



Washington & Jefferson College Policy

Subject: Federal Return of Title IV Funds

Date: March 21, 2022

I. Policy

It is the policy of Washington & Jefferson College's Office of Financial Aid to adhere to Federal statute requirements that mandate the return of any unearned Federal Funds assistance in the event a student withdraws, drops out, is dismissed, or takes a leave of absence before completing 60% of a payment period or period of enrollment, in which they began attendance. Under these circumstances, all applicable Federal Title IV Financial Aid programs must be recalculated according to Federal guidelines.

II. Purpose

The purpose of the Federal Return of Title IV Funds Policy is to govern the return of Federal Title IV Financial Aid when required. Title IV Funds are awarded to a student under the assumption that they will attend their program of study for the entire duration of the payment period for which the assistance was awarded. When a student withdraws, drops out, is dismissed, or takes a leave of absence, they may no longer be eligible for the total amount of Title IV Funds that the student was originally scheduled to receive.

III. Scope

This policy applies to all undergraduate programs at Washington & Jefferson College.

IV. References and Guidelines

Financial aid recipients that leave the institution prior to completing 60% of a payment period or period of enrollment are subject to having the Office of Financial Aid complete a Return of Title IV Funds calculation to determine any required refund of Federal Funds assistance.

In accordance with Federal regulations and Washington & Jefferson College's **Voluntary Leave or Withdrawal and Return to School** process, students subject to the Return of Title IV Funds calculation will be based on the Federal formula as follows:

*Percentage of the payment period or period of enrollment completed **equals** the number of days completed in the period up to the separation date (or last date of attendance) **divided** by the total calendar days in the payment period or term (excluding scheduled breaks of five days or more). This is also the percentage of Title IV aid earned. ****The proration of institutional awards (i.e., merit scholarships, institutional grants, etc.) will also be honored based on the earned aid percentage formula. When a student is approved for a Medical Leave of Absence (MLOA), institutional aid will be adjusted to ensure the student's best interests are considered, including permitting the student to retain up to 100% of all institutional aid. In all other instances of leave or withdrawal, if circumstances beyond the student's control prevent them from completing 100% of the enrollment period, they may be permitted to appeal their institutional aid adjustment. The Financial Aid Director will be responsible for all appeals; students may only appeal an institutional aid adjustment one time during their enrollment at the College; all appeal decisions are final.*****

*If the percentage of Title IV aid earned is less than or equal to 60%, **multiply** the percentage of Title IV aid earned by the total Title IV aid disbursed (and that could have been disbursed) for the period to determine the Total of Title IV aid earned.*

Federal Funds are returned by Washington & Jefferson College's Office of Financial Aid to the Department of Education within 45 days of the last date of attendance or the student's official notice of separation. They are based on the percentage of unearned Title IV aid using the Federal formula as follows:

*From the Total of Title IV aid disbursed for the period, **subtract** the amount of Title IV aid earned by the student; the difference is the amount of Title IV aid that must be returned.*

Any changes or refunds of tuition identified as a result of Washington & Jefferson College's **Refund Policy for Students Who Withdraw or Leave** will be applied before completing any Return of Title IV Funds calculation or return of funds to the Department of Education.

When the results of a Return of Title IV Funds calculation indicates a student has earned less aid than was already disbursed, the College must return Federal Funds to the Department of Education. The student borrower may owe a balance to the institution after tuition changes or refunds or the Federal Funds are returned. Students will be notified in writing of any balances due that are created due to these adjustments.

If the results of the Return of Title IV Funds calculation indicate a student earned more aid than was disbursed on their last date of attendance, the institution owes the student a post-withdrawal disbursement. Per federal regulations, post-withdrawal disbursements must be paid within 120 days of the student's last attendance date or official separation date.

Federal Title IV funds should be returned in the order specified below:

1. Federal Direct Unsubsidized Stafford Loan
2. Federal Direct Subsidized Stafford Loan
3. Federal Direct Parent PLUS Loan
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (FSEOG)

For further or detailed clarification on the Return of Title IV Funds process, the following guidelines should be referenced:

1. U.S. Department of Education Federal Student Aid Handbook
2. Federal Formula for Return of Title IV Funds (Section 484B of the Higher Education Act)
3. Code of Federal Regulations
4. Washington & Jefferson College Voluntary Leave or Withdrawal and Return to School process
5. Washington & Jefferson College Refund Policy for Students Who Withdraw or Leave [Refunds for Students Who Withdraw or Leave Business Office.pdf](#)
6. Washington & Jefferson College Medical Leave Policy <https://mywj.washjeff.edu/page/leave-absence>

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