

## **Refunds and the "Return of Title IV Funds" Policy**

When a student withdraws or is expelled from school and has been awarded federal financial aid, per federal law, a portion of that awarded aid may be required to be returned. The amount to be returned may come from the institution, the student, or a combination of the two. To determine who is responsible to return the funds to the federal government, two calculations are necessary.

### Calculation 1:

First, per the "Return of Title IV funds" formula dictated by the federal government, the Financial Aid Office will calculate the amount of financial aid awarded to the student that must be returned to the federal government by the institution and the student, if the student withdraws prior to completing 60% of the term. The federal formula is applicable to a student receiving a TIP grant, Pell grant, SEOG, Perkins Loan, Direct Subsidized, Direct Unsubsidized, and Direct PLUS loans. The percentage of Title IV aid to be returned is equal to the number of calendar days remaining in the semester divided by the number of calendar days in the semester. Scheduled breaks of more than four consecutive days are excluded. Once this calculation has been performed, the Financial Aid Office will notify the Cashier Office of the amount the institution and /or student is required to return to the Title IV financial aid programs.

### Calculation 2:

The Cashier Office will then calculate the refund of institutional charges due the student per the University of Wisconsin refund policy mandated by the State.

Financial aid recipients are encouraged to contact the Financial Aid Office to be advised of the impact of withdrawing from the university prior to initiating the process.

Effective September 1, 2000