

Return of Title IV Funds Policy

A student may find it necessary to withdraw from all classes during a semester. The student may be eligible to receive a refund of tuition and course fees depending upon **the timing of withdrawal**.

If circumstances cause a student to withdraw from all classes, they are encouraged to contact their academic advisor so their decision will be based on a clear understanding of the consequences of withdrawing from all classes.

Determining Aid Earned

If a student withdraws from UPR-RP, then the school, or the student, or both may be required to return some or all of the federal funds awarded to the student for that semester. The federal government requires a return of Title IV federal aid that was received if the student withdrew on or before completing 60% of the semester. Federal funds, for the purposes of this federal regulation, include Pell Grant, Supplemental Educational Opportunity Grant, Unsubsidized Stafford Loans, Subsidized Stafford Loans, Perkins Loans, and Parent PLUS Loans. The formula used in this federal "return of funds" calculation divides the aid received into earned aid and unearned aid.

A student "earns" financial aid in proportion to the time s/he is enrolled up to the 60% point. The percentage of federal aid to be returned (unearned aid) is equal to the number of calendar days remaining in the semester when the withdrawal takes place divided by the total number of calendar days in the semester. If a student was enrolled for 20% of the semester before completely withdrawing, 80% of federal financial aid must be returned to the aid programs. If a student stays through 50% of the semester, 50% of federal financial aid must be returned.

For a student who withdraws after the 60% point-in-time, there is no unearned aid. However, a school must still complete a Return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

In compliance with federal regulations, the financial aid office will perform the calculation within 30 days of the student's withdrawal and funds will be returned to the appropriate federal aid program within 45 days of the withdrawal date. An evaluation will be done to determine if aid was eligible to be disbursed but had not disbursed as of the withdrawal date. If the student meets the federal criteria for a post withdrawal disbursement, the student will be notified of their eligibility within 30 days of determining the student's date of withdrawal. If the eligibility is for a grant disbursement, the funds will be disbursed within 45 days of determining the student's date of withdrawal. If the eligibility is for a loan, the student will be notified in the same timeframe but they must also reply to the Financial Aid Office if they wish to accept the post withdrawal loan obligation. A post withdrawal disbursement of any funds would first be used toward any outstanding charges before any funds are returned to you.

Return of Title IV Federal Financial Aid

Once the amount of unearned federal aid is calculated, the UPR-RP repayment responsibility is the lesser of that amount or the amount of unearned institutional charges. The school satisfies its responsibility by repaying funds in the student's package in the following order:

- Unsubsidized Stafford Loan
- Subsidized Stafford Loan
- Perkins Loan
- Parent PLUS Loan
- Pell Grant
- FSEOG
- Other Title IV Grant Funds

Keep in mind that when Title IV funds are returned, the student borrower may owe a balance to the institution and/or the U.S. Department of Education. If a student fails to repay grant funds, s/he may be ineligible for future federal financial aid.