

## ***Treatment of Financial Aid When a Student Withdraws***

### ***RETURN OF FUNDS POLICIES AND PROCEDURES***

Felician University will provide a fair and equitable refund to all students who leave school prior to the completion of an enrollment period for which they are charged. Students who withdraw from school are subject to the Tuition Refund Policy issued by the Office of Student Accounts at the start of each semester or term.

Students are awarded financial aid to attend school. If a student ceases attendance or withdraws, prior to the completion of an enrollment period a 'return of funds' calculation must be performed to determine the amount of aid a student has earned and may keep based on Federal Title IV, State of New Jersey, and/or Institutional policies and regulations.

### ***POLICIES FOR RETURN OF FUNDS***

- Federal Title IV 'return of funds' calculation is determined in accordance with the Return of Title IV Funds policy. Changes to federal law may affect this policy.
- State 'return of funds' calculation is accordance with N.J.A.C. 9A:9-2.12 award adjustments/refunds policy. In all cases, the refund to the state must represent its 'fair share' of the total available refund as determined by the Institutional refund policy.
- Institutional 'return of funds' calculation is determined based on the same rate the student will be charged in accordance with the Institutional Refund Policy as prescribed by the Treasurer's Office.

### **PROCEDURE FOR DETERMINING THE FEDERAL RETURN OF TITLE IV FUNDS**

Procedures for determining the Return of Title IV Funds are federally mandated. The law specifies how a school must determine the amount of Federal Title IV program assistance that a student earns if they withdraw from school. The Title IV programs that are covered by this law are Federal Pell Grants; TEACH Grants, Direct (Stafford) Loans, Direct PLUS Loans, Direct Grad PLUS and Federal Supplemental Educational Opportunity Grants (FSEOG).

The amount of financial aid that a student earned is determined on a pro-rata basis based on the withdrawal date. For example, if a student completes 30% of the payment period, 30% of the financial aid originally scheduled to receive is earned. Once a student completes more than 60% of the payment period, all of the financial aid scheduled to receive for that period is earned. If a student did not receive all of the funds earned, a Post-withdrawal disbursement may be due to the student. Felician must get the student's permission before it can disburse these funds.

The procedures for determining the calculation are as follows:

1. Determine the Withdrawal Date
2. Calculate the percentage of the enrollment period completed
3. Calculate the amount of Title IV Assistance the student can keep
4. Determine the amount of Title IV funds to be returned or repaid to the financial aid programs
5. Federal student financial aid will be returned to the federal government in the following order: Unsubsidized Direct Loans, Subsidized Direct Loans, Direct PLUS/Grad PLUS Loan, Federal Pell Grant, Federal SEOG Grant, Teach Grant, other federal sources of aid

**If the student officially withdraws (with proper notification):** The withdrawal date is the date Felician determines the student either began the withdrawal process or the date the student provided official notification to Felician, in writing or orally, of his or her intent to withdraw. **If the student unofficially withdraws (ceases attendance without proper notification):** The withdrawal date is the date Felician documents as the student's last date of attendance at an approved academic related activity. If attendance cannot be determined in all courses, 100% of the federal aid must be returned.

If a student has questions about Title IV program funds, information is also available on the Web at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

### **PROCEDURE FOR DETERMINING THE RETURN OF STATE FUNDS**

If a state aid recipient (Tuition Aid Grants, EOF Grants, Bloustein Distinguished Scholarships and/or Urban Scholarships) is due a refund in accordance with the institutional refund policy, the University must return a portion of the student's State award(s) to the NJ Higher Educational Assistance Authority (HESAA). To calculate the total amount to be returned to the State, the University will multiply the institutional refund by the following fraction: the amount of State aid awarded for the payment period divided by the total amount of financial aid (excluding work-study earnings) for the period.

If an eligible recipient changes enrollment status, after the institutional refund period has ended, a refund to the State is not required if the disbursement of state funds has been made to the student's account. If a student utilizes any part of a State award, it will be treated as a full semester payment in calculating the number of remaining semesters of eligibility. A student may choose to decline the state award and pay the same amount to the University for the payment period.

### **PROCEDURE FOR DETERMINING THE RETURN OF INSTITUTIONAL FUNDS**

Felician University scholarship and/or grants that have been disbursed to a student's account will be returned at the same rate that the student is charged. (Example: A student who is billed 75% of tuition for the semester will receive a minimum of 75% of the Felician University semester award.)

## **IMPORTANT.....**

- **Students must follow the appropriate withdrawal procedures established by the University. The official withdrawal process begins with the Registrar's Office.**
- **Students are encouraged to contact the Financial Aid Office immediately if it becomes necessary to cease attendance in any or all courses in any semester or term.**
- **It is also recommended that students contact their academic advisor to discuss how a withdrawal will impact his or her academic career.**