# Bluffton University Return of Title IV Funds Policy

Any student who withdraws * from Bluffton University prior to completing 60 percent of the payment period (i.e. semester) (see Refund Policies, Academic Catalog) may have their federal aid recalculated and a portion returned to the federal government according to regulations prescribed by law. Students who withdraw before the 60 percent period in time will have a pro-rated amount of their federal Title IV aid returned to the aid program by the school and possibly by the student. Students who withdraw after the 60 percent period of time in the semester will have earned 100 percent of their financial aid and will not have a refund calculated. This policy meets federal requirements in which students earn financial aid based on the percent of the term completed (see 34 CFR, Section 668.22 of the Title IV Higher Education Act of 1965, as amended).

The Bluffton University financial aid office is responsible for calculating the percentage of earned aid for the semester and for returning the school's portion of unearned aid to the federal aid programs. The financial aid office will perform this calculation as soon as possible but no later than 30 days from the date it was determined the student withdrew **. This calculation is measured by dividing the number of days the student attended by the total number of days in the payment period. The length of the payment period (i.e. semester) is based on Bluffton's published academic calendar, including weekends and excluding scheduled breaks of 5 days or more. The first day begins on the first day of classes and ends on the last day of final exams.

The amount of earned federal aid (other than work study) is calculated by taking the total of aid disbursed and amount of aid that could have been disbursed for the semester multiplied by the percentage of earned aid. If the amount of aid earned for the semester is greater than the total amount of aid disbursed, then the student may be eligible for a post-withdrawal disbursement (see post-withdrawal disbursement guidelines). However, if the amount of aid earned for the semester is less than the total amount of aid disbursed, then a refund of unearned aid, also called an over-payment, is due to the Department of Education. The amount of unearned aid is equal to the total federal aid that was disbursed minus the amount earned by the student. The school's portion is calculated by multiplying the institutional charges for the period by the percentage of the term not completed. The student's portion is calculated by subtracting the amount the school is responsible to return from the total amount of unearned aid. Federal monies the school is responsible for will be returned as soon as possible but no later than 45 days from the date it was determined the student withdrew, and will be returned in the following order: Federal Direct Unsubsidized loan, Federal Direct Subsidized loan, Federal Perkins loan, Federal Direct Parent PLUS loan, Federal Pell grant, Iraq and Afghanistan Service Grant, Federal SEOG grant, Federal TEACH Grant.

As outlined in the previous paragraph, the return of Title IV calculation could result in the student's overpayment in one or more of the Title IV programs. Students in an overpayment situation will be notified in writing as soon as possible but no later than 30 days from the date it was determined the student withdrew. Students with an overpayment resulting from federal loans will be notified to repay the loan holders according to the terms of the borrower's promissory note. Students with an overpayment resulting from federal grants will be responsible to the school to make restitution for the overpayment. The student will have 45 days from the date they have been notified to repay the overpayment or make satisfactory arrangements to repay it. The notification will include additional disclosures, including consequences of not making restitution for the overpayment. Overpayment of federal grants will be returned in the following order: Federal Pell grant, Iraq and Afghanistan Service Grant, Federal SEOG grant, Federal TEACH Grant.

If a Title IV refund amount is owed to the student, but the student has outstanding institutional charges, or if the student owes a repayment of a cash disbursement for non-institutional costs, the university will automatically apply the refund amount to those charges or repayment (after obtaining written permission from the student). Bluffton will also notify the student in writing if either situation has occurred.

If all the funds the student earned were not yet disbursed to the student's account before the student withdrew, the student may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes grant funds, the Financial Aid office will automatically disburse the portion of these funds required to cover any outstanding tuition, fee, room and board charges at Bluffton University.  Note that non-institutional charges (e.g., a library fine) will only be covered if written permission is obtained from the student. If no outstanding institutional charges exist, the grant disbursement will be sent to the student within 14 days of the post-withdrawal disbursement.

If the post-withdrawal disbursement includes loan funds (including a Federal Parent loan), the Financial Aid office will notify the student (or parent) and provide him or her with the option to accept all or a portion; or decline all of the loan funds.

If the student (or parent) responds and gives permission, the Financial Aid office will disburse the loan funds to cover any outstanding tuition, fee, room and board charges at the University (or non-institutional charges with written permission). If the student responds and declines permission, the loan funds eligible to be disbursed as a post-withdrawal disbursement will be offered to the student. If the student does not respond within 14 days from the date of being notified, the loan funds will be cancelled.

Students who are Title IV (federal aid) recipients will have the return of those funds and repayments calculated and distributed as prescribed by federal law and regulation. These distribution schedules are available to all prospective and currently enrolled students by contacting the business office or the office of financial aid.

**To officially withdraw, a student must contact the registrar's office. The registrar's office determines the official date of withdrawal.*

***When it is determined that a student has stopped attending classes and has withdrawn (officially or unofficially), the Registrar contacts the instructors for that student to determine the last date of attendance (LDOA) in each class. The latest date of attendance then is the withdrawal date used for both official and unofficial withdrawals. At the end of a term, if a student has E's in all of his or her classes, the Registrar contacts the instructors for that student to determine if the student completed the term in at least one class.*