



## Treatment of Title IV (Federal) Aid When a Student Withdraws

The law specifies how UMW must determine the amount of Title IV program assistance that you earn if you withdraw from the University. The Title IV programs that are covered by this law are: Federal Pell Grants, Academic Competitiveness Grants, National SMART grants, TEACH Grants, Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs), and Federal Perkins Loans.

When you withdraw during your payment period, the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received (or UMW or your parent received on your behalf) less assistance than the amount you earned, you may be able to receive those additional funds. If you receive more assistance than you earned, the excess funds must be returned by UMW and/or you.

The amount of assistance that you have earned is determined on a prorata basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or period of enrollment, you earn all the assistance that you were scheduled to receive for that period.

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If your post-withdrawal disbursement includes loan funds, UMW must get your permission before it can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. UMW may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the school). UMW needs your permission to use the post-withdrawal grant disbursement for all other school charges. If you do not give your permission you will be offered the funds. However, it may be in your best interest to allow UMW to keep the funds to reduce your debt at the school.

There may be some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements. For example, if you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any FFEL or Direct loan funds that you would have received had you remained enrolled past the 30<sup>th</sup> day. Additionally, if your financial aid file is incomplete some or all of your aid may be canceled.

If you receive (or UMW or a parent receives on your behalf) excess Title IV funds that must be returned, UMW must return a portion of the excess equal to the lesser of: your institutional charges multiplied by the unearned percentage of your funds, or the entire amount of excess funds. UMW must return this amount even if it did not keep this amount of your Title IV program funds. For example, if you were issued a refund.

If UMW is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or a parent for a PLUS loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You must make arrangements with UMW or the Department of Education to return the unearned grant funds. Students who do not return grant funds that are required to be returned are reported to the Department of Education and are eligible to receive federal funds at any institution until payment has been made in full.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that UMW may have. Therefore, you may still owe funds to UMW to cover unpaid institutional charges. UMW may also charge you for any Title IV program funds that the school was required to return. UMW's refund policy is located online at <http://www.umw.edu/studentaccounts/refund/default.php> . Requirements/procedures for officially withdrawing are located at:

[http://www.umw.edu/registrar/ferpa\\_policies\\_procedures/withdrawal\\_procedures.php](http://www.umw.edu/registrar/ferpa_policies_procedures/withdrawal_procedures.php).

If you have questions about your Title IV program funds, you can call the UMW Office of Financial Aid or the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).