

	GA-513
	Return of Unclaimed Title IV Refunds
	Prepared By: Associate Controller and Associate Bursar
	Approved By: Brian Laffey
	Effective Date: May 23, 2011

<p>Purpose</p> <p>Federal regulations require that unclaimed Title IV funds be returned to the appropriate federal lender, Secretary or guaranty agency and not escheated to the State of Illinois.</p>
<p>Policy</p> <p>Illinois Institute of Technology (IIT) refund checks that are due to be escheated to the State of Illinois and that are for Title IV funds shall be returned to the appropriate Federal agency.</p>
<p>Definitions</p> <p>Escheatment is defined as the reversion of property to the State in the absence of legal heirs or claimants.</p>
<p>Procedures</p> <ul style="list-style-type: none"> • For pre-Banner (prior to 2008) system checks, the outstanding check list in excel format is prepared by the Senior Accountant in the Controller’s office. This listing is sent to the Associate Bursar, Cash Operations. • Upon receiving the outstanding check list, the Associate Bursar will review unclaimed checks that are indicated with a “T” (tuition) in the ID field. • The Associate Bursar has a listing of checks issued for Title IV refunds and will match this list against the outstanding check list provided by the Senior Accountant to identify Title IV checks. • For Banner system checks, the Controller’s office will run the “Outstanding Student Refund Checks” report found in Cognos and provide this report to the Associate Bursar, Cash Operations. • The Associate Bursar will identify refunds that are Title IV funds and void the check to credit back the student receivable. The Associate Bursar will make a debit entry on the student account and credit a designated account that the Controller’s Office will specify. The entry will be Dr. Student AR and Cr. Returned Unclaimed Title IV Account. • The Associate Bursar will send an e-mail notice to the Financial Aid Office containing the student’s name, student ID number, Title IV program(s), aid year and dollar amount that has been credited to the “Returned Unclaimed Title IV Account”. Financial Aid will then issue a check for the Title IV funds from the Returned Unclaimed Title IV Account and send the check to the appropriate Federal aid program. • The Senior Accountant will reconcile the Escheats Title IV account semiannually.
<p>Guidelines</p>

None.

References

Code of Federal Regulations Title 34, 34 CFR Ch. VI Section 668.164(h) (1).

Responsibilities

Controller, Bursar, and Financial Aid Departments of IIT.

Required Forms

None.