

RETURN OF TITLE IV POLICY

The law specifies how the institution 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 at our institution are: Federal Pell Grants, SEOG and Direct Loans.

Official Withdrawal – When a school manager receives a request from a student who decides to drop from the program, the student should write a letter stating the reason for requesting it. If the school manager receives a phone call from the student requesting to be dropped, the manager is to record the date the student made the request and record the reasons why. If the student is terminated from the school for violation of school rules or other reason, the manager is to record reason why student has been terminated. The school manager will immediately report it to the Director of Business Operations and submit all required documents. The last date of an academic activity is the date used for the Return of Title IV calculation.

Unofficial Withdrawal – Students who miss 14 consecutive days will be dropped from the program. Also, any student who does not return from an approved Leave of Absence on the date they are scheduled to return shall be dropped. The school manager will immediately report it to the Director of Business Operations and submit all required documents. The last date of an academic activity is the date used for the Return of Title IV calculation.

Refund

When you withdraw during your payment period 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 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 School determines the percentage of aid earned by dividing the number of clock hours the student was scheduled to complete as of the last date of attendance and by the number of clock hours in the payment period. To calculate how much Title IV aid a student earns the school multiplies percentage of aid earned by the amount of Title IV Aid disbursed or to be disbursed. To calculate the how much Title IV aid has to be returned to the Department the school subtracts financial aid earned from financial aid disbursed.

The amount of assistance that you have earned is determined on a prorata basis. For example, if you completed 30% of your payment period, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period, 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 your Post-withdrawal disbursement includes loan funds, which the school has 30 days from the date the school determines the last day of attendance to notify the student, the school must get your permission before it can disburse them. The school will advise the student they have ten (10) calendar days from the date the school sent notification to accept a post withdrawal disbursement. You may choose to decline some or all of 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 of grant funds for tuition and fees (as contracted with the school). The school needs your permission to use the Post-withdrawal grant disbursement for all other school charges. If you do not give your permission (some schools ask for this when you enroll), you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the school.

There is some Title IV funds that you were scheduled to receive that cannot be disbursed to you 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 receive any Direct Loans funds that you would have received had you remained enrolled past the 30th day. 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 didn't 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 maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. 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.

Order of Returns

If a Title IV financial aid recipient withdraws prior to course completion, a calculation for return of Title IV funds will be completed and any applicable returns by the school shall be paid to the Federal Government within 45 days, from the date the student's last date of attendance was determined, as applicable, first to unsubsidized FDSL Program, second to subsidized FDSL Program, third to Federal Pell Grant, fourth Federal SEOG Program, fifth to any other Title IV Program, and last to the student. After all applicable returns to Title IV aid have been made, this refund policy will apply to the Institutional Refund to determine the amount earned by the school and owed by the student. If the student has received personal payments of Title IV aid, he/she may be required to refund the aid to the applicable program.

For applicants who cancel enrollment or students who withdraw from enrollment a fair and equitable settlement will apply. The refund policy will apply to all terminations for any reason, by either party, including student decision, course or program cancellation, or school closure. Any monies due the applicant or students shall be refunded within 45 days of official cancellation or withdrawal. If you don't already know what your school's refund policy is, you can ask your Admission Representative for a copy. Your Admission Representative can also provide you with the requirements and procedures for officially withdrawing from school. Information is also available on Student Aid on the Web at www.studentaid.ed.gov.