

## **Federal Student Aid – Return of Title IV Funds Policy**

**NOTE: This policy applies only to eligible US and eligible non-US citizens receiving Title IV funds.**

The Higher Education Re-Authorization Act (HERA) of 1998 regulates the manner in which the University will process the return of Federal Title IV funds should a student be dismissed, withdraw or take a leave of absence while a term is in progress. The term "Title IV" refers to aid programs as authorized under the Higher Education Act of 1965 (as amended) and includes the following programs available at St George's University of London

Federal Stafford Student Loan – Unsubsidized  
Federal Stafford Student Loan – Subsidized  
Federal PLUS Loans

If a student is dismissed or withdraws before the first day of classes, all Title IV will be returned to the appropriate program. A withdrawal refers to a student terminating his or her studies at St George's University of London.

The withdrawal date is the date the student officially informs the University of their intention to withdraw. In the absence of notification from the student, the last date the student attended will be used as the withdrawal date. If the last date of attendance cannot be determined, the University will assume a 50% attendance and use that date as the last day of attendance.

Regulations require St George's University of London to perform calculations within 30 days from the date the official withdrawal or dismissal is determined. The University must return any unearned funds to the lender within 45 days of the calculation.

St George's University of London is required to return any unearned amounts of Federal Title IV funds to the appropriate Federal program(s) if the student stops attending before 60% of the term is completed, as measured in days. Students who remain enrolled through more than 60% of the payment period (semester) are considered to have earned 100% of the aid received and will not owe a repayment of Federal Title IV funds. *Any available credit balance will be disbursed as soon as possible to the student and no later than 14 days after the calculation of the R2T4.*



Unearned Title IV funds must be returned to the appropriate program(s) in order to maintain aid eligibility for future enrollment periods. Any earned loan funds borrowed must be repaid according to the terms of the loan. Title IV aid is earned in a prorated manner on a per diem basis up to and including the 60% point in the semester. Title IV aid earned is calculated as follows:

$$\frac{\text{\# of days completed by student}}{\text{Total \# of days in semester}} = \% \text{ of semester completed}$$

*Note: Calculation does not include scheduled breaks of at least five consecutive days or days in which the student was on an approved leave of absence.*

The percentage of the semester completed is the percentage of Title IV aid earned by the student. The percentage of Title IV unearned & to be returned is determined by subtracting the percentage earned from 100%.

### **St George's University of London Portion of Return of Title IV Funds**

The amount of unearned aid that must be returned by St George's University of London is a percentage of the allowable institutional charges for the term. Once the dollar amount of St George's University of London portion of the return is determined, it is compared to the total amount of all unearned aid. If St George's University of London's portion is less than the total unearned aid, then St George's University of London must return the amount of the University portion. If St Georges University of London's portion exceeds the total unearned aid, then St Georges University of London must return the amount of the total unearned aid.

Financial aid will be returned to the aid program from which it came, thus reducing outstanding loan balances. Returned Federal funds will be applied in the order listed below:

1<sup>st</sup> – Federal Stafford Student Loan – Unsubsidized

2<sup>nd</sup> – Federal Stafford Student Loan – Subsidized

3<sup>rd</sup> – Federal PLUS Loans

### **Student Portion of Return of Title IV Funds**

The student portion of the return is calculated by subtracting the amount of St Georges University of London return from the total unearned aid. Any amount of the total unearned aid that remains after the University's portion is returned becomes the student portion of the return. This amount, if any, is repayable after the student leaves St Georges University of London as per the repayment terms and conditions attached to the applicable loan(s). The student will not be liable for these funds immediately upon withdrawal.



### **Post-Withdrawal Funds**

If the Title IV aid amount disbursed to the student is less than the amount of Title IV earned, the difference is considered to be a post-withdrawal disbursement. Post-withdrawal eligibility can be used to credit outstanding charges on the student's tuition account. The University will notify the student and/or parent borrower of eligibility for a post-withdrawal disbursement. The student may decline the aid so that additional debt is not incurred.

*No later than 30 days after the date that a student withdrew, students, or parent in the case of a parent PLUS loan, will be issued with a written notice in the event they have post-withdrawal loan disbursements available. The notice will include the amount and type of the funds to be disbursed, explain the obligation to repay any loan funds disbursed and include the response deadline of 14 days. The student, or parent in the case of a parent PLUS loan, must respond within 14 days, accepting or declining some or all funds.*

### **Leave of Absence (Interruption of Study)**

If a St George's, University of London student interrupts their studies while in receipt of Federal Student Aid, this will be treated as a withdrawal and any further disbursement will cease until the student has returned to their studies

If the student does not return after 180 days the last date of actual attendance will be used to calculate the earned' loan amount and the date a student enters repayment.

**September 2023**

