

RETURN OF TITLE IV FUNDS

Treatment of Title IV funds when a student withdraws:

Financial aid is awarded to a student under the assumption the student will complete the entire semester for which the aid was awarded. If a student withdraws before 60% (as measured in calendar days) of the semester, the student may no longer be eligible for the full disbursement of Title IV aid and other financial aid awarded.

A student should review on PAWS the calculations of the student unearned aid due by the school and the unearned aid due by the student to the Department of Education or other agencies. Savannah State University will notify the student no later than 30 days from the official withdrawal date (or the date the last date of attendance was determined for unofficial withdrawals) to return its share of the student's unearned aid and the student has 45 days from the notification date to return their portion.

If a student does not begin the withdrawal process or otherwise notify the university of his/her intent to withdraw, the withdrawal date will be the midpoint of the payment period for which Student Financial Aid Program assistance was disbursed or last date of activity documented by the university. Scheduled breaks 5 days or greater are not included in the calculation.

A student that has not completed the verification process as of the date the withdrawal is determined, will be ineligible to receive any financial aid credit to their account. Additional Title IV funds will end if the student fails to repay his/her portion of unearned Title IV funds within the proper time frame.

The refund amount returned to Student Financial Aid programs will be distributed in the following order: Federal Unsubsidized Direct Stafford Loan, Federal Subsidized Direct Stafford Loan, Federal PLUS Loan, Federal Perkins Loan, Federal Pell Grant, and FSEOG.

Example 1: Since the total institutional charges are less than the total financial aid awarded, the cancellation of aid will be calculated using the \$9,380 because it is less than the Federal Financial Aid Awarded of \$11,786. If your date of withdrawal is at the midpoint of the term, \$9,380 would be multiplied by 50% to calculate \$4,690 to return from your Federal Financial Aid funds. For the example, the entire \$990 Unsubsidized Stafford Loan would be returned to the servicer from your account as well as \$2,721 of the Subsidized Stafford Loan, and \$979 of the Parent PLUS Loan. Therefore $\$990 + \$2,721 + \$979 = \$4,690$ is the amount of aid to be returned.

Example 2: Since the financial aid awards are less than the total institutional charges, the cancellation of aid will be calculated using \$6,431 because it is less than the total institutional charges of \$9,380. If your date of withdrawal results in a 31% term completion earned rate, then the unearned percentage is 69%. Therefore, we would multiply \$6,431 by 69% to calculate \$4,437 to return from your Federal Financial Aid funds. For this example, the entire \$3,710 Unsubsidized Stafford Loan would be returned to the servicer as well as \$727 of the Subsidized Stafford Loan. Therefore $\$3,710 + \$727 = \$4,437$ is the amount of aid to be returned.