

Guildhall School of Music & Drama Refund of Title IV Loan Policy

1. This policy applies only to eligible US and eligible non-US citizens receiving Title IV aid, specifically the Federal Stafford and PLUS loans. If a student who is in receipt of Federal aid withdraws, interrupts for more than 180 days or drops below half time attendance, Guildhall School of Music & Drama will follow the requirements of returning funds as laid down by the US Dept of Education and is applied alongside the School's withdrawal and refund policy. This determination will be made in accordance with the Return of Title IV Aid requirements of section 484B of the Higher Education Act of 1965, as amended (HEA) and §668.22 of the *Student Assistance General Provisions regulations* and will be applied by both the Registry and Finance offices. See information on the School's **refund policy** which is included in our tuition fee policy here:

http://www.gsmd.ac.uk/about_the_school/about_us/policies/

2. Return of funds by Guildhall School of Music & Drama

- 2.1 All funds must be returned to the lender within 45 days of the date of when the School determines that a student withdraws. A student "earns" aid on a daily basis and therefore if a student withdraws, any "unearned" aid for that payment period needs to be returned to the lender. Once the School has determined the amount of "unearned" aid, funds will be returned to the lender and the student notified if he or she needs to return any funds to the lender. Loans are returned in the following order:

- Federal Unsubsidised Stafford
- Federal Subsidised Stafford
- PLUS Loan (Graduate or Parent)

Loans must be repaid in accordance with the terms of the borrower's Promissory Note.

Examples:

- 2.1.1 If a student completes 30% of the period of enrolment, the student will have "earned" 30% of the assistance they were originally scheduled to receive.
- 2.1.2 If a student completes 60% or more of the period of enrolment, all the assistance that the student was scheduled to have received for the entire period of enrolment will be deemed to have been "earned".

2.2 30 Day Rule for First-Time First-Year Undergraduates

- 2.2.1 Students classified as being first-year, first-time undergraduate borrowers to the US federal loans programme are not permitted access to their loan funds until 30 days after enrolment has occurred. In instances where the school's default rate is less than 15% (as is the case with Guildhall), this rule does not apply.
- 2.2.2 There are some Title IV funds that students are scheduled to receive that cannot be "earned" once a student withdraws because of other eligibility requirements. For example, if a first time, first year undergraduate student has not completed the first 30 days of the program before withdrawal, the student will not earn any Federal Direct Loan funds that he or she would have received had the student remained enrolled past the 30th day. If the student received (or the School receives on behalf of the student) excess Title IV funds that must be returned, the School must return a portion of the excess equal to the lesser of:
 - a. The institutional charges multiplied by the unearned percentage of the funds, or
 - b. The entire amount of excess funds.
- 2.2.3 The School must return this amount even if it didn't keep this amount of the Title IV program funds. If the School is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that must be returned, the student repays in accordance with the terms of the promissory note. That is, scheduled payments are made to the holder of the loan over a period of time. Students who have received a

refund of their loan proceeds before withdrawing may be required to return part or all of those funds to the lender.

2.3 Adjustments

Guildhall School will determine any adjustments to the loan within 30 days of a student's withdrawal and will return the funds within 45 days of that calculation. Any difference between the Federal aid funds earned and Guildhall School fees due (as calculated as per the School's **withdrawal policy** which is included in our tuition fee policy (http://www.gsmd.ac.uk/about_the_school/about_us/policies/) will be charged to the student. A student will be notified in writing if this is the case.

2.4 Post-withdrawal disbursement

Following calculation of the adjustments (see 2.3 above), if the student is entitled to any disbursement they may choose to decline the loan funds so that additional debt is not incurred; this is recommended. However, where a disbursement is due, the School will in the first instance use it to clear a tuition fee or accommodation debt to the School. The School will not use the disbursement to cover any other fees/charges due without the student's explicit permission; it is recommended that students clear their debt.

3 Determining the date of withdrawal (last date of attendance)

3.1 Official withdrawal

A student wishing to withdraw must complete the on-line withdrawal/intermission form available through the student portal (eGo) and obtain the relevant approvals. The date of withdrawal will be the date the student submits the form (although this will not be actioned for 7 days, to accommodate the students their "right to cancel" period).

3.2 Unofficial/self-withdrawal

A student who has expressed their intent to withdrawal verbally but does not complete the form, or a student who withdraws without any notification shall be deemed a self-withdrawal. The date of withdrawal from a programme will be determined by the Academic Registrar in discussion with the relevant Head of Department; the date of withdrawal will be the date on which the student was last known to have attended and/or submitted for examination/assessment.

4 Approved Intermission or Leave of Absence

- 4.1 If a student interrupts it is important that they also speak to Registry in order for the correct loan status to be determined. Under Federal Aid regulations, an approved leave of absence can last for 180 days before a student goes into repayment or has to return funds. If the student does not return after 180 days the last date of actual attendance will be used to calculate the 'earned' loan amount and the date a student enters repayment.
- 4.2 However, under Guildhall School procedures a leave of absence is of short duration, and a leave of absence of more than 28 days would normally be deemed an interruption of study and other School regulations will apply. Re-entry where a student has interrupted his/her studies on the grounds of illness, may require confirmation from a recognised health practitioner that the student is fit to return to study. In addition, a student may be required to pass a re-entry diagnostic audition or interview (see regulation 5 of Section 2: Admission, enrolment & registration of the [Academic Regulatory Framework Policy](#) for full details). Please note that a Tier 4 visa student who has interrupted their studies will need to reapply for their visa before re-entry.

5 Change of circumstances

It is a student's responsibility to make the School aware of any change in circumstances including legal name change, marital status, and home address. Changes in a student's personal circumstances may affect their US loan eligibility. You can use the Student Portal (eGo) to update your information. If you change your name, you will need to provide proof of change (for example, a marriage certificate) with the Registry office.

6 Questions?

If you have any questions regarding the above please contact the Student Funding Officer in Registry via email at studentfundingofficer@gsmd.ac.uk or 011 44 207 382 7181. If you have questions about your Title IV program funds, students can call the Federal Student Aid Information Center at 1-800-433-3243. Information is also available at www.studentaid.ed.gov.