FINANCIAL AID

POLICIES AND PROCEDURES MANUAL
# POLICIES AND PROCEDURES MANUAL FOR FINANCIAL AID

## TABLE OF CONTENTS

### SECTION 1: MANUAL INTRODUCTION

1.1 Introduction to The Graduate School of Financial Aid Office for Pratt School of Engineering, Professional Management Program

1.1.1 Location, hours of operation, phone, fax number, emails addresses, and website information

1.1.2 Location of student records

1.1.3 Documents and Methods

### SECTION 2: ADMINISTRATIVE ORGANIZATION AND OFFICE MANAGEMENT

2.1 Institutional & Divisional Structure

2.1.1 Accommodations for Disability

2.1.2 Appointments with Staff

2.1.3 Treatment of Correspondence/Forms

2.1.4 Telephone

### SECTION 3: FINANCIAL AID PROGRAMS

3.1 Financial Aid Programs

3.1.1 Veterans Benefits

3.1.2 External Fellowships

### SECTION 4: INSTITUTIONAL REQUIREMENTS RELATING TO EDUCATION

4.1 Private Education Loan Disclosure

4.2 Preferred Lender Lists

4.2.1 Preferred Lender Arrangement Disclosure

4.2.2 Agreements Related to the Marketing of Private Education Loans

4.2.3 Private Education Loan Applicant Self-Certification Form

### SECTION 5: STUDENT CONSUMER INFORMATION

5.1 Federal Student Consumer Information Requirement

5.1.1 Rights and Responsibilities of Students on Aid

### SECTION 6: APPLICATION AND THE FAFSA

6.1 Application Information

6.1.1 Applying for financial aid
SECTION 7: FILE REVIEW
7.1 Verification
  7.1.1 Verifications Exclusions
  7.1.2 Database Matches, Reject Codes, and C-Codes

SECTION 8: STUDENT BUDGETS
8.1 Budget Components
8.2 Professional Judgement

SECTION 9: AWARDING AND PACKAGING FINANCIAL AID
9.1 Packaging Philosophies
9.2 Demonstrated Need for Financial Aid
9.3 Master Student Awarding and Packaging
  9.3.1 Packaging Other Resources
  9.3.2 Award Package Notification
  9.3.3 Packaging Appeals
  9.3.4 Award Package Revisions
9.4 Overawards

SECTION 10: DISBURSEMENTS
10.1 Definition of Disbursements and Disbursement Methods
  10.1.1 Policies
  10.1.2 Procedures
10.2 Disbursement Dates and Schedules
  10.2.1 Policies
  10.2.2 Procedures
10.3 Undeliverable Title IV Funds
  10.3.1 Policies
  10.3.2 Procedures
10.4 Recovery of Title IV Disbursements When Student Does Not Begin Attendance
  10.4.1 Policies
  10.4.2 Procedures

SECTION 11: SATISFACTORY ACADEMIC PROGRESS
11.1 Process
  11.1.1 Financial Aid Warning
  11.1.2 Appeal Process
  11.1.3 Financial Aid Probation
11.2 Communication

SECTION 12: RETURN OF TITLE IV FUNDS
12.1 Process Overview & Applicability
12.2 Withdrawal Date
  12.2.1 Policies
  12.2.2 Procedures
12.3 Formula Calculation
<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.3.1</td>
<td>Policies</td>
</tr>
<tr>
<td>12.3.2</td>
<td>Procedures</td>
</tr>
<tr>
<td>12.4</td>
<td>Post-Withdrawal Disbursements</td>
</tr>
<tr>
<td>12.4.1</td>
<td>Policies</td>
</tr>
<tr>
<td>12.4.2</td>
<td>Procedures</td>
</tr>
<tr>
<td>12.5</td>
<td>Returning Unearned Funds</td>
</tr>
<tr>
<td>12.5.1</td>
<td>Policies</td>
</tr>
<tr>
<td>12.5.2</td>
<td>Procedures</td>
</tr>
</tbody>
</table>

**SECTION 13:** INSTITUTIONAL REFUNDS

**SECTION 14:** TITLE IV FRAUD
- 14.1 Student Fraud
- 14.2 Institutional and Third Party Fraud

**SECTION 15:** AUDITS
SECTION 1: MANUAL INTRODUCTION

1.1 Introduction to the Financial Aid Office

The Graduate School Office of Financial Aid coordinates all federal, private and institutional financial aid for the Pratt School of Engineering Professional Management Programs. This entails determining student eligibility for the various financial aid programs, assisting students in trying to determine their best financing options and certifying private loan request.

Federal regulations mandate that institutions have written policies and procedures. The purpose of this document, the Financial Aid Policy and Procedures Manual for the Pratt School of Engineering Professional Management Programs, is to record policies and procedures surrounding the delivery of financial aid for students who are admitted to the Pratt School of Engineering Professional Management Programs. If no policy or procedure addresses a given issue, The Graduate School Office of Financial Aid will defer to the Dean of the Pratt School of Engineering Management for their guidance.

This manual:
- Sets forth the institution’s policies in regard to student aid and describes the procedures which must be taken to implement these policies.
- Provides quick reference to various practices.

1.1.1 Duke University Graduate School Office of Financial Aid information:
2127 Campus Drive, Durham, North Carolina 27708
Hours and Operation: 8:30 a.m. – 4:00 p.m.
Phone Number: 919-681-3247
Fax Number: 919-681-8018
Email: egrp-finaid@duke.edu
Website: Master of Engineering Management

1.1.2 Location of student records
Student financial aid information can be located in the Student Information Services and Systems (SISS).

1.1.3 Documents and Methods
In addition to the Financial Aid Policy and Procedures Manual, other regulations which affect student aid will be adhered to. These regulations and guides are located at Federal Student Aid and are as follows:
- NASFAA Newsletters (http://www.nasfaa.org/)
- National Student Loan Data System (NSLDS)
SECTION 2: ADMINISTRATIVE ORGANIZATION AND OFFICE MANAGEMENT

2.1 Institutional & Divisional Structure

The Financial Aid Coordinator reports directly to the Chief Financial Officer at Duke University Graduate School.

There exists a clear and separate division of responsibility for the administration of financial aid programs which are divided between the Graduate School Office of Financial Aid, the Student Loan Office, and the Bursar/Cashier’s Office. In order to maintain this division, each office is accountable for the following responsibilities:

➢ The Graduate School Office of Financial Aid
  o Collect supporting documentation for the determination of aid eligibility
  o Determine student eligibility for financial assistance
  o Award federal aid in compliance with laws, regulations, and policies
  o Certify loans from private lenders
  o Notify students of aid eligibility (loans and scholarships/grants)
  o Monitor and review student accounts on a term by term basis to remain in compliance of federal guidelines

➢ The Bursar’s Office
  o Maintain and disburse accurate bills
  o Collect payments for student accounts
  o Disburse funds from student bursar account to student
  o Report outside scholarships received to the Financial Aid Office
  o Maintain third party billing to sponsors
  o Verify refund status on questionable accounts to the Graduate School Office of Financial Aid

➢ The Student Loan Office
  o Process school loan certification
  o Process Electronic Funds Transfers to Student Bursar Accounts
  o Administer the William D. Ford Federal Direct Loan Program (Direct Loan Program)
  o Administrates Entrance and Exit Counseling for Federal and private educational loans.
2.1.1 Accommodations for Disabilities

The Disability Management System (DMS) at Duke provides support services and coordinates accommodations to meet the needs of students who may have a variety of disabilities. More information is available at the Duke Disability Management System.

2.1.2 Appointments with Staff

Communication with staff and students is always our first priority and therefore on a walk-in, first come, first served basis between 9:00 am – 11:00 am Monday through Friday. Appointments are available for other times.

2.1.3 Treatment of Correspondence/Forms

The primary means of communication within the Graduate School Office of Financial Aid is email. All correspondence with students will be responded to within five business days of its receipt – if only to say that the question has been received.

When the Financial Aid Coordinator is out of the office, an “Out of the Office” response with general instructions and contacts will be available.

If an e-mail involves the resources of another office, it is the Financial Aid Coordinator’s responsibility to locate the correct place for the inquiry and to forward the inquiry to that person who can resolve or answer the question. Following the forward, a reply should be sent to the student explaining which office handles the question, that the question has been forwarded, and giving the name of the person who was forwarded the correspondence.

2.1.4 Telephone

Phone messages are to be returned within five business days of their receipt. When the Financial Aid Coordinator is out of the office, an “Out of the Office” voicemail with general instructions and contacts will be available to callers.
### SECTION 3: FINANCIAL AID PROGRAMS

#### 3.1 Financial Aid Programs

<table>
<thead>
<tr>
<th></th>
<th>U.S. Citizens and Permanent Residents</th>
<th>International Students</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Departmental Scholarships</strong></td>
<td>Support for master’s level students varies by program. Prospective and current students are encouraged to speak to the program director for specific details on the financial support packages available, along with any employment questions.</td>
<td></td>
</tr>
</tbody>
</table>
| **Federal Direct Unsubsidized Stafford Loan** | • $20,500 annual limit  
• **interest rate, if first disbursement is:**  
  • from 07/01/2018 to 06/30/2019, 6.60%  
  • **origination fee, if first disbursement is:**  
  • on or after 10/1/2017, but before 10/1/2018, 1.066%  
  • on or after 10/1/2018, but before 10/1/2019, 1.062%  
• 6 month grace period after graduation or a drop in enrollment to less than half-time | **Ineligible** |
| **Federal Graduate Plus Loan** | • Annual borrowing limit up to cost of attendance minus other financial aid  
• Must be credit approved  
• **interest rate, if first disbursement is:**  
  • from 07/01/2018 to 06/30/2019, 7.60%  
  • **origination fee, if first disbursement is:**  
  • on or after 10/1/2017, but before 10/1/2018, 4.264%  
  • on or after 10/1/2018, but before 10/1/2019, 4.248%  
• 6 month grace period after graduation or a drop in enrollment to less than half-time | **Ineligible** |
| **Private/Alternative Student Loan** | • Annual borrowing limit up to the cost of attendance minus other financial aid  
• Interest rate varies per lender  
• Must be credit approved  
• Grace period varies per lender | • U.S. Co-signer required  
• Annual borrowing limit as determined by the lender  
• Interest rate varies per lender  
• Co-signer must be credit approved  
• Grace period varies by lender |
To be eligible to receive federal financial aid assistance a student must be:

- Enrolled at least half-time
- **FAFSA Filing Requirements**
- Maintain satisfactory academic progress (SAP)
- Not be in default of any loan or owe a repayment on a Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG)
- Demonstrate financial need based on the FAFSA (Free Application for Federal Student Aid).

Federal aid is awarded in accordance with the Department of Education guidelines. Federal loans are awarded after any grants or scholarships (including external scholarships which must be reported to the Graduate School Office of Financial Aid immediately) and are applied toward any unmet cost of attendance amount.

### 3.1.1 Veterans Benefits

Thank you for your service to our country! We are excited that you have chosen Duke University Graduate School to pursue your academic interests.

Please refer to the Registrar website to provide the information necessary information to apply for, and continue to receive, veteran’s educational benefits while enrolled at Duke University Graduate School: [Duke University Registrar](https://www.duke.edu).

### 3.1.2 External Fellowships

A website maintained by Duke University Office of Research Support lists [awards available from a variety of federal and private sources](https), as well as awards funded by the university.
SECTION 4: INSTITUTIONAL REQUIREMENTS RELATING TO EDUCATION

4.1 Private Education Loan Disclosures

Policies

While the Student Loan Office does not promote or recommend private loans to students, the office is responsible for having information available to students about private loan options. The information is available to our students on our website and also through our loan analysts. The option for private loans is always recommended as a last resort.

The Duke University Student Loan Office is committed to providing our students and their families with accurate information about the best available rates, benefits and service.

We comply with all Regulation Z requirements, and provide all required disclosures to our institutional loan borrowers.

For further information, please refer to Duke University Student Loan Office

Last updated: 05/17/2011

Procedures

The Student Loan Office is responsible for monitoring and updating disclosure information and changes for our Duke Institutional loans, as well as making that information available to the Financial Aid offices.

We do not govern this information for our private lenders but we do govern this information for our Duke Institutional loans through our loan servicer ECSI. Institutional loan borrowers receive all disclosures and self-certification forms, as required by Regulation Z, from ECSI. Third party private loan borrowers receive their disclosure statements and self-certification forms directly from their lender.

Last updated: 5/17/2011
Procedures

There were three major components to our selection process:

A selection committee with representation from Duke’s various financial aid offices, a request for Information (RFI) with questions broad enough in scope to cover all the criteria necessary to ensure our students receive quality loans, and a method for objectively analyzing the lender responses. With these three components in place, we ensured that our selection process was inclusive and impartial.

The Selection Committee

The selection committee consists of seven members. It includes representatives from the Graduate and Professional schools and the Student Loan Office. Each year the members of the committee rotate through the various graduate programs at the University.

The committee is responsible for developing the questions for the RFI, identifying the lenders to be included in the RFI process, and for analyzing the lenders’ responses.

The Request for Information (RFI):

The selection committee develops a preliminary list of questions which focuses on four areas; financial stability, loan products, processing, and customer service. The committee then solicits input from the larger financial aid community at the monthly G&P Financial Aid meeting. From that meeting, some additional questions may be added to the RFI. The group may also offer suggestions for additional lenders to be included in the process.

To ensure the lender responses can easily and objectively be analyzed, most of our questions are structured in such a way that the answers are either numerical, yes/no, or true/false.

Last updated: 5/30/2011

4.2 Preferred Lender Lists

Policies

We identify the Preferred Lenders on Duke’s Student Loan website, and provide a comparison tool using a link to a third party website. It provides Borrowers with a way to compare the terms and costs for the different loans offered by our Preferred Lenders.

Last updated: 5/30/2011

Procedures

The Student Loan website is updated each year following the Preferred Lender selection process.

Simple Tuition is notified of our Preferred Lender list and their website is updated within a few days.
4.2.1 Preferred Lender Arrangement Disclosures

Policies

It is our policy to disclose all required information regarding our Preferred Lender arrangement on our Student Loan Website.

The maximum Title IV grant and loan aid available, the information identified on the ED-developed model disclosure form for each type of education loan offered pursuant to a preferred lender arrangement.

Procedures

Disclosures are made on the Student Loan website. The Student Loan Office is responsible for ensuring the information about Title IV loan and grant maximums is presented in an easy to understand format, monitoring any change in the disclosure requirements, updating the disclosure information as needed, and making the disclosure information available to each institutional office and institution-affiliated organization.

4.2.2 Agreements Related to the Marketing of Private Education Loans

Policies

The institution only allows an organization to use our name, emblem, mascot, logo, and other institutional identifiers if the webpage they are placing it on is being used exclusively by Duke students after they have selected a loan. In other words, the webpage is a landing page for beginning the loan application process. Otherwise, we do not allow co-branding.

Procedures

The request is made to the Director of Student Lending. Use of our logo is limited to the lender’s website. Whenever Duke’s logo is used by a lender, the Director will carefully review the lender’s website to ensure the lender’s name is displayed a way that clearly indicates the lender, not the school, offers or makes the loan.

Last updated: July 27, 2011
4.2.3 Private Education Loan Applicant Self-Certification Form

Policies

The self-certification form is provided by the private lenders as part of the loan application process. The student loan office will provide the self-certification form upon request.

Last updated: 5/30/11

Procedures

The student can complete the form online with all of our Preferred Lenders, and with ECSI. The Graduate School Office of Financial Aid is available for assistance if the student needs it.
SECTION 5: STUDENT CONSUMER INFORMATION

5.1 Federal Student Consumer Information Requirement

The staff in the Graduate School Office of Financial Aid recognizes that in order to understand the complications of Financial Aid, accurate and timely dissemination of information to consumers is vital. Several policies have been implemented to ensure appropriate dissemination is achieved. The consumer information policies are developed and maintained by the main Duke University campus. For more information, please contact the Undergraduate Financial Aid office: [Higher Education Opportunity Act (HEOA)].

5.1.1 Rights and Responsibilities of Students on Aid

As a recipient of financial aid, there are certain rights and responsibilities of which students should be aware. These rights and responsibilities of students on financial aid are listed in the following documents:

- The Financial Aid Award Notification
- The Master Promissory Note

Students have the right to know the:

- Financial aid programs available at the Pratt School of Engineering
- Process which must be followed to be considered for aid
- Criteria used to select recipients and calculate need
- Refund and repayment policy
- Pratt School of Engineering policies surrounding satisfactory academic progress
- Special facilities and services available for students in need of special accommodations

Students are responsible for:

- Completing all forms accurately and by the published deadlines (where applicable)
- Submitting information requested by the Graduate School Office of Financial Aid and to the Pratt School of Engineering in a timely manner
- Keeping the Graduate School Office of Financial Aid and the Pratt School of Engineering informed of any financial changes, or any change in student status
- Reporting to the Graduate School Office of Financial Aid any additional assistance from non-University sources such as scholarships, loans, fellowships, and educational benefits
- Notifying the Graduate School Office of Financial Aid and the Pratt School of Engineering of a change in enrollment status
- Maintaining satisfactory academic progress
- Re-applying for aid each year

An estimated budget for the total cost of attendance is published on the Pratt School of Engineering Website, can also be located in Chapter 8 of the Policy and Procedures Manual. Additional information may be obtained from individual departments.
The Student Disability Access Office provides information and assistance to students with disabilities who are in need of special accommodations. This office should be contacted for additional information.
SECTION 6: APPLICATION AND THE FAFSA

6.1 Application Information

Any student who is enrolled in the Pratt School of Engineering and is considered in attendance at least half time may apply for financial aid. However, eligibility for financial aid is based on a number of factors such as citizenship, financial standings, and receipt of institutional aid.

The student’s citizenship status can have an impact on their eligibility to participate in certain types of financial aid programs. In order to receive federal financial aid, the student must be a U.S. citizen, a naturalized citizen of the United States, a permanent resident or an eligible non-citizen. Citizenship must be documented where the student is required to show evidence of status which usually is in the form of a birth certificate, Certificate of Naturalization, proof of permanent residence such as a valid Alien Registration Card or I-94. Note that the Graduate School Office of Financial Aid is required to review the documentation submitted to determine if the student qualifies to apply for federal student aid in accordance with federal student aid regulations. More information can be reviewed at Federal Student Aid.

In order to receive any financial assistance, whether it is from institutional, federal, or private sources, the student must be making satisfactory progress towards their degree program. Satisfactory academic progress is defined by the Pratt School of Engineering.

A student is not eligible for Federal Student Aid funds if they are in default on a federal student loan or they owe an overpayment on a federal grant or loan and not made a repayment arrangement for the default or overpayment. Having poor credit history can impact availability of certain federal student loans as well as credit-based private education loans (i.e. Direct Plus Loan).

6.1.1 Applying for financial aid

The Free Application for Federal Student Aid (FAFSA) is the application that students must complete to apply for federal student aid. Federal student aid includes student loans.

**Federal Student Loans (U.S. Citizens and Permanent Residents Only):**

| Step 1: | Complete the Free Application for Federal Student Aid (FAFSA) online at www.fafsa.ed.gov. Duke University Graduate School Federal Code is: 002920 |
| Step 2: | After the completion of the FAFSA, the federal processor avails the FAFSA results, the Student Aid Report (SAR) to the student and the school. |
| Step 3: | Duke University will begin to upload electronic SAR’s in October for the new school year. During March of the following year, the Graduate School of Financial Aid Office will begin the financial aid review process. |
**Private/Alternative Student Loans:**

<table>
<thead>
<tr>
<th>Step 1:</th>
<th>Access the Duke University Recommended Lenders listing to review and select a loan program.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 2:</td>
<td>Once a loan program is selected, complete the online loan application at the lender’s website.</td>
</tr>
<tr>
<td>Step 3:</td>
<td>Duke University will receive confirmation from the lender of the applicant’s credit approved loan and will request that the school submit a loan certification.</td>
</tr>
<tr>
<td>Step 4:</td>
<td>The Graduate School of Financial Aid Office will submit the loan certification, verifying the student is eligible to receive the approved loan. The certification will also provide the scheduled disbursement amounts and dates for each term within the school/academic year.</td>
</tr>
</tbody>
</table>

| Step 4: | After review, the Graduate School of Financial Aid Office will email electronic notices to students. The award will include an itemized award offer by source and academic year, the cost of attendance, and instructions on how to finalize the loan application process by completing required paperwork for approval and disbursement. |

| Step 5: | The student accepts/reduces/declines the award in DUKEHUB. The student then completes the loan application process in the DUKEHUB portal shown via checklist or to-do items. |
SECTION 7: FILE REVIEW

7.1 Verification

Verification is the process of confirming the accuracy of student reported data on financial aid applications. Only a portion of the student population is selected for verification. Students are notified that they are selected for verification on the FAFSA Student Aid Report (SAR). In addition, the student is notified via email that he/she has been selected for verification. Students can also confirm if they have been selected for verification by monitoring their DukeHub, to-do or checklist items.

The Graduate School Office of Financial Aid verifies only those applicants identified by the Department of Education or if there is a discrepancy or a condition which is unusual and warrants investigation. The Graduate School Office of Financial Aid systematically verifies only those data elements required by the federal government. However, The Graduate School Office of Financial Aid may request additional information if further investigation is needed to resolve a discrepancy.

For students selected for verification, a student list is generated outlining the verification requirement. The Graduate School Office of Financial Aid will inform student electronically what documents need to be submitted to complete the verification process. The student may mail, email or delivery said documents, but all verification requirements must be satisfied before prior to financial aid disbursing. Verifications documents will be upload and kept on a secured drive within the Graduate School network.

7.1.1 Verification Exclusions

In the circumstances below, student verification is not required:

- An applicant who died during the award year
- A student who does not receive Title IV Funds
- Student was selected for verification after ceasing to be enrolled at the school and after all Title IV aid has been disbursed.

7.1.2 Database Matches, Reject Codes, and C-Codes

- Social Security Administration (SSA)
  - The student is required to submit a copy of the social security card, confirming the name and social security number, or to correct the FAFSA if errors were made during the initial FAFSA filing.

- Department of Homeland Security (DHS)
  - If the Department of Homeland Security could not verify the student’s citizenship, the student must submit additional information. US Citizen or permanent residents must submit a copy of a US passport, birth certificate, or naturalization certificate confirming citizenship status. The checklist item is completed and a copy of the documentation is stored in the student file or electronically on the shared drive.
Eligible non-citizens whose A-number did not pass secondary confirmation by Homeland Security must bring unexpired immigration status verification documentation in person to the Graduate School Office of Financial Aid, at which time form G-845 will be completed and copies made of the front and back of student documentation. This form is sent to the Department of Homeland Security for review. No financial aid is awarded until confirming documentation is received from the Department of Homeland Security regarding student’s eligibility for federal financial aid or until 30 days after the documentation was sent, whichever occurs first.

Selective Service System
- Males aged 18-25 are required to complete selective service registration. If the registration is not complete, the student is instructed to go to the website to complete registration. If the student is female, the FAFSA information is corrected and the checklist for additional documentation is waived.
- Male students are exempt from selective service registration if any of the following are true:
  - Current active duty military
  - Not yet 18 years as of the date the FAFSA is completed
  - Born before 1960
  - Noncitizens who first entered the US after age 26 or who entered the US as a lawful nonimmigrant’s on a valid visa and remained in the US on that visa until after they turned 26
- If the Graduate School Office of Financial Aid has adequate information to determine that the student is not required to register, the Graduate School Office of Financial Aid would note this in Student Information Services Systems (SISS) and proceed accordingly. Otherwise, the student will be asked to register or provide appropriate documentation regarding the selective service registration exemption.
- If a student has not registered and cannot provide documentation of an exemption, he must contact the Selective Service to get a status information letter addressing his failure to register. This letter will be used to determine if the student is exempt from registration or if he knowingly and willfully failed to register. If the student knowingly and willfully failed to register, he is not eligible for federal student aid.

National Student Loan Data System (NSLDS)
- If the student’s FAFSA indicates that she/he is at or near the federal aggregate loan limit or may be in default or owes an overpayment, the Graduate School Office of Financial Aid pulls the student’s NSLDS record for review. If the student is at or near a federal aggregate limit, the financial aid is completed accordingly, to either omit any funding from the pertinent federal program or with a reduction from the standard award amount. If the student is in default or owes an overpayment, the Graduate School Office of Financial Aid contacts the student to request additional information before completing the financial aid award. Questions regarding the student’s eligibility for federal loans are reviewed by the Student Loan office.
Drug Conviction

If a student has a federal or state drug conviction during a period of enrollment for which the student was receiving federal aid, the student is disqualified from federal financial aid funding. Students self-report this information on the FAFSA. However, in situations of conflicting information, the School is required to confirm this information. The student regains eligibility based on the timeline in the chart below (Please note - if the student is convicted for both possession and sale, the longer period applies):

- **1st offense**
  - Possession of illegal drugs: 1 year from date of conviction
  - Sale of illegal drugs: 2 years from date of conviction
- **2nd offense**
  - Possession of illegal drugs: 2 years from date of conviction
  - Sale of illegal drugs: indefinite period
- **3rd offense**
  - Possession of illegal drugs: indefinite period
  - Sale of illegal drugs: indefinite period

Students regain eligibility one day after the period of ineligibility ends or after successfully completing a qualified drug rehabilitation program or passing two unannounced drug tests given by such a program. It is the student’s responsibility to provide this documentation.

Qualified drug rehabilitation programs must include at least two unannounced drug tests and satisfy at least one of the following:

- Be qualified to receive funds directly or indirectly from a federal, state, or local government program
- Be qualified to receive payment directly or indirectly from a federally-or-state licensed insurance company
- Be administered or recognized by a federal, state, or local government agency or court
- Be administered or recognized by a federally-or-state licensed hospital, health clinic, or medical doctor.

Students identified as ineligible due to a drug conviction (either through the FAFSA information or through confirmation of conflicting information) will be notified in writing of the loss of eligibility, as well as additional information regarding when and how to regain eligibility.
SECTION 8: STUDENT BUDGETS

Student budgets are an important component in the financial aid process. Standard student budgets are modest and adequate to reflect the cost of living needed to award financial aid. Special budget considerations are approved through the Professional Judgment process by the Graduate School Office of Financial Aid on a case-by-case basis.

8.1 Budget Components

The Graduate School Office of Financial Aid collects information on an annual basis to prepare standard budgets by academic program and cohort/admit term. The budget components are as follows:

- **Tuition and Fees**
  - Tuition is charged based on the student’s registration and the requirements of the program of study.
  - *Tuition and Fees for Master of Engineering Management*
  - *Tuition and Fees for Distance Program*
  - *Tuition and Fees for Master of Engineering*

- **Books and Supplies**
  - Books and supplies are reviewed annually. A standard amount is budgeted for all Graduate Students regardless of program.

- **Room and Board, Transportation, and Miscellaneous Expenses:**
  - Room, board, transportation, and miscellaneous expenses are set annually by the Karsh Office of Undergraduate Financial Support and based on a survey of graduate and professional students administered by the Duke Office of Institutional Research. The survey is conducted every 3 years and the average amount from the survey is used for all Duke University graduate and professional student budgets.

- **Health Insurance**
  - Duke University requires that all students have health insurance that is comparable to the Duke Student Medical Insurance Plan (SMIP). Domestic students have the option to enroll in the Duke SMIP or to waive coverage by providing proof of comparable insurance. International students attending Duke on an F-1 or J-1 visa are required to enroll in the Duke plan. These rates are set annually by Duke Student Health.

8.2 Professional Judgment

The Graduate School Office of Financial Aid may consider a student’s special circumstances to make adjustments to the expected family contribution for educational expenses, standard budget, and/or financial aid dependency status, as determined by federal guidelines. Adjustments must be reasonable and documented, and the institution is held accountable for the decisions made.

Students requesting consideration for any of the adjustment categories should read the [Professional Judgment Statement](#). If applicable, submit the [Professional Judgment Review Form](#) along with required documentation to the Graduate School Office of Financial Aid.
Students will be notified via email of the decision. Students submitting requests for professional judgments should allow 10 business days from receipt of the request.
SECTION 9: AWARDING AND PACKAGING FINANCIAL AID

9.1 Packaging Philosophies

The Pratt School of Engineering Management programs participate in the Federal Loan Programs offered through Direct Lending.

Support for master’s level students varies by program. Prospective and current students are encouraged to speak to the program director for specific details on the financial support packages available, along with any employment questions.

9.2 Demonstrated Need for Financial Aid

Duke’s financial aid awards meet 100 percent of each student’s demonstrated need, based on the student’s FAFSA information and could include the Direct Unsubsidized Loan Program and the Direct Plus Loan Program. The Graduate School Office of Financial Aid determines how much non-need-based aid a student can receive using the following formula:

\[
\text{Cost of Attendance Budget} - \text{Financial Aid Awarded} = \text{Eligibility for non-need-based aid}
\]

Funding reports along with student lists are utilized by the Graduate School Office of Financial Aid to monitor spending and accordance with fiscal limits and to ensure equitable distribution of awards.

9.3 Master student Awarding and Packaging

Federal methodology is used, and the cost of attendance minus EFC equals federal need. Any outside resources and scholarships are applied toward that need, and Direct Unsubsidized loan is awarded up to that need or up to annual limits ($20,500). The Direct Plus loan can be awarded up to the cost of attendance after the Direct Unsubsidized maximum loan amount has been utilized. Students must be enrolled in at least half-time to receive financial aid awards.

Financial aid awards are based on the cost of attendance budget which include the full-time flat rate tuition amounts based on the program. If the tuition amount changes during a term, the student’s cost of attendance budget would be adjusted to reflect the actual tuition amount charged by the Bursar’s office. This process would prevent financial aid overawards. An overaward for financial aid is defined as financial aid awards exceeding the cost of attendance budget. A financial aid overaward is not permitted for private and federal loan programs.

We have an automated process in SISS that sends an initial financial aid award notification email to students advising them to review their self-service account in DUKEHUB. For matriculated students, the award information is also available for view on DUKEHUB.

9.3.1 Packaging Other Educational Resources
Outside scholarships and grants are considered as a resource against federal need and cost of attendance. Students are asked to report other resources to the Duke University Graduate School Office of Financial Aid and the Pratt School of Engineering. Financial aid queries assist in monitoring and ensuring that the Graduate School Office of Financial Aid is in compliance against overawards and overpayments.

9.3.2 Award Package Notification

All active, matriculated students can view the financial aid information on DUKEHUB. Incoming student will access this information through self-service in DUKEHUB. The financial aid award by individual source, specific cost of attendance, and award amount are broken down by year. Award messages are included, describing federal sources and links to federal loan requirements. Students receiving institutional scholarships are notified by their Department.

9.3.3 Packaging Appeals

Additional cost of attendance, such as child care or computer expenses – further reference, please see Professional Judgment, section 8.2.

Appeals are reviewed by the Graduate School Office of Financial Aid, with additional review by the Chief Financial Officer. Appeals to cost of attendance would increase maximum Grad/PLUS or private loan eligibility. Appeals to income or other FAFSA data elements may not change aid eligibility.

The outcome of the appeal and additional aid eligibility (if applicable) is communicated to the student by email and through an adjustment to the financial aid award, if applicable. A revision email would be sent to the student with instructions to view the information on DUKEHUB.

9.3.4 Award Package Revisions

The Graduate School Office of Financial Aid generates a student listings from SISS prior to the start of each term and shortly after the drop/add date to determine any changes to a student’s enrollment/tuition charges for master students. The Graduate School Office of Financial Aid updates student budgets and revises financial aid awards to remain compliant. Any tuition and/or enrollment changes made after the drop/add date need to be conveyed from the Pratt School of Engineering Management Academic office to the Graduate School Office of Financial Aid. For changes in tuition, loan reductions are made in the following order: private, Direct Plus Loan, and then Unsubsidized Loan.

Revisions are made as quickly as possible after the student list is generated. The student will be emailed notification of the change and referred to DUKEHUB for specific award details.

9.4 Overawards

A financial aid overaward is defined as financial aid awarded to a student that exceeds the cost of attendance. Aid such as scholarships, grants, loans, awards and fellowships must be included as estimated financial assistance in a student’s total aid package. The Graduate School Office of Financial Aid expects all graduate students to report all sources of estimated financial assistance
when applying for federal financial aid, including but not limited to institutional scholarships/fellowships/assistantships, external awards and third party assistance. Reporting this information as soon as possible will assist in preventing changes in eligibility that can result in reductions to financial aid.

When the Graduate School Office of Financial Aid identifies an over award, adjustments will be made to the student’s aid package to ensure compliance with the established guidelines. When possible, loans and work-study awards, will be adjusted before grant or scholarship aid is affected. If an overaward occurs after aid has been disbursed, the student may be required to repay all or a portion of his/her financial aid to Duke University.

Procedures

➤ Changes to enrollment status during a term may impact the aid package and will be processed by The Graduate School Office of Financial Aid. Students will be notified electronically once the changes are available for review and acceptance/rejection on DUKEHUB.

➤ Students identified as having an overaward for a particular semester will be notified electronically to their Duke Email address by the Graduate School Office of Financial Aid outlining the specifications and details of why the change in their financial aid awards has occurred. It is expected that the student confirm receipt by responding to the electronic notification or contacting the Graduate School Office of Financial Aid with questions or concerns. Questions and concerns regarding any adjustments to the financial aid package and appropriate next steps will be reviewed with the student if student contacts the Graduate School Office of Financial Aid.

➤ Students are encouraged to notify the Graduate School Office of Financial Aid if/when their semester enrollment drops below part-time status or their tuition is charged per unit to determine if financial aid will be impacted.
SECTION 10: DISBURSEMENTS

10.1 Definition of Disbursements and Disbursement Methods

Changes to federal law may affect this policy.

The following information is based on the policy and procedures from Duke University Student Loan Office (SLO). Please refer to Duke University Student Loan Office for more information.

10.1.1 Policies

Disbursement of loan funds involves drawing down the funds from G5 (Direct Loan School Code for SLO), recording the deposit, and disbursing the funds to individual students who have completed all their loan requirements as required by Title IV regulations.

All disbursements are made directly to the student’s Bursar account. If a credit balance is created, the funds are refunded to the student either via paper check or by direct bank deposit.

To comply with the separation of duties requirement, the awarding and the disbursing functions are split between the SLO and the Graduate School Office of Financial Aid. The Graduate School Office of Financial Aid is responsible for awarding loans, and the SLO is responsible for disbursing the funds.

On the student’s bursar statement, the aid that has not yet disbursed will be shown as “anticipated aid” and subtracted it from the posted balance, requiring the student to only pay the lesser amount.

With all Title VI loans, the student will not be penalized for late disbursement of a loan, as long as the loan is showing as pending aid on the student’s Bursar account.

10.1.2 Procedures

The SLO is the office responsible for disbursing Title IV loan funds into a student’s bursar account. Before funds can be disbursed, the borrower must do the following:

- Actively accept their loan through their DUKEHUB account
- Have completed an entrance counseling interview
- Signed their promissory note
- Receive credit approval, if they are requesting a Direct PLUS loan

When a first time borrower accepts their loans through DUKEHUB, they are prompted via a pop-up box to navigate to the Direct Lending website to complete their entrance counseling and electronically signing the promissory note with the Department of Education.

Once the student accepts the loan, it is reflected as pending aid on the student’s Bursar account. When the SLO is update electronically by Direct Lending that the student has completed their promissory note and entrance counseling the loan funds disburse to the Bursar account. The earliest that loans funds will
disburse to the student’s Bursar is 10 days prior to the beginning of classes for new matriculated students.

For repeat borrowers, once they accept the loan, the funds will show as pending aid on the student’s Bursar account. Direct Lending will be electronically notified of the student’s loan. Once the loan information is accepted by Direct Lending, the loan funds will disburse to the Student’s Bursar account. The earliest that loan funds will disburse to the student’s Bursar account is the day after the drop/add period ends for that term.

For Direct PLUS loan Borrowers, the student fills out a loan application to Direct Lending for their loan. If their loan is credit approved, they complete a promissory note for the loan. The SLO is notified of the application, credit check and signed master promissory note (MPN). Once all three are received, the loan will disburse to the student’s Bursar account. The earliest that loans funds will disburse to the Bursar is 10 days prior to the beginning of classes for new matriculated students.

10.2 Disbursement Dates and Schedules

10.2.1 Policies

The payment periods defined at Duke University are based on the date classes begin and end. Earliest date for disbursements for new matriculated students is 10 days before classes begin. If the day falls on weekend or holiday, the disbursement date is moved to the following business day.

All loans have multiple disbursements unless one of the following conditions is true:

Students enrolled for only one semester in the academic year.

Students who have multiple disbursements, but because of database constraints, The Graduate School Office of Financial Aid will award a single disbursement plan for one semester, and another plan with multiple disbursements. In this situation, the total disbursements will occur per term in the same relationship as the budget allocations.

Late disbursements vs. post-withdrawal disbursements:

Late disbursements are defined as posting the funds after the semester has ended, but the certification was sent before the loan period ended.

Post withdrawal disbursements are allowed if the loan has been certified before withdrawal and the student is eligible. The Graduate Office of Financial Aid will perform any adjustments to the amount based on the Title IV refund policy.

The Graduate School Office of Financial Aid is responsible for establishing disbursement schedules for Direct Loans, the SLO is responsible for setting them up in the system.

10.2.2 Procedures

Disbursement schedules are set as follows:
SLO contacts each financial aid office with a copy of the current aid year disbursement plans/dates and requests the Office of Financial Aid to supply the start and end dates for each semester for the upcoming aid year.

- Each financial aid office returns the new dates to the SLO.
- SLO and the SISS office update the data in PeopleSoft.
- SLO sends the new dates for the upcoming year to the Office of Budgets and Finance.

The schedules are classified by career and the inclusive semesters that each career has that a potential disbursement would occur. Students are informed of the disbursements by viewing the anticipated disbursement date on their bursar bill. This information is also available on the Duke Financial Aid website.

10.3 Undeliverable Title IV Funds

10.3.1 Policies

SLO returns Federal loan funds no later than 3 business days after The Graduate School Office of Financial Aid determines the student is ineligible for the funds. The SLO will not process refunds after the last day of a semester or 120 days, whichever is greater.

10.3.2 Procedures

If a student becomes ineligible for a portion or all of his or her Direct Loan, Duke SLO returns those funds to the Direct Loan Program. Duke Student Loan Office adjusts the actual disbursement that initiates a return of funds.

If Duke SLO is returning Direct loan funds at the borrower’s request within 120 days of disbursement because the borrower has decided that all or a portion of the funds are not needed, Duke SLO makes the appropriate adjustment to the loan and returns the funds. The borrower is not charged loan fees or interest on the portion of the loan that was returned. If the funds being returned at the borrower’s request are more than 120 days after disbursement, then Duke SLO will send a check to the Direct Loan payment center to be credited to the borrower’s account. In this case, the borrower will be charged loan fees and interest on the entire loan amount.

10.4 Recovery of Title IV Disbursements When Student Does Not Begin Attendance

10.4.1 Policies

Students that receive financial aid at Duke University are required to enroll in classes each semester, meeting the deadlines and procedures established by the university Registrar’s Office.
10.4.2 Procedures

If a student requests a leave of absence and is approved before the first day of classes, charges and financial aid will be canceled for the semester. Financial aid resources must be returned to their sources; e.g., Stafford loans will be returned to the lender, scholarships to the university, etc.

If a leave of absence is request and approved after the first day of classes, the student may be entitled to a refund. For more information please refer to the Duke Student Bulletin for current refund policies, which are consistent with those recommended by the federal government.

The bursar’s office will run an enrollment query versus students with anticipated aid prior to the first disbursement. If a student shows no enrollment information, the bursar will notify the Graduate School Office of Financial Aid to cancel the student’s anticipated loan funds. The Duke SLO office will process these returns and will contact the Graduate School Office of Financial Aid with questions or concerns.

Last updated: 03/19/2012
SECTION 11: SATISFACTORY ACADEMIC PROGRESS (SAP)

Federal regulations governing the student financial assistance programs stipulate that in order to continue to be eligible for Title IV funds (e.g. Direct Unsubsidized Loan, Direct Graduate PLUS Loan) students must maintain satisfactory academic progress toward a degree. To maintain satisfactory academic progress (SAP), students must achieve a required minimum grade point average (GPA), complete a minimum number of credit hours, and graduate within a specified timeframe. Refer to the Pratt School of Engineering Satisfactory Academic Progress for more information.

11.1 Process

Duke University Graduate School Office of Financial Aid receives a list of students who have failed to meet the Pratt School of Engineering SAP policy from the Academic office within the Pratt School of Engineering. This will result in financial aid warning status. Students will be notified of this status by email, and must meet all SAP requirements by the end of the next semester to maintain Title IV federal funding eligibility.

11.1.1 Financial Aid Warning

A student may be placed on financial aid warning as a consequence of not making SAP as outlined above. The Financial Aid Coordinator can place a student on warning status without an appeal or any other action by the student. The warning status lasts for one semester, during which the student continues to be eligible to receive federal financial aid funds. Students who fail to make SAP after the financial aid warning period lose their federal eligibility unless they successfully appeal and are placed on financial aid probation, outlined below.

11.1.2 Appeal Process

A student who becomes ineligible for Title IV assistance at the end of a term during which he/she was on Title IV warning may appeal the determination if the student believes there were extraordinary circumstances that prohibited them from achieving SAP. A letter of appeal should be submitted by the student to Title IV appeals committee, consisting of the Financial Aid Coordinator and the Chief Financial Officer, outlining the basis on which s/he is appealing the termination of federal student aid. Supporting documentation, including a letter of support from the student’s advisor is required. Students may also submit other documentation that supports their appeal from medical professionals, counselors, or other third party professionals (non-family members) who understand the details of the situation. Students should also include an explanation of what has changed in their situation that will allow them to demonstrate satisfactory academic progress at the next evaluation.

The appeal will be reviewed by the Title IV Committee, which will make a recommendation to the Associate Dean for the Pratt School of Engineering, Professional Masters Program, who will render a decision to the Financial Aid Coordinator for their office to notify the student. The written decision will be placed in the student’s record and a communication will be sent electronically to the student’s registered Duke email address.
11.1.3 Financial Aid Probation

If the appeal decision is to reinstate the student’s eligibility for Title IV funds, the student may be placed on probation for one additional term on the condition that the student is required to achieve minimum SAP standards at the end of the probationary semester. If it is statistically impossible to achieve the minimum SAP standards by the end of the probationary period, the student must submit another appeal.

11.2 Communication of Status

Students will be notified of their financial aid status relating to SAP following the end of a term and after receiving a listing from the Pratt School of Engineering’s Academic Office of students who failed to meet the SAP guidelines. Students will be notified via Duke email and the appropriate steps if applicable (ie. SAP Probation).

SECTION 12: RETURN OF TITLE IV FUNDS

Changes to federal law may affect this policy.
12.1 Process Overview & Applicability

Steps in Federally Mandated Process

Step 1: Determine the withdrawal date.

If the student officially withdraws, the withdrawal date is the date Duke determines the student either began the withdrawal process, or the date the student provided official notification to Duke, in writing or verbally, of his or her intent to withdraw.

If the student does not provide official notification of his or her intent to withdraw, the withdrawal date will be determined as the date Duke became aware the student was not attending class.

If a student does not return from an approved leave of absence, the withdrawal date is the date Duke determines the student began the leave of absence. If a student takes a leave of absence that does not meet the requirements of an official leave of absence, the withdrawal date is the date the student began the leave of absence.

Step 2: Calculate the percentage of enrollment period completed.

The percentage of enrollment period completed is determined by dividing the total number of calendar days in the enrollment period into the number of calendar days completed in that period as of the withdrawal date. The total number of calendar days in a payment period includes all days (including weekends) within the period. Scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in the enrollment period and the number of calendar days completed in that period.

Step 3: Calculate the amount of Title IV aid earned.

If the withdrawal date is equal to or greater than 60 percent of the enrollment period (semester), the student has earned 100 percent of the Title IV funding disbursed for that semester. If the withdrawal date is less than 60 percent of the semester, the amount of Title IV funding the student has earned is calculated by using the federally mandated calculation to determine the percentage of Title IV funds that have been earned by the student for that semester. This percentage is then applied to the total amount of Title IV funding that was disbursable for the semester as of the withdrawal date.

Step 4: Determine the amount of Title IV aid unearned.

The amount of Title IV funding the student has not earned is calculated by subtracting the amount of Title IV funding the student earned from the total Title IV funding disbursed/or was disbursable.

Step 5: Allocate unearned aid.

Duke is required to return the lesser of the total amount of Title IV funds the student has not earned or an amount equal to the charges if the total amount to be returned
exceeds the charges incurred by the student. Charges include tuition, fees, room and board (if the student contracts with Duke for room and board), and can include other education-related expenses assessed by Duke. Unearned Title IV funds must be returned within 45 days of the student’s withdrawal.

Duke will return the student’s unearned Title IV funding on his or her behalf and consider the returned funds as the student’s debt to Duke. Students must make arrangements with the Bursar’s office for repayment of the debt. Consequences of non-payment include blocks on re-enrollment, transcript and diploma holds, and student account placement with Collections.

Title IV loan amounts to be returned by Duke will be credited to the appropriate programs in the following order: Direct Unsubsidized Federal Stafford loans, Direct PLUS loans.

Federal Work Study is excluded from this policy.

Step 6: Communication of return of funds.

Graduate students for which a portion of Title IV aid must be returned will receive a communication from The Graduate School Office of Financial Aid sent to their Duke email address indicating an adjustment has been made and funds have been returned on the student’s behalf. This communication further instructs any resulting balances on the student account must be paid by the student and arrangements for payment must be made directly with Duke’s Bursar.

12.2 Withdrawal Date

12.2.1 Policies

The withdrawal date is determined by the student’s academic dean and is the date the student began the withdrawal process, or the date the student provided official notification to their academic dean, in writing or verbally, of his or her intent to withdraw.

If the student does not provide official notification of his or her intent to withdraw, the withdrawal date will be determined as the date the academic dean became aware the student was not attending class.

If a student does not return from an approved leave of absence, the withdrawal date is the date the academic dean determines the student began the leave of absence. If a student takes a leave of absence that does not meet the requirements of an official leave of absence, the withdrawal date is the date the student began the leave of absence.

Students wishing to return from a leave of absence must receive approval from their academic dean.

12.2.2 Procedures

Academic deans provide withdrawal dates to the University Registrar and an official attrition notice is originated and emailed to appropriate departments.
12.3 Formula Calculation

12.3.1 Policies

Upon receipt of an attrition notice from the University Registrar, The Graduate School Office of Financial Aid performs a return of Title IV funds calculation using the web based application provided by CPS Online: https://faaaccess.ed.gov/FOTWWebApp/faa/faa.jsp.

The period used for the calculation is “Payment Period,” as all Graduate programs are standard credit hour programs.

The school calendar is determined by:

Calculating the days in the particular term/semester, from the first day of classes to the last day of finals. Weekend days are included in the total number of days. Breaks of five or more days are excluded. When counting the number of days attended, the date of withdrawal is counted as a day attended.

Institutional costs are used to determine the amount of refund due from the school versus the student but do not change the amount of aid earned by the student. These costs refer to the original amounts charged to the student for educational expenses for the term of withdrawal and not pro-rated amounts used by the University based on the date of withdrawal. Required fees are included. Room and board expenses are included in the costs only if the student is charged for these by the University and the charges are reflected on the student account. Health insurance charged through the University can be included, but parking permits, parking tickets, flex account deposits, and similar non-academic expenses are not included.

Aid disbursed or aid that could have been disbursed is determined by:

Counting the aid accepted for the term/semester in question only. Aid that could have been disbursed refers to aid accepted by the student and for which all paperwork/application materials and federal verification have been completed by the student. If loan fees are taken out, the net amount disbursed or that could have been disbursed is used.

12.3.2 Procedures

The attrition notice is received by the Financial Aid Officer in charge of withdrawals in The Graduate School Office of Financial Aid. The Financial Aid Officer performs the Return to Title IV calculation on the web. The officer saves a copy of the attrition notice as “VWITH” to “Comments” in PeopleSoft. The officer adjusts the student’s aid according to the calculation and notifies the Student Loan Office to return any loan funding. The Graduate School Office of Financial Aid will return grant funding within 45 days of the date of student withdrawal. An email is also sent to Duke’s Bursar to notify them of the adjustments made to student aid.

Once the calculation has been completed, a pdf copy of the calculation and an electronic copy of the attrition notice are maintained in a file at Graduate School Office of Budgets and Finance. Additionally, the officer in charge of withdrawals will keep hard copies of the official attrition notice, Title IV Calculation Worksheet, and original award information in a file.
withdrawal folder for that aid year.

12.4 Post-Withdrawal Disbursements

12.4.1 Policies

If an amount of Title IV aid a student has earned is greater than the amount of Title IV aid that has been disbursed, the difference is treated as a post-withdrawal disbursement to the student. Any post-withdrawal disbursement must be made within 180 days of the date the institution determines that the student withdrew.

Aid for which all requirements (paperwork/application materials and federal verification) have been satisfied is disbursed to the student account 10 days prior to the start of classes. Refunds of applicable aid are provided to the student immediately after the drop/add date for each semester.

12.4.2 Procedures

If a student has undisbursed aid for which all requirements have been satisfied, a Return to Title IV calculation must be performed to ensure that funds for which a student was eligible and had earned at the time of withdrawal but had not been disbursed are offered as a post-withdrawal disbursement. The institution must disburse any amount of a post-withdrawal disbursement of grant funds that is not credited to the student’s account as soon as possible but no later than 180 days after the date it is determined the student withdrew. A post-withdrawal disbursement of Title IV grants does not require permission from the student.

Written notification will be sent to the student or parent (for parent PLUS loans) within thirty (30) days of the date it is determined that the student withdrew and confirmation received before making any post-withdrawal disbursement of loan funds. The notification will include:

A request for confirmation - A confirmation deadline of fourteen (14) days or more
The type and amount of the loan funds it wishes to credit to the student’s account or disburse directly
An option to accept or decline the post-withdrawal disbursement
A notice of obligation to repay loan funds
A notice the student or parent may not receive as a direct disbursement loan funds that the institution wishes to credit to the student’s account unless the institution agrees to do so

A post-withdrawal disbursement must be made from available grant funds before available loan funds.

12.5 Returning Unearned Funds

12.5.1 Policies
The amount of Title IV funds the student has not earned is calculated by subtracting the amount of Title IV funds the student earned from the total Title IV funding disbursed/or was disbursable.

Unearned Title IV funds must be returned to the applicable Title IV program within 45 days of the date of the students’ withdrawal. If the amount earned is greater than the amount that has been disbursed, the difference is treated as a post-withdrawal disbursement to the student. Unearned funds are returned to the Title IV programs within 45 days of the student’s withdrawal by Duke’s Financial Aid Office and Student Loan Office on behalf of the student and consider the returned funds as the student’s debt to Duke.

12.5.2 Procedures

Students are notified via their Duke email account that, as a result of withdrawal and pursuant to the Return to Title IV calculation, adjustments have been made to their aid package which may create a balance on the student account. Students must make arrangements with the Bursar’s office for repayment of the debt if returned funds create an account balance.

Unearned Title IV funds are returned to the Title IV programs in the following order:

Direct Lending Unsubsidized Federal Stafford Loans
Direct Lending PLUS loans

Federal Work Study is excluded from this policy.

SECTION 13: INSTITUTIONAL REFUNDS

A refundable credit balance may result on your student account due to financial aid payments, loan disbursements, account adjustments, and/or payments posted to your account.
Institutional refund policies are outlined in Duke University Financial Services Bursar website Duke Financial Services - Bursar - Refund of Credit Balances. Tuition adjustments are made based on the following unless otherwise specified on the withdrawal notice. Tuition charges will be prorated based on the date of withdrawal as follows:

<table>
<thead>
<tr>
<th>Refund of tuition</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Before classes begin</td>
<td>100%</td>
</tr>
<tr>
<td>During first or second week of classes</td>
<td>80%</td>
</tr>
<tr>
<td>During third, fourth, or fifth week of classes</td>
<td>60%</td>
</tr>
<tr>
<td>During sixth week of classes</td>
<td>20%</td>
</tr>
<tr>
<td>After sixth week of classes</td>
<td>0%</td>
</tr>
</tbody>
</table>

There is no adjustment for mandatory fees after classes begin.

In the event of death or a call to active duty in the armed services, a full tuition refund is granted regardless of the program.

SECTION 14: TITLE IV FRAUD

14.1 Student Fraud
In reviewing reports, appeals, or in other secondary review of files [see Section 7: File Review for more information], discrepancies may arise. Discrepancies in student application materials [i.e. income, citizenship, name, SSN, signatures] must be investigated and resolved. To do so, The Graduate School Office of Financial Aid will contact the student to request additional information and documentation. If, in The Graduate School Office of Financial Aid Counselor’s judgment, there has been intentional misrepresentation, false statements, or alteration of documents which have resulted or could result in the awarding or disbursement of funds for which the student is not eligible, the case shall be referred to the Chief Financial Officer for possible disciplinary action.

The Chief Financial Officer reviews the student’s aid file with the Financial Aid Office and if the decision is made by the Director to pursue the possibility of denying or canceling financial aid, the Chief Financial Officer will contact the student to set up an appointment. If the student does not make an appointment, the Chief Financial Officer may:

- Not process a financial aid application until the situation is resolved satisfactorily
- Not award financial aid
- Cancel financial aid
- Determine that financial aid will not be processed for future years.

Students who willfully submit fraudulent information will be investigated to the furthest extent possible. All cases of fraud and abuse will be reported to the proper authorities. After investigating the situation, if the Chief Financial Officer believes there is a fraudulent situation, he/she will refer all information to the Department of Education’s (ED’s) Office of Inspector General (OIG).

14.2 Institutional and Third-Party Fraud

Duke University’s compliance policy, including how reports of suspected fraud are handled, may be found through Human Resources:

http://www.hr.duke.edu/policies/expectations/compliance/index.php

Under the American Recovery and Reinvestment Act of 2009 (ARRA), nonfederal employees who report waste, fraud or abuse connected to the use of ARRA funds may not be discharged, demoted or otherwise discriminated against because of his or her disclosure.

SECTION 15: AUDITS

All audit policies and procedures are maintained by the Undergraduate Financial Aid office at http://www.finaid.duke.edu/.