

Fort Hays State University

Return of Title IV Federal Financial Aid Funds Policy

Effective beginning Summer 2009 *

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The Return of Title IV Federal Financial Aid Funds policy operates independently of the Fort Hays State University institutional refund policy. The institutional tuition refund period and percentage amount is not the same as the mandated federal funds return period and percentage amount. Therefore, if federal aid is required to be returned to the federal programs, a student may still owe FHSU for outstanding charges.

The Higher Education Amendments of 1998 include provisions governing the return of federal financial assistance for financial aid recipients who completely withdraw from school in any semester. The policy governs all Federal loan and grant programs, including Unsubsidized Stafford Loans, Subsidized Stafford Loans, Perkins Student Loans, PLUS Loans, Pell Grant, Academic Competitiveness Grant (ACG), National SMART grant, Supplemental Educational Opportunity Grant (SEOG), TEACH Grant, and other Title IV programs except Federal Work-Study.

The law assumes that the student "earns" federal financial aid in proportion to the number of days of the term attended. In other words, a student earns financial assistance as they attend class. If a student completely withdraws from all classes or stops attending classes during a term, FHSU must calculate the portion of the total scheduled financial assistance earned. If the student received (or FHSU received on behalf of the student) more assistance than earned, the unearned excess funds must be returned to the federal programs. FHSU will return to the federal programs that portion of unearned aid that was applied directly to institutional charges and will then bill the same amount to the student. In addition, the student must return to the federal programs that portion of the aid which was directly disbursed to them and is now unearned.

The portion of federal loans and grants the student was entitled to earn is calculated on a percentage basis by comparing the total number of calendar days in the semester to the number of days completed before official or unofficial withdrawal. (Scheduled breaks of five consecutive days or longer are excluded from both the numerator and the denominator, but weekend days are included.) As long as it can be documented that the student attends classes beyond the 60% period of the semester, the calculation for unearned aid is not required.

The total withdrawal date for calculating the Return of Title IV financial assistance will be determined by using one of the following options:

- 1) the date the student began the withdrawal process or officially notified FHSU of their intent to totally withdraw; or
- 2) the student's last date of attendance; or
- 3) the student's last date of documented academically related activity in class; or
- 4) the midpoint of the period for a student who leaves without notifying FHSU.

Students who fail to earn a passing grade in at least one class will be evaluated to determine if they withdrew unofficially (stopped attending classes). Students who failed all courses must prove they participated in an academically related activity past the 60% of the payment period in order for the Return of Title IV calculation to be waived. In most cases, if a student or FHSU cannot document attendance past the 60% point of the payment period, FHSU may be able use the midpoint of the payment period (semester) as the last date of attendance for calculating Return of Title IV Funds. (Examples of academically-related activity: exams, quizzes, tutorials, computer-based instruction, academic advising or counseling, academic conferences, completing an academic assignment, paper or project, and attending a school-assigned study group.)

Unearned federal financial assistance must be returned to the federal aid programs funds up to the amount of assistance that the student has received from a program in the priority order established by regulation: Unsubsidized Stafford Loan, Subsidized Stafford Loan, Perkins Student Loan, PLUS Loan, PELL Grant, ACG, National SMART Grant, SEOG, TEACH Grant, and other Federal Title IV programs.

Federal grant money determined to be returned by the student is considered an overpayment. The student must repay the amount in full or make satisfactory repayment arrangements with either FHSU or the U.S. Department of Education. Repayment arrangements must be made by the student within 45 days of the date FHSU notifies the student of the overpayment status. Students are ineligible for future Federal financial assistance at any school if satisfactory repayment arrangements have not been made or kept.

Contact the Student Fiscal Services Office, Fort Hays State University, Sheridan Hall 318E, at 785-628-5558 for additional information on calculation of Return of Title IV funds or view under Policies for Students at www.fhsu.edu/sfs.

**4/09 Based on the most current federal return of Title IV policy. Changes mandated by the U. S. Department of Education will be implemented.*