

Title: Refund Policy (Combined Policies – ADM 3.2; 3.23; 3.37)	Policy No.: ADM 3.20	Date: 9/06/2007 Rev.: 6/03/2008; 9/12/2008; 10/12/2009
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Areas Affected: All BSMSON Faculty

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**PURPOSE:**

To define Refund Policy.

**POLICY:**

**A. General Regulations Governing Refunds**

1. Refunds are made throughout the semester as warranted. Students should bring enough funds at the beginning of each semester to cover any expenses prior to the release of any refunds.

2. A student who completes at least one course in one module is not considered to have withdrawn and is still considered to be enrolled in the semesters (an “earned” failing grade counts as long as the student completed the course.)

**B. Regulations governing refunds to students who drop a course or are on an approved Medical Leave in a given term at the School.**

1. A student who enters school but withdraws during the first week, add/drop period (first Saturday after the start of the semester) is entitled to receive a 100% refund of the course-related charges for the period.

2. A student who is on an approved Medical Leave, the semester program fees (learning resource, health, and activity fees) will be removed from the student’s account.

**C. Regulations governing refunds to students who withdraw from all courses in a given term at the School. (NOTE: Students receiving financial aid must also refer to Section D – Return to Tile IV).**

1. A student who enters school but withdraws during the first week, add/drop period (first Saturday after the start of the semester) is entitled to receive a 100% refund of the course-related charges for the period.

2. A student who enters school but withdraws during the second to fourth week of the period is entitled to receive a 50% refund of the course-related charges for the period.

3. A student who enters school but withdraws during the fifth to eight week of the period is entitled to receive a 25% refund of the course-related charges for the period.

Reference Policy # \_\_\_\_\_

**Approved by:**

_____	Dean _____	_____
_____	CEO _____	_____
Signature _____	Title _____	Date _____

**Approval History:**

Committees and Dates:  
Sr. Accountant -10/09  
Office of Financial Aid – 10/09  
Faculty Organization –  
Faculty Forum –

4. A student who withdraws after completing nine weeks or more of the period is not entitled a refund.

#### D. Return to Title IV - Financial Aid Recipients

Schools are required by federal statute to determine how much financial aid was earned by students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60% of a payment period or term. For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, a school must still complete a Return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

The calculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula:

Percentage of payment period or term completed = the number of days completed up to the withdrawal date divided by the total days in the payment period or term. (Any break of five days or more is not counted as part of the days in the term.) This percentage is also the percentage of earned aid.

Funds are returned to the appropriate aid program based on the percentage of unearned aid using the following formula:

Aid to be returned = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.

If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

- a. A student's withdrawal date is one of the following:
  1. The date the student began the institution's withdrawal process or officially notified the institution in writing of intent to withdraw.
  2. The midpoint of the semester for a student who leaves without notifying the institution.
  3. The student's last date of attendance at a documented academically related activity.
  
- b. Funds are returned to the following sources in order of priority, as established by Congress:
  - \_ Unsubsidized Federal Stafford Loans.
  - \_ Unsubsidized Direct Stafford Loans.
  - \_ Subsidized Federal Stafford Loans.
  - \_ Subsidized Direct Stafford Loans.
  - \_ Federal Perkins Loans.

- \_ Federal Parent (PLUS) Loans.
  - \_ Direct PLUS Loans.
  - \_ Federal Pell Grants for which a return of funds is required.
  - \_ Federal Academic Competitiveness Grant
  - \_ Federal Supplemental Opportunity Grants for which a return of funds is required.
  - \_ Federal TEACH Grant
  - \_ Other Title IV assistance for which the return of funds is required.
  - \_ Other federal, state, private or institutional financial assistance for which return of funds is required.
- c. There are six basic steps to the formula for calculating the amount of funds that must be returned to the Title IV programs:
1. Determine date of withdrawal and percentage of payment period attended by the student.
  2. Calculate amount of Title IV aid earned by the student.
  3. Compare amount earned and amounts disbursed to determine amount unearned.
  4. Determine late disbursement if amount earned is greater than amount disbursed.
  5. Determine amount of Title IV aid must be returned if amount earned is less than amount disbursed.
  6. Calculate portion of funds to be returned by institution and student.

A student may have an outstanding balance with the School of Nursing due to the return of Title IV funds. If the outstanding balance is not paid within three months from the date of withdrawal the student's account will be sent to our collection agency.