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RETURN OF TITLE IV FUNDS POLICY

Federal requirements for the return of Title IV Funds: Direct Federal Subsidized and Unsubsidized Loans Federal Direct PLUS Loans, Pell Grants.

Following is the federally mandated process by which a school calculates the amount of Federal Funds to be returned for a Title IV aid recipient who withdraws or ceases attendance.

Return of Title IV: Special note to students receiving Unsubsidized/Subsidized/PLUS/Perkins loans, Pell grants or other aid, if you withdraw from school prior to the completion of the equivalent to **60 percent** of the workload in any given payment period, a calculation using the percentage completed will be applied to the funds received or that could have been received that will determine the amount of aid the student earned. Unearned funds would be returned to the program in the order stated below by the school and/or the student. Student liability to loan funds will continue to be paid in accordance to the original promissory note terms. Funds owed by the student to the Grant programs are limited to 50% of the gross award per program received. Sample Calculation, completion of 25% of the payment period or enrollment period earns only 25% of the aid disbursed or that could have been disbursed. If applicable, this would be the first calculation to determine the amount of aid that the student would be eligible for from the Title IV Financial Aid programs. A second calculation would take place to determine the amount earned by the institution during the period of enrollment. If the student is eligible for a loan guaranteed by the federal or state government and the student defaults on the loan, both of the following may occur: (1) The federal or state government or a loan guarantee agency may take action against the student, including garnishing any income tax refund to which the person is entitled, to reduce the balance owed on the loan. (2) The student may not be eligible for any other federal student financial aid at another institution or other government assistance until the loan is repaid.

A school must return unearned funds for which it is responsible as soon as possible but no later than 45 days from the determination of a student's withdrawal.

If you complete the program, your total will be the amount in your enrollment agreement. If you do not complete the program, you are charged for the quarters completed. If you obtain a loan to pay for an educational program, you are responsible for repaying the full amount of the loan plus interest, less the amount of any refund. If the student defaults on a federal loan, both the following may occur: 1. The federal government or a loan guarantee agency may take action against the student, including applying any income tax refund to which the person is entitled to reduce the balance owed; and 2. The student may not be eligible for any other federal student financial aid at another institution or other government financial assistance until the loan is repaid.