

Withdrawal from SUNY Potsdam and Return of Federal Student Aid Funds

If you completely withdraw or stop attending all classes before completing more than 60% of the term, a portion of the total federal aid you received may need to be returned to the US Department of Education immediately. This process is called *Return of Title IV Funds*.

What is Title IV Aid?

Title IV of the Higher Education Act of 1965, as amended in 1998 (Title IV and HEA program), establishes general rules that apply to the student financial assistance programs. For the purposes of *Return of Title IV Funds*, these programs include Federal Pell Grants, TEACH Grants, Federal Direct Subsidized and Unsubsidized Stafford Loans, Federal Direct PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs), and Federal Perkins Loans. Federal Work Study funds which have been earned will not be included.

What *Return of Title IV Funds* means if you receive Financial Aid.

If you begin but do not complete the semester at SUNY Potsdam and receive Title IV funds, the College has to return any Title IV funds that were not earned. If you attended more than 60% of the term, all Title IV aid is considered earned and no return of funds will be required. If you received (or Potsdam or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds.

Calculation of *Return of Title IV Funds*.

The Student Accounts Office will determine if you will receive a full or partial refund of your tuition and fees, based on the Refund Policy as listed in the SUNY Potsdam catalog and your official withdrawal date as determined by the Student Success Center.

The Student Accounts Office also calculates the amount of financial aid you have *earned* prior to withdrawing. Any aid received in excess of the *earned* amount must be returned to the respective programs. The amount of assistance that you have earned is figured on a prorated basis. This is determined by multiplying the percentage of term attended (calculated by dividing the number of days up to the withdrawal date by the number of calendar days in the semester including weekends and holidays, but not including breaks of 5 days or longer) by the Title IV aid received. All types of federal aid are used in this calculation. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the term, you earn all of the assistance that you were scheduled to receive for that period.

If You Owe Money (or Not).

If you received more assistance than you earned, the excess funds must be returned by Potsdam and/or you. If you did not receive all of the funds that you earned, because the funds had not been paid to your account by the time you withdrew, you may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, you may choose to decline the loan funds so that you do not incur additional debt. Potsdam may automatically use all or a portion of your post-withdrawal

disbursement of grant funds for tuition, fees, and room and board charges. Potsdam needs your authorization to use the post-withdrawal grant disbursement for all other charges, such as BearExpress or parking fees. If you do not give your authorization, you will be responsible for these other charges.

After the amount of Title IV aid to be returned is calculated, a determination is made as to how much must be returned by SUNY Potsdam and by you. Any funds returned by the institution are credited in the order of loans (Federal Direct Unsubsidized Stafford Loan, Federal Direct Subsidized Stafford Loan, Perkins, Federal Direct PLUS Loan), Federal Pell Grant, Federal TEACH Grant, FSEOG Grant, and other Title IV aid. If you have any loans which have been used in the calculation, this obligation will be due and payable under the terms of the promissory note. Any grant funds to be returned by you will be reduced by 50%; for example, if a calculation determines that your grant obligation is \$300, you will repay \$150.

How Will I Know How Much I Owe (or Not).

Within three to four weeks after your withdrawal date, Student Accounts will mail a statement to your permanent home address with a copy of the calculations and any money owed to the College and/or to the Federal Student Aid programs. Student Accounts will also notify you if you are eligible to receive a post-withdrawal disbursement. You must respond within 14 days from the date of the notification to accept the post-withdrawal disbursement, or it will be cancelled.

The requirements for Federal Student Aid program funds when you withdraw are separate from any refund policy the College may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. SUNY Potsdam may also charge you for any Federal Student Aid program funds that were used to pay charges and that the school was required to return.