



ARTS UNIVERSITY BOURNEMOUTH

Return of Title IV Funds Policy - Financial Aid for U.S. Students 2017-18 – 2.0

1. Background

US Federal Aid regulations state that if a student receiving Title IV funds withdraws from their course, Arts University Bournemouth must complete a Return of Title IV calculation. This is completed by the Income team situated within the finance office. The Title IV funding due to be returned by the University as a result of student withdrawal is calculated independently of the tuition fee liability due as a result of the withdrawal. Further information on the tuition fee liability can be found in AUB's Fees Payment Policy:

<http://webdocs.aub.ac.uk/Fees%20and%20Charges%20Payment%20Policy.pdf>

This policy covers the following US Federal Aid loans:

- Direct Subsidized Loan
- Direct Unsubsidized Loan
- Direct Plus (Parent and Graduate) Loans

2. Withdrawal Process

Students who withdraw from their course are required to inform their course leader of their decision to withdraw. For any students considering withdrawing, it is recommended that this decision is discussed with the Registry, Finance and International departments. Once a student withdraws an official withdrawal form is completed by the course team. For all students in receipt of Federal Aid, a Return of Title IV Funds calculation will then be completed by the Income Team within Finance.

2.1 Official Withdrawal

A withdrawal refers to a student's intent to permanently terminate studies at the University with no expectation of return. The official withdrawal date as per the University's internal attendance monitoring process, will be recorded on the University's withdrawal form. This is the date that will be used to calculate the return of any Title IV funding to the US Government.



2.2 Unofficial Withdrawal

An unofficial withdrawal is where the student has stopped attending timetabled lectures / classes but the University has not received notice from the student that the student has ceased or will cease attending the University. The official withdrawal date will be recorded by the University's internal attendance monitoring process, and will be recorded on the University's withdrawal form. This is the date that will be used to calculate the return of any Title IV funding to the US Government.

2.3 No Passing Grades

When a student fails to meet the requirements for progression or award, including where one or more units have been irretrievably failed and no more options remain open to the student, a course of studies may be terminated by the Subject Examination Board on academic grounds. The date of withdrawal will be taken from the University's internal attendance monitoring process and will be recorded on the University's withdrawal form. This is the date that will be used to calculate the return of any Title IV funding to the US Government.

2.4 Withdrawal Date and Visa Implications

International students are subject to attendance monitoring as part of the UK Visas and Immigration protocols. This last date of attendance as per this attendance monitoring is the date that will be recorded on the University's withdrawal form. This is the date that is also used to calculate the return of any Title IV funding to the US Government. For all withdrawals, the University will inform the UK Visa and Immigration department, as it will invalidate the student's Tier 4 Visa.

3. Calculation of Title IV entitlement

Federal Aid rules specify how the University must calculate the funding entitlement earned up to the day that a student withdraws from the University. If a student withdraws before completing 60% of the academic year, they have not 'earned' all of their Federal Aid and therefore a Return of Title IV Funds calculation must be performed.

Federal Aid is usually disbursed in termly instalments in line with US Government rules. The calculation of funds to be returned is based on the number of days in each term that the student is deemed to be in registration, regardless of whether any teaching is scheduled.



Below is an example of the Return of IV Funds calculation:

	Term start date	Term end date	Days in Term	Withdrawal Date	Days studied in term	% of term completed	Funds Borrowed	Funds to be returned
Term 1	25/9/17	15/12/17	82	31/10/17	36	44%	\$10,000	\$5,600
Term 2	8/1/18	29/3/18	81	22/2/18	46	57%	\$5,000	\$2,150
Term 3	16/4/18	25/5/18	40	20/5/18	34	85%	\$20,000	\$0

In the Term 1 example the student has completed 44% of the term based on the withdrawal date, and so 56% of the Federal Aid funds totalling \$5,600 will be returned. In the Term 2 example, the student has completed 57% of the term. As this is just short of the 60% cut off, 44% of the Federal Aid funding will be returned to the US Government. In Term 3, because over 60% of the term has been completed, no return of IV Funds is required.

Breaks of 5 or more consecutive days (i.e. outside of the term period) are to be counted as non-study days. Any period under 5 consecutive days, and weekends in the study period, are study days.

4. Post Withdrawal Disbursement

In certain circumstances, a student may have earned funds that have not yet been disbursed to the student – funds that ‘could have been disbursed’. Any such funds will be included within the Return of IV Funds calculation as funds that could have been disbursed. The student may be entitled to a post withdrawal disbursement.

If the student is entitled to a post withdrawal disbursement, the student will be notified of this within 30 days of the date of withdrawal. The student will be notified of:

- The type and amount of funds
- Their option to accept or decline some or all of these funds
- Their responsibility to repay any funds disbursed

If a disbursement is required, the University will aim to make the disbursement in a timely manner. The University may automatically use all or a portion of any post-withdrawal disbursements to meet liabilities for tuition fees and / or accommodation charges, as determined by the student’s contractual relationship with the University and the University’s policies on refunds of tuition fees and accommodation charges following withdrawal.



5. Liability of the student where Title IV Funds are returned

Federal Aid regulations require the University to return any unearned funds within 45 days of the date of withdrawal. If the return of the funds creates a balance due on the student's account, the student will be responsible to pay the full balance on their account. If funds have been returned for a student based on a specified withdrawal date those funds cannot be reinstated if the withdrawal date is later changed for whatever reason. Any funds that have not been disbursed to the student but relate to the period in question (funds that could have been disbursed) will be included in the Return of IV Funds calculation.

6. Further Information

Please contact the Income Team on (+44) 1202 363356 or income@aub.ac.uk for further information on the Return of IV Funds policy.