

FEDERAL STUDENT FINANCIAL AID (TITLE IV) POLICY

The Higher Education Amendments of 1998 require that the University calculate prorated student aid eligibility for students who withdraw or take a leave of absence before completing more than 60% of any academic term. Aid awarded to the student and not earned at the time of the effective date of withdrawal or leave of absence will be returned to the Federal Title IV Student Financial Aid Programs. The Title IV programs include the Federal Pell Grant Program, the Federal Supplemental Educational Opportunity (SEOG) Grant Program, the Federal Perkins Loan Program, the Subsidized and Unsubsidized Federal Direct Student Loan Program, and the Federal PLUS (Parents) Loan Program.

Federal regulations require:

1. that the amount of unearned Federal financial aid be calculated by measuring the number of days the student completed against the number of days in the term in which the student withdraws or takes a leave of absence;
2. that Student Accounts return the unearned aid they accepted in payment of charges;
3. and that the University notify the student of his/her responsibility for returning unearned aid he or she received as a refund from Student Accounts after all charges had been paid.

If aid funds must be returned to the Title IV aid programs, loan funds will be returned before grant funds. Funds received by Student Accounts and by the student, if any, will be returned in the following order as long as there is any amount to be returned:

1. Unsubsidized William D. Ford Federal Direct Loan
2. Subsidized William D. Ford Federal Direct Loan
3. Federal Perkins Loan
4. Federal Direct PLUS (Parents) Loan
5. Federal Pell Grant
6. Federal Supplemental Educational Opportunity Grant (SEOG)
7. Other assistance programs authorized by Title IV of the Higher Education Assistance Act

The Student Accounts Office has information on this policy for students admitted to and enrolled in the University's degree and credential programs. Examples of repayment calculations are available.