

# FINANCIAL AID REFUND POLICY

## Return of Title IV Policy

In accordance with federal regulations, students who receive federal financial aid and who completely withdraw from the College during the first 60% of a semester or who fail to earn a passing grade during an enrollment period, will have their federal financial aid (Pell Grants, Supplemental Educational Opportunity Grants, TEACH Grants, Direct Stafford Loans and PLUS Loans) adjusted based on the percent of the semester completed prior to the withdrawal. That is, students will be entitled to retain the same percent of the federal financial aid received as the percent of the semester completed. This percent is calculated by dividing the number of days in the semester (excluding breaks of five days or longer) into the number of days completed prior to the withdrawal. The date of withdrawal will be the date the student begins the withdrawal process in accordance with the official withdrawal procedures outlined in the catalog.

Students who do not follow the official withdrawal procedure but who stop attending classes for all of their courses will be considered to have withdrawn at the midpoint of the semester unless attendance is documented after that time. There will be no adjustment to federal financial aid after the completion of at least 60% of the semester. You will not be subject to returns of your Title IV program assistance if you meet one of the following exemptions for enrollment in modules:

- You complete all of the requirements for graduation;
- You successfully complete a class or multiple classes that comprise at least 49 percent of the days in the term; or
- You successfully complete a class or multiple classes that comprise at least half-time enrollment.
- Students who must withdraw from school should consult with the Financial Aid Office on how the refund policy applies to their situation.

## When a student fails to earn a passing grade during an enrollment period

For students who began attendance and have not officially withdrawn and fail to earn a passing grade in at least one course offered (ALL "F" GRADES) during an enrollment period will be considered to have withdrawn at the midpoint of that semester if a last date of attendance cannot be determined for financial aid purposes.

For students who receive all "IN" grades, "INs" indicate postponement of the completion of the courses and are given an extension; students must complete all the required work by the mid-term report date of the following semester, or it becomes an "F". If students do not earn a passing grade in at least one course offered, they will be considered to have withdrawn at the midpoint of that semester if a last date of attendance cannot be determined for financial aid purposes.

For students who receive all “IP” grades, “IPs” legitimately extend beyond one semester. Such temporary grades will be changed to permanent grades when issued by the professor. If students do not earn a passing grade in at least one course offered, they will be considered to have withdrawn at the midpoint of that semester if a last date of attendance cannot be determined for financial aid purposes.

## **Allocation of Returned Federal Funds**

Once the amount of the federal funds to be returned has been calculated, the funds will be returned in the following order and cannot exceed the total amount awarded:

- Unsubsidized Direct Stafford Loans
- Subsidized Direct Stafford Loans
- Direct PLUS Loans
- Pell Grants
- Supplemental Educational Opportunity Grants
- TEACH Grants

The College has 45 calendar days from the date that the institution determines that the student withdrew to return all unearned funds for which it is responsible. King’s College is required to notify the student if they owe a repayment via written notice.

Please note that students who receive a refund of financial aid prior to withdrawal from the College may owe a repayment of federal financial aid funds received. Students will be contacted by the Financial Aid Office in such situations and will be given 30 days to repay the funds to the College. Students who fail to return the unearned portion of federal financial aid funds given to them will become ineligible for continued receipt of financial aid at all institutions until such time as the repayment is made.

## **Determining Earned State and Institutional Funds**

Pennsylvania and other state grants will be adjusted in accordance with each agency’s stated guidelines. After determining the distribution of funds to Title IV programs, the Financial Aid Office is required to calculate the PA State Grant refund if a PA State Grant was received for the payment period. Other state grants will be adjusted according to each state’s refund policy and will equal the refund percentage applied to the student’s tuition charges.

After determining the Title IV refund and percentage to be returned to PA State Grant or other state grant programs, the Financial Aid Office will calculate the refund of King’s College funds up to the amount of the tuition refund percentage or up to the student’s outstanding balance; whichever is less. Withdrawn students are not eligible for credit balances resulting from institutional grants and/or scholarships.

## **Post-Withdrawal Disbursement Conditions**

If a student who withdraws is determined to be eligible for a post-withdrawal disbursement of grant funds, the funds will be credited to the student's account within 45 days of the withdrawal calculation. However, if a student should independently contact King's College that s/he does not wish to receive the grant disbursement, the College is not required to make the disbursement.

If a student who withdraws is determined to be eligible for a post-withdrawal disbursement of Federal Direct Loan funds, he or she will be notified within 30 days of the withdrawal calculation. The notification instructs the student that s/he has 14 days from the date of the notification to accept the post withdrawal disbursement. If the student does not contact the Financial Aid Office by the specified date or declines the loan funds, King's College will return the earned funds to the Title IV HEA programs. If the disbursement of post-withdrawal funds (grants and/or loans) results in a credit balance, King's College is required to issue the funds to the student within 14 days.

## **Overpayment Policy**

If a student leaves King's College after receiving a cash disbursement for living expenses from Title IV grants, the College must determine if the student must repay a portion of the cash disbursement. If it is determined that an overpayment has been made, the institution will notify and bill the student for the amount of the overpayment.

A student would owe a repayment if the cash disbursement exceeded the living expenses incurred up to the point of the student's withdrawal. Certain non-refundable expenses, such as books and supplies, will be included in the overpayment calculation at full cost.

Work Study funds are excluded from the calculation because they have been earned by the student as well as other federal loan funds, because the student is already obligated to repay them.

## **Examples**

Examples of refund calculations are available for examination in the Financial Aid Office upon request. Students that must totally withdraw from school should consult with the Financial Aid Office on how the refund policy applies to their situation. Students who are recipients of Title IV Funds (Pell, SEOG, TEACH, Direct Stafford Loans, PLUS Loans) and subsequently withdraw and have their tuition reimbursed retroactively due to extenuating circumstances, will still be subject to Title IV Federal Refund calculation. Students who subsequently return to the College are required to satisfy the academic progress requirements prior to receipt of additional funds.