

## OFFICE OF STUDENT FINANCIAL AID

### POLICY FOR THE RETURN OF FINANCIAL AID FUNDS FOR STUDENTS WHO WITHDRAW FROM THE UNIVERSITY

If you decide to withdraw from the University, you must contact the Registrar's Office to begin the official withdrawal process and establish your withdrawal date. If you stop attending all of your classes, you are required to officially withdraw from the University. If you stop attending all of your classes but fail to complete the official withdrawal process, you will be considered as an unofficial withdrawal. This policy applies to official and unofficial withdrawals.

If you withdraw from the University, the Office of Student Financial Aid is required to calculate the amount of financial aid you have earned and the amount that is unearned. The unearned portion must be returned to the appropriate financial aid programs according to federal regulations and institutional policy.

If you withdraw on or before the 60% point of the term, a percentage of your financial aid will be calculated as earned and a percentage as unearned on a pro-rata basis. Once you have been enrolled for 60% of the term, you are considered to have earned all of your financial aid.

For example: You enroll in a semester that has 113 days in the term, and you withdraw on the 18<sup>th</sup> day of the term, your earned and unearned financial aid would be calculated as:

18 days

113 days = 15.9% of your financial aid has been earned and 84.1% is unearned.

The unearned amount must be returned to the federal financial aid programs in this order:

- Unsubsidized Federal Stafford Loan
- Subsidized Federal Stafford Loan
- Federal Perkins Loan
- Federal PLUS Loan
- Federal PLUS Loan for Graduate Students
- Federal PELL Grant
- Federal Academic Competitiveness Grant
- Federal Smart Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

The same policy applies to state, institutional, and other types of aid and will be returned in this order:

- North Carolina Need-based Grant (NCNB)
- Campus-based Tuition Offset
- Institutional Grants, Waivers, and Scholarships
- UNC Need-based Grant
- North Carolina Education Lottery Scholarship
- North Carolina Student Incentive Grant (NCSIG)
- Other State Aid
- Outside Scholarships
- Other Sources

The University will return to the appropriate financial aid program the lesser of your total amount of unearned aid or the institutional charges of tuition, fees, room, and board. You are responsible for returning to the appropriate programs any remaining amount.

If you are required to return funds from the loan programs, you will return those funds according to the normal repayment terms of the loan program. If you are required to return funds to the federal grant programs, you will be required to return only 50% of the federal grant amount that you originally received. If you are required to return funds from the state, institutional, or other sources, you must return the entire unearned percentage.

If the calculations result in a balance due from you, a bill will be sent to your permanent home address and will be due upon receipt.

If you are a Federal Stafford Loan borrower, you are required to complete Exit Counseling at the time of your withdrawal. You may complete the Federal Stafford Loan On-Line Exit Counseling at [www.mapping-your-future.org](http://www.mapping-your-future.org). Your Federal Stafford Loan lender will be notified that you are no longer enrolled, and the loan repayment process will begin. It is important that you understand your rights and responsibilities, and your completion of the required exit counseling will prepare you for repaying your loan(s).

If you are a Federal Perkins Loan borrower, you must contact the Office of Student Accounts at 828- 262-2113 to schedule a Perkins Loan Exit Counseling session.

Refunds will not be made to alternative loan lenders unless requested by the student.

For more information contact the Office of Student Financial Aid at 828-262-2190.

*Revised 02/2007*