

Return of Title IV Funds - Withdrawal

The Higher Education Amendment of 1998 required schools to implement The Return of Title IV Refund Funds policy when a Title IV funds recipient withdraws from school. A Title IV recipient is defined as a student who has received Title IV funds (excluding Federal Work Study funds but including Federal PLUS loan funds) OR has met the conditions that entitle the student to a late disbursement.

For a student who begins instruction at TTU, receives federal financial aid, and then withdraws from all classes, Student Financial Aid must complete a Return to Title IV Funds worksheet to determine if a portion of the student's Title IV aid must be returned to the Federal programs, or if the student is due a post withdrawal disbursement.

Official notification to the school occurs when a student notifies the Registrar of intent to withdraw. Unofficial withdrawal is when a student leaves school and does not notify the school of intent to withdraw. The Registrar's office will determine the unofficial withdrawal date. The Student Financial Aid office receives a daily list of students withdrawing from the institution via the Registrar's Office.

Withdrawals Prior to 60% Completion Point

If the student withdraws prior to the 60% completion point, the Return to Title IV Funds calculation will determine the amount of funds which must be returned to the programs. The student will be responsible for this amount and must repay these funds to the university before they will be allowed to register for classes or receive a transcript from the university. Before withdrawing from the university, the student that has received financial aid should come by the Student Financial Aid office to complete a withdrawal form and meet with a financial aid officer to complete the withdrawal process including notification of funds refunded back to Title IV funds by the university and in turn owed by the student on the student's account with the university. The institution must return these funds within 45 days.

Post Withdrawal Disbursements

In some cases, a student may be eligible to receive a "post-withdrawal" disbursement after the student completely withdraws from the school when the amount of aid awarded and processed is less than the amount of aid disbursed. In such cases, the Student Financial Aid Office will notify the student within 30 calendar days of the "post-withdrawal" disbursement via an e-mail. The student must respond within 14 days from the date the school sends notification to accept a post-withdrawal disbursement.

Order of Return of Title IV Funds

Federal funds are returned in the following order:

1. Unsubsidized Federal Stafford loans.
2. Subsidized Federal Stafford loans.
3. Federal Perkins loans.
4. Federal PLUS (Graduate Student) loans.
5. Federal PLUS (Parent) loans.
6. Federal Pell Grants for which a return of funds is required.
7. Academic Competitiveness Grant
8. National Smart Grant
9. Federal Supplemental Educational Opportunity Grants (FSEOG) for which a Return of funds is required.
10. Other assistance under this Title for which a Return of funds is required.