Financial Aid Federal Refund Policy
Return of Unearned Title IV Funds

When a student withdraws, federal law and regulations require institutions to make a timely refund of “unearned institutional charges” assessed the student by the institution, back to the HEA Title IV programs. When a student withdraws, the institution must also determine if the student owes a repayment of unearned Title IV funds that the institution either disbursed to the student directly or credited the student's account to pay for “non-institutional” costs. The U.S. Department of Education gives colleges the option of billing students for the unearned HEA Title IV funds that the school has to pay as a part of institutional charges. As a result, the student may owe St. Louis Community College and/or the Department of Education. The method in which unearned HEA Title IV funds are returned to the Title IV programs is based on a federally mandated formula.

If the student owes unearned Title IV funds from a federal program, the College must notify the student within thirty days of determining the student's withdrawal. The student retains eligibility for Title IV funds from an initial 45-day period, during which one of the following should happen: (1) student repays unearned Title IV funds in full or (2) the student makes satisfactory arrangements with the U.S. Department of Education to repay the unearned Title IV funds. In addition, the student must repay the college the money that the college pays to USDE for unearned institutional charges. If the student fails to take the appropriate steps, he/she loses eligibility for HEA Title IV funds.

For further explanation of the return of Title IV funds policy, please contact the Financial Aid office for assistance.

Student Signature __________________________ Date __________________________

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