Title IV Refund Policy

This Title IV return of federal funds policy operates independently of the Illinois Institute of Technology institutional refund policy. Because the institution does not provide tuition refunds through 60 percent of an enrollment period, a student who withdraws may owe the University for charges no longer covered by returned federal aid.

The Higher Education Amendments of 1998 included new provisions governing the return of federal financial assistance for financial aid recipients who completely withdraw from school in any semester. The policy governs all Federal loan and grant programs, including Federal Unsubsidized Stafford Loans, Federal Subsidized Stafford Loans, Federal Direct Loans, Federal Perkins Student Loans, PLUS Loans, Federal Pell Grant, Federal SEOG, and other Title IV programs except Federal Work-Study.

In general, the law assumes that the student must "earn" federal financial aid awards directly in proportion to the number of days of the term attended. In other words, a student earns financial assistance as they attend class. If a student completely withdraws from all classes during a term, the University must calculate the portion of the total scheduled financial assistance earned. If the student received (or the University received on behalf of the student) more assistance than earned, the unearned excess funds must be returned to the federal programs.

The portion of federal loans and grants the student was entitled to earn is calculated on a percentage basis by comparing the total number of calendar days in the semester to the number of days completed before total withdrawal. The calculation for unearned aid is not required for students attending classes up to the 60% period of the semester.

The total withdrawal date for calculating the Return of Title IV financial assistance will be determined by the University as the date the student officially withdraws per the institutional procedures.

Unearned federal financial assistance must be returned to program funds up to the amount of assistance that the student has received from the program in the priority order established by regulation: Unsubsidized Stafford Loan, Subsidized Stafford Loan, Federal Perkins Student Loan, PLUS Loan, Federal Pell Grant, Federal SEOG, and other Title IV programs. The University takes the responsibility on behalf of the student to return unearned federal financial aid assistance funds that were applied directly to institutional charges. The University will reinstate institutional charges no longer covered by financial assistance and the student becomes immediately responsible for the entire outstanding balance on the tuition account.

Questions about the Title IV refund amounts, should be directed to your financial aid office.

Payment arrangements can be made by contacting the bursar office at bursar@iit.edu.