Box G. Both the disbursed Pell (Box A) and undisbursed Direct Loan (Box D) are included Box G. Total Title IV aid disbursed plus Title IV aid that could have been disbursed = \$2,750.

Pell Grant (Box A) \$ 1,000.00

Direct Subsidized Loan (Box D) \$ 1,750.00

Total Title IV aid disbursed
plus could have been disbursed (Box G) \$ 2,750.00

STEP 2: Percentage of Title IV Aid Earned

1. Payment period start date = August 23
2. Payment period end date = December 10
3. Withdrawal date = October 13

Note: Since ESECC is not required by an outside entity to take attendance, the withdrawal date is the date Penny began the official school withdrawal process. **Since the school includes the financial aid office as one of those places where the student can begin the withdrawal process, Penny's withdrawal date is October 13.**

Although the school's refund policy is that the withdrawal date is the date a student turns in the signed withdrawal forms — which she did on October 15, that date is superseded for a student receiving Title IV aid by the federal requirement to use the date the student begins the withdrawal process or otherwise provides official notification (October 13) .

Although Penny stopped attending classes on September 30, she didn't notify the school (begin the official withdrawal process) until October 13. When she came to see you on October 8, she was only thinking about withdrawing.

Of course, 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.

Box H. 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 (August 23 – October 13).
- 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.
- $52 \text{ days} \div 110 \text{ days} = .4727$, rounded to .473, or 47.3%. Percentage of payment period completed = 47.3%.

Because this percentage is less than 60%, the Percentage of Title IV aid earned,

Box H = 47.3%.

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

Box I. $47.3\% \text{ (Percentage of Title IV aid earned from Box H)} \times \$2,750.00 \text{ (Total Title IV aid disbursed plus Title IV aid that could have been disbursed from Box G)} = \$1,300.75$.
Amount of Title IV aid earned by the student (Box I) = \$1,300.75.

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

Box J. Because the total aid earned (Box I) is greater than the total aid disbursed (item E), Penny is due a post-withdrawal disbursement. $\$1,300.75 \text{ (Box I)} - \$1,000.00 \text{ (Box E)} = \300.75 .
Post-withdrawal disbursement (Box J) = \$300.75.

If a post-withdrawal disbursement is due the student, you stop here on the worksheet. Your next step is to begin compiling the information a school must maintain in its files when a student is eligible for a Post-withdrawal Disbursement (ESECC has chosen to use FSA's Post-withdrawal Tracking Sheet), and providing the required notifications to the student.

THE POST-WITHDRAWAL DISBURSEMENT TRACKING SHEET

The FAO performed the Return calculation on October 15 and determined that Penny was eligible for a post-withdrawal disbursement of \$300.75 (STEP 4, Box J).

Because the post-withdrawal disbursement would be composed entirely of loan funds, the school could not credit any funds to Penny's account or disburse any funds to her directly without sending Penny written notification advising her of her responsibility to repay the funds and obtaining Penny's confirmation that she still wanted them.

Therefore, on October 20, the school sent Penny a letter explaining that:

- she was eligible for a post-withdrawal disbursement of Subsidized Direct Loan funds in the amount of \$300.75;
- she could accept some or all of the funds;
- Penny was obligated to repay any loan funds she accepted;
- if she accepted the disbursement, \$100 would be credited to her account for unpaid charges and that Penny could not receive that \$100;
- if she accepted the disbursement, the school would make a direct disbursement directly to her of \$200.75; and
- she has until November 13 (24 days from the day the school mailed the letter)¹ to accept the disbursement, and that if her response was received after that date, that the school did not have to make the disbursement.

On November 13, the school received confirmation from Penny that she accepted all of the funds.

On November 15, the school drew down \$300.75 in Subsidized Direct Loan funds through GAPS, credited the \$300.75 to Penny's account, took \$100 for unpaid charges, and sent Penny a check for the credit balance of \$200.75. (Note that the school could have drawn down the funds, credited the student's account with \$100, and sent the student the balance of \$200.75, but we do not require a school to deviate from its normal cash management procedures, and establish a different type of audit trail for post-withdrawal disbursements.)

The FAO placed a record of all the aforementioned in Penny's permanent financial aid file.

¹ The regulations now allow a school to set a deadline later than 14 days, provided the later deadline applies to both confirmation of loan disbursements to the student's account and direct disbursements of a post-withdrawal disbursement.

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

Student's Name	<div style="border: 1px solid black; padding: 2px;">Penny Jones</div>	Social Security Number	<div style="border: 1px solid black; padding: 2px;">Example 1</div>
Date form completed	<div style="border: 1px solid black; padding: 2px;">10 / 15 /</div>	Date of school's determination that student withdrew	<div style="border: 1px solid black; padding: 2px;">10 / 13 /</div>
Period used for calculation (check one)		<input checked="" type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed	E. Total Title IV aid disbursed for the payment period or period of enrollment.
1. Pell Grant	<div style="border: 1px solid black; padding: 2px; text-align: center;">1,000.00</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">A. 1,000.00</div>
2. Academic Competitiveness Grant	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">+ B. 0.00</div>
3. National SMART Grant	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">= E. \$ 1,000.00</div>
4. FSEOG	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	
<div style="border: 1px solid black; padding: 2px; text-align: center;">A. 1,000.00 Subtotal</div>		<div style="border: 1px solid black; padding: 2px; text-align: center;">C. 0.00 Subtotal</div>	
F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment.			
		<div style="border: 1px solid black; padding: 2px; text-align: center;">A. 1,000.00</div>	
		<div style="border: 1px solid black; padding: 2px; text-align: center;">+ C. 0.00</div>	
		<div style="border: 1px solid black; padding: 2px; text-align: center;">= F. \$ 1,000.00</div>	
Title IV Loan Programs	Net Amount Disbursed	Net Amount that Could Have Been Disbursed	G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment.
6. Unsubsidized FFEL/Direct Stafford Loan	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">A. 1,000.00</div>
7. Subsidized FFEL/Direct Stafford Loan	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">1750.00</div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">B. 0.00</div>
8. Perkins Loan	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">C. 0.00</div>
9. FFEL/Direct PLUS (Graduate Student)	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">+ D. 1,750.00</div>
10. FFEL/Direct PLUS (Parent)	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;"></div>	<div style="border: 1px solid black; padding: 2px; text-align: center;">= G. \$ 2,750.00</div>
<div style="border: 1px solid black; padding: 2px; text-align: center;">B. 0.00 Subtotal</div>		<div style="border: 1px solid black; padding: 2px; text-align: center;">D. 1,750.00 Subtotal</div>	

STEP 2: Percentage of Title IV Aid Earned

<div style="border: 1px solid black; padding: 2px; text-align: center;">08 / 23 /</div> Start date	<div style="border: 1px solid black; padding: 2px; text-align: center;">12 / 14 /</div> Scheduled end date	<div style="border: 1px solid black; padding: 2px; text-align: center;">10 / 13 /</div> Date of withdrawal
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A school that is not required to take attendance may, for a student who withdraws without notification, enter 50% in Box H and proceed to Step 3. Or, the school may enter the last date of attendance at an academically related activity for the "withdrawal date," and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawal date.

H. Percentage of payment period or period of enrollment completed

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 (excluding scheduled breaks of five days or more AND days that the student was on an approved leave of absence).

52

÷

110

=

47.3 %

Completed days
Total days

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

H. 47.3 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

47.3 %

X

2,750

=

I. \$ 1,300.75

Box H
Box G

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

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

J. Post-withdrawal disbursement

Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due. **Stop here**, and enter the amount in Box 1 on page 3, the Post-withdrawal disbursement tracking sheet.

1,300.75

-

1,000.00

=

J. \$ 300.75

Box I
Box E

Step 4 continued ▶

POST-WITHDRAWAL DISBURSEMENT TRACKING SHEET

Student's Name Penny Jones Social Security Number Example 1

Date of school's determination that student withdrew 10 / 13 /

I. Amount of Post-withdrawal Disbursement (PWD)

Amount from "Box J" of the Treatment of Title IV Funds When a Student Withdraws worksheet **Box 1** \$ 300.75

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

Total Outstanding Charges Scheduled to be Paid from PWD **Box 2** \$ 100.00

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

Subtract the Post-withdrawal Disbursement to be credited to the student's account (Box 2) from the total Post-withdrawal Disbursement due (Box 1). This is the amount you must offer to the student and/or parent as a Direct Disbursement.

\$ 300.75 **Box 1** **—** \$ 100.00 **Box 2** **=** **Box 3** \$ 200.75

IV. Allocation of Post-withdrawal Disbursement

Type of Aid	Grant Aid Credited to Account	Loan Amount School Seeks to Credit to Account	Loan Amount Authorized to Credit to Account	Amount of Aid Offered as Direct Disbursement	Amount of Aid Accepted as Direct Disbursement
Unsubsidized FFEL/Direct	N/A				
Subsidized FFEL/Direct	N/A	\$100.00	\$100.00	\$200.75	\$200.75
Perkins	N/A				
FFEL/Direct Grad Plus	N/A				
FFEL/Direct Parent Plus	N/A				
Pell Grant		N/A	N/A		
ACG		N/A	N/A		
National SMART Grant		N/A	N/A		
FSEOG		N/A	N/A		
Totals					

V. Authorizations and Notifications

Post-withdrawal disbursement notification sent to student and/or parent on 10 / 20 /

Deadline for student and/or parent to respond 11 / 13 /

☒ Response received from student and/or parent on 11 / 13 /
☐ Response not received

☐ School does not accept late response

VI. Date Funds Sent

Date Direct Disbursement mailed or transferred 11 / 15 /

CASE STUDY 2: BOB ELLISON

Calculating the return of Title IV funds when a student receiving Title IV grants and loans at a low-cost public community college that measures progress in credit hours withdraws and both the school and the student must return grant funds

Learning Objectives

Learn to complete STEPs 1–10 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 for a student who officially withdraws;
- calculate the percentage of the payment period or period of enrollment 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;
- determine the amount to be offered to the student or returned; and
- apply the Title IV grant protection; and
- apply the *de minimis* grant repayment provision.

School Profile

West Coast Community College (WCCC) is a two-year public, credit-hour institution.

Academic Year/Program:	2 semesters 32 weeks
Period:	16 weeks 110 calendar days
Period Start Date:	January 8
Period End Date:	May 4
Institutionally Scheduled Break:	Yes, 7 days
Taking Attendance Required:	No
Method for Matching FSEOG:	Fund-specific

Student Profile

Bob Ellison is a first-time freshman at WCCC. Charges to his account are as follows:

Tuition and Fees: \$ 1,000.00/16 week semester

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

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

Pell Grant	\$	2,050.00
ACG	\$	750.00
FSEOG	\$	2,400.00

Discussion

Bob Ellison enrolled as a first-time freshman at (WCCC) for the spring semester on January 8. On January 18, Bob got a call from the state treasurer informing him that the programming job he had applied for six months ago was his for the taking. That same day, Bob contacted the Financial Aid Office to advise it that he was withdrawing from WCCC, begin WCCC's formal withdrawal process (11 calendar days into the semester), and find out what to do next. All of his financial aid for the semester had been disbursed.

Solution

The date of the institution's determination that Bob withdrew is the day he contacted the Financial Aid Office to advise the school that he was withdrawing from WCCC, January 18.

STEP 1: Student's Title IV Aid Information

Box A. Because WCCC uses the fund-specific method of matching FSEOG funds, 100% of Bob's FSEOG grant is used in the calculation. Title IV grant aid disbursed = \$2,600.00.

Pell Grant	\$	1,025.00
ACG	\$	375.00
FSEOG	\$	1,200.00
		<hr/>
A. =	\$	2,600.00

Box B. Net Title IV loans disbursed = \$ 0.00.

Box C. Grants that could have been disbursed = \$ 0.00.

Box D. Net Title IV Loans that could have been disbursed = \$ 0.00.

Box E. Total Title IV aid disbursed for the payment period = $A + B = 2,600.00 + 0.00$
= \$ 2,600.00.

Box F. Total Title IV grant aid disbursed and could have been disbursed for the payment period
= $A + C = 2,600.00 + 0.00 = \$ 2,600.00$.

Box G. Total Title IV aid disbursed and could have been disbursed for the payment period
= $A + B + C + D = 2,600.00 + 0.00 + 0.00 + 0.00 = \$ 2,600.00$

STEP 2: Percentage of Title IV Aid Earned

1. Payment period start date = January 8.
2. Payment period end date = May 4.
3. Date of withdrawal = January 18.
4. Percentage of payment period completed:
 - Number of calendar days completed = 11 calendar days.
 - Number of calendar days in payment period = 110 calendar days.
 - $11 \text{ days} \div 110 \text{ days} = .100$. Percentage of payment period completed = 10.0%.

Box H. Because this percentage is less than 60%, the Percentage of Title IV aid earned = 10.0%.

STEP 3: Amount of Title IV Aid Earned by Student

Box I. Multiply 10.0% (% of Title IV aid earned from Box H) X \$2,600.00 (total Title IV aid disbursed plus Title IV aid that could have been disbursed from Box G) = \$260.00 Amount of Title IV aid earned by student = \$260.00

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

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

Box K. Because the total aid disbursed (Box E) is greater than the total aid earned (Box I), Title IV aid will need to be returned.

$\$2,600.00 \text{ (Box E)} - \$260.00 \text{ (Box D)} = \$2,340.00$. Title IV aid to be returned = \$2,340.00

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

Box L. Institutional charges for the payment period or period of enrollment = \$1,000.00

Tuition and Fees	\$	1,000.00
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Box M. Subtract 10.0%, the percentage of Title IV aid earned (Box H) from 100% ($100\% - 10.0\% = 90.0\%$). Percentage of Title IV aid unearned = 90.0%.

Box N. First, calculate the unearned institutional charges. \$1,000.00 (institutional charges from Box L) X 90.0% (% Title IV aid unearned from Box M) = \$900.00 (no rounding needed). Amount of unearned institutional charges = \$900.00.

Box O. Then, compare the amount of Title IV aid to be returned (Box K) to unearned institutional charges (Box N) and enter the lesser amount for Box O.

Box K =	\$	2,340.00
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Box N =	\$	900.00
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Amount of unearned Title IV aid due from the school = \$900.00.

STEP 6: Return of Funds by the School

Box P. The student had no loans, so the total loans the school must return = \$0.00

Box P =	\$	0.00
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The student's Pell Grant (\$1,025.00) exceeds the amount the school must return (\$900.00), so the school must return \$900.00 to the Federal Pell Grant program. The school must return the funds as soon as possible, but no later than **45 days** from the date it determined Bob withdrew.

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

Box Q. Subtract the amount of Title IV aid that the school must return \$900.00 (Box O) from the total amount of Title IV aid that is to be returned \$2,340.00 (Box K). $\$2,340.00 - \$900.00 = \$1,440.00$. Initial amount of unearned Title IV aid due from student = \$1,440.00

STEP 8: Repayment of the Student's Loans

Box R. The student had no loans, so the total loans the student must return = \$0.00

STEP 9: Grant Funds to be Returned

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

Subtract the amount of loans to be repaid by the student (\$0.00 from Box R) from the initial amount of unearned Title IV aid due from the student (\$1,440.00 from Box Q) to find the Initial amount of Title IV grants for the student to return. $\$1,440.00 - \$0.00 = \$1,440.00$.

Box T. Amount of grant protection

Multiply the total of Title IV grant aid that was disbursed and could have been disbursed for the payment period or period of enrollment (\$2,600.00 from Box F) by 50%. Amount of grant protection = $\$2,600.00 \times .50.0\% = \$1,300.00$

Box U. Title IV grant funds for the student to return

Subtract the protected amount of Title IV grants (\$1,300.00 from Box T) from the initial amount of Title IV grants for student to return (\$1,440.00 from Box S). Total grants for student to return = $\$1,440.00 - \$1,300.00 = \$140.00$.

STEP 10: Return of Grant Funds by the Student

Amount of Title IV grants for he student to return

- Subtract the amount the school had to return to the Federal Pell Grant program \$900.00 from the amount Federal Pell Grant disbursed to the student \$1,025.00. Remaining unearned Pell Grant balance = $\$1,025.00 - \$900.00 = \$125.00$.
- Subtract the Remaining unearned Pell Grant balance of \$125.00 from the \$140.00 in Title IV grants for the student to return. ACG for student to return = $\$140.00 - \$125.00 = \$15.00$.

* Because the \$15.00 to be returned to the ACG program is \$50.00 or less, it is considered a *de minimis* amount. Therefore, the school is not required to return it to the ACG program, report it to NSLDS, or refer it to ED collections.

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

Student's Name	Bob Ellison	Social Security Number	Example 2
Date form completed		Date of school's determination that student withdrew	1/18/
Period used for calculation (check one)		<input checked="" type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed											
1. Pell Grant	1,025.00		E. Total Title IV aid disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. 2,600.00</td><td style="width: 50%;"></td></tr> <tr><td>+ B. 00.00</td><td></td></tr> <tr><td>= E. \$ 2,600.00</td><td></td></tr> </table>	A. 2,600.00		+ B. 00.00		= E. \$ 2,600.00					
A. 2,600.00													
+ B. 00.00													
= E. \$ 2,600.00													
2. Academic Competitiveness Grant	375.00												
3. National SMART Grant													
4. FSEOG	1,200.00												
A. 2,600.00 Subtotal		C. 00.00 Subtotal											
Title IV Loan Programs	Net Amount Disbursed	Net Amount that Could Have Been Disbursed											
6. Unsubsidized FFEL/Direct Stafford Loan			F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. 2,600.00</td><td style="width: 50%;"></td></tr> <tr><td>+ C. 00.00</td><td></td></tr> <tr><td>= F. \$ 2,600.00</td><td></td></tr> </table>	A. 2,600.00		+ C. 00.00		= F. \$ 2,600.00					
A. 2,600.00													
+ C. 00.00													
= F. \$ 2,600.00													
7. Subsidized FFEL/Direct Stafford Loan													
8. Perkins Loan													
9. FFEL/Direct PLUS (Graduate Student)													
10. FFEL/Direct PLUS (Parent)			G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A.</td><td style="width: 50%;"></td></tr> <tr><td>B. 00.00</td><td></td></tr> <tr><td>C. 00.00</td><td></td></tr> <tr><td>+ D. 00.00</td><td></td></tr> <tr><td>= G. \$ 2,600.00</td><td></td></tr> </table>	A.		B. 00.00		C. 00.00		+ D. 00.00		= G. \$ 2,600.00	
A.													
B. 00.00													
C. 00.00													
+ D. 00.00													
= G. \$ 2,600.00													
B. 00.00 Subtotal		D. 00.00 Subtotal											

STEP 2: Percentage of Title IV Aid Earned

1 / 08 /	5 / 04 /	1 / 18 /
Start date	Scheduled end date	Date of withdrawal

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

H. Percentage of payment period or period of enrollment completed
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 (excluding scheduled breaks of five days or more AND days that the student was on an approved leave of absence).

11	÷	110	=	10 . 0 %
Completed days		Total days		

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

H. 10 . 0 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

10.0 %	X	2,600.00	=	I. \$ 260 . 00
Box H		Box G		

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

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

J. Post-withdrawal disbursement

Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due.

Stop here, and enter the amount in Box 1 on page 3, the Post-withdrawal disbursement tracking sheet.

Box I	-	Box E	=	J. \$ NA .
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Step 4 continued ▶

Student's Name **Bob Ellison**

Social Security Number **Example 2**

STEP 4: Aid to be Disbursed or Returned CONTINUED

K. Title IV aid to be returned

Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.

2,600.00	—	260.00	=	K.\$	2,340.00
Box E		Box I			

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

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

Tuition	1,000.00
Room	
Board	
Other	
Other	
Other	

Total Institutional Charges = **L.\$** 1,000.00
(Add all the charges together)

M. Percentage of unearned Title IV aid

100% — 10.0 % = **M.** 90.0 %
Box H

N. Amount of unearned charges

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

1,000.00	X	90.0 %	=	N.\$	900.00
Box L		Box M			

O. Amount for school to return

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

O.\$ 900.00

STEP 6: Return of Funds by the School

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

Title IV Programs

Amount for School to Return

- Unsubsidized FFEL/Direct Stafford Loan
- Subsidized FFEL/Direct Stafford Loan
- Perkins Loan
- FFEL/Direct PLUS (Graduate Student)
- FFEL/Direct PLUS (Parent)

Total loans the school must return

P.\$ 0.00

- Pell Grant
- Academic Competitiveness Grant
- National SMART Grant
- FSEOG

900.00

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

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

2,340.00	—	900.00	=	Q.\$	1,440.00
Box K		Box O			

STEP 8: Repayment of the Student's loans

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

These outstanding loans consist either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holders according to the terms of the borrower's promissory note.

0.00	—	0.00	=	R.\$	0.00
Box B		Box P			

► If Box Q is less than or equal to Box R, **STOP**.
The only action a school must take is to notify the holders of the loans of the student's withdrawal date.

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

STEP 9: Grant Funds to be Returned

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

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

1,440.00	—	0.00	=	S.\$	1,440.00
Box Q		Box R			

T. Amount of Title IV grant protection

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

2,600.00	X	50%	=	T.\$	1,300.00
Box F					

U. Title IV grant funds for student to return

Subtract the protected amount of Title IV grants (Box T) from the initial amount of Title IV grants for student to return (Box S).

1,440.00	—	1,300.00	=	U.\$	140.00
Box S		Box T			

STEP 10: Return of Grant Funds by the Student

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

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

Title IV Grant Programs

Amount To Return

- Pell Grant
- Academic Competitiveness Grant
- National SMART Grant
- FSEOG

125.00

15.00*

CASE STUDY 3: RICHARD SHERMAN

When a student receiving Title IV grants and loans at a school that uses the Aggregate method for matching the school's FSEOG federal allocation withdraws unofficially

Learning Objectives

Learn to complete Steps 1–9 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 for a student who withdraws unofficially;
- calculate the percentage of the payment period or period of enrollment 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;
- determine the amount to be offered to the student or returned; and
- apply the Title IV grant protection.

School Profile

The Ultra Large State University (ULSU) is a four-year, semester-based, public institution that measures academic progress in credit hours and uses the Aggregate method for matching the school's FSEOG federal allocation with state grant funds.

Academic Year/Program	2 semesters 30 weeks
Period	15 weeks 100 calendar days
Period Start Date	September 1
Institutionally Scheduled Break	None
Required to Take Attendance	No
Method for Matching FSEOG	Aggregate

Student Profile

Richard Sherman is a third-year student with a 3.5 cumulative GPA majoring in engineering.

Tuition and fees	\$	4,000.00/15 week semester
Room	\$	1,000.00/15 week semester
Board	\$	1,000.00/15 week semester
Books and Supplies (credit voucher at school store)	\$	500.00/15 week semester

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

Richard's financial aid package included the following **annual** awards:

Pell Grant	\$	4,000.00
National SMART Grant	\$	4,000.00
State Grant	\$	1,000.00
FSEOG (Federal Portion)	\$	1,500.00
Net Unsubsidized Stafford Loan	\$	3,860.00

All of Richard's financial aid for the first semester (i.e., 1/2 of his annual awards) was disbursed on the first day of classes.

Discussion

Richard is a brilliant computer engineering major in his third year at The ULSU. Over the summer between his second and third year Richard developed and submitted to Gigantic Computer Corporation (GCC) an idea for a new memory chip. In October, Richard got a six figure offer of employment from GCC. Richard was so excited by the offer that he packed his bags and headed for Seattle without telling anyone at the school that he was leaving.

Instructors at The ULSU must report a last date of attendance (LDA) whenever they submit a non-passing grade, and those dates appear on a report of Title IV recipients who failed to earn a passing grade in any of their classes that is provided by the Computer Center to the financial aid office at the end of each grading period.

On December 16, after grades have been submitted for the fall semester, the Computer Center at The ULSU ran the program that identified Title IV recipients who failed to earn a passing grade in any of their classes. When the aid office received and evaluated the report for the fall semester it found that Richard's LDA was October 10. Because Richard did not provide official notification of his withdrawal, he is considered an unofficial withdrawal.

At the beginning of the semester, the following awards were posted to Richard's account at ULSU.

Pell Grant	\$	2,000.00
National SMART Grant	\$	2,000.00
State Grant	\$	500.00
FSEOG	\$	750.00
Unsubsidized Stafford	\$	1,930.00

Solution

The date of the institution's determination that Richard withdrew is the date the aid office received and processed the report from the Computer Center. Date of institution's determination that the student withdrew = December 16.

Note: For a student who withdraws without providing notification from a school that is not required to take attendance the school must determine the withdrawal date no later than 30 days after the end of the earlier of (1) the payment period or the period of enrollment (as applicable), (2) the academic year, or (3) the student's educational program.

STEP 1: Student's Title IV Aid Information

Box A. Because The ULSU uses the Aggregate method for matching the school's FSEOG federal allocation, the state grant funds that make up the match are excluded from the Return calculation.

Title IV grant aid disbursed –

Pell Grant	\$	2,000.00
National Smart Grant	\$	2,000.00
FSEOG	\$	750.00
A. =	\$	4,750.00

Box B. Net Title IV loans disbursed,
Unsubsidized FFEL/Direct Stafford = \$ 1,930.00

Box C. Title IV grants that could have been disbursed = \$ 0.00.

Box D. Net Title IV loans that could have been disbursed = \$ 0.00.

Box E. Total Title IV aid disbursed for the payment period = $A + B = 4,750.00 + 1,930.00$
= \$ 6,680.00.

Box E. Total Title IV grant aid disbursed and could have been disbursed for the payment period
 $= A + C = 4,750.00 + 0.00 = \$ 4,750.00.$

Box G. Total Title IV aid disbursed and could have been disbursed for the payment period
 $= A + B + C + D = 4,750.00 + 1,930.00 + 0.00 + 0.00 = \$ 6,680.00.$

STEP 2: Percentage of Title IV Aid Earned

Because Richard did not officially withdraw from school and The ULSU is not required to take attendance by an outside agency (other than for a one day snapshot for state census purposes) the school may use either the midpoint of the payment period or the last date of Richard's attendance in an academically related activity as the withdrawal date. The school elects to choose the midpoint of the period as Richard's withdrawal date.

1. Payment period start date = September 1
2. Payment period end date = December 9
3. Date of withdrawal = October 20¹
4. Percentage of payment period completed
 - Number of calendar days completed = 50²
 - Number of calendar days in the payment period = 100
 - $50 \text{ days} \div 100 \text{ days} = 0.5000$. Percentage of payment period completed = 50.0%

Box H. Because this percentage is less than 60%, the Percentage of Title IV aid earned = 50.0%.

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

Box I. 50.0% (Percentage of Title IV aid earned from Box H) X $\$6,680.00$ (Total of the Title IV aid disbursed and could have been disbursed for the payment period or period of enrollment from Box G) = $\$3,340.00$. Amount of Title IV aid earned by the student = $\$3,340.00$.

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

Box J. Because the total Title IV aid earned (Box I) is less than the total Title IV aid disbursed (Box E), no post-withdrawal disbursement is due, and we proceed to Box K.
Post-withdrawal disbursement = NA.

Box K. Because the total Title IV aid disbursed (Box E) is greater than the total Title IV aid earned (Box I) Title IV aid must be returned.
 $\$6,680.00$ (Box E) – $\$3,340.00$ (Box I) = $\$3,340.00$. Title IV Aid to be returned = $\$3,340.00$.

1, 2 The midpoint of the period, or 50 of 100 days.

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

Box L. Institutional charges for the payment period or period of enrollment = \$6,500.00.

Tuition and fees	\$	4,000.00
Room	\$	1,000.00
Board	\$	1,000.00
Books	\$	500.00

Box M. Subtract the percentage of Title IV earned from Box H (50.0%) from 100.0%. $100\% - 50.0\% = 50.0\%$. Percentage of Title IV aid unearned = 50.0%.

Box N. Calculate the amount of unearned charges. \$6,500.00 (institutional charges from Box L) X 50% (% of Title IV aid unearned from Box M) = \$3,250.00 (no rounding needed). Amount of unearned institutional charges = \$3,250.00.

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

Box K =	\$	3,340.00
Box N =	\$	3,250.00

Amount of unearned Title IV aid due from the school = \$3,250.00.

STEP 6: Return of Funds by the School

Box P. The only Title IV loan disbursement Richard received was an Unsubsidized FFEL Stafford loan disbursement of \$1,930.00. Since \$1,930.00 is less than the \$3,250.00 (Box O) the school must return, the school must return the entire \$1,930.00. Box P = \$1,930.00.

After the school returns \$1,930.00 to the Title IV loan programs, \$1,320.00 remains to be returned by the school (\$3,250 (from Box O) – \$1,930 (from Box P)). Richard received \$2,000.00 in Pell Grant funds, so the school returns the \$1,320.00 to the Pell Grant program.

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

Box Q. Subtract the amount of Title IV aid the school must return (\$3,250.00 from Box O) from the total amount of Title IV aid that is to be returned (\$3,340.00 from Box K) to find the Initial amount of Title IV aid Due from the Student. $\$3,340.00 - \$3,250.00 = \$90.00$.

STEP 8: Repayment of the Student's Loans

Box R. Subtract the Total Loans the school must return (\$1,930.00 from Box P) from the Net Loans Disbursed to the Student (\$1,930.00 from Box B) to find the total of the loans the student must repay $\$1,930.00 - \$1,930.00 = \$0.00$.

Remember, you must notify the holder of Richard's loan that he has withdrawn from school.

STEP 9: Grant Funds to be Returned

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

Subtract the amount of loans to be repaid by the student (\$0.00 from Box R) from the Initial Amount of Unearned aid due from the student (\$90.00 from Box Q) to find the Initial amount of Title IV grants for the student to return. $\$90.00 - \$0.00 = \$90.00$.

Box T. Amount of grant protection

Multiply the Total of Title IV grant aid disbursed or could have been disbursed for the payment period or period of enrollment (\$4,740.00 from Box F) by 50.0%. $\$4,750 \times 50.0\% = \$2,375.00$.

Box U. Title IV grant funds for the student to return

Subtract the amount of grant protection (\$2,375.00 from Box T) from the initial amount of Title IV grants for the student to return (\$90.00 from Box S) to find the Title IV grant funds for the student to return. $\$90.00 - \$2375.00 = \$0.00^1$

¹ If this amount is less than or equal to \$0.00, enter = NA, and stop here. Richard is not required to return any Title IV grant funds.

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

Student's Name	Richard Sherman	Social Security Number	Example 3
Date form completed		Date of school's determination that student withdrew	12/16/
Period used for calculation (check one)		<input checked="" type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed											
1. Pell Grant	2,000.00		E. Total Title IV aid disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. 4,750.00</td><td style="width: 50%;"></td></tr> <tr><td>+ B. 1,930.00</td><td></td></tr> <tr><td>= E. \$ 6,680.00</td><td></td></tr> </table>	A. 4,750.00		+ B. 1,930.00		= E. \$ 6,680.00					
A. 4,750.00													
+ B. 1,930.00													
= E. \$ 6,680.00													
2. Academic Competitiveness Grant													
3. National SMART Grant	2,000.00												
4. FSEOG	750.00												
A. 4,750.00 <small>Subtotal</small>		C. 0.00 <small>Subtotal</small>											
Title IV Loan Programs	Net Amount Disbursed	Net Amount that Could Have Been Disbursed											
5. Unsubsidized FFEL/Direct Stafford Loan	1,930.00		F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. 4,750.00</td><td style="width: 50%;"></td></tr> <tr><td>+ C. 0.00</td><td></td></tr> <tr><td>= F. \$ 4,750.00</td><td></td></tr> </table>	A. 4,750.00		+ C. 0.00		= F. \$ 4,750.00					
A. 4,750.00													
+ C. 0.00													
= F. \$ 4,750.00													
6. Subsidized FFEL/Direct Stafford Loan													
7. Perkins Loan													
8. FFEL/Direct PLUS (Graduate Student)													
9. FFEL/Direct PLUS (Parent)													
B. 1,930.00 <small>Subtotal</small>		D. 0.00 <small>Subtotal</small>											
			G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. 4,750.00</td><td style="width: 50%;"></td></tr> <tr><td>B. 1,930.00</td><td></td></tr> <tr><td>C. 0.00</td><td></td></tr> <tr><td>+ D. 0.00</td><td></td></tr> <tr><td>= G. \$ 6,680.00</td><td></td></tr> </table>	A. 4,750.00		B. 1,930.00		C. 0.00		+ D. 0.00		= G. \$ 6,680.00	
A. 4,750.00													
B. 1,930.00													
C. 0.00													
+ D. 0.00													
= G. \$ 6,680.00													

STEP 2: Percentage of Title IV Aid Earned

09 / 01 /	12 / 09 /	10 / 20 /	
Start date	Scheduled end date	Date of withdrawal	

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

H. Percentage of payment period or period of enrollment completed
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 (excluding scheduled breaks of five days or more AND days that the student was on an approved leave of absence).

50	÷	100	=	50.0 %
<small>Completed days</small>		<small>Total days</small>		

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

H. 50.0 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

50.0 %	×	6,680.00	=	I. \$ 3,340.00
<small>Box H</small>		<small>Box G</small>		

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

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

J. Post-withdrawal disbursement

Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due. **Stop here**, and enter the amount in Box 1 on page 3, the Post-withdrawal disbursement tracking sheet.

	-		=	J. \$ NA .
<small>Box I</small>		<small>Box E</small>		

Step 4 continued ▶

Student's Name Richard Sherman

Social Security Number Example 3

STEP 4: Aid to be Disbursed or Returned CONTINUED**K. Title IV aid to be returned**

Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.

6,680.00 — 3,340.00 = **K.\$** 3,340.00

Box E

Box I

STEP 5: Amount of Unearned Title IV Aid Due from the School**L. Institutional charges for the payment period or period of enrollment**

Tuition	4,000.00
Room	1,000.00
Board	1,000.00
(Books) Other	500.00
Other	
Other	

Total Institutional Charges = **L.\$** 6,500.00
(Add all the charges together)

M. Percentage of unearned Title IV aid

100% — 50.0 % = **M.** 50.0 %

Box H

N. Amount of unearned charges

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

6,500.00 X 50.0 % = **N.\$** 3,250.00

Box L

Box M

O. Amount for school to return

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

O.\$ 3,250.00

STEP 6: Return of Funds by the School

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

Title IV Programs

Amount for School to Return

1. Unsubsidized FFEL/Direct Stafford Loan	1,930.00
2. Subsidized FFEL/Direct Stafford Loan	
3. Perkins Loan	
4. FFEL/Direct PLUS (Graduate Student)	
5. FFEL/Direct PLUS (Parent)	

Total loans the school must return

P.\$ 1,930.00

6. Pell Grant	1,320.00
7. Academic Competitiveness Grant	
8. National SMART Grant	
9. FSEOG	

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

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

3,340.00 — 3,250.00 = **Q.\$** 90.00

Box K

Box O

STEP 8: Repayment of the Student's loans

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

These outstanding loans consist either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holders according to the terms of the borrower's promissory note.

1,930.00 — 1,930.00 = **R.\$** 0.00

Box B

Box P

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

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

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

STEP 9: Grant Funds to be Returned**S. Initial amount of Title IV grants for student to return**

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

90.00 — 0.00 = **S.\$** 90.00

Box Q

Box R

T. Amount of Title IV grant protection

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

4,750.00 X 50% = **T.\$** 2,375.00

Box F

U. Title IV grant funds for student to return

Subtract the protected amount of Title IV grants (Box T) from the initial amount of Title IV grants for student to return (Box S).

90.00 — 2,375.00 = **U.\$** NA.

Box S

Box T

STEP 10: Return of Grant Funds by the Student

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

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

Title IV Grant Programs

Amount To Return

1. Pell Grant	
2. Academic Competitiveness Grant	
3. National SMART Grant	
4. FSEOG	

CASE STUDY 4: HARRY SPRINGER

When a student receiving Title IV grants and loans at a school that measures academic progress in clock hours and performs its Return calculations on a period of enrollment basis, withdraws unofficially

Learning Objectives

Learn to complete Steps 1–8 of the Treatment of Title IV Funds when a Student Withdraws from a Clock-Hour Program worksheet, and be able to:

- determine withdrawal date for student who did not provide notification of intent to withdraw at a school required to take attendance;
- determine the scheduled clock hours;
- calculate the percentage of the period of enrollment 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 to be offered to the student or returned.

School Profile

Quality Tech School (QTS) is a proprietary school that measures academic progress in clock hours.

Academic Year/Program/ Period of Enrollment	900 hours/30 weeks
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Payment Period	450 hours
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Period Start Date	January 8
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Period End Date	August 3
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Institutionally Scheduled Break	None
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Required to Take Attendance	Yes
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Period used in Return calculation	Period of Enrollment
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Student Profile

Harry Springer enrolled at QTS for a 30-week program of study period consisting of 900 clock hours offered over 30 weeks. The first payment period is 450 clock hours. Charges to Harry's account are as follows:

Tuition and fees	\$	8,000.00/30 week program
Room	\$	non-residential program
Board	\$	non-residential program
Books and Supplies	\$	500.00/program

School Authorized to Credit

Account for Other Charges: Yes (all charges)

Harry's financial aid package included the following **annual** awards:

Pell Grant	\$	4,000.00
Net Subsidized Stafford Loan	\$	3,860.00

All of Harry's financial aid for the first payment period (450 clock hours, i.e. one half his annual awards) was disbursed on the first day of classes.

Discussion

On the first day of the winter period, January 8, Harry received the following disbursements to his student account:

Pell Grant	\$	2,000.00
Subsidized Stafford Loan	\$	1,930.00

Everything seemed to be going very well for Harry. It wasn't until January 26 that the school discovered Harry hadn't been attending classes and didn't plan on returning. The director of the program notified the aid office that Harry's last day of attendance was January 17 (through which time Harry was scheduled to have attended 45 hours), and the aid office began the withdrawal process and required calculations.

Solution

The date of the institution's determination that Harry withdrew (January 26) is the date the aid office received the information from the Director of Student Services. Because QTS is required to take attendance, Harry's withdrawal date is his last day of attendance at an academically related activity, January 17.

At the beginning of the semester, the following awards were posted to Harry's account at QTS.

Pell Grant	\$	2,000.00
Subsidized Stafford Loan	\$	1,930.00

STEP 1: Student's Title IV Aid Information

Box A. Title IV grant aid disbursed –

Pell Grant	\$	2,000.00
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A. =	\$	2,000.00
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Box B. Net Title IV loans disbursed –

Unsubsidized FFEL/Direct Stafford	\$	1,930.00
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B. =	\$	1,930.00
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Box C. Because QTS uses the period of enrollment as the basis for its Return calculation, the \$2,000 in Pell funds Harry was scheduled to receive once he had completed the first 450 hours of his program is included as Title IV grants that could have been disbursed.

C. =	\$	2,000.00
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Box D. Because QTS uses the period of enrollment as the basis for its Return calculation, the \$1,930.00 in Subsidized Stafford Loan funds Harry was scheduled to receive once he had completed the first 450 hours and the calendar midpoint of his program of his program is included as Title IV grants that could have been disbursed.

D. =	\$	1,930.00
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Box E. Total Title IV aid disbursed for the period of enrollment = $A + B = 2,000.00 + 1,930.00 = \$ 3,930.00$.

Box F. Total Title IV grant aid disbursed and could have been disbursed for the period of enrollment = $A + C = 2,000.00 + 2,000.00 = \$ 4,000.00$.

Box G. Total Title IV aid disbursed and could have been disbursed for the period of enrollment = $A + B + C + D = 2,000.00 + 1,930.00 + 2,000.00 + 1,930.00 = \$ 7,860.00$.

STEP 2: Percentage of Title IV Aid Earned

Because QTS is required to take attendance by an outside agency the school must use the last date of Harry's attendance in an academically related activity as determined from its attendance records as the withdrawal date. Harry's last date of attendance was January 17.

1. Period of enrollment start date = January 8.
2. Period of enrollment end date = August 3.
3. Date of withdrawal = January 17.

Box H. Percentage of payment period completed

Under the Higher Education Reconciliation Act of 2005 (HERA), only scheduled hours are used to determine the percentage of the period completed by a student withdrawing from a clock-hour program. The percentage of the period completed by a student is determined by dividing the number of hours the student was scheduled to complete in the payment period or period of enrollment as of the day the student withdrew, by the total number of clock hours in the same period.

- Number of clock hours Harry was scheduled to complete on January 17 = 45
- Number of clock hours in the period of enrollment = 900
- $45 \text{ clock hours} \div 900 \text{ clock hours} = 0.050$.

Percentage of period of enrollment completed = 5.0%

Because this percentage is less than 60%, the Percentage of Title IV aid earned, Box H = 5.0%.

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

Box I. 5.0% (Percentage of Title IV aid earned from Box H) X \$7,860.00 (Total of the Title IV aid disbursed and could have been disbursed for the period of enrollment from Box G) = \$393.00. Amount of Title IV aid earned by the student = \$393.00.

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

Box J. Because the total Title IV aid earned (Box I) is less than the total Title IV aid disbursed (Box E), no post-withdrawal disbursement is due, and we proceed to Box K.

Post-withdrawal disbursement = NA.

Box K. Because the total Title IV aid disbursed (Box E) is greater than the total Title IV aid earned (Box I) Title IV aid must be returned.

$\$3,930.00 \text{ (Box E)} - \$393.00 \text{ (Box I)} = \$3,537.00$. Title IV Aid to be returned = \$3,537.00.

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

Box L. Institutional charges for the period of enrollment = \$8,500.00.

Tuition and fees	\$	8,000.00
Books & Supplies	\$	500.00

Box M. Subtract the percentage of Title IV earned from Box H (5.0%) from 100.0%. $100\% - 5.0\% = 95.0\%$. Percentage of Title IV aid unearned = 95.0%.

Box N. Calculate the amount of unearned charges. \$8,500.00 (institutional charges from Box L) X 95% (% of Title IV aid unearned from Box M) = \$8,075.00 (no rounding needed).
Amount of unearned institutional charges = \$8,075.00.

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

Box K =	\$	3,537.00
Box N =	\$	8,075.00

Amount of unearned Title IV aid due from the school = \$3,537.00.

STEP 6: Return of Funds by the School

Box P. The only Title IV loan disbursement Richard received was a Subsidized FFEL Stafford loan disbursement of \$1,930.00. Since \$1,930.00 is less than the \$3,537.00 (Box O) the amount the school must return, the school must return the entire \$1,930.00 to the FFEL program.

Box P = \$ 1,930.00.

After the school returns \$1,930.00 to the FFEL program, the balance to be returned by the school is \$1,607.00 (\$3,537.00 (from Box O) – \$1,930.00 (from Box P)). Harry received \$2,000.00 in Pell Grant funds, so the school returns the \$1,607.00 to the Pell Grant program.

The school must return any unearned funds within 45 days from the date of the institution's determination that Harry withdrew.

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

Box Q. Subtract the amount of Title IV aid the school must return (\$3,537.00 from Box O) from the total amount of Title IV aid that is to be returned (\$3,537.00 from Box K) to find the Initial amount of Title IV aid Due from the Student. $\$3,537.00 - \$3,537.00 = \$0.00$.

STEP 8: Repayment of the Student's Loans

Box R. Subtract the Total Loans the school must return (\$1,930.00 from Box P) from the Net Loans Disbursed to the Student (\$1,930.00 from Box B) to find the total of the loans the student must repay $\$1,930.00 - \$1,930.00 = \$0.00$.

Since the amount from Box Q (\$0.00) is equal to (or less than) the amount from Box R (\$0.00), the calculation ends here.

Remember, you must notify the holder of Harry's loan that he has withdrawn from school.

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

Student's Name Harry Springer	Social Security Number Example 4
Date form completed / /	Date of school's determination that student withdrew 1 / 26 /
Period used for calculation (check one) <input type="checkbox"/> Payment period <input checked="" type="checkbox"/> Period of enrollment	

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed						
1. Pell Grant	\$2,000.00	\$2,000.00	E. Total Title IV aid disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td></tr> <tr><td style="width: 50%;">+ B. \$1,930.00</td></tr> <tr><td style="width: 50%;">= E.\$ 3,930.00</td></tr> </table>	A. \$2,000.00	+ B. \$1,930.00	= E.\$ 3,930.00		
A. \$2,000.00								
+ B. \$1,930.00								
= E.\$ 3,930.00								
2. Academic Competitiveness Grant								
3. National SMART Grant								
4. FSEOG								
A. \$2,000.00 Subtotal		C. \$2,000.00 Subtotal						
Title IV Loan Programs	Net Amount Disbursed	Net Amount that Could Have Been Disbursed						
5. Unsubsidized FFEL/Direct Stafford Loan	\$1,930.00	\$1,930.00	F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td></tr> <tr><td style="width: 50%;">+ C. \$2,000.00</td></tr> <tr><td style="width: 50%;">= F.\$ 4,000.00</td></tr> </table>	A. \$2,000.00	+ C. \$2,000.00	= F.\$ 4,000.00		
A. \$2,000.00								
+ C. \$2,000.00								
= F.\$ 4,000.00								
6. Subsidized FFEL/Direct Stafford Loan								
7. Perkins Loan								
8. FFEL/Direct PLUS (Graduate Student)								
9. FFEL/Direct PLUS (Parent)			G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td></tr> <tr><td style="width: 50%;">B. \$1,930.00</td></tr> <tr><td style="width: 50%;">C. \$2,000.00</td></tr> <tr><td style="width: 50%;">+ D. \$1,930.00</td></tr> <tr><td style="width: 50%;">= G.\$ 7,860.00</td></tr> </table>	A. \$2,000.00	B. \$1,930.00	C. \$2,000.00	+ D. \$1,930.00	= G.\$ 7,860.00
A. \$2,000.00								
B. \$1,930.00								
C. \$2,000.00								
+ D. \$1,930.00								
= G.\$ 7,860.00								
B. \$1,930.00 Subtotal		D. \$1,930.00 Subtotal						

STEP 2: Percentage of Title IV Aid Earned

Withdrawal date 1 / 17 /

H. Determine the percentage of payment period or period of enrollment completed:
 Divide the clock hours scheduled to have been completed as of the withdrawal date in the payment period or period of enrollment by the total clock hours in the payment period or period of enrollment.

45	÷	900	=	5.00 %
Hours scheduled to complete		Total hours in period		

► If this percentage is greater than 60%, enter 100% in Box H and proceed to Step 3.

► If this percentage is less than or equal to 60%, enter that percentage in Box H, and proceed to Step 3.

H. 5.00 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

5.00%	x	\$7,860.00	=	I.\$ 393.00
Box H		Box G		

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

► If the amount in Box I is greater than the amount in Box E, go to Post-withdrawal disbursement (Item J).

► If the amount in Box I is less than the amount in Box E, go to Title IV aid to be returned (Item K).

► If the amounts in Box I and Box E are equal, **STOP**. No further action is necessary.

J. Post-withdrawal disbursement
 Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due.
Stop here, and enter the amount in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).

Box I	-	Box E	=	J.\$ NA
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K. Title IV aid to be returned
 Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.

\$3,930.00	-	\$393.00	=	K.\$ 3,537.00
Box E		Box I		

Student's Name Harry Springer

Social Security Number Example 4

STEP 5: Amount of Unearned Title IV Aid Due from the School**L. Institutional charges for the payment period or period of enrollment**

Tuition	\$8,000.00
Room	
Board	
Books & Supplies	\$500.00
Other	
Other	

Total Institutional Charges

(Add all the charges together)

= **L.\$** 8,500.00**M. Percentage of unearned Title IV aid**100% — 5.00 % = **M.** 95.00 %

Box H

N. Amount of unearned charges

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

\$8,500.00	X	95.00 %	=	N.\$	8,075.00
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Box L

Box M

O. Amount for school to return

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

O.\$ 3,537.00**STEP 6: Return of Funds by the School**

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

Title IV Programs

Amount for School to Return

1. Unsubsidized FFEL/Direct Stafford Loan	\$1,930.00
2. Subsidized FFEL/Direct Stafford Loan	
3. Perkins Loan	
4. FFEL/Direct PLUS (Graduate Student)	
5. FFEL/Direct PLUS (Parent)	

Total loans the school must return = **P.\$** 1,930.00

6. Pell Grant	\$1,607.00
7. Academic Competitiveness Grant	
8. National SMART Grant	
9. FSEOG	

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

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

\$3,537.00	—	\$3,537.00	=	Q.\$	\$0.00
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Box K

Box O

STEP 8: Repayment of the Student's loans

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

These outstanding loans consist either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holders according to the terms of the borrower's promissory note.

\$1,930.00	—	\$1,930.00	=	R.\$	\$0.00
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Box B

Box P

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

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

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

STEP 9: Grant Funds to be Returned**S. Initial amount of Title IV grants for student to return**

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

	—		=	S.	.
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Box Q

Box R

T. Amount of Title IV grant protection

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

	X	50%	=	T.	.
--	---	-----	---	-----------	---

Box F

U. Title IV grant funds for student to return

Subtract the protected amount of Title IV grants (Box T) from the initial amount of Title IV grants for student to return (Box S).

	—		=	U.	.
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Box S

Box T

STEP 10: Return of Grant Funds by the Student

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

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

Title IV Grant Programs

Amount To Return

1. Pell Grant	
2. Academic Competitiveness Grant	
3. National SMART Grant	
4. FSEOG	

CASE STUDY 5: JORDAN AIRE

When a student receiving Title IV grants and loans at a school that measures academic progress in clock hours and performs its Return calculations on a payment period basis, withdraws unofficially

Learning Objectives

Learn to complete Steps 1–8 of the Treatment of Title IV Funds when a Student Withdraws from a Clock-Hour Program worksheet, and be able to:

- determine withdrawal date for student who did not provide notification of intent to withdraw at a school required to take attendance;
- determine the scheduled clock hours;
- calculate the percentage of the payment 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 to be offered to the student or returned.

School Profile

Learn to Earn Technical School (LETS) is a proprietary school that measures academic progress in clock hours.

Academic Year/Program/ Period of Enrollment	900 hours/30 weeks
Payment Period	450 hours
Period Start Date	April 2
Period End Date	October 26
Institutionally Scheduled Break	None
Required to Take Attendance	Yes
Period used in Return calculation	Payment Period

Student Profile

Jordan Aire enrolled at LETS for a 30-week program of study period consisting of 900 clock hours offered over 30 weeks. The first payment period is 450 clock hours. Charges to Jordan's account are as follows:

Tuition and fees	\$	9,000.00/30 week program
Room	\$	non-residential program
Board	\$	non-residential program
Books and Supplies	\$	500.00/program

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

Jordan's financial aid package included the following **annual** awards:

Pell Grant	\$	4,000.00
Net Subsidized Stafford Loan	\$	3,860.00

All of Jordan's financial aid for the first payment period (450 clock hours, i.e. one half his annual awards) was disbursed on the first day of classes.

Discussion

On the first day of the period, April 2, Jordan received the following disbursements to his student account:

Pell Grant	\$	2,000.00
Subsidized Stafford Loan	\$	1,930.00

On May 3 the Retention Specialist at LETS is informed by the director of Jordan's program that since April 21, Jordan has not been attending classes. The Retention Specialist contacts Jordan who tells him that he's been ill, but plans on coming back to school during the next week. Since this falls within the time period for excused absences allowed by school policy as well as absences allowed by the state and the school's accrediting agency, the school delays taking any action. However, on May 11 when the Retention Specialist follows up with the Program Director, he finds that Jordan has not returned to school. Since Jordan has now exceeded the number of absences allowed by school policy, LETS must administratively withdraw Jordan from school.

Note: Remember that institutions that are required to take attendance are expected to have a procedure in place for routinely monitoring attendance records to determine in a timely manner when a student withdraws. Except in unusual instances, the date of the institution's determination that the student withdrew should be no later than 14 days after the student's withdrawal date.

The institution is not required to administratively withdraw a student who has been absent for 14 days. However, after 14 days, it is expected to have determined whether the student intends to return to classes or has withdrawn. Moreover, the institution must return any unearned funds within 45 days of the date of the institution's determination that Jordan withdrew (May 4).

Solution

Jordan's withdrawal date is his last day of attendance at an academically related activity as determined from the school's attendance records, April 20.

The school must use May 4 (14 days from the student's last day of attendance) as the date of the institution's determination that the student withdrew.

At the beginning of the semester, the following awards were posted to Jordan's account at LETS.

Pell Grant	\$	2,000.00
Subsidized Stafford Loan	\$	1,930.00

STEP 1: Student's Title IV Aid Information

Box A. Title IV grant aid disbursed –

Pell Grant	\$	2,000.00
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A. =	\$	2,000.00
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Box B. Net Title IV loans disbursed –

Unsubsidized FFEL/Direct Stafford =	\$	1,930.00
-------------------------------------	----	----------

B. =	\$	1,930.00
------	----	----------

Box C. Title IV grants that could have been disbursed = \$ 0.00.

Box D. Title IV loans that could have been disbursed = \$ 0.00.

Box E. Total Title IV aid disbursed for the payment period = $A + B = 2,000.00 + 1,930.00 = \$ 3,930.00$.

Box F. Total Title IV grant aid disbursed and could have been disbursed for the payment period = $A + C = 2,000.00 + 0.00 = \$ 2,000.00$.

Box G. Total Title IV aid disbursed and could have been disbursed for the payment period = $A + B + C + D = 2,000.00 + 1,930.00 + 0.00 + 0.00 = \$3,930.00$.

STEP 2: Percentage of Title IV Aid Earned

Because LETS is required to take attendance by an outside agency, the school must use the last date of Jordan's attendance in an academically related activity as determined from its attendance records as the withdrawal date. Jordan's last date of attendance was April 20.

1. Payment Period start date = April 2.
2. Payment Period end date = October 26.
3. Date of withdrawal = April 20.

Box H. Percentage of payment period completed

Under the Higher Education Reconciliation Act of 2005 (HERA), only scheduled hours are used to determine the percentage of the period completed by a student withdrawing from a clock-hour program. The percentage of the period completed by a student is determined by dividing the number of hours the student was scheduled to complete in the payment period or period of enrollment as of the day the student withdrew, by the total number of clock hours in the same period.

- Number of clock hours Jordan was scheduled to complete on April 20 = 90
- Number of clock hours in the payment period = 450
- $90 \text{ clock hours} \div 450 \text{ clock hours} = 0.20$.

Percentage of payment period completed = 20.0%

Because this percentage is less than 60%, the Percentage of Title IV aid earned,

Box H = 20.0%.

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

Box I. 20.0% (Percentage of Title IV aid earned from Box H) X \$3,930.00 (Total of the Title IV aid disbursed and could have been disbursed for the payment period or period of enrollment from Box G) = \$786.00. Amount of Title IV aid earned by the student = \$786.00.

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

Box J. Because the total Title IV aid earned (Box I) is less than the total Title IV aid disbursed (Box E), no post-withdrawal disbursement is due, and we proceed to Box K.

Post-withdrawal disbursement = NA.

Box K. Because the total Title IV aid disbursed (Box E) is greater than the total Title IV aid earned (Box I) Title IV aid must be returned.

$\$3,930.00 \text{ (Box E)} - \$786.00 \text{ (Box I)} = \$3,144.00$. Title IV Aid to be returned = \$3,144.00.

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

- Box L.** A school that charges by the period of enrollment but performs its Return calculation on a payment period basis before entering data in STEP 5, Part L, of the Return calculation, must determine whether it must enter: (a) the prorated amount of all institutional charges, or (b) the amount the school retained. To do this, first, the school prorates all institutional charges. Then, the school determines the amount actually retained. The school compares the two results and enters in STEP 5, Part L the greater of the two amounts. Because LETS provides students with their books and supplies on the first day of class, and retains 100% of those fees in, addition to the tuition charged for the first payment period, LETS must include 100% of the cost of those books and supplies in its institutional charges for the first payment period.

Institutional charges for the payment period = \$5,000.00.

Tuition and fees	\$	4,500.00
Books & Supplies	\$	500.00

- Box M.** Subtract the percentage of Title IV earned from Box H (20.0%) from 100.0%. $100\% - 20.0\% = 80.0\%$. Percentage of Title IV aid unearned = 80.0%.
- Box N.** Calculate the amount of unearned charges. $\$5,000.00$ (institutional charges from Box L) X 80% (% of Title IV aid unearned from Box M) = $\$4,000.00$ (no rounding needed). Amount of unearned institutional charges = $\$4,000.00$.
- Box O.** Compare the amount of Title IV aid to be returned (Box K) to unearned institutional charges (Box N), and enter the lesser amount in Box O.
- | | | |
|---------|----|----------|
| Box K = | \$ | 3,144.00 |
| Box N = | \$ | 4,000.00 |
- Amount of unearned Title IV aid due from the school = $\$3,144.00$.

STEP 6: Return of Funds by the School

- Box P.** Jordan received a Subsidized FFEL Stafford loan disbursement of $\$1,930.00$. Since $\$1,930.00$ is less than the $\$3,144.00$ (Box O) the school must return, the school must return $\$1,930.00$ to the lender. Box P = $\$1,930.00$.

After the school returns $\$1,930.00$ to the Title IV loan programs, the balance to be returned by the school is $\$1,214.00$ ($\$3,144.00$ (from Box O) – $\$1,930$ (from Box P)). Jordan received $\$2,000.00$ in Pell Grant funds, so the school returns $\$1,214.00$ to the Pell Grant program.

The school must return any unearned funds within 45 days from the date of the institution's determination that Jordan withdrew (May 4).

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

Box Q. Subtract the amount of Title IV aid the school must return (\$3,144.00 from Box O) from the total amount of Title IV aid that is to be returned (\$3,144.00 from Box K) to find the Initial amount of Title IV aid Due from the Student. $\$3,144.00 - \$3,144.00 = \$0.00$.

STEP 8: Repayment of the Student's Loans

Box R. Subtract the Total Loans the school must return (\$1,930.00 from Box P) from the Net Loans Disbursed to the Student (\$1,930.00 from Box B) to find the total of the loans the student must repay $\$1,930.00 - \$1,930.00 = \$0.00$.

Since the amount from Box Q (\$0.00) is equal to (or less than) the amount from Box R (\$0.00), the calculation ends here.

Remember, you must notify the holder of Jordan's loan that he has withdrawn from school.

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

Student's Name	Jordan Aire	Social Security Number	Example 5
Date form completed	/ /	Date of school's determination that student withdrew	5 / 04 /
Period used for calculation (check one)		<input checked="" type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed											
1. Pell Grant	\$2,000.00	\$0.00	E. Total Title IV aid disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td><td style="width: 50%;"></td></tr> <tr><td>B. \$1,930.00</td><td></td></tr> <tr><td>+</td><td></td></tr> <tr><td>= E.\$</td><td>\$3,930.00</td></tr> </table>	A. \$2,000.00		B. \$1,930.00		+		= E.\$	\$3,930.00		
A. \$2,000.00													
B. \$1,930.00													
+													
= E.\$	\$3,930.00												
2. Academic Competitiveness Grant													
3. National SMART Grant													
4. FSEOG													
A. \$2,000.00 Subtotal		C. \$0.00 Subtotal											
Title IV Loan Programs	Net Amount Disbursed	Net Amount that Could Have Been Disbursed											
5. Unsubsidized FFEL/Direct Stafford Loan	\$1,930.00	\$0.00	F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td><td style="width: 50%;"></td></tr> <tr><td>B. \$0.00</td><td></td></tr> <tr><td>+</td><td></td></tr> <tr><td>= F.\$</td><td>\$2,000.00</td></tr> </table>	A. \$2,000.00		B. \$0.00		+		= F.\$	\$2,000.00		
A. \$2,000.00													
B. \$0.00													
+													
= F.\$	\$2,000.00												
6. Subsidized FFEL/Direct Stafford Loan													
7. Perkins Loan													
8. FFEL/Direct PLUS (Graduate Student)													
9. FFEL/Direct PLUS (Parent)			G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. <table style="width: 100%;"> <tr><td style="width: 50%;">A. \$2,000.00</td><td style="width: 50%;"></td></tr> <tr><td>B. \$1,930.00</td><td></td></tr> <tr><td>C. \$0.00</td><td></td></tr> <tr><td>+</td><td></td></tr> <tr><td>= G.\$</td><td>\$3,930.00</td></tr> </table>	A. \$2,000.00		B. \$1,930.00		C. \$0.00		+		= G.\$	\$3,930.00
A. \$2,000.00													
B. \$1,930.00													
C. \$0.00													
+													
= G.\$	\$3,930.00												
B. \$1,930.00 Subtotal		D. \$0.00 Subtotal											

STEP 2: Percentage of Title IV Aid Earned

Withdrawal date 4 / 20 /

H. Determine the percentage of payment period or period of enrollment completed:
Divide the clock hours scheduled to have been completed as of the withdrawal date in the payment period or period of enrollment by the total clock hours in the payment period or period of enrollment.

90	÷	450	=	20.00 %
Hours scheduled to complete		Total hours in period		

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

H. 20.00 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

20.00%	x	\$3,930.00	=	I.\$ 786.00
Box H		Box G		

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

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

J. Post-withdrawal disbursement
Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due. **Stop here**, and enter the amount in Box 1 on Page 3 (Post-withdrawal disbursement tracking sheet).

Box I	-	Box E	=	J.\$ NA
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K. Title IV aid to be returned
Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.

\$3,930.00	-	\$786.00	=	K.\$ 3,144.00
Box E		Box I		

Student's Name Jordan Aire

Social Security Number Example 5

STEP 5: Amount of Unearned Title IV Aid Due from the School**L. Institutional charges for the payment period or period of enrollment**

Tuition	\$4,500.00
Room	
Board	
Books & Supplies	\$500.00
Other	
Other	

Total Institutional Charges(Add all the charges together) = **L.\$** \$5,000.00**M. Percentage of unearned Title IV aid**100% - 20.00 % = **M.** 80.00 %

Box H

N. Amount of unearned charges

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

\$5,000.00 x 80.00 % = **N.\$** \$4,000.00

Box L

Box M

O. Amount for school to return

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

O.\$ \$3,144.00**STEP 6: Return of Funds by the School**

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

Title IV Programs

Amount for School to Return

1. Unsubsidized FFEL/Direct Stafford Loan	\$1,930.00
2. Subsidized FFEL/Direct Stafford Loan	
3. Perkins Loan	
4. FFEL/Direct PLUS (Graduate Student)	
5. FFEL/Direct PLUS (Parent)	

Total loans the school must return = P.\$ \$1,930.00

6. Pell Grant	\$1,214.00
7. Academic Competitiveness Grant	
8. National SMART Grant	
9. FSEOG	

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

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

\$3,144.00 - \$3,144.00 = **Q.\$** \$0.00

Box K

Box O

STEP 8: Repayment of the Student's loans

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

These outstanding loans consist either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holders according to the terms of the borrower's promissory note.

\$1,930.00 - \$1,930.00 = **R.\$** \$0.00

Box B

Box P

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

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

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

STEP 9: Grant Funds to be Returned**S. Initial amount of Title IV grants for student to return**

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

 - = **S.** .

Box Q

Box R

T. Amount of Title IV grant protection

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

 x 50% = **T.** .

Box F

U. Title IV grant funds for student to return

Subtract the protected amount of Title IV grants (Box T) from the initial amount of Title IV grants for student to return (Box S).

 - = **U.** .

Box S

Box T

STEP 10: Return of Grant Funds by the Student

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

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

Amount To Return

1. Pell Grant	
2. Academic Competitiveness Grant	
3. National SMART Grant	
4. FSEOG	

CASE STUDY 6: BOB WHITE

When a student receiving Title IV grants and loans at a school that utilizes a non-term modular course structure, measures academic progress in credit hours, and performs its Return calculations on a payment period basis, officially withdraws, reenters within 180 days, and withdraws again.

Learning Objectives

Learn to complete Steps 1–8 of the Treatment of Title IV Funds when a Student Withdraws from a Credit-Hour Program worksheet, and be able to:

- determine the total number of days the student was in attendance over multiple periods of attendance;
- determine the total number of days in the payment period for the multiple periods of attendance;
- calculate the percentage of the payment 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 to be offered to the student or returned.

School Profile

University of Huachuca (UH) is a non-residential postsecondary institution that utilizes a non-term modular course structure and measures academic progress in credit hours.

Academic Year/ Period of Enrollment	24 credits/ 32 weeks
Payment Period	12 credit hours 4 modules (each of 4 weeks duration) 16 weeks
Period Start Date	January 8
Period End Date	April 27
Institutionally Scheduled Break	None
Required to Take Attendance	No
Period used in Return calculation	Payment Period

School Profile, continued

Scheduled starting and ending dates for modules within the calendar year. At each starting point all modules are offered.

Start	End	Start	End
January 8	February 2	February 5	March 2
March 5	March 30	April 2	April 27
April 30	May 25	May 28	June 22
June 25	July 20	July 23	August 17
August 20	September 14	September 17	October 12
October 15	November 9	November 12	December 7

Student Profile

Bob White is a third-year student enrolled at UH for 12 credits offered in four three-credit modules. UH anticipates that Bob, as do most of the students at UH, will complete each of the modules in four weeks, and the period in 16 weeks. Charges to Bob's account for the * [payment](#) period are as follows:

Tuition and fees	\$	6,000.00/12 credits
Room	\$	non-residential program
Board	\$	non-residential program

School Authorized to Credit

Account for Other Charges: Yes (all charges)

Bob's financial aid package included the following **annual** awards:

Pell Grant	\$	4,050.00
Net Unsubsidized Stafford Loan	\$	4,860.00
Net Subsidized Stafford Loan	\$	5,460.00

All of Bob's financial aid for the first payment period (one half his annual awards) was disbursed on the first day of classes.

Discussion

On the first day of the period, January 8, Bob received the following disbursements to his student account:

Pell Grant	\$	2,025.00
Unsubsidized Stafford Loan	\$	2,430.00
Subsidized Stafford Loan	\$	2,730.00

On January 19, Bob came to the financial aid office and informed you that he is withdrawing from school thereby beginning the school's formal withdrawal process.

Because Bob failed to begin attendance in all of the classes on which his Pell Grant was based, before performing the required Return calculation UH must to recalculate Bob's Pell based on his enrollment in just the one module he began – three credits. After eliminating the living expenses and tuition associated with the period of non-attendance, UH determined that based on the costs associated with the three credits Bob began that he was eligible for an annual award of \$1,550 and an award for the period of \$775. UH returned the difference of \$1,250 (\$2,025 – \$775) to the Pell Grant program.

Note : If Bob had received Campus-Based aid, the school would also have had to recalculate his COA, eliminating the costs attributable to the modules that he did not begin attending, to see whether a reduction of the Campus-Based aid was necessary.

UH performed a return calculation using January 19 as Bob's withdrawal date and \$775 as the amount of Pell Grant disbursed, and determined that the school was responsible for returning all of the funds that Bob received from the subsidized and unsubsidized Stafford loan programs and \$128.00 in Pell funds. UH also determined that Bob was not required to return any funds. On February 5, UH returned the funds for which it was responsible to the appropriate programs.

On March 5 Bob re-entered the program. Since this is within 180 days of his withdrawal date, Bob was considered to be in the same payment period so his Title IV eligibility is the same as before he left.

In order to ask the lender to redisburse his Stafford loans the school had to determine the new end for the payment period and the Bob's Borrower Based Academic Year (BBAY). Because the program is based on discrete modules, UH can easily identify the point at which Bob will have completed half the weeks **and** half the credits in the academic year. It is June 22. The end of the BBAY is October 12. Therefore, UH asked his lender to redisburse the subsidized and unsubsidized Stafford loans with a new scheduled date for the second disbursement of June 25 and a new end date for Bob's BBAY of October 12. Since the end of Bob's new BBAY was within one year of the beginning date of the period for which the loan was first certified (January 8), the lender agreed to and made the disbursement, and UH once again disbursed the Stafford loan funds to Bob's account. In addition, UH drew down and redisbursed the \$128.00 in Pell funds that it previously returned.

Bob completed his first module as scheduled on March 30 and began his second module on April 2. On April 10, Bob came to the financial aid office and informed UH that he is once again withdrawing from school.

UH must determine the correct number of days to include as completed days and total days in the Return calculation and correctly calculate the amount to be returned or disbursed.

Solution

Once again, because Bob has failed to begin attendance in all of the classes on which his Pell Grant was based, before performing the required Return calculation you must recalculate Bob's Pell Grant based on his enrollment in just the two modules he began – six credits. This, time after eliminating the living expenses and tuition associated with the period of non-attendance, UH determined that Bob remained eligible for an annual award of \$4,050 (an award for the period of \$2,025). Therefore, UH included the following awards in the Return calculation.

Pell Grant	\$	2,025.00
Unsubsidized Stafford Loan	\$	2,430.00
Subsidized Stafford Loan	\$	2,730.00

Bob's withdrawal date and the date of the institution's determination of Bob's withdrawal is the day he informed UH of his intent to withdraw – April 10.

STEP 1: Student's Title IV Aid Information

Box A.	Title IV grant aid disbursed –	
	Pell Grant	\$ 2,050.00
	A. =	\$ 2,050.00

Box B.	Net Title IV loans disbursed –	
	Unsubsidized FFEL/Direct Stafford	\$ 2,430.00
	Subsidized FFEL/Direct Stafford	\$ 2,730.00
	B. =	\$ 5,160.00

Box C. Title IV grants that could have been disbursed = \$ 0.00.

Box D. Title IV loans that could have been disbursed = \$ 0.00.

Box E. Total Title IV aid disbursed for the payment period or period of enrollment = A + B = 2,025.00 + 5,160.00 = \$ 7,185.00.

Box F. Total Title IV grant aid disbursed and could have been disbursed for the payment period or period of enrollment = A + C = 2,025.00 + 0.00 = \$ 2,025.00.

Box G. Total Title IV aid disbursed and could have been disbursed for the payment period or period of enrollment = A + B + C + D = 2,025.00 + 5,160.00 + 0.00 + 0.00 = \$ 7,185.00.

STEP 2: Percentage of Title IV Aid Earned

Bob's withdrawal date was April 10.

When Bob initially withdrew on January 19, he had completed twelve days out of 110. When he returned on March 5, UH determined a new period end date of June 22. In order to determine the correct number of days of attendance and days in the period, UH must subtract the 44 days Bob was originally scheduled to attend but did not attend (starting with January 20 and ending on March 4) from the *Total days*.

Note : If you are using ED's Web based software you can enter January 20 and March 4 (44 days) as beginning and ending dates of a scheduled break so that the software will correctly reflect this period of non-enrollment.

1. Payment Period start date = January 8.
2. Payment Period end date = June 22.
3. Date of withdrawal = April 10.
4. Scheduled break (for software purposes) January 20 through March 4 (44 days).
5. Percentage of payment period completed –
 - Number of calendar days completed = 49 (12 days from his first enrollment plus 37 days from his second).
 - Number of calendar days in the payment period = January 8 through June 22 – 166 days minus the 44 days of non-attendance = 122 days.
 - $49 \text{ days} \div 122 \text{ days} = 0.4016$. Percentage of payment period completed = 40.2%.

Box H. Because this percentage is less than 60%, the Percentage of Title IV aid earned = 40.2%..

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

Box I. 40.2% (Percentage of Title IV aid earned from Box H) X \$7,185.00 (Total of the Title IV aid disbursed and could have been disbursed for the payment period or period of enrollment from Box G) = \$2,888.37. Amount of Title IV aid earned by the student = \$2,888.37.

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

Box J. Because the total Title IV aid earned (Box I) is less than the total Title IV aid disbursed (Box E), no post-withdrawal disbursement is due, and we proceed to Box K.

Post-withdrawal disbursement = NA.

Box K. Because the total Title IV aid disbursed (Box E) is greater than the total Title IV aid earned (Box I) Title IV aid must be returned.

$\$7,185.00 \text{ (Box E)} - \$2,888.37 \text{ (Box I)} = \$4,296.63$. Title IV Aid to be returned = \$4,296.63.

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

Box L. The charges on Bob's account are the charges initially assessed for the payment period:

Tuition and fees \$ 6,000.00

Box M. Subtract the percentage of Title IV earned from Box H (40.2%) from 100.0%.
 $100\% - 40.2\% = 59.8\%$. Percentage of Title IV aid unearned = 59.8%.

Box N. Calculate the amount of unearned charges. \$6,000.00 (institutional charges from Box L) X 59.8% (% of Title IV aid unearned from Box M) = \$3,588.00 (no rounding needed).

Amount of unearned institutional charges = \$3,588.00.

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

Box K = \$ 4,296.63

Box N = \$ 3,588.00

Amount of unearned Title IV aid due from the school = \$3,588.00.

STEP 6: Return of Funds by the School

Box P. Bob received an Unsubsidized FFEL Stafford loan disbursement of \$2,430.00. Since \$2,430.00 is less than the \$3,588.00 (Box O) the school must return, the school must return \$2,430.00 to the lender of Bob's Unsubsidized Stafford loan. In addition, there is a balance of \$1,158.00 ($3,588 - 2,430$) that the school must return. So, the school returns \$1,158.00 to the lender of Bob's Subsidized Stafford loan. $\text{Box P} = \$2,430.00 + \$1,158.00 = \$3,588.00$.

Box P = \$ 3,588.00

The school must return any unearned funds within 45 days from the date of the institution's determination that Bob withdrew (April 10).

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

Box Q. Subtract the amount of Title IV aid the school must return (\$3,588.00 from Box O) from the total amount of Title IV aid that is to be returned (\$4,296.63 from Box K) to find the Initial amount of Title IV aid Due from the Student. $\$4,296.63 - \$3,588.00 = \$708.63$.

Box Q = \$ 708.63

STEP 8: Repayment of the Student's Loans

Box R. Subtract the Total Loans the school must return (\$3,588.00 from Box P) from the Net Loans Disbursed to the Student (\$5,160.00 from Box B) to find the total of the loans the student must repay $\$5,160.00 - \$3,588.00 = \$1,572.00$.

Since the amount from Box Q (\$708.63) is equal to (or less than) the amount from Box R (\$1,572.00), the calculation ends here.

Remember, you must notify the holder of Bob's loans that he has withdrawn from school.

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

Student's Name	Bob White	Social Security Number	Case Study 6
Date form completed	4 / 15 /	Date of school's determination that student withdrew	4 / 10 /
Period used for calculation (check one)		<input type="checkbox"/> Payment period	<input type="checkbox"/> Period of enrollment

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

STEP 1: Student's Title IV Aid Information

Title IV Grant Programs	Amount Disbursed	Amount that Could Have Been Disbursed						
1. Pell Grant	\$2,025.00		E. Total Title IV aid disbursed for the payment period or period of enrollment. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">A. \$2,025.00</td></tr> <tr><td style="width: 50%;">+ B. \$5,160.00</td></tr> <tr><td style="width: 50%;">= E. \$ 7,185.00</td></tr> </table>	A. \$2,025.00	+ B. \$5,160.00	= E. \$ 7,185.00		
A. \$2,025.00								
+ B. \$5,160.00								
= E. \$ 7,185.00								
2. Academic Competitiveness Grant								
3. National SMART Grant								
4. FSEOG								
A. Subtotal		C. Subtotal	F. Total of Title IV grant aid disbursed + could have been disbursed for the payment period or period of enrollment. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">A. \$2,025.00</td></tr> <tr><td style="width: 50%;">+ C. \$0.00</td></tr> <tr><td style="width: 50%;">= F. \$ 2,025.00</td></tr> </table>	A. \$2,025.00	+ C. \$0.00	= F. \$ 2,025.00		
A. \$2,025.00								
+ C. \$0.00								
= F. \$ 2,025.00								
B. \$2,025.00		C. \$0.00						
Subtotal		Subtotal						
A. \$2,025.00		C. \$0.00						
B. \$5,160.00		D. \$0.00	G. Total of Title IV aid disbursed + could have been disbursed for the payment period or period of enrollment. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 50%;">A. \$2,025.00</td></tr> <tr><td style="width: 50%;">B. \$5,160.00</td></tr> <tr><td style="width: 50%;">C. \$0.00</td></tr> <tr><td style="width: 50%;">+ D. \$0.00</td></tr> <tr><td style="width: 50%;">= G. \$ 7,185.00</td></tr> </table>	A. \$2,025.00	B. \$5,160.00	C. \$0.00	+ D. \$0.00	= G. \$ 7,185.00
A. \$2,025.00								
B. \$5,160.00								
C. \$0.00								
+ D. \$0.00								
= G. \$ 7,185.00								
Subtotal		Subtotal						
B. \$5,160.00		D. \$0.00						
Subtotal		Subtotal						

STEP 2: Percentage of Title IV Aid Earned

1 / 08 /	6 / 22 /	4 / 10 /
Start date	Scheduled end date	Date of withdrawal

A school that is not required to take attendance may, for a student who withdraws without notification, enter 50% in Box H and proceed to Step 3. Or, the school may enter the last date of attendance at an academically related activity for the "withdrawal date," and proceed with the calculation as instructed. For a student who officially withdraws, enter the withdrawal date. *(less 44 days of non attendance)*

H. Percentage of payment period or period of 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 (excluding scheduled breaks of five days or more AND days that the student was on an approved leave of absence).

49	÷	122	=	40.16 %
<small>Completed days</small>		<small>Total days</small>		

▶ If this percentage is greater than 60%, enter 100% in Box H and proceed to Step 3.

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

H. 40.2 %

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

Multiply the percentage of Title IV aid earned (Box H) times the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the payment period or period of enrollment (Box G).

40.2 %	X	7,185.00	=	I. \$ 2,888.37
<small>Box H</small>		<small>Box G</small>		

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

▶ If the amount in Box I is greater than the amount in Box E, go to Post-withdrawal disbursement (Item J).

▶ If the amount in Box I is less than the amount in Box E, go to Title IV aid to be returned (Item K).

▶ If the amounts in Box I and Box E are equal, **STOP**. No further action is necessary.

J. Post-withdrawal disbursement
Subtract Total Title IV aid disbursed for the payment period or period of enrollment (Box E) from the amount of Title IV aid earned (Box I). This is the amount of post-withdrawal disbursement due. Stop here, and enter the amount in Box 1 on Page 3 (post-withdrawal disbursement tracking sheet).

	-		=	J. \$ NA
<small>Box I</small>		<small>Box E</small>		

Step 4 continued ▶

Student's Name **Bob White**Social Security Number **Case Study 6****STEP 4: Aid to be Disbursed or Returned CONTINUED****K. Title IV aid to be returned**

Subtract the amount of Title IV aid earned (Box I) from the Total Title IV aid disbursed for the payment period or period of enrollment (Box E). This is the amount of Title IV aid that must be returned.

$$\begin{array}{r} \boxed{7,185.00} - \boxed{2,888.37} = \mathbf{K.\$} \quad 4,296.63 \\ \text{Box E} \qquad \qquad \text{Box I} \end{array}$$

STEP 5: Amount of Unearned Title IV Aid Due from the School**L. Institutional charges for the payment period or period of enrollment**

Tuition	\$6,000.00
Room	
Board	
Other	
Other	
Other	

Total Institutional Charges = **L.\$** 6,000.00
(Add all the charges together)

M. Percentage of unearned Title IV aid

$$100\% - \boxed{40.2\%} = \mathbf{M.} \quad 59.8\%$$

Box H

N. Amount of unearned charges

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

$$\boxed{6,000.00} \times \boxed{59.8\%} = \mathbf{N.\$} \quad 3,588.00$$

Box L \qquad \qquad Box M

O. Amount for school to return

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

$$\mathbf{O.\$} \quad 3,588.00$$

STEP 6: Return of Funds by the School

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

Title IV Programs

Amount for School to Return

1. Unsubsidized FFEL/Direct Stafford Loan	\$2,430.00
2. Subsidized FFEL/Direct Stafford Loan	\$1,158.00
3. Perkins Loan	
4. FFEL/Direct PLUS (Graduate Student)	
5. FFEL/Direct PLUS (Parent)	

Total loans the school must return

$$\mathbf{P.\$} \quad 3,588.00$$

6. Pell Grant

7. Academic Competitiveness Grant

8. National SMART Grant

9. FSEOG

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

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

$$\boxed{4,296.63} - \boxed{3,588.00} = \mathbf{Q.\$} \quad 708.63$$

Box K \qquad \qquad Box O

STEP 8: Repayment of the Student's loans

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

These outstanding loans consist either of loan funds the student has earned, or unearned loan funds that the school is not responsible for repaying, or both; and they are repaid to the loan holders according to the terms of the borrower's promissory note.

$$\boxed{\$5,160.00} - \boxed{3,588.00} = \mathbf{R.\$} \quad 1,572.$$

Box B \qquad \qquad Box P

► If Box Q is less than or equal to Box R, **STOP**.
The only action a school must take is to notify the holders of the loans of the student's withdrawal date.

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

STEP 9: Grant Funds to be Returned**S. Initial amount of Title IV grants for student to return**

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

$$\boxed{} - \boxed{} = \mathbf{S.\$} \quad .$$

Box Q \qquad \qquad Box R

T. Amount of Title IV grant protection

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

$$\boxed{} \times \boxed{50\%} = \mathbf{T.\$} \quad .$$

Box F

U. Title IV grant funds for student to return

Subtract the protected amount of Title IV grants (Box T) from the initial amount of Title IV grants for student to return (Box S).

$$\boxed{} - \boxed{} = \mathbf{U.\$} \quad .$$

Box S \qquad \qquad Box T

STEP 10: Return of Grant Funds by the Student

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

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

Title IV Grant Programs

Amount To Return

1. Pell Grant

2. Academic Competitiveness Grant

3. National SMART Grant

4. FSEOG