

## **Minot State University Refund and Return of Title IV Funds Policies For Withdrawal from All Classes**

Under 34 CFR Part 668.22, the U.S. Department of Education requires Minot State University (MSU) to maintain and disseminate a written policy regarding federal financial aid recipients who withdraw or otherwise fail to complete the term for which their financial aid was disbursed. Federal financial aid funds (Title IV funds) are disbursed to students under the assumption that the student will attend school for the entire period for which the assistance was awarded. When a student withdraws, the student may no longer be eligible for the full amount of federal financial aid funds that the student was originally scheduled to receive. The Title IV programs covered by this law are the Federal Pell Grant, Iraq and Afghanistan Service Grant, TEACH Grant, Federal Direct Loans, Federal Direct PLUS loan, and Federal Supplemental Educational Opportunity Grant (FSEOG).

If a student withdraws on or after the first day of a payment period, a prorated schedule is used to determine the amount of Title IV funds the student has earned up through the sixty percent point (calculated based on the first day of the first class of the semester through the last day of the last final exam day of the semester) of each payment period. After the sixty percent point in the payment period, federal regulations affirm that students have earned one hundred percent of the federal financial aid funds they were scheduled to receive during the payment period. For a student who withdraws after the sixty percent point, there are no unearned funds.

### **Refund of Institutional Charges**

The North Dakota University System Refund Policy 830.2 requires that Minot State University adopts a written refund policy to apply to institutional charges including tuition, course fees, housing charges, and food charges to students who withdraw from MSU on or after the first day of classes for the period of enrollment for which they are charged.

### **Refund for Dropped Courses (while continuing to stay enrolled in other courses for the same semester)**

During the first 8.999% of the calendar days of a semester, students will receive a 100% refund of tuition and fees for dropped courses. Students may drop individual courses directly on Campus Connection. (Campus Connection will not allow students to drop their last course or only course, reference the Withdrawal Procedure section of this policy). During a standard fall or spring semester, students will have approximately 10 calendar days including the first day of the semester to drop classes and receive a 100% refund (8.999% of the total number of calendar days from the first day of classes to the last day of final exams for the semester). The [Refund Schedule](#) is posted on the MSU Business Office website for the exact dates for each semester. After the first 8.999% of the semester, students will receive a 0% refund of tuition and fees for dropped courses when they continue to be enrolled in other courses for the same semester.

## **Refund for Total Withdrawal From all Courses in a Semester**

Students who officially withdraw from all classes before the semester start date or within the first 8.999% of the calendar days of a session will receive a 100% refund of tuition and fees. During a standard fall or spring semester, students will have approximately 10 calendar days (8.999% of the total number of days in the full standard semester) including the first day of the semester to withdraw from all courses and receive a 100% refund. Students who withdraw after that point will receive a partial refund of tuition and fees for all classes they are enrolled in at the time that they choose to withdraw based on the following percentages in accordance with the [North Dakota University System Institutional Refund policy 830.2](#).

Tuition & Fee Refund %	% of enrollment period completed
100	0% - 8.999%
75	9.000% - 34.999%
50	35.000% - 59.999%
0	60% - 100.000%

Students who must withdraw due to reasons beyond their control (Examples: family emergency, sudden illness, etc.), may request an exception to the refund schedule by contacting the MSU Business Office. Documentation to verify the exceptional circumstances will be required.

## **Refunds of Housing and Food Charges**

Students who reside in the Minot State University Residence Halls who withdraw from all courses in a semester shall receive a prorated refund up to the sixty percent point of the semester for housing charges and up to the ninety-five percent point of the semester for food charges. The prorated refund schedule for housing and food charges can be found in the [North Dakota University System Institutional Refund policy 830.2](#).

## **Withdrawal Procedure**

Students who find it necessary to completely withdraw to zero credits must complete the Cancellation/Withdraw to Zero Credits eForm in Campus Connection under the Student Homepage > MiSU eForms > Registrar's Office > Cancel/Withdraw to Zero. Students who intend to withdraw cannot withdraw from all courses (to zero credits) by dropping courses on Campus Connection. Campus Connection will not allow students to drop their last course or only course.

## **Withdrawal Date and Calculation of Earned and Unearned Federal Title IV Financial Aid**

The date of withdrawal will be the date the student begins the withdrawal process by completing the withdrawal form, or as determined by MSU, the date the student otherwise notified MSU verbally or in writing of their intent to withdraw from all classes. The amount of Federal Title IV aid earned is calculated by dividing the number of calendar days from the first day of the beginning of the term to the point of withdrawal by the total number of days in the term (minus any breaks of five or more consecutive days). The resulting percentage is then multiplied by the amount of federal financial aid that

was accepted for the term to determine the amount of federal financial aid that is earned and that a student is allowed to keep. This amount is subtracted from the amount of aid disbursed and the balance becomes the amount of unearned aid that must be returned to the federal aid programs at the time of withdrawal.

Responsibility for repayment of these funds will be shared by MSU and the student, according to the federal formula for proration of refunds of unearned federal financial aid. A letter will be sent by postal mail within 30 days of the school's determination that the student withdrew to inform students of any amounts returned to the federal aid programs and any outstanding balance due to MSU after the withdrawal, required return of Federal Financial Aid funds and refund processes are completed. Students who withdraw will also be able to log into Campus Connection and view any balance due under the Student Homepage, Financial Account section.

### **Post Withdrawal Disbursements**

A student may be eligible for a post-withdrawal disbursement if the amount of earned aid is less than the amount of disbursed aid. A post-withdrawal disbursement must be made from available grant funds before available loan funds. If outstanding charges exist, the institution may credit the student's account up to the amount of outstanding charges with all or a portion of any post-disbursement grant funds. The school must make any grant post-withdrawal disbursements within 45 days from the date the school determined the student withdrew. However, a post-withdrawal disbursement of loan funds to pay outstanding charges requires the confirmation of the student or parent, for a parent PLUS loan. In these situations, the student and/or parent will be notified in writing within 30 days of the school's determination that the student withdrew to offer the post-withdrawal disbursement. The funds may be accepted or declined by the student and/or parent and must reply to the school within 14 days from the date of notification, the student and/or parent may choose to decline some or all of the loan funds so that they don't incur additional debt. Once notification of acceptance has been received, MSU will disburse the loan funds within 180 days of the school's determination that the student withdrew.

### **Distribution of Unearned Federal Financial Aid**

In compliance with federal regulations, MSU must return federal financial aid funds no later than 45 days after the date the school determined the student withdrew to the programs from which the student received aid during the payment period, in the following order, up to the net amount disbursed from each source:

- Unsubsidized Federal Direct loans
- Subsidized Federal Direct loans
- Federal Direct PLUS loans (Grad, Parent)
- Federal Pell Grants
- Iraq and Afghanistan Service Grant
- Federal Supplemental Educational Opportunity Grants (FSEOG)
- Federal TEACH Grant

Federal Work-Study funds paid to recipients will not be included in the computation of earned federal financial aid, nor will these funds be refunded to the federal account from which they were paid.

Unearned Federal grant and Federal loan funds due from MSU will be repaid to the appropriate federal program within 30 days of the withdrawal. Unearned portions of Title IV grant aid due from the student will be the responsibility of the student unless the student makes arrangements with MSU to pay the grant overpayment account within 15 days from date of notice sent to the student. All repayments made by MSU pursuant to this policy will be charged to the student account.

Federal student loan borrowers who will receive an institutional refund that exceeds the school's required return of Title IV funds amount may request in writing, through email, or on the withdrawal form that the excess amount of refund be returned to the appropriate federal loan program, following the Return of Title IV priority listed above.

### **Unofficial Withdrawals**

Federal Regulations require that MSU must have a procedure for determining whether a Federal financial aid recipient who began attendance during a period of enrollment completed the period. MSU's attendance policy and early reporting of non-attendance to the Registrar's Office is one component of our ability to determine if a student has begun attendance. A second component is the faculty utilization of the following grading scheme for F/U grades: reporting of F/U (earned grade, attended throughout enrollment period), FNN/UNN (never attended) or FN/UN (stopped attending with a last day of attendance reported).

If a student earns a passing grade in one or more classes in a semester (fall, spring or summer term), MSU will presume the student completed the course and thus completed the period of enrollment. If a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an entire semester, MSU will assume the student has unofficially withdrawn and will seek documentation of the student's last date of academic participation in his or her courses. The determination of unofficial withdrawals will occur no later than 30 days after grades are posted at the end of each semester by creating a list of all students who received all F's, I's, or U's for the payment period (semester). For unofficial withdrawals, the withdrawal date used for calculating Return of Title IV funds is the latter date of either the midpoint of the period of enrollment or the last date of academic participation in any course as reported by the student's faculty members.

Based on the latter of either the mid-point of the semester or latest date of academic participation being used as the assumed unofficial withdrawal date, a Return of Title IV funds calculation will be completed to determine the amounts and types of federal financial aid to be returned and MSU will return the unearned Title IV funds to the Federal Aid programs. All unearned financial aid funds to be returned will be the responsibility of the student to repay to MSU. A letter will be mailed to the student at the time of the calculation notifying the student of their obligation to repay MSU for the unearned portion of the federal financial aid they received for the semester and a point of contact from the MSU Business Office will be identified in the letter. Students who unofficially withdraw will be placed on Financial Aid Warning following the term in which they receive all F's, I's, or Us.

**Example of Tuition and Fee Refund and the Required Return of Federal Aid (Title IV Aid) When a Student Withdraws From All Classes (no classes dropped prior to withdrawal):**

MSU Tuition and Fee Refund Schedule Fall 20XX

% of Class Completed	Tuition/Fee Refund for Dropped Class	Tuition/Fee Refund for Withdrawing to Zero Credits	Date of Drop Or Withdrawal
0.00% to 8.999%	100%	100%	On or before 08/31/20XX
9.000 to 34.999%	0%	75%	On or before 09/30/20XX
35.000 to 59.999%	0%	50%	On or before 10/30/20XX
60.00% to 100%	0%	0%	After 10/30/20XX

- A student withdraws to zero credits on October 17, 20XX.
- The student completed 57 out of 117 days in the semester.
- The student earned 48.7% of all federal aid received and has unearned aid of 51.3%.
- The student received \$2737 in Federal Subsidized Direct Loan and \$3483 in Federal Unsubsidized Direct Loan.
- The student's total institutional charges for tuition and fees for fall semester were \$2881.44.
- MSU must return the unearned portion of the federal aid for this student to the Federal Direct Unsubsidized Loan (reducing their student loan obligation) in the amount of \$1478.18 (\$2881.44 X 51.3%).
- The student's refund of tuition and fees is \$1440.72 (\$2881.44 X 50%).
- The student is required to pay the difference between the refund and the required Return of Title IV funds to Minot State University, which will equal \$37.46 (\$1478.18 - \$1440.72).

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