

Return to Title IV Policy

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The Department of Education (ED) states a school must determine the amount of Title IV program assistance earned once a student withdraws from school. The Title IV programs governed by this law include: Federal Pell Grants and Federal Supplemental Educational Opportunity Grants (FSEOGs).

When a student withdraws during the period of enrollment the amount of Title IV program assistance that the student earned up to that point is determined by a specific formula. If the student received more assistance than the amount earned, the student must return the excess funds. The amount of assistance a student earned is determined on a prorated basis. For example, if a student completed 30% of the period of enrollment, the student earned 30% of the assistance scheduled to receive. Once the student completes more than 60% of the period of enrollment, the Department of Education indicates the student earned 100% of the scheduled assistance for that period.

Students enrolled in module courses (ie. courses that do not span the entire length of the period of enrollment) and withdraw before the second module course(s) begins, must provide written confirmation of intent to attend the second module. Regardless if the student completes the first module but does not attend the second module, the student will be considered a Return to Title IV student and must return a portion of their Title IV aid.

The withdrawal date is determined by the date the student officially withdrew from the class or the last date of academic related activity determined by the instructor. For information on how to formally withdraw from a class, see Enrollment Services' Withdrawal and WA Grade Policies.

If the student did not receive all the funds earned, a student may be due a Post-withdrawal disbursement. Any grant funds disbursed for Post-withdrawal will pay any outstanding balances owed (tuition, fees, books, fines, etc.).

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 the student received or is scheduled to receive. The Financial Aid Office notifies students in writing if they must return any unearned grant funds to the Department of Education. Student must make arrangements with the Financial Aid Office to return unearned grant funds. The student has 45 days to repay any overpayments. After 45 days, the student must contact the Department of Education. Students may not receive any subsequent financial aid until overpayment is resolved.

The order funds must be returned are as follows:

1. Federal Pell Grants
2. Federal Supplemental Educational Opportunity Grants (FSEOG)

If the student (or school) received excess Title IV program funds that must be returned, Southeastern must return a portion of the excess equal to the lesser of:

1. The institutional charges multiplied by the unearned percentage of received funds, or
2. The entire amount of excess funds.

Southeastern requires students to pay the college the funds which were returned. If a student owes the college after funds are returned, the Financial Aid Office will charge the student's account for the amount owed. The Financial Aid Office, in writing, notifies students if they owe any grant funds to the college. Students must make repayment arrangements with the Business Office. Unresolved balances prohibit the student from registering for subsequent semesters or receiving transcripts. Students may also be sent to a debt collection agency.

The requirements for Title IV program funds when a student withdraws are separate from the refund policy established by Enrollment Services. Therefore, a student may still owe funds to Southeastern to cover unpaid institutional charges. Southeastern's withdrawal policies and refund policy are located on the website.

Source: Federal Student Handbook 2010-2011 and DCL GEN-11-14