



Home About AIB Academics Admissions Financial Aid Alumni Student Life Human Resources Employers Athletics

Return of Funds Policy

Home

About AIB

Academics

Admissions

Financial Aid

Alumni

Student Life

Human Resources

Employers

Athletics

Search

Press Go When Finished

Go

RETURN OF FUNDS POLICY

-Federal Title IV Funds-

-State Funds-

-AIB Sponsored Funds-

INSTITUTIONAL REFUND POLICY

-Complete Withdrawal-

-Course Withdrawal-

*For the purpose of these policies, the date of withdrawal is defined as follows:

Official Withdrawal: The date of withdrawal will be the date the student began the withdrawal process. To begin the withdrawal process, the student must show intent to withdraw by filling out the AIB Withdrawal Form. If the student provides written confirmation of intent to withdraw prior to completing the AIB Withdrawal Form, the date this notice is received will be considered the student's date of withdrawal. Either form of notification of withdrawal needs to be submitted to the appropriate academic advisor. Intent to withdraw does not include informal conversations with college faculty or staff. If the student continues to attend class after the withdrawal process has begun, the last date of attendance will become the withdrawal date.

Unofficial Withdrawal: If the student does not officially notify the academic office of intent to withdraw, the academic office will determine the student's date of withdrawal based on the student's last date of attendance at an academic related activity. If AIB determines that a student did not begin the institution's withdrawal process or otherwise provide official notification to AIB of the student's intent to withdraw because of illness, accident, grievous personal loss, or other such circumstances beyond the student's control, AIB may assign a withdrawal date that is related to that circumstance.

Revised May 2007

RETURN OF FUNDS POLICY

FEDERAL TITLE IV FUNDS

As part of the Higher Education Amendments of 1998, Congress passed provisions governing what must happen to federal financial assistance if a student completely withdraws* from school in any term. The policy governs all federal grant and loan programs including the Federal Pell Grant, Academic Competitiveness Grant, Federal Supplemental Educational Opportunity Grant, Federal Perkins Loan, Federal Subsidized and Unsubsidized Stafford Loan, the Federal PLUS Loan and any new programs introduced in the future. This Return of Title IV Policy does not affect the Federal Work-Study Program.

In general, the law assumes that a student "earns" Federal financial aid awards directly in proportion to the number of days of the term the student attends. The portion of Federal grants and loans a student is entitled to receive is calculated on a percentage basis by comparing the total number of days in the term to the number of days completed before the student withdraw. For example, if the student withdrew on the 26th day of a term that has 75 days, the student has completed 35% of the term and has earned 35% of the assistance originally scheduled to receive. This means that 65% of the scheduled awards remain unearned and must be returned to the Federal government. Weekend days are included in both the numerator and denominator but scheduled breaks of five consecutive days or longer are excluded. Once a student has completed more than 60% of the term, the student has earned 100% of the assistance.

If a student is thinking about withdrawing from all classes prior to completing 60% of the term, the student should contact the Student Financial Services Office to determine how a withdrawal will affect financial aid. It is recommended that the student try to complete the term or complete at least 60% of the term to avoid having to repay any money that was already disbursed. If a student does not owe any money prior to withdrawal, the student may have a balance due to the College and/or the government after completion of the government required calculation.

If the amount disbursed to the student is greater than the amount the student has earned, the unearned funds must be returned to the financial aid programs. If the amount disbursed to the student is less than the amount the student has earned, a post withdrawal disbursement may be available to credit outstanding charges on the student's tuition account.

Under the HERA, the amount of a grant overpayment due from a student is limited to the amount by which the original grant overpayment amount exceeds half of the total Title IV grant funds received by the student. A student does not have to repay a grant overpayment of \$50 or less.

Institution's return of funds: Once the institution's portion of the return of funds has been calculated, the Financial Aid Office will return the funds within 45 days to the appropriate program(s) in the order specified below. If this creates a "charge" on the student's account in the Student Financial Services Office, the student will be responsible for paying the debt to the College. A student will not be allowed to register, receive an official academic transcript, and/or receive future financial aid until the debt to AIB College of Business has been paid in full.

Student's return of funds: Once the student's portion of the return of funds policy has been calculated, the Financial Aid Office will notify the student of the amount of grant funds the student may need to repay. One of the following repayment options may be selected:

- 1) The student may pay the full amount of the debt to the College within 45 days and the College will return the funds to the appropriate federal program(s).
- 2) The student may contact the Department of Education to establish a repayment plan.

The student will remain eligible for Title IV funds for 45 days from the date the institution sends the student a notice of the overpayment. On the 46th day, if an overpayment exists, the institution will report the overpayment to the Department of Education.

If loan funds need to be returned, the student may pay these funds back under the original terms of the loan.

Title IV unearned funds must be returned in the following order: Unsubsidized Federal Stafford Loan, Subsidized Federal Stafford Loan, Federal Perkins Loan, Federal PLUS Loan, Federal Pell Grant, Academic Competitiveness Grant, and Federal Supplemental Educational Opportunity Grant.

If the amount disbursed is less than the amount earned, the amount is considered to be a post-withdrawal disbursement. Post-withdrawal eligibility can be used to credit outstanding charges on the student's tuition account. AIB College of Business has 30 days from the date of the institution's determination the student withdrew to offer any amount of the post-withdrawal disbursement to the student (or the student's parent for PLUS loans.) The student (or parent) must respond within 14 days of the date the institution sends the notification to be eligible to receive the post-withdrawal disbursement. If the post-withdrawal disbursement is accepted, AIB College of Business must make payment within 90 days of the date of the institution's determination the student withdrew. If the student (or parent) does not respond to the institution's notice, no portion of the post-withdrawal disbursement that is not credited to the student's account may be disbursed.

STATE FUNDS

If a student withdraws* from the College prior to completing 60% of the term, the State of Iowa funds, including the Iowa Tuition Grant, Iowa Grant, State of Iowa Scholarship, All Iowa Opportunity Grant, the National Guard Tuition Assistance Program, and any new programs introduced in the future will be returned proportionately. For example, if a student withdraws on the 26th day of a 75-day term, the student has completed 35% of the term and is eligible to use 35% of the above grant(s). Therefore, 65% of the money would be returned to each of the applicable programs.

AIB SPONSORED FUNDS

If a student withdraws* from the College prior to completing 60% of the term, the AIB sponsored funds will be returned proportionately. For example, if a student withdraws on the 26th day of a 75-day term, the student has completed 35% of the term and is eligible to use 35% of the AIB sponsored funds. Therefore, 65% of the money would be returned to each of the applicable programs.

INSTITUTIONAL REFUND POLICY

COMPLETE WITHDRAWAL*

The amount of the tuition, fees, and residence hall rent refund will be calculated on a percentage basis by comparing the total number of days in the term to the number of days completed before the student withdrew. For example, if the student withdrew on the 26th day of a term that has 75 days, the student completed 35% of the term. Therefore, the student will be entitled to a 65% refund of tuition, fees, and residence hall rent. Weekend days are included in both the numerator and denominator, but scheduled breaks of five consecutive days or longer are excluded. Once the student has completed 60% of the term, no refund is available. Eligible books will be refunded at 50%.

COURSE WITHDRAWAL*

Students who drop to less than 13.5 quarter credit hours but remain a student are eligible for a tuition refund according to the following schedule.

Withdrawals on or before Friday of the first week	75% refund
Withdrawals on or before Friday of the second week	50% refund
Withdrawals on or before Friday of the third week	25% refund
Withdrawals after the 3rd week	no refund

In this category of withdrawal, there is no refund of residence hall rent or fees. Eligible books will be refunded at 50%. Prior to withdrawing from class, all students are strongly encouraged to consult both their academic advisor and the Student Financial Services Office to determine the effect the withdrawal may have on the student's account.

After the refund policy calculation has been completed, the Iowa programs, including the Iowa Tuition Grant, Iowa Grant, State of Iowa Scholarship, All Iowa Opportunity Grant, and National Guard Assistance Program, will be reimbursed proportionately. Any remaining funds credited to the student's account will be used to pay toward the student's AIB balance. If funds still remain, the funds will be paid back to the financial aid programs in the following order: Unsubsidized Stafford Student Loan, Subsidized Stafford Student Loan, Perkins Loan, Partnership Loan, PLUS Loan, AIB College of Business sponsored grant and scholarship programs, Pell Grant, Academic Competitiveness Grant, Supplemental Educational Opportunity Grant, and other programs.