University Withdrawal and Refund and/or Repayment of Funds

Summary/Purpose: University withdrawal and the refund and/or repayment of financial aid funds.

If you are withdrawing from school and have received federal or state financial aid:

- Complete Loan Exit Counseling if you have received Stafford, Perkins or McKisntry loans. The University will not release your academic records unless you fulfill this requirement. [http://www.olemiss.edu/depts/financial_aid/loans/exit/](http://www.olemiss.edu/depts/financial_aid/loans/exit/)
- Read the following explanation of federal requirements for returning unearned financial aid.
- Read the following explanation of state requirements for retaining eligibility for Mississippi Tuition Assistance Grant/Mississippi Eminent Scholars Grant.

Provisions governing the return of financial aid funds when a student officially or unofficially withdraws:

Special rules apply when students withdraw after receiving student financial aid (SFA) for the term from any of the following programs:

- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (SEOG)
- Academic Competitiveness Grant
- National SMART Grant
- Federal Perkins Loan
- Federal Stafford Subsidized and/or Unsubsidized Loan
- Federal PLUS Loan (for graduate students)
- Federal PLUS Loan (borrowed on the student's behalf)
- Other Title IV programs

These rules are federally mandated. Before The University of Mississippi can calculate any tuition/fee refunds to a student under the institutional refund policy (see the academic calendar in this publication for this policy, which is administered by the Bursar’s Office), the Office of Financial Aid must determine whether any financial aid funds should be paid back.

The Higher Education Amendments of 1998 define withdrawal as failure to complete the period of attendance on which federal aid eligibility was based. Therefore, this policy affects not only those individuals who complete the formal withdrawal notification process (as specified by the registrar), but also those students who simply stop attending classes. In either case, when a recipient of Title IV funds ceases attendance during a term, the university must calculate how much SFA was earned by the student.

A percentage is determined by the following formula:
Number of calendar days completed in the term as of the date of withdrawal

Total number of calendar days in the term

If this percentage is more than 60 percent, no paybacks will be processed. For fall 2007, students who withdraw Oct. 19 or later will have completed at least 60 percent of the semester. If the result is 60 percent or less, then this percentage is used to determine how much of the aid that was disbursed (or could have been disbursed) is considered earned. The remainder must be returned to the Title IV program(s). Return of funds is processed as outlined below.

SCHOOL

The university must return the lesser of (1) the amount of SFA not earned or (2) the institutional costs (tuition, housing, etc.) that the student incurred multiplied by the percentage of SFA not earned.

STUDENT

The student (or parent, in the case of a PLUS loan) must repay the amount of unearned SFA remaining after the university has returned its share.

ALLOCATION OF RETURNED FUNDS

Unearned funds are first applied (paid back) to any Title IV loans borrowed during the term. As stipulated by federal regulations, funds are returned in the following order:

- Unsubsidized Stafford loan
- Subsidized Stafford loan
- Federal Perkins loans
- Federal PLUS loan (for graduate students)
- Federal PLUS loans

When the school must return loan funds to the lender on the student’s behalf (or parent’s, in the case of a PLUS loan), the student’s bursar account will be charged for this amount. When the federal calculation determines, instead, that it is the student’s (or parent’s) responsibility to return funds directly to the lender, the earned Title IV loan funds are repaid in accordance with the terms of the loan.

If unearned funds remain after all loans have been repaid, the remaining unearned funds must be credited to Title IV programs in the following order:

- Federal Pell Grant
- Academic Competitiveness Grant
- National SMART Grant
- Federal SEOG
- Other Title IV programs

When the school must return grant funds on the student’s behalf, the student’s bursar account will be charged for this amount. When the responsibility for repaying funds to the Title IV grant programs falls to the student, the student is required to return only 50 percent of the grant repayment as calculated using the federal formula. Grant overpayments may be collected according to arrangements satisfactory to the school, or by overpayment collection procedures prescribed by the Department of Education.

**WITHDRAWAL DURING THE REFUND PERIOD**

For withdrawals during the University’s refund period (during which tuition/fee refunds may apply), institutional aid that has credited to the student account must be repaid in full. Please refer to the Academic Calendar for the appropriate dates.

**WITHDRAWAL FROM THE UNIVERSITY**

A student who withdraws from the university during the course of a semester or summer term must provide written notification either via fax, mail or in person to the Office of the Registrar. Detailed information about the withdrawal process is provided in the *Undergraduate Catalog*. In the case of an unofficial withdrawal, the school will determine the appropriate date of withdrawal to be that of the midpoint of the term, unless the student can document a different date. All students should be aware that withdrawing (either officially or unofficially) can adversely affect scholarships and grants (Academic Excellence, MTAG, etc.) for the next term of attendance. The Office of Financial Aid can provide guidance in those cases.

Refund, repayment and withdrawal policies are subject to change, without notice, in order to comply with administrative and regulatory requirements.

**Provisions governing MTAG/MESG for students who withdraw:**

A student must maintain continuous enrollment of not less than two semesters or three trimesters in each successive academic year unless granted an exception for cause. Examples of **exceptions for cause** may include personal injury or death of an immediate family member, participation in a cooperative program, internship or foreign study program. If **a recipient fails to maintain continuous enrollment, unless granted an exception for cause**, that student is ineligible to receive funds during the next semester or trimester of full-time enrollment of a regular academic year.