RETURN OF TITLE IV FUNDS

Return of Title IV Funds

Students sometimes find it necessary to withdraw from all classes during a semester. Depending on when this occurs, students may receive a refund of all or part of tuition and fees. If the student is a financial aid recipient, the University and student may be required to return the aid, or a portion of it, to the federal government.

Tuition Refund Policy: The University has a tuition refund policy stipulating the amount of tuition and fees refunded to a student who withdraws from all classes during a term. The Registrar's Office determines specific tuition refund dates each term (umdearborn.edu/students/registration-records/academic-calendar-important-dates (https://umdearborn.edu/students/registration-records/academic-calendar-important-dates/) and selects "Registration Deadlines" for the specific semester). Students must notify the Registrar's Office immediately by following specific withdrawal procedures. Visit umdearborn.edu/office-registrar (https://umdearborn.edu/office-registrar/) for hours of operation.

Unofficial withdrawals

The federal government considers an unofficial withdrawal one in which a failing grade is received when a student does not attend or stops attending, a class for which he/she is enrolled. In these cases, students can be required to repay the aid received. If you have questions about enrollment and aid eligibility, contact the Office of Financial Aid and Scholarships for assistance.

Allocating returned Title IV (federal) financial aid

Funds returned to the federal government reimburse the individual federal programs from which the student received the aid. Financial aid returned (by the university and/or the student or parent) must be allocated, in the following order, up to the net amount disbursed from each source:

1. **Federal Unsubsidized Direct Loan**
2. **Federal Subsidized Direct Loan**
3. **Federal Direct PLUS (Parent) Loan or Grad PLUS Loan**
4. **Federal Pell Grant**
5. **Iraq and Afghanistan Service Grant**
6. **Federal Supplemental Educational Opportunity Grant (FSEOG)**
7. **TEACH Grants**

Return of Title IV (federal) financial aid

The Office of Financial Aid and Scholarships is notified by the Registrar when a student has officially withdrawn from the University. The federal government mandates that students withdrawing from all classes may keep only the financial aid they have "earned" up to the time of withdrawal.

Title IV funds disbursed in excess of the earned amount must be returned by the University and/or the student to the federal government. The student could owe the University, the government, or both.

The calculation for the Return of Title IV funds is based on the date on which a student initiates the withdrawal process by indicating intent to withdraw. This is either by speaking with an academic advisor, a member of the Registrar's staff, or by completing the University's withdrawal form.

Students who withdraw will have academic activity confirmed by their instructors to determine the last date of attendance. Failure to receive attendance or participation, from instructors, will result in the cancellation of all aid for that semester.

To determine what a student earns, we:

• Divide the number of calendar days the student has attended classes by the total number of calendar days in the semester (minus any scheduled breaks of 5 days or more).

• The resulting percentage is multiplied by the total federal funds disbursed (either to the student's University account or to the student directly by check or direct deposit) for the semester.

• This calculation determines the amount of aid earned that a student may keep. (*For example, if the student attended 25% of the term, he will have earned 25% of the aid disbursed. The unearned amount must be returned to the federal government by the University and/or the student.)*

We will notify students who are required to return funds to the government. In some instances, students who withdraw may be eligible for a post-withdrawal disbursement of "earned" aid. The following conditions must be met for the student to be considered eligible:

- The student must have submitted a valid FAFSA to UM-Dearborn prior to the date of withdrawal.
- UM-Dearborn must have made an offer of federal aid to the student. In the case of a Direct Loan, the University must have originated the loan with the U.S. Department of Education, must have documentation that the student signed a loan promissory note, and must be making the first disbursement of the loan.

Students considering withdrawal from all classes should contact the Office of Financial Aid and Scholarships and their academic advisor so that the consequences of withdrawing from all classes can be explained. Financial aid counselors can further explain this policy to students and parents.

Student Consumer Rights and Responsibilities

Section 493.A of the Higher Education Act requires post-secondary educational institutions to disseminate relevant, candid information on student financial aid programs available at the college. Any change in a student's financial situation, address, or school enrollment must be reported to the Office of Financial Aid & Scholarships. Students have the right to request a review of their financial aid package when a change in family or personal circumstances occurs. Students also have a right to review their financial aid records and may do so during counseling hours.

Information Dissemination and Report Disclosure

The U.S. Department of Education requires UM-Dearborn to disseminate information and disclose certain information to students. This information includes, but is not limited to: Voter Registration, Equity in Athletics, Campus Crime and Security, Completion and Transfer-Out Rates, and Drug and Alcohol-Free Campus policies. For further information on the listed topics, please refer to the University website at umdearborn.edu/students/financial-aid/consumer-information (https://umdearborn.edu/students/financial-aid/consumer-information/).