

**Murray State College**  
**Return of Title IV Aid Policy**  
**Withdrawal and Payback of Funds**

**Refund Policy for Tuition and Fees**

First ten days of a regular semester	100%
First five days of an 8-week semester	100%
First two days of a shorter term	100%
Thereafter	No Refund

**Official Withdrawal Process**

To officially withdraw from all courses, students must notify the MSC Registrar Office in writing.

**Return of Federal Financial Aid for Complete Withdrawal**

Federal financial aid funds are awarded to students under the assumption that the student will attend school for the entire period for which the aid is awarded. Sometimes students need to completely withdraw from classes due to emergencies or other problems. Regardless of the reason for withdrawal, the federal government requires that students who withdraw before the 60% point of the semester repay federal funds received. This federal law is called Return of Title IV Aid.

Students receiving federal financial aid who completely withdraw from all classes – officially or unofficially (stop attending classes or fail to receive a single passing grade for the term) will be subject to the Return of Title IV Funds policy. This policy applies to students receiving assistance through the Federal Pell Grant, Federal Supplemental Education Opportunity Grant, Iraq Afghanistan Service Grant, Academic Competitiveness Grant, Federal Subsidized Direct Stafford Loan, Federal Unsubsidized Direct Stafford Loan, and Federal Direct PLUS loans.

Students who withdraw before the end of the add/drop period (refer to Refund Policy for Tuition and Fees) or who withdraw after the end of the 60% point will not have to repay federal aid received.

When a student officially withdraws, the Registrar Office will notify the Financial Aid Office. The withdrawal form gives the Financial Aid Office the official withdrawal dates. The Financial Aid Office determines the institutional charges, aid disbursed, and the aid that could have been disbursed. Institutional charges include tuition and fees, on campus room and board, and beginning Fall 2011 required books and supplies. At the end of each semester the Financial Aid Office will determine those students who unofficially withdrew (ceased class attendance and did not receive a passing grade in any of their courses) and use the 50% point to calculate the amount of aid to return to the federal programs unless the student proves attendance past the 60% point in the semester while it is still possible to reverse the return of aid to the federal program.

After determining a students' withdrawal date (official or unofficial) the Financial Aid Office will use the U. S. Department of Education's Return of Title IV software on the web to determine

if the amount of aid disbursed to the student is greater than the amount of aid the student earned. Any unearned funds must be returned to the federal student aid programs. If at the time of withdrawal the amount disbursed to students is less than the amount earned, the student may be eligible to receive a post-withdrawal disbursement. If eligible for a post-withdrawal disbursement, the student will be notified by mail and will have 14 days to respond and approve or deny the post-withdrawal disbursement.

The Return of Title IV calculation uses the number of days enrolled divided by the number of days in the term to get the percentage of aid earned. Students who remain enrolled beyond the 60% point of the period of enrollment are considered to have earned 100% of aid received. Students enrolled less than 60% of the period of enrollment are responsible for repaying the aid. Here is an example of what happens if you withdraw before the 60% point:

A student receives a Pell grant of \$1875 and a Subsidized Stafford loan of \$1000 for a total amount of federal aid of \$2875. The student's tuition, fees, room, board and bookstore charges for the semester total \$3000. If the student withdraws on the 25th day of a semester that has 121 days, approximately \$2300 or 80% of the funds would have to be repaid.

Once the Return to Title IV calculation has been completed, MSC will return the unearned portion to the federal aid programs in the following order:

1. Unsubsidized Federal Direct Stafford Loans
2. Subsidized Federal Direct Stafford Loans
3. Federal Direct PLUS loans
4. Federal Pell Grants
5. Academic Competitiveness Grants
6. Federal Supplemental Educational Opportunity Grants
7. Iraq Afghanistan Service Grant

Murray State College must complete the Return of Title IV process within 45 days of the date of a student's withdrawal.