

CITY UNIVERSITY of SEATTLE

RETURN OF TITLE IV FUNDS (Effective October 1, 2000)

The Higher Education Amendments of 1998 changed the formula for calculating the amount of aid a student and school can retain when the student totally withdraws from all classes. Students who withdraw from all classes prior to completing more than 60% of an enrollment term will have their eligibility for aid recalculated based on the percent of the term completed. For example, a student who withdraws completing only 30% of the term will have “earned” only 30% of any Title IV aid received. The school and/or the student must return the remaining 70%. The Student Financial Services office encourages you to read this policy carefully. If you are thinking about withdrawing from all classes PRIOR to completing 60% of the quarter, you should contact the Student Financial Services office to see how your withdrawal will affect your financial aid.

1) This Policy shall apply to all students who withdraw, drop out or are expelled from City University, and received financial aid from Title IV funds:

➤ The term “Title IV Funds” refers to the Federal financial aid programs authorized under the Higher Education Act of 1965 (as amended) and includes the following programs:

Unsubsidized Direct loans, Subsidized Direct loans, Direct PLUS loans, Federal Pell Grants, and Federal SEOG.

A student’s withdrawal date is:

- The date the student began the institution’s withdrawal process (as described in City University catalog) or officially notified the institution of intent to withdraw; **or**
- The midpoint of the period for a student who leaves without notifying the institution; **or**
- The student’s last date of attendance at a documented academically-related activity.

2) Refunds on all institutional charges including tuition and fees will be calculated using the refund policy published in City University’s catalog.

3) Title IV aid is earned in a pro-rated manner on a per diem basis up to and including the 60% point in the quarter. Title IV aid and all other aid is viewed as 100% earned after that point in time.

A.) The percentage of Title IV aid earned shall be calculated as follows:

$$\frac{\text{\# of days completed by student}}{\text{Total \# of days in term*}} = \text{Percent of term completed}$$

The Percent of term completed shall be the percentage of Title IV aid earned by the student.

*The total number of calendar days in a term enrollment shall exclude any scheduled breaks of more than five days.

B.) The percentage of Title IV aid unearned (i.e.: to be returned to the appropriate program) shall be 100% minus the percent earned.

C.) Unearned aid shall be returned first by City University from the student's account calculated as follows:

$$\text{Total institutional charges X percent of unearned aid} = \text{amount returned to program(s)}$$

➤ Unearned Title IV aid shall be returned to the following programs in the following order:

- 1) Unsubsidized Stafford Loan *
- 2) Subsidized Stafford Loan
- 3) Parent Loans to Under-graduate Students
- 4) Federal Pell Grant **
- 5) Federal SEOG
- 6) Other Title IV grant programs

➤ **Exception:** No program can receive a refund if the student did not receive aid from that program.

D.) When the total amount of unearned aid is greater than the amount returned by City University from student's account, the student is responsible for returning unearned aid to the appropriate program(s) as follows:

4) Refunds and letters will be sent to the student's home address on file in the Office of the Registrar following withdrawal.

Students are responsible for any portion of their institutional charges that are left outstanding after Title IV funds are returned.

5) Institutional and student responsibilities in regards to the return of Title IV funds

A.) City University's responsibilities in regard to the return of Title IV funds include:

- Providing each student with the information given in this policy;

Identifying students who are affected by this policy and:

- Completing the Return of Title IV Funds calculation for those students;
- Returning any Title IV funds that are due to the Title IV programs.

B.) The student's responsibilities in regard to the return of Title IV funds include:

- Becoming familiar with the Return of Title IV policy and how complete withdrawal affects eligibility for Title IV aid;
- Returning to the Title IV programs any funds that were disbursed directly to the student and which the student was determined to be ineligible for via the Return of Title IV Funds calculation.

6) The fees, procedures, and policies listed above supersede those published previously and are subject to change at any time.

7) To withdraw from a course, students should:

A.) Contact their advisor;

B.) Submit notice in writing, addressed to the Office of the Registrar;

- If you would like examples of the refund policy, contact the Student Financial Services.

*Loan amounts are returned with the terms of the promissory note.

**Amounts to be returned by the student to federal grant programs will receive a 50% discount.