



Return of Title IV Funds

When a student withdraws from all courses during a semester for which federal financial aid was received, the student may no longer be eligible for the full amount of the Federal Financial Aid that was awarded (excluding Work-Study). In this case, a determination of the amount earned must be made and the unearned portion must be returned to the Federal Financial Aid programs from which the aid was paid. The institution must return the unearned funds within 45 days of the calculation. The earned amount is determined on a pro-rata basis.

Once more than 60% of the payment period is completed, the student will have earned all of the aid awarded and no financial aid repayment will be required.

The procedures and formula to determine the amount of federal aid to be returned is mandated by federal statute and is available for review, on request, in the Financial Aid office. The withdrawal date used in the calculation will be the date the student begins the withdrawal process or otherwise notifies the University of his/her intent to withdraw. If no notification is received, then the midpoint of the semester would be used as the withdrawal date. Unearned financial aid funds must be returned to the programs from which the student received aid for the payment period in the following order, up to the net amount of the aid disbursed from each source:

1. The Unsubsidized Federal Direct Loan Program
2. The Subsidized Federal Direct Loan Program
3. Federal Direct PLUS Loan Program
4. The Federal Pell Grant Program
5. The Federal SEOG Program

Post-Withdrawal Disbursement (PWD)

A post-withdrawal disbursement (PWD) may be required if the total amount of the Title IV aid earned as of the withdrawal date is more than the amount that was disbursed to the student (e.g. in the case where a student withdraws prior to the first disbursement date of the term).

To be eligible to receive a PWD, students must have a complete financial aid file (verification completed and all tracking requirements satisfied) and meet all eligibility requirements.

Grants from a PWD may be credited to the student's school account without obtaining student permission. However, it may only be credited for tuition, fees, and room and board (if the student contracts with the school) or disbursed directly to the student. The University must obtain the student's authorization to credit a student's school account for charges other than current charges.

- Grants must be disbursed within 45 days.

The University must obtain confirmation from the student, or from a parent for a Direct Parent PLUS Loan, before making any disbursement of loan funds. For a Direct Loan, **the institution must have originated the loan prior to the withdrawal.** All terms of repayment apply as outlined in the Master Promissory Note.

- Loans must be offered to the student within 30 days, allowing the student at least 14 days to respond.

All post-withdrawal disbursements are applied to student account first, and any resulting credit balance must be disbursed as soon as possible and no later than 14 days after the calculation of R2T4. If the R2T4 calculation results in an amount to be returned that exceeds the school's portion, the student must repay some funds.