

I. Purpose

The purpose of this policy is to establish the process and responsibilities for the returns of Title IV financial aid in accordance with the Higher Education Act, 34 CFR § 668.22. It contains the following financial aid: Pell Grant, Direct Loans, Direct PLUS Loan, FSEOG and Work-Study Program Funds.

A student may be eligible for certain Title IV funds based on their level of study, financial need, among other eligibility requirements. For example, Undergraduate students may be eligible for any of the above grants. However, students at the graduate level are eligible only to be recipients of Direct Unsubsidized Loan and Direct PLUS Loan. On the other hand, the calculation of the return of Title IV Funds does not apply to the Federal Work-Study Program or other non-Federal aid.

The return of Title IV funds is based on the premise that students get financial aid for each calendar day they attend classes. For example, if a student attends 32 days of a semester that lasts 80 calendar days, the student will have earned 40 percent of their financial aid. Students who complete more than 60 percent of the semester are considered to have earned 100 percent of their financial aid.

II. Scope of the Policy

This policy applies to any EDP University student who withdraws from all courses at or before 60% of the academic term. It also applies to any student who is deemed to have unofficially withdrawn from all courses, and/or the student's withdrawal and processing of the return of Title IV calculations.

III. Procedures, formula, and guidelines for the return of Title IV funds.

A) Formula:

Number of Days Completed / Total Semester Days = Percent (%) Earned in Financial Aid

There are three types of withdrawals that fall under federal Title IV Return to Fund calculation regulations:

1. **Official Withdrawal** - The student has completed the withdrawal request process at the Registrar's Office in person, or by email. The withdrawal date is the date on which the student notifies the University of his/her intention to withdraw.
2. **Unofficial Withdrawal:**
 - a. **Missing** - The student has stopped attending the enrolled courses, and the Registrar's Office has administratively dropped the course, identifying it as WA. The drop date is the last date of attendance at the course or recognized academic activity.
 - b. **Grades not passed** – At the end of each period, the grade obtained from the enrolled credits will be evaluated, in the event that the student fails all the enrolled courses or does not complete the enrolled courses, it will be considered an unofficial withdrawal and the recognized last date of attendance in the class or academic activity will be used to calculate the "earned" financial aid.

3. **Withdrawal from Subsequent Academic Terms** – A student who enrolls in courses offered within a term or semester and becomes inactive in one of them, must perform the Title IV Return of Funds calculation to determine the percentage of financial aid earned and unearned.
- If a student enrolled in an academic term processes an official or unofficial withdrawal and provides written confirmation of their intent to attend a future term within the semester (Fall, Spring, or Summer), it is not necessary to perform the return of funds calculation for the remainder of the study period.
 - If the student does not attend the future term for which he/she had expressed in writing his/her intention to attend, a refund calculation will be made.
 - If the student does not provide written confirmation, the student's enrollment will be canceled for the future term.

B) Order & Return Term

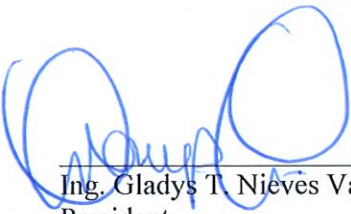
The University will return Title IV aid to the Department of Education electronically, in the following order until the full amount of unearned aid has been returned. In accordance with federal regulations, unearned Title IV aid will be returned to these programs in the following order:

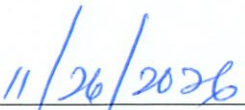
- 1) Unsubsidized Federal Direct Stafford Loan
- 2) Subsidized Federal Direct Stafford Loan
- 3) Federal Direct Parent or Graduate PLUS Loan
- 4) Federal Pell Grant
- 5) Federal Supplemental Educational Opportunity Grant (FSEOG)
- 6) Other Title IV Programs

C) Other Provisions Related to the Manner of Return of Title IV Funds

Once the funds are returned, the student will be responsible for any balance in their account that is created by the return of the Title IV funds. If a credit is created through a combination of tuition reimbursement and Title IV return, the funds will be reimbursed to the student via check or direct deposit.

The Title IV Funds Return Policy is separate from each institution's refund policy and individual state refund policies if so, defined by the state.


Ing. Gladys T. Nieves Vázquez
President
EDP University of PR, Inc.


Date