DSU Refund and Return of Title IV Funds Policy

Withdrawal Process:

See Registration for Courses section of the DSU Catalog for registration policies. ***The effective date of withdrawal is the date the student initiates the withdrawal process officially***, either verbally or in writing, with the appropriate office. Failure to officially withdraw may result in failing grades, forfeiture of any possible refund of charges, and will impact federal financial aid eligibility. Additionally, a student is withdrawn from the University if classes have begun and the University has administratively suspended a student for reasons such as non-payment of tuition and fees, disciplinary sanctions, etc.

Refund Policy:

Refunds for housing and meals are based on the percent of the semester remaining after the date of withdrawal or on actual usage. No refunds for room or board will be issued after 60% of the semester has been completed.

Students who withdraw, drop out, or are expelled from the University within the drop/add period receive a 100% reduction of tuition and related fees. The drop/add period is 10% of the number of calendar days between the first and last day of the class. Breaks of five or more days are not included when counting the total number of days but Saturdays, Sundays and holidays are.

Students who withdraw, drop out, or are expelled from the University after the 60% point of the semester will receive no reduction of charges.

Students who withdraw, drop out, or are expelled from the University after the drop/add period and before 60% of the semester has been completed will have a reduction of charges calculated on the percentage of the semester remaining after the withdrawal date. The percentage is based on the date of withdrawal, dividing the number of completed class days by the number of days in the semester (minus breaks of 5 days or more).

Students Who Do Not Receive Federal Title IV Financial Aid

The refund shall be determined by computing the percentage of the semester remaining after the date of withdrawal times the tuition and fees originally assessed the student. At no time will refunds be processed after the 60% point of the semester.

Students Who Receive Federal Title IV Financial Aid (R2T4 Policy)

General Information:

The U.S. Department of Education requires institutions to apply the Return to Title IV Funds (R2T4) policy for students withdrawing from the university who receive Title IV financial aid. Title IV funds include the following financial aid programs: Direct Subsidized and Unsubsidized Loans, Direct PLUS Loans, Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, and Federal Supplemental Educational Opportunity Grants. The percentages for returning Title IV program funds are separate from the SDBOR refund

policy. Therefore, the student may still owe funds to the school to cover unpaid institutional charges. DSU may also charge the student for any Title IV program funds that were required to be returned that were initially used to cover institutional charges.

A student who withdraws after the 60% point of a semester is entitled to retain all Title IV aid for that semester. However, if the student withdraws prior to the 60% point of the semester, unearned Title IV funds as determined by the federal policy must be returned to the various programs. These funds must be returned even if the University provides no refund to the student.

Post Withdrawal Disbursement: If the student did not receive all of the funds that were earned prior to withdrawing, a post-withdrawal disbursement may be due. If the post-withdrawal disbursement includes loan funds, the student must give permission before the funds can be disbursed. Student must provide that permission within 15 days of notification. DSU may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition, fees, housing and meal charges. Permission is required to use the post-withdrawal grant disbursement for all other school charges. Students will be notified of post-withdrawal disbursement eligibility within 30 days of the date of withdrawal determination.

Title IV Credit Balances: If a student is owed a credit balance from Title IV funds, the University normally has 14 days to make the refund to the student. When a student who withdraws is owed a credit balance, the University must perform the R2T4 calculation before a credit balance can be refunded to the student. Consequently, the school has 14 days from the date of the calculation to refund a credit balance to the student.

Determining Earned Aid: 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. The University is required to determine the amount of Title IV aid the withdrawing student has earned and then either disburse any additional funds the student may be entitled to up to the amount earned, or return funds in excess of the amount earned which the student has already received. If an amount to be returned to a federal program is determined, then a further calculation is made to determine how much of the amount needs to be returned by the University and how much, if any, needs to be returned by the student.

For example: If $1,000 in federal aid is disbursed, and the student withdraws at the 30% point of the term, $700 of the aid is unearned and needs to be returned to the identified aid program.

Order of Aid to be Returned: The amount to be returned is distributed in a specified order - Unsubsidized Direct Loan, Subsidized Direct Loan, PLUS Loan, Pell Grant, SEOG, TEACH Grant, Iraq & Afghanistan Service Grant, and last to the student.

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 of 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 DSU 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.

Timeframe for Returning Title IV Aid: The R2T4 calculation will occur as soon as possible but no later than 30 days after the date the University determined the student withdrew. Funds will be returned to federal sources within 45 days.

Notification to Student: Once the R2T4 calculation has occurred, the DSU Financial Aid Office will notify the student of the results of the calculation, the aid that was returned, and any outstanding balance now due to the institution as a result. This notification will be sent by U.S. postal service within 3 business days of the date of the R2T4 calculation. Students may consult with the Financial Aid Office to determine the financial impact of withdrawing before making a final decision.

Unofficial withdrawals (all failing grades): Title IV financial aid recipients who fail to withdraw but stop attending class prior to the 60% point of the semester are considered unofficial withdrawals and are subject to a required R2T4 calculation. Either the last day of academically related activity or the mid-point of the semester, whichever is later, will be used to determine the amount of Title IV funds that must be returned. The student's charges will not be reduced which may result in a balance owed after the return of Title IV funds. The last date of attendance for unofficial withdrawals is calculated within 30 days of determining the student was an unofficial withdrawal and the R2T4 calculation and return of funds is processed within 45 days.