

## **Return of Title IV Funds**

Students are responsible for following the Graduate Institute's withdrawal procedures and informing the Registry (Service des Etudiants) and the financial aid office if they decide to withdraw from their study programme for any reason. If a student stops attending all classes without officially withdrawing, they will be subject to return of funds at the end of the term based on either their withdrawal date or the last documented date of attendance.

When a student withdraws from the Graduate Institute, or makes changes to their studies that may affect eligibility for Title IV Direct Loans, The Financial Aid Administrator will recalculate the loan entitlement based on the period of attendance and eligibility. As a result, the Graduate Institute or the student may be required to return funds to the Department of Education from the Title IV Direct Loans received and disbursed. Future disbursements may also be affected.

Please note that the requirements for Title IV Direct Loan funds when a student withdraws are separate from the refund policy at the Graduate Institute. Furthermore, The Graduate Institute is an institution that is not required to take attendance and withdrawals will be treated in accordance to the regulations of US Federal Aid.

**The Graduate Institute's refund policy** is available upon request and can be found on XXX (webpage).

The 1998 Reauthorization of the Higher Education Act requires the academic institution to calculate a return of Title IV funds for US Federal loans for all students who withdraw (officially or unofficially) from their study programme. A pro-rata schedule is used to determine the percentage of term attended based on the withdrawal date / last date of attendance.

*The amount the student is responsible for returning is calculated as follows:*

If a student is required to return Title IV Funds, the unearned portion of the loan may be repaid in accordance with the existing terms of the loan program. If a student is considering withdrawing from their course, the Financial Aid Administrator can provide students with a calculation of US Federal Title IV Return of funds based on their attendance to date. The Graduate Institute is required to return the unearned Title IV aid to the appropriate lender within 45 days of the date the financial aid administrator is notified of a student's withdrawal from their course. If a student withdraws from a course, the student may lose some or all of the aid that has already been disbursed to them and they will be personally responsible for payment of any charges for tuition and accommodation fees that are due to the Graduate Institute.

All the Title IV Direct Loans scheduled for a disbursement period is considered to have been earned if the student has been in attendance (at least half time) for more than 60% of the payment period. As an example, if a student completes 30% of the payment period the student will have earned 30% of the assistance that was originally scheduled to in that loan period. If a student has completed 60% of the payment period, he/she will have earned 100% of the assistance that was scheduled to be received.

The percentage of the term attended is used to calculate the amount of the earned versus unearned Federal aid funds. If, for example, the student has attended 17

days of a 68 day term, then they have attended 25% of the term and 25% of the US Federal aid received has been “earned”. This means that 75% of the term for which aid has been received was not attended and 75% of the US Federal aid received was “unearned” and must be returned.

The unearned portion of US Federal aid funds received must be returned in accordance with the order of return of funds.

The Graduate Institute is required to return the lesser of unearned Title IV aid or unearned tuition fee charges. However, as per the Institutional Refund Policy, a partial refund of the tuition fee can only be considered in the case of withdrawal for “force majeure”.

Unearned tuition fee charges are calculated by multiplying the percentage of the academic year that was not attended by the tuition fees. The Graduate Institute is responsible for its return of funds first, following by the student’s return of funds they have received.

If a student received more assistance than was earned, the excess funds must be returned to the US Department of Education by the Graduate Institute and by the student to the loan servicer.

If the student receives less assistance than the amount earned, then the student may still be able to receive those additional funds as a post-withdrawal disbursement (PWD).

However, all PWD’s must:

- be made within 180 days of the Date of Determination or date of withdrawal
- be accepted by the student within 30 days of the Date of Determination or date of withdrawal
- cannot be a second or subsequent disbursement of a Direct Loan (DL)
- can only be made if the student completed the first 30 days of the program

The Graduate Institute must return any unearned funds within 45 days of the withdrawal date to the US Department of Education. Any funds that have been disbursed and are regarded as an overpayment must be returned to the loan servicer by the student within the same timeframe.

### **Order and deadlines for the Return of Funds**

Once the withdrawal date is determined, the Graduate Institute must:

*Within 30 days*

- Perform the R2T4 calculation
- Notify the student of any loan overpayment
- Notify the student of eligibility for a post-withdrawal disbursement (PWD) if applicable

*Within 45 days*

- return the Title IV funds that must be returned

*Within 180 days*

- make the post-withdrawal disbursement (PWD) to the student

### **Notification of return of Title IV Direct Loan funds**

Upon notice of a withdrawal from study we will email the student to notify him/her of any funds that may require repayment. The student will also receive a copy of the Return to Title IV Direct Loans calculation along with details of the loan

servicer in order to enable the student to make arrangements to repay funds within the required 45 day period.

When applicable and within 30 days of the Date of Determination (or withdrawal date), the Graduate Institute must inform the student that

- He/she may decline all or a portion of the loan disbursement (PWD)
- Explain the obligation to repay the loan
- Specify a deadline of at least 14 days for response
- Explain that if the response is late, there will be no PWD and notify the borrower

### **The determination of withdrawal date**

The withdrawal date (or last day of attendance) will be established in accordance to:

- The date on which the student began the formal withdrawal process or provided official notification
- The date of illness, accident, etc.
- The beginning of a Leave of Absence (LOA) if the student does not return; or
- The last date of an academically-related activity

This date will be registered on the Institute's system (Campus). If there was a period of suspension (leave of absence) before the official withdrawal, the date of withdrawal is the date of the decision to withdraw, not the date on which the suspension began (which might be in a previous academic year).

If the student is reported as a "fail" and/or withdrawn, the date of withdrawal will be the date on which the Board of Studies met to approve such a withdrawal.

If the date of withdrawal cannot be determined (for example due to a lack of communication), then the date of withdrawal will be determined by the academic department. This will normally be the last known date of attendance (or the last date of an academically related activity). An academic related activity includes, but is not limited to:

- Physically attending a class with direct interaction
- Academic assignment submission
- Taking an exam, interactive tutorial, or a computer-based instruction
- Attending a school-assigned study group
- Participating in an online discussion that is academically-related
- Interacting online with faculty

Please note that, for the purposes of Title IV loans, any period of suspension from studies which will last more than 180 days in any 12 month period, is treated as a withdrawal. The 12 month period begins on the first day of the suspension and the return of Title IV funds policy will apply.

### **Change in your circumstances /withdrawing from studies**

- Personal circumstances

Students must ensure that the personal details that the Graduate Institute holds in the system (Campus) are correct and up-to-date. A change of address or status must be signaled in a timely manner.

If during the studies a student changes his or her name, this must also be communicated and documented.

- Academic circumstances – withdrawal, suspension or change of studies

If a student considers suspending (leave of absence) their studies, transferring from one programme to another, or withdrawing from their programme, the Director of Studies or any other relevant authority must be contacted and the student's situation discussed. The appropriate course of action will then be taken

and the Financial Aid Office (US Loans Team) notified. The Institute's rules and regulations require regular attendance; if circumstances are such that the student cannot do so, the student's individual situation will be reviewed and an appropriate course of action taken.

The financial implications of withdrawing from the Institute or suspending studies can be significant so the student should also consult with the Financial Aid Office for advice and implications. Federal funding will also be suspended.

If a student obtains an approved period of leave from their studies which will be longer than 180 days, this will be treated as a withdrawal for the purposes of Title IV loan.