UNIVERSITY WITHDRAWAL AND RETURN OF FINANCIAL AID POLICIES

Policy Statement

Policies have been instituted to deal with issues of withdrawal when a student receives financial aid.

Reason for Policy/Purpose

This policy is required for the effective communication of university policy regarding withdrawal and return of financial aid.

Who Needs to Know This Policy

All members of The University of Southern Mississippi community.

Website Address for this Policy

www.usm.edu/institutional-policies/policy-stua-fa-003

Definitions

Policy/Procedures

General Requirements Regarding Official Withdrawals from the University:

Federal student aid funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student
withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

If a recipient of Title IV grant, or loan funds withdraws from a school after beginning attendance, the amount of Title IV grant or loan assistance earned by the student must be determined. The institution is required to determine the amount of federal aid earned by the student as of the date the student ceased attendance based on the amount of time the student was in attendance. The percentage of Title IV aid earned is equal to the percentage of the payment period or period of enrollment completed. If the amount disbursed to the student is greater than the amount the student earned, unearned funds must be returned. The calculation of Title IV funds earned by the student has no relationship to the student's incurred institutional charges.

**General Requirements Regarding Unofficial Withdrawals from the University:**

A student who leaves a school may not always notify the school of his or her withdrawal. A school may not know that a student has dropped out, or unofficially withdrawn, until the school checks its records at the end of an academic period.

All institutions receiving and disbursing federal student aid are required to implement a procedure for determining whether a federal student aid recipient who began attendance during an enrollment period completed the period, or if the student should be treated as a withdrawal. If a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an enrollment period, the institution must assume, for Title IV purposes, that the student has unofficially withdrawn from the institution for that period of enrollment.

Upon the school's determination of an unofficial withdrawal, the institution is required to perform a Title IV refund calculation for federal student aid. Federal regulations require that at least 50% of federal student aid funds be returned for students who have been determined to have had an unofficial withdrawal from the institution during a specified period of enrollment.

**Review**

The Director of Financial Aid is responsible for the review of this policy every four years (or whenever circumstances require immediate review).

**Forms/Instructions**

N/A

**Appendices**

N/A
Related Information

N/A

History

11/01/11: Formatted for Institutional Policies website.
02/21/13: Formatted for template. Minor editor throughout.
Amendments: Month, Day, Year – summary of changes
Authorization

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STUA-FA-000-002

As the Responsible Officer, I have reviewed this policy and believe it represents the current policy.

[Signature]
Responsible Officer

[Signature]
Date 3/22/2013