

Return to Title IV Funds

Students who are awarded Federal Title IV Financial Aid are subject to the provisions of the Return to Title IV Funds policy. Tuition charges, book charges, and refunds made are determined based on the stipulations of this regulation, as outlined in the Higher Education Act of 1965, as amended.

Title IV program funds are disbursed, and refunds calculated, based on a payment period of at least 15 weeks and 18 units. When a student withdraws from a program, the percentage of the payment period completed, and thus the amount of aid earned, is determined by dividing the number of calendar days completed in the payment period (based on the student's last date of attendance (LDA), by the total number of calendar days in the same period.

Credit Hour Program	Clock Hour Program
Calendar days attended based on LDA ÷ Total calendar days in the payment period	Number of clock hours the student was scheduled to complete in the period ÷ Total number of clock hours in the period

For a student who withdraws, either officially (by notifying the institution) or unofficially (ceases attendance), the withdrawal date is calculated as the last date of attendance (LDA) based on institutional records. The number of calendar days includes all days within the payment period, except for institutionally scheduled breaks of five or more consecutive days. Days in which the student is on an approved leave of absence are excluded from the calculation. The day the student withdraws is counted as a completed day.

The Return to Title IV Funds will occur in the following order:

1. Unsubsidized Federal Stafford Loan
2. Subsidized Federal Stafford Loan
3. Federal PLUS loan
4. Federal Pell Program
5. Federal SEOG Program

Conditions under which Title IV program funds would be required to be returned upon a student's withdrawal include:

1. The student withdraws from the institution.
2. Title IV Financial Aid funds have been disbursed to the student.
3. The student has attended (or completed) less than 60 percent of payment period.
4. The student has received a disbursement that he/she is not eligible to receive.

The percentage of Title IV aid earned in each payment period is equivalent to the percentage of the payment period completed. If the percentage of Title IV aid earned by a student is greater than 60 percent, the student is considered to have earned 100 percent of the Title IV aid and no refund is required. In other words, after the student has attended greater than 60 of the payment period, the tuition charged for the payment period and the Title IV aid disbursed are considered 'earned'.

Title IV funds that have been disbursed in excess of the percentage earned are considered 'unearned' and are required to be returned. If it has been determined that unearned aid has been disbursed, the funds must be returned to the originating source based upon the unearned percentage. A portion of unearned aid may be the responsibility of the college and a portion may be the responsibility of the student. If it is determined that the student owes a Title IV refund, MTI College will notify the student in writing with appropriate instructions. Unearned aid must be returned as soon as possible, but no later than 45 days from the determination of a student's withdrawal (date of determination). The date of determination is usually the date on which the student notifies the institution of his/her withdrawal. In the case where a student ceases attendance, the date of determination is no later than 14 days from the LDA, or the date the student was expected to return from a scheduled leave of absence.

Conditions under which a student would be owed a disbursement of Title IV program funds upon withdrawal from the institution:

For recipients of Federal Pell Grants:

1. Funds may be disbursed to a student subsequent to his/her last date of attendance (LDA) if the student has met all eligibility requirements as of the LDA.
2. Funds may be disbursed to a student subsequent to his/her LDA if documents required for verification are received within 120 days after the student's LDA or the deadline established by the US Department of Education, whichever is earlier. Funds will be disbursed upon completion of the verification.

For recipients of Title IV Loans:

1. The Title IV loan was originated through Common Origination and Disbursement (COD).
2. The student was in attendance for a minimum of 30 days.
3. The loan is for a first disbursement only.
4. The student approves the late disbursement.

Please contact the president or chief financial officer if you have any questions or would like clarification.