

HIGHER EDUCATIONAL AIDS BOARD
BOARD REPORT #06-04

Return of Funds Policy

Issue

During the past year, the Legislative Audit Bureau notified HEAB that the Return of Funds policy was somewhat unclear, and was being interpreted in various ways by various campuses. HEAB staff met with the WASFAA State Issues Committee to discuss how the policy could be clarified. The revision of the policy reflects the intent of the current policy and the understandings and input of the WASFAA State Issues Committee. The report contains the draft of the new policy, and also the working draft that shows additions and deletions.

Recommendation

Review and take action on the revised Return of Funds Policy.

HIGHER EDUCATIONAL AIDS BOARD
BOARD REPORT #06-04

Proposed Revision of HEAB Policy Updated July 29, 2005
CHAPTER 10
Return of Funds

The timely identification and return of funds is essential. Returning funds in a timely manner helps ensure that Wisconsin students have money available to them when needed.

Policy

Unclaimed Funds/Non-Attendance

If funds are unclaimed by the student within 21 days of the date the funds are received by the institution, the state funds must be returned to HEAB promptly after the 21st day.

Withdrawal

If a student withdraws after beginning attendance, state funds must be returned to HEAB within 30 days of the last date of attendance, or the date the student officially notifies school officials of withdrawal, or the date the school officially designates as the withdrawal date. If a student unofficially withdraws, state funds must be returned to HEAB within 30 days of school officials becoming aware of the withdrawal.

Process

1. Federal methodology will be used to determine the amount of funds to be returned to HEAB. State aid programs will have priority for any credit balance remaining from an institutional refund after the federal Return of Title IV Funds requirements are satisfied. The amount of state grants refunded shall not exceed the "unearned" percentage of grant, consistent with the "unearned" percentage of federal funds.
2. Unclaimed or refunded money should be returned to HEAB by check. The information accompanying the returned funds must include:
 - a. Student's first and last name.
 - b. Student's social security number
 - c. The correct disbursement code.
 - d. Your 3 digit HEAB school code.
 - e. The HEAB voucher number (if you do not know the voucher number include the academic year and semester of the award being returned).
 - f. Amount of each individual award being refunded.
 - g. The check number and date of check being returned. This should not be the number and date of the original award check if different.

3. Refund lists may be submitted on disk using the Refund Template ([Appendix #19](#)). Such lists must be saved as an Excel spreadsheet, not a PRN document.
4. Refund lists must be mailed with their accompanying check(s), unless arrangements have been made with HEAB to email the lists.
5. All Talent Incentive Program Grant refunds should be sent to the state. While the LEAP/SLEAP program partially funds the TIP Grant, all funds are administered through HEAB. The federal refund policy must be used to calculate the amount of funds to be returned.
6. Subject to State Return of Funds Calculation:
 - Academic Excellence Scholarship
 - Tuition Grant (TG)
 - Wisconsin Higher Education Grant (WHEG) ~~and/or Tuition Grant (TG)~~
 - Handicapped Student Grant
 - Minority Undergraduate Retention Grant
 - Indian Student Assistance Grant
 - Nursing Student Loan
 - Minority Teacher Loan
 - Teacher of the Visually Impaired Loan
 - Teacher Education Loan

The Refund Template is available at www.heab.wi.gov, ([Appendix #19](#)) of the Policy and Procedures Manual.

All refunds should be mailed to:

State of Wisconsin Higher Educational Aids Board
Refund Processing
P.O. Box 7885
Madison, WI 53707-7885

~~NOTE: Please remember that for return or refund purposes, Talent Incentive Program Grant funds are considered federal monies, but because the funds are administered through HEAB, all returned funds must be sent to the state. The federal refund policy must be used to calculate the amount of funds to be returned.~~

Proposed Revision of HEAB Policy
CHAPTER 10
Return of Funds

The timely identification and return of funds is essential. Returning funds in a timely manner helps ensure that Wisconsin students have money available to them when needed.

Policy

Unclaimed Funds/Non-Attendance

If funds are unclaimed by the student within 21 days of the date the funds are received by the institution, the state funds must be returned to HEAB promptly after the 21st day.

Withdrawal

If a student withdraws after beginning attendance, state funds must be returned to HEAB within 30 days of the last date of attendance, or the date the student officially notifies school officials of withdrawal, or the date the school officially designates as the withdrawal date. If a student unofficially withdraws, state funds must be returned to HEAB within 30 days of school officials becoming aware of the withdrawal.

Process

1. Federal methodology will be used to determine the amount of funds to be returned to HEAB. State aid programs will have priority for any credit balance remaining from an institutional refund after the federal Return of Title IV Funds requirements are satisfied. The amount of state grants refunded shall not exceed the "unearned" percentage of grant, consistent with the "unearned" percentage of federal funds.
2. Unclaimed or refunded money should be returned to HEAB by check. The information accompanying the returned funds must include:
 - a. Student's first and last name.
 - b. Student's social security number
 - c. The correct disbursement code.
 - d. Your 3 digit HEAB school code.
 - e. The HEAB voucher number (if you do not know the voucher number include the academic year and semester of the award being returned).
 - f. Amount of each individual award being refunded.
 - g. The check number and date of check being returned. This should not be the number and date of the original award check if different.
3. Refund lists must be mailed with their accompanying check(s), unless arrangements have been made with HEAB to email the lists.
4. Refund lists may be submitted on disk using the Refund Template ([Appendix #19](#)). Such lists must be saved as an Excel spreadsheet, not a PRN document.
5. Subject to State Return of Funds Calculation:
 - Wisconsin Higher Education Grant (WHEG) and/ or Tuition Grant (TG)
 - Handicapped Student Grant

Minority Undergraduate Retention Grant
Indian Student Assistance Grant
Nursing Student Loan
Minority Teacher Loan
Teacher Education Loan

The Refund Template is available at www.heab.wi.gov, ([Appendix #19](#)) of the Policy and Procedures Manual.

All refunds should be mailed to:
State of Wisconsin Higher Educational Aids Board
Refund Processing
P.O. Box 7885
Madison, WI 53707-7885

NOTE: Please remember that for return or refund purposes, Talent Incentive Program Grant funds are considered federal monies, but because the funds are administered through HEAB, all returned funds must be sent to the state. The federal refund policy must be used to calculate the amount of funds to be returned.

CHAPTER 10

Return of Funds

The timely identification and processing of refunds return of funds is essential. Processing of refunds should be given the same priority as the processing of checks when they are initially received. Refunding money in a Returning funds in a timely manner helps ensure that Wisconsin students will have money available to them when needed.

Policy

Unclaimed Funds/Non-Attendance

If a ~~check is~~ funds are unclaimed by the student within 21 days of the date the ~~check is~~ funds are received by the institution, the state funds must be returned to HEAB promptly after the 21st day.

Withdrawal

If a student ~~officially (or unofficially) withdraws~~ after beginning attendance, state funds must be returned to HEAB within 30 days of the last date of attendance; or the date the student officially notifies school officials of withdrawal; or the date the school officially designates as the withdrawal date. If a student unofficially withdraws, state funds must be returned to HEAB within 30 days of school officials becoming aware of the withdrawal.

~~Each institution shall have a fair and equitable refund policy that addresses the return of state funds when a student withdraws from the institution prior to the end of the institutionally determined refund period~~

Process

1. Federal methodology will be used to determine the amount of funds to be returned to HEAB. State aid programs will have priority for any credit balance remaining from an institutional refund after the federal Return of Title IV Funds requirements are satisfied. The amount of state grants refunded shall not exceed the "unearned" percentage of grant, consistent with the "unearned" percentage of federal funds.
2. Unclaimed or refunded money should be returned to HEAB by check.
3. The information accompanying the ~~check~~ returned funds must include:
 - a. Student's first and last name.
 - b. Student's social security number.
 - c. The correct disbursement code.
 - d. Your 3 digit HEAB school code.

- e. The HEAB voucher number (if you do not know the voucher number include the academic year and semester of the award being returned).
 - f. Amount of each individual award being refunded.
 - g. The check number and date of check being returned. This should not be the number and date of the original award check if different.
2. ~~Please do not submit refund lists via e-mail.~~ Refund lists must be mailed with their accompanying check(s), unless arrangements have been made with HEAB to email the lists.
 3. Refund lists may be submitted on disk using the ~~If you are using~~ Refund Template ([Appendix #19](#)). Such lists must be saved as an Excel spreadsheet, not a PRN document. and submitting your refund lists on diskette, save the refund list as an Excel spreadsheet. Do not save the list as a PRN document.
 4. Subject to State Return of Funds Calculation:

Wisconsin Higher Education Grant (WHEG) and/or Tuition Grant (TG)

Handicapped Student Grant

Minority Undergraduate Retention Grant

Indian Student Assistance Grant

Nursing Student Loan

Minority Teacher Loan

Teacher Education Loan

The Refund Template is available at www.heab.state.gov, ([Appendix #19](#)) of the Policy and Procedures Manual.

~~If you would like a copy of the Refund Template, please contact HEAB by e-mail (heabmail@heab.state.wi.us) or at 608-267-2206 and a file will be e-mailed to you.~~

All refunds should be mailed to:

State of Wisconsin Higher Educational Aids Board
Refund Processing
P.O. Box 7885
Madison, WI 53707-7885

NOTE: Please remember that for return or refund purposes, Talent Incentive Program Grant funds are considered **federal** monies, but because the funds are administered through HEAB, any returned funds are due to the state. ~~This means The federal refund policy should must be used in calculating when and how much to to calculate the amount of funds to be returned. the refund.~~