

## 2016-17 Financial Aid Repayment/Return of Title IV Funds Policy

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Students who receive financial aid are subject to the Repayment/Return of Funds Policy. Students who withdraw, drop classes or complete zero credits for the period of enrollment for which they have been charged tuition and received financial aid may have to repay a portion of the grants and/or loans they received, as well as any tuition Albany State University returns to financial aid programs as a result of withdrawal. ***This policy does not apply to work study earnings received.*** If it is determined, at any point, that a student never attended a course/courses in a semester where financial aid was received, a repayment of all funds received will be required. Students who remain enrolled greater than 60% of the payment period are considered to have earned 100% of the aid received and will not owe a repayment of financial aid. If a student completes at least one course they will be subject to the *2016-2017 Satisfactory Academic Progress Policy*, rather than the Repayment/Return of Funds Policy. Please note that the Financial Aid Repayment/Return of Funds Policy and Albany State University's tuition refund policy are separate. The financial aid "return of funds" policy described below has been established by the U.S. Department of Education and must be followed for all aid recipients.

### **Determining Date of Withdrawal/Last Date of Attendance**

The date of withdrawal used to determine whether or not a student owes a repayment of financial aid funds, and the amount of repayment, is determined as follows:

- The date the student began the institution's withdrawal process or ***officially*** notified the institution in writing of intent to withdraw. Withdrawals are considered official when a student completes and submits an add/drop form to the Registrar Office prior to withdrawal deadlines for the semester.

**OR, if a student did not withdraw or notify the institution of the intent to withdraw (*unofficial withdrawal*), the last date of attendance is determined as follows:**

- The latest date of attendance posted by the faculty member(s) will be used if that date is past the 50% point of the semester. If the latest date is not past the 50% point of the semester, and multiple dates are reported, the latest date of attendance posted by the faculty member(s) will be used as the last date of attendance.

For assistance with withdrawing from all or some of your courses for a semester, please contact the ASU Registrar Office at 229-430-4638.

### **Funds are returned to the following sources in order of priority, as established by Congress:**

- 1) Unsubsidized Direct Loans
- 2) Subsidized Direct Loans
- 3) Direct PLUS Loans
- 4) Federal Pell Grants
- 5) Federal Supplemental Educational Opportunity Grant (FSEOG)

### **Determining Repayment Amount**

There are six basic steps in the formula for calculating the amount of funds that must be returned to the financial aid programs:

- 1) Determine date of withdrawal/last date of attendance and percentage of payment period attended by the student
- 2) Calculate the amount of financial aid *earned* by the student
- 3) Compare amount earned and amounts disbursed/could have been disbursed to determine amount *unearned*
- 4) If amount earned is greater than amount disbursed, determine late/post-withdrawal disbursement amount
- 5) If amount earned is less than amount disbursed, determine amount of financial aid that must be returned
- 6) Calculate portion of funds to be returned by the institution and/or student

Both Albany State University and the student have specific responsibilities under this policy. Students who owe a repayment due to the Financial Aid Repayment/Return of Funds Policy must pay that obligation/debt before regaining

## 2016-17 Financial Aid Repayment/Return of Title IV Funds Policy

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eligibility for additional assistance. Students will also be unable to register for future semesters or receive copies of official transcripts until the obligation/debt is satisfied.

### **Treatment of Federal Student Aid When a Student Withdraws** **REQUIREMENTS OF 34 CFR 668.22**

The law specifies how Albany State University (ASU) 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 include: Federal Pell Grants, Direct Loans, PLUS Loans and Federal Supplemental Educational Opportunity Grants (FSEOG).

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 or parent received on your behalf) less assistance than the amount 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 amount of assistance that you have earned is determined on a prorated basis. For example, if you completed 30% of the semester by days attended, then you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the semester, you earn all of 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 the post-withdrawal disbursement includes loan funds, the Office of Financial Aid staff must get your permission before a disbursement can be made. You may choose to decline some or all of the loan funds so that you don't incur additional debt. All or a portion of your post-withdrawal disbursement (including loan funds, if you accept them) may automatically be used to satisfy outstanding tuition, and fees. For all other school charges, your permission is required to use the post-withdrawal disbursement toward those charges. If you do not give your permission, funds will be disbursed directly to you. However, it may be in your best interest to allow the school to keep the funds to reduce the debt owed to Albany State University.

The Office of Financial Aid staff must also get your permission before disbursing any Title IV grant funds that are part of a post-withdrawal disbursement directly to you. If you, your parent or the University, on your behalf, received excess Title IV program funds that must be returned, the University 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 University 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 amount of grant overpayment due from a student is limited to 50% of the grant funds you received or were scheduled to receive for the semester. In addition, a student does not have to repay a grant overpayment of \$50.00 or less for grant overpayments. 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 the University tuition refund policy. Therefore, you may still owe funds to the school to cover unpaid institutional charges. **The University may also charge you for any Title IV program funds that the school was required to return.** When ASU is required to return tuition

## 2016-17 Financial Aid Repayment/Return of Title IV Funds Policy

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revenue to Title IV program, students will owe the University this amount. Registration activity will be blocked and transcripts will not be released until this debt is paid. Unpaid debts may be referred for collection activity and additional fees may be added.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FED-AID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at [www.studentaid.ed.gov](http://www.studentaid.ed.gov). You may also contact Albany State University Office of Financial Aid at (229) 430-4650 or by email at: [ifinaid@asurams.edu](mailto:ifinaid@asurams.edu).