

Students receiving Federal Financial Aid are subject to the **Federal Return of Funds Policy** if they stop attending the college (officially or unofficially). This complex policy is explained below.

Contact the Financial Aid Office before you stop attending classes to learn about the consequences.

Tuition and Fees

A. The college must return financial aid funds to the Department of Education when students stop attending the college (completely withdraw from all classes) before 60% of the term has been completed. **This includes students who successfully complete courses that end prior to the 60 percent point of the term, if the remaining courses for the semester are not successfully completed or attended beyond the 60 percent point of the full semester.** If the student stops attending before these dates the student must return a percentage of “unearned” financial aid.

- For the Fall 2025 semester this 60% date is October 24, 2025
- For the Spring 2026 semester this 60% date is March 26, 2026

B. The amount a student owes is calculated based on the last date of attendance and the student’s tuition, fees, and bookstore charges. Students wishing to review the calculation of Return of Title IV funds need to make an appointment with the Financial Aid Office.

C. The Return of Title IV Aid calculation determines the portion of federal funds that were earned by the student up to the time of withdrawal. The withdrawal date (last date of attendance) will be determined by official withdrawal from classes by the student, or as reported by the instructor in cases of unofficial withdrawal. If the student withdraws beyond the 60 percent point in the semester, they are considered to have earned 100 percent of the federal financial aid they were scheduled to receive.

Federal financial aid disbursed in excess of the earned amount must be returned to the federal government. The college will perform the “Return of Title IV Aid” calculation within 30 days of the date of determination that a student has completely withdrawn and return any unearned federal funds (Pell, FSEOG, and Direct Loans) that the college is responsible for returning within 45 days of the date the school determined the student withdrew. If the student previously received a refund from financial aid, which was to be used for education-related personal or housing expenses, they may be required to return a portion of those funds to the college. When the college returns a student’s unearned funds to the government, they will be billed for any balance due for any unearned refunds received or institutional charges that are now unpaid as a result of the return of federal funds.

If it is determined through a “Return of Title IV Aid” calculation that the federal financial aid already disbursed to the student is less than the earned amount, the school will generate a post-withdrawal disbursement of federal grant money to the student no later than 45 days after the date of the school’s determination that the student withdrew.

Any credit balance will be disbursed within 14 days, less any authorized charges.

Funds returned to the federal government based on the “Return of Title IV” Aid calculation referenced above, reduce the outstanding balances in individual federal aid programs. Federal aid returned by the student, the parent or the college are allocated in the following order:

- Federal Unsubsidized Direct Loan
- Federal Subsidized Direct Loan
- Federal Direct Parent Loan (PLUS)
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (SEOG)

If financial aid is awarded after the conclusion of the semester, federal aid is awarded based on the courses completed for that semester.

If a post-withdrawal disbursement includes loan funds, the student will be sent a letter, within 30 days of the last date of attendance, requiring the student to give permission on how those funds should be disbursed. The student may choose to accept or decline some or all of the loan funds. Failure on the student’s part to return the letter within 14 days will result in the Financial Aid Office returning the excess loan funds to the loan program, thus reducing the student’s loan debt.

IVCC may automatically use all or a portion of the student’s post-withdrawal funds towards tuition, fees or books (as contracted with the school.)

[https://www.ivcc.edu/financialaid/2025-2026 Guide to Financial Aid.pdf](https://www.ivcc.edu/financialaid/2025-2026%20Guide%20to%20Financial%20Aid.pdf)

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