

Lesson 4 – Percentage of Title IV Aid Earned

 **Time of Lesson: 20 minutes**

Host

Open Slide Show: R2T4 Lesson 4.ppt

Display Slides 1 and 2

After completing this lesson, you will be able to:

- Calculate the percentage earned for a student who withdraws from a clock-hour or credit hour program, using payment period or period of enrollment.
- Understand how the percentage of time the student spent in school affects the percentage of aid earned.

(NOTE TO THE INSTRUCTOR ABOUT SET UP): Ensure that the following student and codes are set up in the FAA Access to the CPS Online demo site (note that EGR07 was set up in Lesson 1 by the participants):

Student record for **Trevor Johnson**, SSN **340110096**, Date of Birth **09071987**, Driver's License Number **56548169**, Driver's License State **KY**. Address is 1345 **Millwood Avenue, Benton, KY, 42025**.

Institutional Charges

Award Year	Institutional Charges Code	Program Title	Tuition	Room	Board
2007	FAGEN1	Fall Base	7500	0	0
2007	EGR07	Engineering	7235	6750	2375

School Calendar Profile

Award Year	Profile Code	Profile Title	Type	PP or POE	Payment Period (PP) or Period of Enrollment (POE)
2007	06UNGR	Fall 06 Undergrad JCE	Credit Hour Standard	PP	08212006-12152006
2007	06UGCL	2006 UG Clockhour JCE	Clock-hour	POE	05152006-12152006 900 clock-hours in period selected

Presenter

Point out Key Terms



Key Terms for this lesson are defined on pages 4-1 of your PW. All Key terms are summarized in the Glossary in Appendix A. As a reminder, you can access the Code of Federal Regulations (CFR) online through www.ifap.ed.gov. Referemces to the relevant sections of 34 CFR 668 are provided throughout this lesson.

Host

Display Slide 3: Using Payment Period or Period of Enrollment

Presenter

Refer to PW page 4-2.



Point out that:

- Schools will use either payment period or period of enrollment for return calculations.
- Schools must use the same basis (either payment period or period of enrollment) for all students in the same program, however with two exceptions:
 - Schools may use either basis for return calculations for students transferring to, **or** re-entering, non-term-based or non-standard term-based programs.
 - Schools may use one basis for transfer students and a different basis for re-entry students in the same program. **This exception only applies to non-standard term, non-term, or clock-hour programs.**
- Whichever basis is used (payment period or POE) include Title IV aid and institutional charges for the same period in the return calculation.



Point out the notes at bottom of page:

- *For those students who attended a standard term-based educational program (semester, trimester, or quarter), the R2T4 calculation must be determined on a payment period basis. Making multiple disbursements within the same payment period does not create a new or additional payment period.*
- *For students who withdraw from non-standard term-based or non-term-based educational program, the school has the choice of performing the return calculation on either payment period or period of enrollment basis.*

Host

Display Slide 4 – Percentage of Aid Earned –

According to the Title IV regulations, the percentage of Title IV aid earned by a student is equal to the percentage of the period completed by the student.

Presenter



Refer participants to PW page 4-3.



Review the concept of percentage of aid earned. The difference between clock-hour and credit hour return calculations are shown side-by-side in the PW, included here for your reference. This includes screen captures of both clock-hour and credit hour return calculations (Step 2).

Percentage of Period Completed: Clock-Hour Programs	Percentage of Period Completed: Credit Hour Programs
$\frac{\text{Number of hours scheduled to complete}^*}{\text{Total number of hours in the period}^*}$	$\frac{\text{Number of days completed in the period}^*}{\text{Total number of calendar days in period}^*}$
<i>*Excused absences do not get counted as completed hours</i>	<i>*Excluding 5 or more consecutive days of institutionally scheduled breaks AND days that the student was on approved leaves of absence</i>
Example: Step 2 of clock-hour return calculation from the R2T4 Web application:	Example: Step 2 of credit hour return calculation from the R2T4 Web application:
Step 2: Percentage of Title IV Aid Earned	Step 2: Percentage of Title IV Aid Earned
Withdrawal Date: 09/29/2006	Withdrawal Date: 10/15/2006
Hours scheduled to complete: 650	Payment period/period of enrollment start date: 08/21/2006
Total hours in period: 72.2 %	Payment period/period of enrollment end date: 12/15/2006
H. Percentage of payment period completed: 100 %	Number of completed days: 56
	Total number of days in the period: 117
	H. Percentage of payment period completed: 47.9 %

For Clock Hour programs, divide the number of hours scheduled to complete by the withdrawal date **by** the total number of hours in the period; For Credit Hour programs, divide the number of calendar days the student completes in the period **by** the number of calendar days in the period. The resulting percentage is used to determine the amount of aid earned by the student.

On the screen capture for clock hour programs, there is an asterisk that reminds you that excused absences *will not* count as completed hours. On the screen capture for Credit Hour programs, (also indicated by an asterisk), the calculation *will exclude* five or more consecutive days of institutionally scheduled breaks AND days that the student was approved for leaves of absence from the number of days in the period.



Notice the note on this page. If the percentage of time completed for either clock-hour or credit hour calculations is greater than 60%, then the student is considered to have earned 100% of their aid. However, even if the student earns 100% of their TIV aid, continue with the calculation to determine whether the student is eligible for a PWD.

Display Slide 5 – Retrieve a Record Demo

Host

Use the share feature to demonstrate retrieval and R2T4 calculation for a student who withdrew from a clock-hour program that performs return calculations on period of enrollment basis. The record for Trevor Johnson used in this demo will need to be entered prior to the training session.

Before beginning, make sure that you have an Internet Explorer browser window open on your desktop to the FAA Access to CPS Online demo Web site: <http://fafsademo.test.ed.gov>.

1. In the Sharing – Live Meeting window, select the Internet Explorer with the open application.
2. Click **OK**.
3. Use the step table below to walk the participants through each step of the setup procedures.

Discussion

Trevor’s student account was initially credited with \$700 in Pell funds and a Stafford Loan disbursement of \$1,260. (Although the school is using period of enrollment as the basis for the return to Title IV funds calculation, the Pell and Stafford Loan regulations require that the funds be disbursed in payment periods as defined in 34 CFR 668.4.)

Trevor completes the first half of the academic year (first payment period), he attends a portion of the second payment period, and withdraws to go into the Navy. At the point Trevor withdrew, he had completed 480 of the 500 clock hours he was scheduled to complete as of that date.

Note to instructors: The first steps in the table below show the typical sequence for accessing the FAA Access to CPS Online demo site. Please be aware that you may be prompted for the demo site’s login ID (eddemo) and password (fafsatest) in a different sequence or multiple times.

Step	Action
1	Click the FAA Access to CPS Online Demo System button at the bottom of the page.
2	Click the Next button.
3	Log in using the User ID: eddemo and Password: fafsatest
4	You are now logged into FAA Access to CPS Online.

Step	Action
	Click Next . (You may be prompted to enter the User ID and Password again.)
5	<p>At the Confirming Your Identity screen, enter the following:</p> <p>SSN: 999999999</p> <p>First 2 letters of Last Name: XX</p> <p>Date of Birth: 01011900</p> <p>PIN: 9999</p> <p>Click the Submit button.</p>
6	From the FAA Main Menu, select Return of Title IV Funds on the Web .
7	<p>Type the TG number: 99999</p> <p>Type the school code: E01002</p> <p>Click the Next button.</p>
Record Retrieval	
8	<p>First you must retrieve an existing record.</p> <p>Click Find Existing Record on the menu.</p>
9	<p>Type 340110096 in the Social Security Number field.</p> <p>Click the Search button.</p>
10	<p>The Student Search Results will display.</p> <p>Click the highlighted SSN 340110096 for Trevor Johnson.</p>
11	<p>Trevor's record opens to the Overview tab.</p> <p>Briefly highlight the available tabs - Discuss.</p>
Begin the return calculation record	
12	<p>On the Overview tab, click the Add R2T4 Record button.</p> <p>You will now enter the fields required to add a new R2T4 record and complete the return calculation.</p>
13	The beginning of Trevor's Return of Title IV Fund Worksheet displays.

Step	Action
	Select 2007 for Award Year.
14	<p>Click the Calendar Profile button. All School Calendars created for your school display.</p> <p>Click on 2007 next to 06UGCL to select the “2006 UG Clockhour JCE” School Calendar Profile.</p>
15	<p>Type 09292006 for the Withdrawal Date.</p> <p>Point out the wording underneath Withdrawal Date on the screen. Remind participants about the discussion from Lesson 2 about Unofficial Withdrawals.</p> <p>If you do not know the date of withdrawal, and intend to select Withdrawal Type 3 (Unofficial Withdrawal), you must still provide an approximate Withdrawal Date so the correct R2T4 calculation is performed (pre-HERA, which is for withdrawal dates prior to July 1, 2006; or post-HERA, which is for withdrawal dates of July 1, 2006 or later).</p>
16	Click the Next button.
Complete Step 1: Student’s Title IV Information	
17	Select Yes for Is the school required to take attendance by an outside entity?
18	<p>Select 7–Required to take attendance/last date of attendance for the Withdrawal Type. Since the school is required to take attendance, Trevor’s withdrawal date is his last date of attendance according to school attendance records.</p> <p>Briefly point out each Withdrawal Type, specifically 3 – Unofficial Withdrawal (no notification), and 6 – Last date of an academically-related activity.</p>
19	Select 0 – Never attended college/1st yr. for the Grade Level.
20	<p>Leave the Leave Of Absence Days field blank.</p> <p>Enter 10132006 for Date Form Completed.</p> <p>Enter 10132006 for Date of the school’s determination that the student withdrew.</p>
21	<p>Scroll down to the Title IV Grant Programs area (using the scroll bar on the right side of the window). Point out the programs that are included here in the return calculation:</p> <ul style="list-style-type: none"> • Pell • Academic Competitiveness Grant (ACG)

Step	Action
	<ul style="list-style-type: none"> • National (Science & Mathematics Access to Retain Talent) SMART Grant • Federal Supplemental Educational Opportunity Grant (FSEOG) • Other Title IV Grant funds
<p>22</p>	<p>Press the Tab key (once) to tab down to Pell Grant.</p> <p>Enter 700 under Amount Disbursed, then press the Tab key.</p> <p>Enter 700 under Amount That Could Have Been Disbursed, then press the Tab key.</p> <p>Point out how A (Total Grant Aid Disbursed) and C (Total Grant Aid that Could Have Been Disbursed) were both subtotaled and now display \$700.</p>
<p>23</p>	<p>Scroll down to the Title IV Loan Programs area. Point out the programs that are included here in the return calculation: (No Need to read these)</p> <ul style="list-style-type: none"> • Unsubsidized Federal Family Education Loan (FFEL)/William D. Ford Federal Direct Loan (Direct Loan) Stafford Loan • Subsidized FFEL/Direct Stafford Loan • Perkins Loan • FFEL/Direct PLUS (Graduate Student) • FFEL/Direct PLUS (Parent)
<p>24</p>	<p>Click once in the blank field next to Subsidized FFEL/Direct Stafford Loan.</p> <p>Enter 1260 for Subsidized FFEL/Direct Stafford Loan under Net Amount Disbursed, then press the Tab key.</p> <p>Enter 1260 under Net Amount That Could Have Been Disbursed, then press the Tab key.</p> <p>Again, point out how B (Total Net Loan Aid Disbursed) and D (Total Net Loan Aid that Could Have Been Disbursed) were subtotaled and now both display \$1260.</p>
<p>25</p>	<p>Point out how Box E (Total title IV Aid disbursed) is \$1,960, the sum of the \$700 Pell Grant and \$1,260 Subsidized Loan.</p> <p>For this example, the Department of Education had processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC), so Pell funds that had not yet been disbursed (\$700) are included as Aid That Could Have Been Disbursed. Also, Trevor’s loan application has been certified, so the 2nd disbursement (\$1260) of the loan is also included as Aid That Could Have Been Disbursed.</p> <p>Finally, G (Total Title IV Aid Disbursed plus the Title IV Aid that could have been</p>

Step	Action
	disbursed) = \$3,920.
Complete Step 2: Percentage of Title IV Aid Earned	
26	<p>Scroll down to Step 2 using the scroll bar on the right side of the window.</p> <p>In Step 2, note that Withdrawal Date is already completed with the date previously entered when adding this R2T4 record.</p> <p>Enter 500 for Clock Hours Scheduled to Complete.</p> <p>Remind participants that the clock hour R2T4 calculation uses Clock Hours Scheduled to Complete (not completed hours).</p>
Complete Step 5: Amount of Unearned Title IV Aid Due from the School	
27	<p>Click the Charges button. Institutional Charges associated with the student’s School Calendar Profile display in the resulting pop-up window. Point out that you can make student specific adjustments, if needed.</p> <p>Scroll down to the bottom of the charges window and click the Submit button.</p> <p>The Total Institutional Charges field now reflects the total amount (tuition + room + board + other charges you add).</p> <p>Click the Submit button to save your entries. The R2T4 tab displays the updated record, with calculation results, <i>Return of Title IV Fund Worksheet, Record 1 of 1</i>.</p>
Review Trevor Johnson’s Return Calculation	
28	<p>Scroll down to Step 3: Amount of Title IV Aid Earned by Student using the scroll bar on the right side of the window.</p> <ul style="list-style-type: none"> • Part I (Total Title IV Aid Earned) is equal to Box H (percentage of payment period completed) multiplied by Box G (Total of Title IV Aid Disbursed plus Title IV Aid That Could Have Been Disbursed for the period of enrollment). So, Part I (Amount of Title IV Aid Earned by the Student) = 55.6% X \$3,920.00 = \$2,179.52. <p>Scroll down to Step 4: Total Title IV Aid to be Disbursed or Returned.</p> <ul style="list-style-type: none"> • Step 4 shows that no funds need to be returned, but the student is entitled to a post withdrawal disbursement. • From E in Step 1 (Total Title IV Aid Disbursed), Trevor had been disbursed \$1,960 of the \$2,179.52 that was earned. The amount of the post-withdrawal disbursement due is \$219.52. A post-withdrawal disbursement must be made first from any available grant funds. Trevor had \$700.00 in

Step	Action
	<p>Pell Grant funds that had not, but could have been disbursed, so the \$219.52 in Pell funds must be used to make a post-withdrawal disbursement.</p> <p>Scroll down to Step 9: Grant Funds to be Returned. If this student was disbursed more TIV Funds than the amount that was earned, the student would owe and overpayment <i>and</i> an amount would be reported here. Explain that the amount from Box F (the total of grants disbursed plus could have been disbursed) helps determine the Title IV Grant Overpayment Protection amount established by the HERA.</p>



Further information about the process of returning funds may be found in the Federal Student Aid Handbook in Chapter 2 -Withdrawals and the Return of Title IV Funds.

Display Slide 6 – Software Activity



Ask participants to complete the exercise provided on PW page 4-4. Remind participants that they should be using the demo site for FAA Access to CPS Online (<http://fafsademo.test.ed.gov>). You will be creating a new student record and performing a return calculation for a second-year student who withdrew from a credit hour program. This exercise is also dependent on the School Calendar (06UNGR) and Institutional Charges Code (FAGEN1) setup being completed.

You will need to assign different SSNs to each participant by changing the last two digits of the SSN provided in the PW. Begin with 11 and continue the assignment sequentially around the class. At the conclusion of the allotted time, ask if any participants have any questions or problems.

The step table from the PW exercise is provided for your reference below. Review the questions about the calculations performed by the tool.

1	Click Create New Record in the menu on the left side of the screen.
2	<p>Type the student’s Social Security Number: 300-11-2467 (or a number assigned by your instructor).</p> <p>Click the Submit button.</p>

3	<p>The record will open to the Demographics tab.</p> <p>Complete the Student Information and Permanent Address sections using the following (or make up your own data):</p> <p>Ordonez for Last Name</p> <p>Amy for First Name</p> <p>300 11 2467 for Social Security Number</p> <p>02161984 for Date of Birth</p> <p>R321654 for Driver’s License Number</p> <p>123 Main St. for Permanent Address</p> <p>Pleasant for City</p> <p>MI for State</p> <p>48109 for Zip Code</p> <p>Click the Submit button.</p>
4	Click the R2T4 tab.
5	Select 2006 for Award Year.
6	Click the Calendar Profile button to select the School Calendar value.
7	<p>Click on 2007 next to the Profile Code 06UNGR.</p> <p>Note that 06UNGR is a Profile Code that is based on Payment Periods.</p>
8	Type 09292006 for Withdrawal Date.
9	Click the Next button.
10	Select No for Is the school required to take attendance by an outside entity?
11	<p>Since the student notified you of her intention to withdraw, select 1 – Began official withdrawal process for Withdrawal Type.</p> <p>QUESTION A: What constitutes <i>official notification</i>? Official notification is the notice that the student provides to the school that he or she is withdrawing. This can be done by following the school’s prescribed policy or by providing the office(s) designated by the school with notice in writing or orally (in person, over the telephone by an individual acting on behalf of the student, or via alternative means specified by the school, such as a Web site).</p>

12	Select the Grade Level value: 2 – 2nd yr./sophomore.
13	There are no Leave of Absence days in the period, so leave that field blank.
14	Since the student is officially withdrawing and you are completing the calculation on the same day, type 09292006 for Date Form Completed.
15	Also, type 09292006 for Date of the school’s determination that the student withdrew.
16	Under Title IV Grant Programs, Pell Grant: Type 875 for Amount Disbursed, Under Title IV Grant Programs, Academic Competitiveness Grant: Type 650 for Amount Disbursed, Under Title IV Loan Programs, Subsidized FFEL/Direct Stafford Loan: Type 1455 for Net Amount Disbursed. Since this calculation is based on payment periods, note that you do not enter any Amount That Could Have Been Disbursed information. QUESTION B: The Total Title IV Aid Disbursed is automatically calculated for you. What is the amount of Total Title IV Aid Disbursed that is calculated? \$2,980 (Box E)
17	Step 2 is where the tool helps you determine the percentage of aid earned based on the withdrawal date. Note that the Withdrawal Date already contains 09292006 from what you entered when you first started to add this R2T4 record.
18	Under Step 5, click the Charges button. An Institutional Charges window opens. You may modify the charges for this student here. Click the Submit button to accept the charges displayed.
19	Click the Submit button at the bottom of the screen (you may need to scroll down).
20	The Return of Title IV Funds Worksheet, Record 1 of 1, displays on the screen. Click the View Printable Page button to view, save, and/or print a copy of the information.
21	Scroll to view Step 2. QUESTION C: What is the calculated number of completed days? 40 QUESTION D: What is the calculated number of days in the period? 117

22	QUESTION E: What is the calculated percentage of the payment period completed? 34.2%
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Display Slide 8 – Business Process Worksheet



Refer to the BPW located in Appendix B.

For this lesson, Steps 6 and 7 on the BPW relate to the calculation of percentage of aid earned and the entry of a student record in the R2T4 Web application.