

OFFICE OF STUDENT FINANCIAL AID

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

If you stop attending all of your classes, you are required to officially 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 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 stop attending or never attend a class, you are required to officially drop the class. Dropping or never attending a class may affect your financial aid eligibility even if you do not withdraw from the university. Note that drops and withdrawals will likely affect your satisfactory academic progress (see the [POLICY FOR SATISFACTORY ACADEMIC PROGRESS](#) section in this document).

If you withdraw from the University, the Office of Student Financial Aid is required to calculate the amount of financial aid you have earned (known as "earned percentage") and the amount that is unearned (known as "unearned percentage"). 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 more than 60% of the term, you are considered to have earned all of your federal financial aid. You may still be required to return a portion of any North Carolina state grants. The Return of State Grants worksheet must be completed by the Office of Student Financial Aid to determine if any grant money must be returned.

For example: You enroll in a semester that has 113 days in the term, and you withdraw on the 18th 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:

- Federal Direct Unsubsidized Loan
- Federal Direct Subsidized Loan
- Federal Perkins Loan
- Federal PLUS Loan
- Federal PLUS Loan for Graduate Students
- Federal PELL Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

The unearned amount of North Carolina state grants will be returned in this order:

- Education Lottery Scholarship Program (ELS)
- UNC Need-based Grant
- North Carolina National Guard Tuition Assistance Program
- UNC Campus Scholarships

Returns of institutional scholarship aid will be calculated using the unearned percentage applied to the amount disbursed for each fund for the withdrawn term. The funds impacted by this calculation are:

- North Carolina Need-based Grant (NCNB)
- Appalachian College Opportunity Grant (ACOG)
- Institutional Grants, Waivers, and Scholarships
- NC Student Incentive Grant
- Education Access Rewards NC Scholars Fund Program (EARN)
- Athletic Aid
- Foundation Scholarships
- Other State Aid
- Other Sources

- Outside scholarship aid will not be recalculated unless the scholarship agency has provided a withdrawal policy at the time of awarding. If the donor provides a letter with withdrawal procedures, the appropriate unearned percentage will be used to calculate the amount that needs to be returned.

- **Returns to both institutional and outside scholarship funds will be rounded to the nearest whole dollar.**
- In accordance with federal regulations, Appalachian State University will perform a Return to Title IV Calculation to determine the amount of funding that must be returned to federal, state, institutional, and external programs, if applicable. The percentage utilized in this calculation will be determined based on the refund schedule for each term calculated to the tenth of a percentage. (This percentage is determined by taking the number of days attended within the semester divided by the total number of days in the semester, excluding break days.)
- If the calculations result in a balance due from you to App State, a bill will be sent to your permanent home address and will be due upon receipt.
- An email notification containing a letter detailing the withdrawal amounts returned to each program, a withdrawal notification checklist, and a copy of Federal Direct Exit Counseling materials, (if applicable), will be sent to both the Appalachian State email account and the personal email account listed in our system. The personal email account utilized is acquired from either CFNC, the FAFSA filed for the current award year, or student entered responses. If we are unable to deliver this notification to the personal email, a paper copy of all the withdrawal materials will be mailed to the Enrolled Student Address on file.
- If you are a Federal Direct Loan borrower, you are required to complete Exit Counseling at the time of your withdrawal. You may complete the Federal Direct Loan Exit Counseling at [the National Student Loan Data System \(NSLDS\) website](#). Your Federal Direct Loan servicer 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 complete the Perkins Loan Exit Counseling. Educational Computing Systems, Inc. (ECSI) handles Perkins loan billing including payment processing, and Perkins Loan Exit Counseling. You can contact them at their [website](#), by phone, 888-549-3274, or by mail at 181 Montour Run Road, Caropolis, PA 15108-9408. The school code for Appalachian State University is 4Q. It is a federal requirement that you complete this exit counseling.
- Refunds will not be made to alternative loan lenders unless requested by the student.

Revised 3/23/2018