

RETURN OF TITLE IV

Students who receive the Federal Pell Grant and who withdraw from school before completing the program, whether officially or unofficially, will have a calculation completed called Return of Title IV. This calculation will show how much of the awarded Federal Pell Grant funds may or may not need to be returned to Federal Student Aid.

The Financial Aid Coordinator works with Financial Aid Services, Inc. (FAS) on the Return of Title IV calculation. The financial aid policy and procedure manual explains this process in detail. Because Allstate Barber College only participates in the Federal Pell Grant program, so the Return of Title IV calculation is only relevant to Federal Pell Grant disbursements. Any unearned Federal Pell Grant funds that need to be returned to Federal Student Aid must be done within 45 days of the date of the date the school determines the student withdrew. Once a student is withdrawn, they will receive an official refund notice from the school which also includes his/her Return of Title IV amount. The unearned Federal Pell Grant funds that must be returned by the school to Federal Student Aid may result in a balance on the student's school account for which the student is responsible.

The Calculation for Return of Title IV Fund is Based on the Percent of Aid Using the Following Federal Return of Title IV Funds Formula: Percent of Aid Earned equals Amount of hours scheduled as of the last date of attendance divided by the number of hours scheduled in the payment period

Funds are Returned to the Appropriate Title IV Program Based on the Following Formula: Title IV Aid to be returned equals the lesser of Title IV Financial Aid disbursed (or to be disbursed) multiplied the percentage of earned aid and, the amount of qualified institutional charges multiplied by the Percentage of Earned Financial Aid

A student who completed at least 60% of the scheduled hours within the payment period is considered to have earned the financial aid for that payment period. However, the Return of Title IV calculation must still be completed.

The school must also determine whether the student is eligible for a post-withdrawal disbursement of Title IV grant funds the student has earned but has not yet received. The school may automatically use all or a portion of your Post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the school). The school

needs the student's permission to use a Post-withdrawal grant disbursement for all other school charges.

Example:

Michael started school on November 1st and his last date of attendance was November 11. The total hours Michael was scheduled for as of November 11 was 150 clock hours and the number of hours in the payment period was 450 clock hours. The Percentage of Title IV Aid Earned is calculated by dividing scheduled hours as of last date of attendance and hours in the payment period. $150/450 = 33.3\%$

Michael was eligible for a \$1000 Federal Pell grant for the payment. The total amount of Title IV Aid Earned is calculated by multiplying the total aid eligible for the payment period (\$1,000) by the Percentage of Aid Earned (33.3%).

Percentage of Title IV Aid Earned = $1000 * 33.3\% = \$333$.

Michael had received a \$1000 Federal Pell Grant as of the last date of attendance which was applied to his school account to cover tuition and fees of \$1,200, leaving a balance of \$200. The school is required to return to the Department the unearned portion of the Title IV Financial \$667.00. Michael is responsible for the balance school account ($200 + 667 = \$867$).

Students who do not return from a Leave of Absence (LOA) per the LOA policy will be considered withdrawn and the Return of Title IV calculation will be processed.

In the case of an official or unofficial withdrawal, the withdraw date is the student's last date of attendance. An official withdrawal is when the school is formally notified by the student that they wish to cease enrollment at Allstate Barber College. In order to officially withdraw, the student would need to complete a Student Withdrawal/Drop Form. In the case of an official withdrawal, the Date of Determination is the date the student officially notifies the school that he or she will no longer be attending. The student's withdrawal date would be considered the last date of attendance. An unofficial withdrawal is when a student ceases attending without any notification to the institution. In the case of an unofficial withdrawal, the Date of Determination will be no longer than 14 calendar days from the student's last date of attendance.