Return of Title IV Funds Policy

If a student withdraws from the School and the student received Title IV Federal Student Aid (FSA) assistance during the period (the specific term, quarter, or payment period for which the Return to Title IV refund must be calculated), the School must determine the amount of Title IV funds a student has earned at the time of withdrawal using the Return of Title IV (R2T4) funds formula. The Title IV FSA program rules may require a return to the Federal government of all, or a portion of, the amounts disbursed during the term. The amount of FSA assistance earned by a student is based upon the amount one of the following formulas. Students should consult their Financial Aid officer regarding their program's specific measurement.

Credit Hour Programs:
No. of Days Completed in the Payment Period through Withdraw Date
Total Number of Days in the Payment Period

Clock Hour Programs:
Clock Hours Scheduled to be Completed through the Withdraw Date
Total Clock Hours in Period

Note: Scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in the numerator and denominator. The calendar days on an approved leave of absence are excluded from both the numerator and denominator. Percentages are calculated to the fourth decimal place.

Based on the calculation, through the 60% point in each period, a pro rata schedule is used to determine how much Title IV FSA funding the student has earned at the time of withdrawal. After the 60% point, a student has earned 100% of the Title IV FSA funds. (Sample Return of Title IV calculations are available from the institution's Financial Aid Office upon request.)

Title IV FSA funds that require refund are credited in the following order:

- Unsubsidized Direct Stafford loans (other than Graduate PLUS loans)
- Subsidized Direct Stafford loans
- Direct PLUS
- Federal Pell Grants
- Federal Supplemental Educational Opportunity Grant (FSEOG)

Return of Unearned FSA Funds

The School must return the lesser of the following:

- The amount of FSA Program funds that the student does not earn; OR
- The amount of institutional costs that the student incurred for the period multiplied by the percentage of funds that were not earned. Earned means the percentage of funds that were earned over time (during the term) by the student.

If there are additional FSA funds that must be returned, the student must return or repay, as appropriate:

- Any FSA loan funds in accordance with the terms of the loan;
- Any remaining unearned FSA grant (Not to exceed 50% of the grant as an overpayment of the grant; the School currently refunds the Student Grant Overpayment on behalf of the student.)

If a student earned more aid than was disbursed, the School may owe the student a Post-Withdrawal Disbursement (PWD) which must be paid as soon as possible, but no later than 180 days from the date the school determined the student withdrew (for loans) or no later than 45 days from the date the school determined the student withdrew (for grants). The school is required to notify the student in writing within 30 days of the date it determined that the student withdrew that he/she is eligible for a PWD of Title IV loan funds; however, if the student (or parent in the case of a PLUS loan) is eligible to receive a PWD of loan funds, the student or parent borrower must first confirm in writing whether he/she accepts/declines all or some of the loan funds offered as a PWD. A PWD of Federal grant funds does not require student acceptance or approval and the grant funds may be applied directly to the student's account in order to satisfy tuition and fees, or to the student.

The School will seek the student’s authorization to use a PWD for all other educationally related charges in addition to tuition and fees. All Direct Loan refunds will be made by EFT to the U.S. Department of Education and COD disbursement records will be updated when refunds are made. The student is notified by letter from the School of all Direct Loan refunds made on their behalf, including the amount, date, and loan type.

The School is required to return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal. The information presented above is subject to change based on Federal regulations.