FORMULA FOR WITHDRAWAL AND REPAYMENT OF FEDERAL FINANCIAL AID FUNDS

Federal regulations require that if a recipient of federal financial aid withdraws from one or all of his/her classes at the university prior to completing 60% of the term for which he/she received financial aid, a portion or all of the aid received for that term must be returned to the federal financial aid program. The premise is that the financial aid a student receives is for the entire term and if the student withdraws from one or all of his/her classes prior to completing at least 60% of the term a portion of the aid received was not “earned” and must be returned to the federal government.

For example, a student withdraws after completing only 30% of the term will have earned only 30% of any federal financial aid received. The remaining 70% must be returned by the school and/or the student.

Federal Financial Aid Includes:
- Unsubsidized Stafford Loans
- Subsidized Stafford Loans
- Graduate PLUS Loans
- Parent PLUS Loans
- Perkins Loans
- Pell Grant
- Supplemental Education Opportunity Grants (SEOG)
- Teacher Education Assistance for College and Higher Education Grant (TEACH)
- Oregon Opportunity Grant

A Student’s Withdrawal Date Is:
- The date the student officially notifies Marylhurst University of intent of withdraw; OR
- The midpoint of the period for a student who leaves without notifying Marylhurst University; OR
- The student’s last documented date of attendance in class; OR
- The date the student withdraws from a class when student is only enrolled in “module” courses

Federal Definition of a Module Course
Any course that does not span the entire length of the term (any class less than 10 weeks long)

Withdrawing from University Versus Withdrawing from One Class
It is important to note the difference between a student withdrawing completely from the university versus withdrawing from only one class in a term. A student who withdraws from only one class may not be withdrawing completely from the university but may be considered to be withdrawn for financial aid purposes based on federal financial aid regulations.

An explanation of the formulas used by the Office of Financial Aid to calculate the percent of funds earned and the shared responsibility of returning unearned funds is continued on the second page of this form.
Formula for Return of Aid Calculation *

The information below details the calculations used to determine the percentage of aid earned, amount of aid earned, and the amount of aid to be returned by the university and by the student once a student is determined to have withdrawn by the federal financial aid definition.

1. Percentage of Aid Earned:
   Calculated by dividing the number of days completed by the total number of days in the term or total scheduled days of attendance (if all “Module” courses)

2. Amount of Aid Earned:
   Determined by multiplying the percentage of aid earned (#1) by the total aid received for the term

3. Amount of Aid to be Returned:
   Result of subtracting the amount of aid earned (#2) from the total aid received for the term

4. Amount of Unearned Aid to be Returned by the University:
   Tuition and fees multiplied by the percentage of unearned aid (100% earned). The university must return the unearned aid for which the university is responsible by repaying funds to the appropriate federal aid program, as described on page 1 of this form, in the order indicated.

5. Amount of Unearned Aid to be Returned by the Student:
   Determined by subtracting the amount of aid due from the university (#4) from the total amount to be returned (#3). The student must return the unearned aid for which the student is responsible by repaying funds to the appropriate federal aid program, as described on page 1 of this form, up to the total net amount disbursed from each source, after subtracting the amount the University will return. The amounts to be returned to the federal/national grants programs are reduced by 50%. Loan amounts are returned in accordance with the terms of the promissory note. No further action is required other than notification to the holder of the loan of the student’s withdrawal date.

NOTE: The University Tuition Refund Policy is separate from the requirement to return unearned federal student aid. Tuition refunds will be based on the University’s refund policy published in the Marylhurst University Schedule of Courses and on the Registrar’s website and based on the student’s withdrawal date. The student is responsible for any portion of his/her original tuition charges that are left outstanding after federal aid funds have been returned and any tuition refunds have been applied.

* The Federal Refund Policy does not apply if a student drops below half-time status prior to starting all of their classes. If a student does this, then all aid is cancelled and the student will be responsible for any tuition still due as a result of the aid being cancelled.

8/2011