

Return of Federal Funds Policy for Villa Maria College Students Who Receive Title IV Financial Aid

General Information

Villa Maria College students who withdraw from coursework in a semester may be required to return a portion of the federal financial aid that had been applied to their account in accordance with US Department of Education guidelines. Federal financial aid includes Federal Pell Grants, Direct Subsidized and Unsubsidized Loans, Direct Plus Loans and Federal Supplemental Educational Opportunity Grants. The final amount of financial aid earned is based on the period of time a student attends Villa Maria College during the semester.

Students receiving Federal financial aid and considering withdrawing from registered coursework at Villa Maria College are encouraged to make an appointment with the Office of Financial Aid by contacting 76-961-1849 to review the implications of withdrawal to their financial aid.

Students Who Receive Federal Title IV Financial Aid

Students receiving federal funds who fully withdraw, either officially or unofficially, before the conclusion of the semester, are subject to a Return of Title IV Aid calculation established by federal guidelines. This calculation determines the portion of federal funds that were earned by the student up to the time of withdrawal. The withdrawal date (last date of attendance) will be determined by official withdrawal from classes by the student, or as reported by the instructor in cases of unofficial withdrawal. Students who withdraw after the 60% point of a semester are entitled to retain the full amount of federal aid they were eligible for during the semester. However, if a student withdraws from the college prior to the 60% point in the semester, the College must return the unearned federal funds as determined by the Return of Title IV Aid calculation. This means the student could owe Villa Maria College and/or the Department of Education a balance due for funds required to be returned to the federal government.

Villa Maria College will perform the Return of Title IV Aid calculation within 30 days of the date of determination that a student has completely withdrawn and return any unearned federal funds it is responsible for returning within 45 days of the date the school determined the student withdrew.

If the student previously received a refund from financial aid, which was to be used for education-related personal or housing expenses, they may be required to return a portion of those funds to the college. When Villa Maria College returns a student's unearned funds to the government, the student will be billed for any balance due for any unearned refunds received or institutional charges that are now unpaid as a result of the return of federal funds.

Post Withdrawal Disbursement

If the Office of Financial Aid determines through a Return of Title IV Aid calculation that the federal financial aid already disbursed to the student is less than the amount earned by the student, the school will generate a post-withdrawal disbursement to the student no later than 45 days after the date of Villa Maria College's determination that the student withdrew. The college will automatically use all or a portion of the post-withdrawal disbursement for tuition and fee charges, if applicable.

Unofficial withdrawals

Recipients of federal aid who fail to officially withdraw but stop attending class are considered unofficial withdrawals. The Return to Title IV Funds policy requires Villa Maria College to calculate the earned amount of federal aid based on the last day of the unofficially withdrawn student's attendance of the semester. If the student stopped attending prior to the 60% point of the term, the student will be billed for the outstanding charges resulting from the Return of Title IV fund calculation. Unofficial withdrawals are processed within 30 days of the College determining the student was an unofficial withdrawal.

Order in Which Title IV Funds are Returned

Funds returned to the federal government based on the Return of Title IV Aid calculation referenced above, reduce the outstanding balances in individual federal aid programs. Federal financial aid returned by the student, the parent, or the College, are allocated in the following order:

- Federal Unsubsidized Direct Loan
- Federal Subsidized Direct Loan
- Federal Direct Parent Loan (PLUS)
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (SEOG)
- Other State, Private and Institutional Aid

Attendance

Before processing a Return to Title IV Funds, Villa Maria College verifies student attendance in all classes used to determine financial aid eligibility. The College reviews attendance records submitted by instructors to verify the student's last date of attendance. Federal Title IV financial aid is earned by the calendar day, not class day. This includes weekends, holidays, and breaks of less than five consecutive days.

Grant Overpayment

Any amount of unearned grant funds that the student must return is called an overpayment. The maximum amount of a grant overpayment the student must repay is half the grant funds that were received or scheduled to receive. The student does not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. Arrangements must be made with Villa Maria College or the Department of Education to return the unearned grant funds. The student will be notified of any grant overpayment within 30 days of the date the school determined the student withdrew.

When a student reenters within 180 days

Federal return regulations require Villa Maria College to return unearned funds for which it is responsible as soon as possible, but no later than 45 days after the date of the institution's determination that the student withdrew. If a student returns to Villa Maria College before the Title IV funds are returned, VMC is not required to return the funds.

Notification to Student

Once the Return to Title IV Funds calculation has occurred, the Office of Financial Aid will notify the student of the results of the calculation and the aid that was returned. The Villa Maria College Business Office will notify the student of any outstanding balance now due to the institution as a result.