

RETURN OF FEDERAL STUDENT AID

The federal government requires Bucknell University to publish federal refund policy under Title IV of the Higher Education Act of 1965 as amended.¹ This refund policy sets guidelines for students who withdraw from the University if they receive financial assistance from the federal government.

The Department of Education stipulates the way funds paid toward a student's education are to be handled when a recipient of Title IV funds withdraws from school. A statutory schedule is used to determine the amount of Title IV funds a student has earned when he or she ceases attendance based on the period the student was in attendance. Through the 60-percent point in each payment period or period of enrollment, a pro rata schedule is used to determine how much Title IV funds the student has earned at the time of withdrawal. After the 60-percent point in the payment period or period of enrollment, a student has earned 100 percent of the Title IV funds.

In general, the Amendments require that if a recipient of Title IV funds withdraws, the school must calculate the amount of Title IV funds the student earned. The percentage and amount not earned is the complement of the percentage of Title IV funds that was disbursed (and that could have been disbursed) to the student, for the payment period or period of enrollment, as of the day the student withdrew or the date of the institution's determination that the student withdrew. If the student received less Title IV funds than the amount earned, the school must comply with the procedures for post-withdrawal disbursement specified by the federal regulations. If the student receives more Title IV funds than the amount earned, the school, or the student, or both, must return the unearned funds as required, and in the order specified.

The student (or parent, if a Federal PLUS loan) must return or repay, as appropriate, the remaining unearned Title IV grant and loan funds. The student (or parent, if a Federal PLUS loan) must return the unearned funds for which they are responsible to loan programs in accordance with the terms of the loan, and to grant programs as an overpayment. Grant overpayments are subject to repayment arrangements satisfactory to the school, or overpayment collection procedures prescribed by the Department of Education.

Title IV funds for the payment period or period of enrollment for which a return of funds is required must be returned in the following order:

- Federal Unsubsidized Direct Stafford Loans (other than Direct PLUS loans)
- Federal Subsidized Direct Stafford Loans
- Federal Perkins Loans
- Federal Direct PLUS Loans
- Federal Pell Grants for which a return of funds is required
- Federal Supplemental Educational Opportunity Grants (SEOG) for which a return of funds is required
- Federal Teach Grants for which a return of funds is required
- Iraq and Afghanistan Service Grants for which a return of funds is required

Any questions should be directed to Bursar Services department in the Finance Office at 570-577-3733.

Note: A listing of tuition and fees for the academic year is available from the:

Office of Finance
Bucknell University
Lewisburg, PA 17837

¹ Source: 2015-16 Federal Student Aid Handbook