

Return of Title IV Federal Student Aid - Reviewed 9/2026

Federal Financial Aid Refunds - Return of Title IV Calculation

To be considered 'withdrawn' a student must have ceased enrollment in all classes at MIAD. If a student reduces their course load from 12 to 9 hours for example, the reduction represents an enrollment change, not a withdrawal.

A student recipient of Federal Title IV funds (i.e., Federal Pell, SEOG, Direct or PLUS loans) who withdraws from the Milwaukee Institute of Art & Design (MIAD) before completing 60% of the term is subject to the Return of Title IV Calculation to determine the percentage of Title IV funds required to be returned to the federal government. The Return of Title IV (R2T4) calculation is a federally mandated formula to determine how much federal funding was "earned" up to the time of withdrawal.

The Title IV funds that were disbursed in excess of the earned amount must be returned to the federal government by MIAD and/or the student and/or the parent (for federal parent PLUS loans). If a refund was received from financial aid, which was to be used for education-related personal expenses or housing expenses, the student may be required to return a portion of those funds to MIAD. This portion represents funds that were intended to pay the student's education-related expenses through the end of the semester. The amount to be returned to MIAD will be determined by the student's institutional costs, refunds the student might have received for non-College expenses and the funds that must be returned to the government.

The amount to be returned to the federal government will be calculated from the date the student officially withdrew from all classes. An official withdrawal occurs when a student follows the published process for withdrawing from MIAD prior to the end of the term. In the case of an unofficial withdrawal, if a student ceases to attend classes, the withdraw date will be determined based on the last date the student was involved in an academically related activity.

To determine the amount of aid the student earned up to the time of withdrawal, MIAD's Financial Aid office will determine the percentage of the semester the student attended. The percentage used to determine the return of federal student aid funds is equal to the number of calendar days attended in the semester divided by the number of calendar days in the semester. Scheduled breaks of five consecutive calendar days or more are always excluded in the total number of calendar days in the semester and are excluded in the completed calendar days if the withdraw date is after the scheduled semester break. The resulting percentage is multiplied by the total Title IV aid disbursed and that could have

been disbursed for the semester to determine the percentage of Title IV aid earned. The total institutional charges for the semester are then multiplied by the unearned percentage to determine amount of unearned institutional charges. The lesser of unearned Title IV or unearned institutional charges is MIAD's portion to return. The student (or parent for federal parent PLUS loans) may be required to return additional Title IV funds if unearned Title IV is greater than unearned institutional charges and total federal funds that were received (funds that were disbursed directly to the student's MIAD student account and possibly refunded to the student or parent PLUS borrower) or that the student was eligible to receive, to determine the amount of aid that the student earned.

Any unearned Title IV aid must be returned to the federal government as soon as possible but no later than 45 days of the date of the determination of the student's withdrawal. MIAD's Financial Aid office will notify the student with instructions on how to proceed if the student is required to return funds to the government. Any funds returned after the Return of Title IV Aid calculation is completed and processed are then used to repay MIAD's funds, state funds, other private sources, and the student, in proportion to the amount received from each non-federal source, as long as there was no unpaid balance at the time of withdrawal. All aid sources are repaid before any funds are returned to the student.

Funds that are returned to the federal government are used to reduce the outstanding balances in individual federal programs. Financial aid returned by the student and/or the student's parent (for federal parent PLUS loans) or MIAD must be allocated in the following order:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Federal Direct Parent Loan (PLUS)
4. Federal Pell Grant
5. Federal Iraq & Afghanistan Service Grant
6. Federal Supplemental Educational Opportunity Grant (SEOG)

A student may be eligible for a post-withdrawal disbursement if, prior to withdrawing, the student earned more federal financial aid than was disbursed. If a student is eligible for a post-withdrawal disbursement for Title IV funds, it will be processed for the student and a refund will be issued within 14 days of the credit balance.

If the post-withdrawal disbursement includes loan funds, MIAD must get the student's permission before it can disburse the loan. Students may choose to decline some or all of

the loan funds so that the student does not incur additional debt. A notice will be sent out to the student, and the signed, original document must be returned to the College within 14 days.

MIAD may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition and fees. However, MIAD needs the student's permission to use the post-withdrawal grant disbursement for all other charges. If the student does not give permission, the student will be offered the funds. However, it may be in the student's best interest to allow MIAD to keep the funds to reduce the student's debt at MIAD.

It is also important to understand that accepting a post-withdrawal disbursement of student loan funds will increase a student's overall student loan debt that must be repaid under the terms of the Master Promissory Note. Additionally, accepting the disbursement of grant funds will reduce the remaining amount of grant funds available to the student should the student continue education at a later time.

Official Withdrawal

A student must contact the Dean of Students Office (verbally or in writing) to **withdraw** from MIAD. Application for a Complete Withdrawal form is obtained from the Registrar's Office or Dean's Office. The form is completed by the student and turned into the Dean's Office after all required signatures are obtained. A copy of the form will then be distributed to all applicable offices. For tuition refunds and TIV refunds, the date of withdrawal is the date the student officially notifies the Dean of Students Office of the intent to withdraw.

If the student officially withdraws prior to completing 60% of the semester, a Title IV refund calculation will be based on the withdraw date indicated on the official withdraw form and all federal aid will be calculated based on this date according to the federal regulation. The student may be required to repay all or part of the financial aid received for that term.

If the student completes the withdrawal process after completing greater than 60% of the enrollment term, the student will have earned 100% of the federal financial aid for that term and no R2T4 calculation or repayment is required.

Unofficial Withdrawal

For students who fail to officially withdraw, the institution may administratively withdraw the student. The withdraw date for an administrative withdrawal will be determined at MIAD's option to be 1) the midpoint of the enrollment period, or 2) the last documented date of attendance at an academically related event, or 3) the date an event occurred which prevented the student from officially withdrawing from the institution. Such events include illness, grievous personal loss, or other such circumstances beyond the student's

control. Unofficial withdrawals are processed within 30 days of determining the student was an unofficial withdrawal. Students that did not officially withdraw yet received an F grade in all their classes will be reviewed at the end of each semester to determine if an R2T4 is required.

MIAD's Financial Aid office receives a final semester grade report from the Registrar within 5 days after the semester has ended. The grades are reviewed to identify any student that has received a failing grade (F) in all their attempted classes that semester. The Financial Aid office will review with the individual course instructors to confirm that the student earned the F's or the date that the student ceased to continue or participate in their enrollment in their class to the best of their ability. The information returned will be reviewed by the Financial Aid office to see if there are cohesive results to determine a date that the student ceased to attend or participate in any course activity during that semester. If determined that the student received the F grades because the student ceased to attend or participate in any class and did not officially withdraw the student will be considered an unofficial withdraw and a R2T4 will be calculated.

MIAD's Financial Aid office will make every attempt to check with all instructors to see what the last day of attendance was for those students who ceased to attend, received an F grade in all attempted classes and did not officially withdraw from MIAD.

Withdraw from Term-Based Modules (Summer Semester)

MIAD offers an optional summer semester in term-based modules. The coursework is considered modules as all classes do not span the entire length of the semester.

Determining if a student is a withdraw

If a student withdraws from a course and is not currently attending another course in the payment period used to determine the student's Title IV aid, the student is considered a withdraw for purposes of Title IV funding and a return to title IV calculation (R2T4) is complete, unless one of the following apply:

1. The student has met the requirements to graduate.
2. The student completed and earned a passing grade in a course that compromises at least 49% (no rounding up) of the countable days in the payment period excluding common break days; do not include term long programs in determining common break days. Countable days includes all days in all modules offered during the period. Excludes scheduled breaks of 5 or more days and all common days between all modules.
3. The student successfully completes coursework required for school's definition of a half-time student for the period

4. The student provides written correspondence at the time that the student would have been a withdrawal that they (the student) will attend a later module in the payment period that begins no later than 45 calendars days after the end of the module they (the student) ceased attending.

If a student does not meet one of the withdraw exemptions criteria, the student is considered a withdraw for the term and subject to a return to title IV calculation.

Notification to student

Once the Return to Title IV Funds calculation has occurred, the Financial Aid Office will notify the student by mail of the results of the calculation and the aid that was returned. The Business Office will notify the student of any outstanding balance now due to the institution as a result