SESSION 4 Obtaining, Managing, and Returning Title IV Funds

OVERVIEW

A. Projecting Cash Needs for Drawing Down Funds
   1. Planning When to Draw Down Cash
   2. Immediate Need

B. Drawing Down Cash
   1. Overview of ED/PMS
   2. Automated Clearing House/Electronic Funds Transfer (ACH/EFT)
   3. Federal Electronic Funds Transfer (FEDWIRE)
   4. Reimbursement Payment Requests

C. Maintaining Funds
   1. Bank Accounts
   2. Interest Earnings

D. Special Program Considerations
   1. Federal Pell Grant Program
   2. Campus-Based Programs
   3. William D. Ford Federal Direct Loan Program (Direct Loan Program)
   4. Federal Family Education Loan (FFEL) Program

E. Returning Funds
   1. Excess Cash
   2. Deobligating Campus-Based Funds
   3. Returning Federal Family Education Loan (FFEL) Program Funds

MAIN OBJECTIVES

◊ You will be able to define "immediate need."

◊ You will be able to describe the difference between reimbursement payment and advance payment requests.

◊ You will be able to identify the proper method of maintaining Title IV funds in bank accounts according to the new cash management regulations.

◊ You will be able to describe how interest earned on Title IV funds can be used.

◊ You will be able to describe some of the special considerations for determining how to draw down cash for:

- Federal Pell Grant funds
- Campus-based programs (which are only partially funded by the federal government)
- William D. Ford Federal Direct Loan Program (Direct Loan Program) funds
- Federal Family Education Loan (FFEL) Program funds

◊ You will be able to identify circumstances when a school must return funds to ED.

REFERENCES

Detailed information on the topics for this session can be found in:

- ◊ *The Blue Book*, Chapter 4 – Obtaining, Managing, and Returning Title IV Funds
- ◊ *The Blue Book*, Chapter 6 – Title IV Reporting Requirements
- ◊ *Federal Register*, December 1, 1994, Cash Management Regulations
- ◊ *Federal Register*, June 30, 1995, Cash Management Regulations
- ◊ *The ED/PMS Recipient's Guide*, October 1993
- ◊ Supplement to *The ED/PMS Recipient's Guide*, January 1995