## **Student Fiscal Services**



317 Picken Hall 600 Park Street Hays, KS 67601 (785) 628-5892 (800) 628-FHSU (785) 628-4074 (fax) Return of Title IV Funds Policy

Effective Fall 2015

www.fhsu.edu/sfs

Federal financial aid regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student withdraws from all courses for any reason, including medical withdrawals, he/she may no longer be eligible for the amount of Title IV funds that he/she received. Federal law requires schools to calculate how much federal financial aid a student has earned if that student:

- completely withdraws (student officially drops classes in TigerEnroll); or
- stops attending (or does not begin attendance) before completing the semester and receives all non-passing grades (all U's); or
- does not complete all modules (courses which are not scheduled for the entire semester for which he/she has enrolled at the time those modules began, i.e., 8-week classes; Intersession, etc.).

The school is required to determine whether the student earned the federal aid disbursed by using a federally prescribed formula. This process is referred to as a **Return of Title IV Funds calculation.** If the Return of Title IV Funds calculation results in unearned aid, the school is required to return the funds to the federal program. The amount of the return will be charged to the student's account, and **the student must repay the amount returned.** It cannot be paid with future financial aid disbursements. He/she must either immediately pay the amount in full or set up payment arrangements. An unpaid balance will result in a hold being placed on the student's account that will prevent the student from enrolling or receiving transcripts until it is paid in full. In the event the calculation determines that the student attended/participated more than 60% of the semester, then the student is considered to have earned all of his/her financial aid for that semester and FHSU will not be required to immediately return any funds.

Federal financial aid in the Return of Title IV Funds calculation includes: Federal Direct Loans (Unsubsidized and Subsidized), Federal Perkins Loan, Federal Direct PLUS Loan, Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), Federal TEACH Grant, and Iraq Afghanistan Service Grant. Federal Work-Study is not included in the calculation. Unearned federal financial aid is returned by FHSU, on behalf of the student, to the federal programs in the order referred to above.

FHSU uses the student's last date of documented academically-related activity\* in its Return of Title IV Funds calculation. In addition, the student's federal awards, institutional costs, course lengths and other considerations affect the Return of Title IV Funds calculation. A student may contact FHSU Student Fiscal Services at (785) 628-5892 to obtain an estimate of the Return of Title IV Funds calculation that he/she may be required to pay before making a decision to totally withdraw for the semester/term.

\*Examples of academically-related activity are: physically attending a class where there is an opportunity for direct interaction between the instructor and student; submitting an academic assignment; taking an exam; completing an interactive tutorial; participating in computer-assisted instruction; attending a study group that is assigned by the school; participating in an online discussion about academic matters; or initiating contact with a faculty member to ask a question about the academic subject studied in the course. Academically-related activity does NOT include: living in institutional housing; participating in the school's meal plan; logging into an online class without active participation; or participating in academic counseling or advisement.