Return of Title IV Funds Policy

In accordance with the Higher Education Act of 1965, as amended, a Return of Title IV Funds calculation will be completed in the event a student who has been awarded Federal Title IV funds completely withdraws from all classes, stops attending before completing the semester, or fails to earn a passing grade in all of their courses during the semester. Federal Title IV funds includes but may not be limited to Federal Pell Grant, Federal Supplement Educational Opportunity Grant, Federal Direct Loans, and Federal Direct PLUS Loans.

According to Federal Regulations, a Return of Title IV calculation must be completed within 30 days of the date the school determines the student has completely withdrawn or stopped attending classes. The Financial Aid Office regularly receives a report of who officially withdrew then contacts instructors to confirm attendance. For students who do not pass any of their courses at the end of the semester, the Financial Aid Office works with the Records Office to extract student attendance data as reported by instructors.

Determination of Federal Aid Earned

The amount of Title IV funds that a student earned is based on the amount of Title IV awarded multiplied by the percentage of the semester the student completed. The percentage of the semester completed is determined by the number of calendars days the student has attended divided by the total number of calendar days in the semester.

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\text{example: Student was given } \$1,000 \text{ Pell grant but only attended 20 days of 80 day semester} \\
\text{Title IV aid earned = Title IV awarded } \times \% \text{ of semester completed} \\
\$250 = \$1,000 \times 25\%
\]

Order in which Unearned Funds are returned?

Once the calculation is done and it is determined the student earned less than what was disbursed, the difference will be returned to the Title IV program. The order in which Title IV funds are returned are as follows: Federal Direct Unsubsidized Loans, Federal Direct Subsidized Loans, Direct PLUS Loans, Pell Grant and Supplemental Educational Opportunity Grant.

Post-Withdrawal Disbursement

If the calculated amount of Title IV funds is more than what was disbursed to the student, the student is eligible for a post-withdrawal disbursement. The student will be notified of the disbursement, by an amended award notification letter. The student will have an opportunity to accept/decline the offer and must respond within 14 days from the date of the award or forfeit the disbursement. Students should know that acceptance of the offer may affect their academic progress for future financial aid purposes and if loan funds are involved, an obligation of repayment is assumed.