

Title IV Refund Policy

Title IV Federal Financial Aid is awarded assuming a student will attend school for the entire payment period for which the funds were meant. If a student withdraws prior to the end of the payment period, portions of the aid may need to be returned. This could leave the student owing a balance to the school.

ACOT is required to determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance, based on the amount of time the student spent in attendance. Up **through the 60% point** in each payment period or period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. **After the 60% point** in the payment period or period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period. For a student who withdraws after the 60% point-in-time, there are no unearned funds. Occasionally a student will withdraw, not owe the school, and have a credit on their account. If this occurs, the credit will be returned to the Direct Loan Program to offset the student's loans unless otherwise specified by the student. In the event that a student requests the funds be returned to him or her, it will be mailed in the form of a paper check no later than 14 days after the date of notification.

Title IV Federal Aid Funds that are credited to outstanding loan balances when a return of funds is required must be returned in the following order:

- Unsubsidized Direct Stafford Loan
- Subsidized Direct Stafford Loan
- Direct PLUS Loan
- Federal Pell Grant

If the loan amounts are covered, the remaining Federal Funds will be credited in the following order:

- Federal Pell Grant for current payment period
- Academic Competitiveness Grant
- Other Title IV assistance that requires a return of funds

Students will be notified of any refunds sent to a lender on their behalf through the mailed exit material. Any Title IV refunds due will be returned within 30 days of the date of determination.