



Return of Title IV Funds Policy

Utrecht University follows the requirements of the Return of Title IV funds in relation to Federal Direct Loan and PLUS loans.

This policy applies only to eligible US and eligible non-US citizens receiving Title IV funds, specifically the Federal Direct Loan and PLUS loans.

Title IV funds are awarded under the assumption that the student will attend university for the entire period for which the assistance is awarded. When a student withdraws from all courses, for any reason including medical withdrawals, the student may no longer be eligible for the full amount of Title IV funds that was originally scheduled to receive.

If the student withdraws from all the courses prior to completing over 60% of a semester, they may be required to repay a portion of the federal financial aid that was received for that term. A pro rata schedule is used to determine the amount of federal student aid funds the student will have earned at the time of the withdrawal. Federal aid includes Federal Direct Loan (subsidized and unsubsidized), Parent Plus Loan and Graduate Plus Loan.

The return of funds is based upon the concept that students earn their financial aid in proportion to the amount of time in which they are enrolled. Under this reasoning, a student who withdraws in the second week of classes earns less financial aid than a student who withdraws in the seventh week. Once 60% of the semester is completed, a student is considered to have earned all financial aid and will not be required to return any funds.

A student's withdrawal date is:

- The date the student informs Utrecht University of their withdrawal from their study program. A student can inform the University of their withdrawal by submitting a [Request for termination of enrolment](#) via Studielink.
- In case of unofficial withdrawal:
An unofficial withdrawal is the case when a student withdraws from the university without notifying Utrecht University. An unofficial withdrawal will be determined based on the transcript of records and contact with the student's study advisor(s).
If a student fails (grade <6.0) all their courses, the Financial Aid Officer will review the transcript of records and contact the student's study advisor(s) to make a judgement if a student unofficially withdrew or was just not successful in completing the courses with a satisfactory grade (6.0). In these cases, an unofficial withdrawal will be based on the student's attendance (or lack thereof) to the entirety of their final exams.
In the case of an unofficial withdrawal, the withdrawal date will be the mid-point of the semester in which the student withdrew.

The student must always inform the Scholarship Office (scholarship@uu.nl) in a timely fashion of any withdrawal occurring during a semester.

In case a student never commences attendance for courses, they are not eligible for Title IV funds and Direct Loan Funds must be returned. Attendance will be monitored in some special courses. In all other courses the attendance will be determined based on exams.

The Scholarship Office determines the percentage of Title IV funds the student must return. Institutions are required to determine the percentage of Title IV aid "earned" by the student and to return the unearned portion to the appropriate aid program. Regulations require universities to perform calculations within 30 days from the date the university determines a student's complete withdrawal. The institution must return the Funds within 45 days of the calculation.

The return of Title IV funds policy follows these steps:

Step 1: Student's Title IV information

The Scholarship Office will determine:

- A. The total amount of Title IV aid disbursed (not aid that could have been disbursed) for the semester in which the student withdrew. A student's Title IV aid is counted as aid disbursed in the calculation if it has been transferred to the student on or before the date the student withdrew.
- B. The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

Step 2: Percentage of Title IV Aid Earned:

The Scholarship Office will calculate the percentage of Title IV aid earned as follows:

- The number of calendar days completed by the student divided by the total number of calendar days in the semester in which the student withdrew. The total number of calendar day in a semester shall exclude any scheduled breaks of more than five days.

$\text{Days Attended} \div \text{Days in Enrolment Period} = \text{Percentage Completed}$

If the calculated percentage exceeds 60%, then the student has "earned" all the Title IV aid for the enrolment period.

Step 3: Amount of Title IV Earned by the Student

The Scholarship Office will calculate the amount of Title IV earned as follows:

The percentage of title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Step 1-B)).

$\text{Total Aid Disbursed} \times \text{Percentage Completed} = \text{Earned Aid}$

Step 4: Amount of Title IV Aid to be Disbursed or Returned:

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.

$\text{Total Disbursed Aid} - \text{Earned Aid} = \text{Unearned Aid to be Returned}$

- If the aid already disbursed is less than the earned aid, the Scholarship Office will calculate a Post-Withdrawal Disbursement.

Return of the Title IV Aid, based on the type of aid disbursed, in the following order:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Parent Plus Loan or Graduate Plus Loan

Loans must be repaid by the loan borrower (student/parent) as outlined in the terms of the borrower's promissory note. The student's grace period for loan repayments for Federal Unsubsidized and Subsidized Direct Loans will begin on the day of the withdrawal from the University. The student should contact the lender in case of any questions regarding their grace period or repayment status.

Institutional and student responsibility in regard to the Federal Return of Title IV Funds policy

The University's responsibilities in regard to the Return of Title IV funds policy include:

1. Providing each student with the information given in this policy;
2. Identifying students affected by this policy and completing the Return of Title IV Funds calculation;
3. Informing the student of the result of the Return of title IV Funds calculation and any balance owed to the University as a result of a required return of funds;
4. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notifying the borrower's holder of federal loan funds of the student's withdrawal date;
5. Notifying student and /or Plus borrower of eligibility for a Post-Withdrawal Disbursement, if applicable;

The student's responsibilities in regard to the Return of Title IV Funds policy include:

1. Becoming familiar with the Return of Title IV Funds policy and how withdrawing from all his courses effects eligibility for Title IV aid;
2. Resolving any outstanding balance owed to Utrecht University resulting from a required return of unearned Title IV aid.