

FINANCIAL AID REFUND AND REPAYMENT POLICY

The Financial Aid Office is required by federal statute to determine how much financial aid was earned by students who withdrew, drop out, are dismissed, or take a leave of absence prior to completing 60% of a payment period or term.

For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, a school must still complete a return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

The calculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula:

Percentage of payment period or term completed = the number of days completed up to the withdrawal date divided by the total days in the payment period of the term. (Any break of five days or more is not counted as part of days in the term.) This percentage is also the percentage of earned aid.

Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formula:

Aid to be returned = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.

If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution.

If a student earned more aid than was disbursed to him or her, the institution would owe the student a post-withdrawal disbursement which must be paid within 12 days of the student's withdrawal.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

MTEC does not participate in Stafford Loans through Title IV. Disbursement of Pell Grant funding occurs after the student has completed 60% of the semester and has met the standards of satisfactory academic progress as prescribed for the program. Grades and attendance records are reviewed prior to disbursements in December and May.