

EFFECTS OF WITHDRAWING OR NOT ATTENDING CLASS

Students who received financial aid funds must attend classes in order to receive these funds. **Students are strongly encouraged to contact the financial aid office prior to withdrawing to discuss financial impact to financial aid funding.** Students receiving Federal financial aid funds who officially withdraw or stop attending classes are subject to a Return of Title IV calculation to determine the percentage of financial aid funds that have been earned for that semester. If a student does not begin attendance in a class, all financial aid funds for that class are canceled. Examples of these calculations can be obtained from the Financial Aid Office, Jefferson Hall. Students using VA education benefits should contact Veteran and Military Services at 301.624.2836 prior to withdrawing to discuss the financial and academic impacts of doing so.

It is important for students to understand that if a student does not attend or withdraws from a class, a student can lose financial aid which has already been disbursed and may lead to an overpayment or outstanding tuition charges for the semester. Students cannot receive financial aid funds for classes audited, classes never attended, classes not required for current degree program, or classes repeated with a grade more than two times.

The Financial Aid Office is required by federal statute to recalculate federal financial aid eligibility for students who withdraw, drop out, are dismissed, or take a leave of absence. Students may be exempt from this calculation if they successfully complete a course or combination of courses that include 49 percent or more of the number of days in the payment period or if they successfully complete coursework equal to or greater than 6 required credits (half-time or greater). If the student does not meet these exemptions and leaves the institution prior to completing 60% of a payment period or term, the financial aid office recalculates eligibility for Title IV funds. Recalculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula: $\text{Percentage of payment period or term completed} = \frac{\text{the number of days completed up to the withdrawal date}}{\text{the total days in the payment period or term}}$. (Any break of five days or more is not counted as part of the days in the term.) This percentage is also the percentage of earned aid. Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formula: $\text{Aid to be returned} = (100\% \text{ of the aid that could be disbursed} - \text{percentage of earned aid}) \times \text{the total amount of aid that could have been disbursed during the payment period or term}$.

If a student earned less aid than was disbursed, the institution is required to return a portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution. If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

Please contact Financial Aid prior to the withdrawal for an explanation of the impact of withdrawing on eligibility of financial aid funds.

Refunds are allocated in the following order:

1. Unsubsidized Direct Federal Stafford Loans
2. Subsidized Direct Federal Stafford Loans
3. Federal Parent (PLUS) Loans
4. Federal Pell Grants
5. Federal Supplemental Education Opportunity Grant (FSEOG)
6. Iraq and Afghanistan Service Grant