Policy for Return of Title IV Funds:

Only the Title IV programs are to be included in this calculation

You must keep in mind that when you apply for financial aid, you sign a statement that you will use the funds for educational purposes only. Therefore, if you withdraw before completing your program, a portion of the funds you received may have to be returned. The school will calculate the amount of tuition it must return to the Federal funds according to the policies listed below:

The Return of Title IV Funds is NOT a Refund Policy. Instead, the Federal regulations (beginning with October 7, 2000) require the use of a Return to Title IV calculation to determine the amount of Title IV funds a student has earned as of the date he or she ceases attendance. Any student receiving Title IV funds will be subject to these regulations.

The law specifies how your school must determine the amount of Title IV program assistance that you earn if you withdraw from school. The Title IV programs that are covered by this law are: Federal Pell Grants, Federal Direct Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs), Federal Perkins Loans and in some cases, certain state grant aid (LEAP/SLEAP), GEAR UP grants, and SSS grants to students.

An official withdrawal date is when a student formally withdrawals in writing and this date is used as the official withdrawal date. An unofficial withdrawal date is 14 days from the students last physical day of attendance.

When you withdraw during your payment period or period of enrollment (your school can define these for you and tell you which one applies) the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received (or your school or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned by the school and/or you.

The amount of assistance that you have earned is determined on a pro rata basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or period of enrollment, you earn all the assistance that you were scheduled to receive for that period.

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, you may choose to decline the loan funds so that you don't incur additional debt. Your school may automatically use all or a portion of your post-withdrawal disbursement (including loan funds, if you accept them) for tuition, fees, and room and board charges (as contracted with the school). For all other school charges, the school needs your permission to use the post-withdrawal disbursement. If you do not give your permission (which some schools ask for when you enroll), you will be offered the funds directly. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the school.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement. From the date the institution determined the student withdrew, grant funds must be paid within 45 days, and loan funds must be paid within 180 days.

Return of Unearned Aid is allocated in the following order:

1. Unsubsidized Federal Direct Stafford Loan
2. Subsidized Federal Direct Stafford Loan
3. Federal Perkins Loan
4. Federal Direct Parent (Plus) Loan
5. Federal Pell Grant
6. Federal Supplemental Opportunity Grant
7. Other Title IV Assistance

There are some Title IV funds that you were scheduled to receive that you cannot *earn* once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not earn any Direct loan funds that you would have received had you remained enrolled past the 30th day.

Title IV Future Professionals reentering within 180 days of withdrawal date will resume at the same status as prior to withdrawal.

If you receive (or your school or parents receive on your behalf) excess Title IV program funds that must be returned, your school must return a portion of the excess equal to the lesser of:

1. Your institutional charges multiplied by the unearned percentage of your funds, or

2. The entire amount of excess funds.

The school must return this amount even if it did not keep this amount of your Title IV program funds.

If your school is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an *overpayment*. The amount of a grant overpayment that you must repay is half of the received amount. You must make arrangements with your school or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that your school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Your school may also charge you for any Title IV program funds that the school was required to return. If you don't already know what your school's refund policy is, you can ask your school for a copy. Your school can also provide you with the requirements and procedures for officially withdrawing from school.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on *Student Aid on the Web* at www.studentaid.ed.gov.

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**NOTE:** If the initial amount of the overpayment owed by the student is $25.00 or less, the student repayment requirement is forgiven