



## Financial Aid Return Policies

Students who drop any classes after the semester has started may be in jeopardy of losing financial aid awards. The following policies explain what financial aid will need to be returned in certain situations.

In addition to this section please also read the [Tuition Refund Policy](#), as the final student account balance will be affected by that policy as well.

### Return of Institutional Aid Policy

Eligibility for all awards is contingent upon course completion. The student will be required to return at least a portion of any scholarships, grants and tuition discounts back to Denver Seminary if any courses are dropped after the semester starts or are not completed with passing grades. Adjusted amounts will be based on final enrollment status. Denver Seminary is required to return at least a portion of Federal Direct Loan funds to the lender if a student fully withdraws before at least 60% of the semester is complete.

[See “Award Terms and Conditions” in the Financial Aid Award Letter.](#)

Therefore the financial aid office must recalculate eligibility for scholarships, grants and tuition discounts for students who do not fully complete any classes once the semester has started.

#### **Students who drop any classes but do not fully withdraw:**

*Grants & Non-Full-Tuition Scholarships* - If the student drops or does not complete any classes (including receiving a failing grade) but continues to maintain at least the minimum amount of required credits (as determined by the award received), no adjustments will be made to the amount of the award. If the student drops below the award's minimum amount of required credits the full award will be withdrawn from the student's account, regardless of when during the semester the classes were dropped.

*Full-Tuition Scholarships & Tuition Discounts* - If the student drops or does not complete any classes (including receiving a failing grade) the amount of the award will be adjusted to reflect the tuition charged for the remaining classes, regardless of when during the semester the classes were dropped.

#### **Students who fully withdraw or take a leave of absence:**

If the student drops all of the classes on or after the semester's start date the full award(s) will be withdrawn from the student's account, regardless of when during the semester the classes were dropped. (See some of the examples below).



## **Return of Federal Funds Policy**

The financial aid office must recalculate eligibility for federal financial aid for students who do not fully complete any classes once the semester has started.

### **Students who drop any classes but do not fully withdraw:**

While the student is required to be registered for at least 5 semester credits to be eligible to receive loan disbursements, Denver Seminary is not required to return federal loan funds to the lender if the student does not fully withdraw after the loan has been disbursed.

### **Students who fully withdraw or take a leave of absence:**

If the student completes at least 60% of the semester, Denver Seminary is not required to return any federal loan funds to the lender.

If the student drops down to 0 credits (full withdrawal, or mid-semester leave of absence) before 60% of the semester has been completed, the Financial Aid Office is required to calculate a percentage of federal funds that will need to be returned to the lender. This calculation of eligibility is based on the percentage of earned aid and the actual amount of tuition and fees charged to the student. The percentage of earned aid is based on the number of semester days completed up to the withdrawal date, divided by the total amount of days in the applicable term. The withdrawal date is defined as the day a student initiates the withdrawal process. The calculation is as follows:

$$(\% \text{ of semester not completed}) \times (\text{tuition and fees charged}) = \text{loan amount returned}$$

The student will be notified of the amount returned within 10 business days of the withdrawal date. The student will also be asked to check the student account to make sure that this return, combined with the percentage of tuition refunded, has not created a balance owed to the school. If the withdrawal *has* caused a balance owed, the student will need to contact the [business office](#) to arrange reconciliation of the account.

*NOTE: If a student unofficially withdraws (if he/she just stops attending classes without taking any other administrative actions), the midpoint of the semester or the date documented by the student as the last day of attendance will be documented as the withdrawal date.*

## **Return of Veterans Benefits Policy**

The Department of Veterans Affairs (VA) has determined that overpayments and other debts owed are to be directly settled between the student and the VA. As such, if an overpayment has occurred (typically due to a student dropping any classes after a tuition/fees payment has already been sent to the school) the student will need to bring the statement of debt (from the VA) to the



[business office](#) and request a refund check for the extra funds. The student can then make a direct payment to the VA for the debt owed.

Effective October 1, 2011, the exception to this policy is when a student fully withdraws from a semester or term. In that situation the VA will invoice the institution for the debt. Based on Denver Seminary's tuition refund policy, the student may then have a balance owed to the school on the student account that will need to be paid immediately. Payment arrangements can be made directly with the [business office](#).

## **Examples of How Returns Affect Students' Accounts**

Listed below are examples of how the tuition refund policy and the financial aid return policies (listed above) can create either a credit or a balance on the student account.

### **Example 1:**

#### *Situation*

- Your tuition/fees for 9 credits total \$4,500 (\$500/credit).
- Your \$1,000 scholarship requires a minimum of 9 credits per semester.
- You make a payment for the difference of \$3,500.
- You start the semester with 9 credits but drop 2 credits during the 3<sup>rd</sup> week of the semester, bringing your total down to 7 credits.

#### *Result*

- You are no longer eligible for your award and the funds will be fully withdrawn from your account, creating a balance of \$1,000.
- You will be refunded 70% of tuition for those 2 credits (1<sup>st</sup> week = 90%, 2<sup>nd</sup> week = 80%, etc.). In this case 70% is \$700.
- This will create a balance of \$300, for which you are responsible to pay.

### **Example 2:**

#### *Situation*

- Your tuition/fees for 9 credits total \$4,500 (\$500/credit).
- Your 50% discount brings your balance to \$2,250.
- You make a payment for the full balance.
- You start the semester with 9 credits but drop 4 credits during the 2<sup>nd</sup> week of the semester, bringing your total down to 5 credits.



*Result*

- You are no longer eligible for the discount for those 4 dropped credits. \$1,000 is withdrawn from your account, creating a balance of \$1,000.
- You will be refunded 80% of tuition for those 4 credits. In this case 80% of 4 credits is \$1,600.
- You will be sent a refund for the difference of \$600.

**Example 3:**

*Situation*

- Your tuition/fees for 5 credits total \$2,500 (\$500/credit).
- Your \$500 grant requires a minimum of 5 credits per semester.
- You take out a Stafford loan to cover the difference of \$2,000.
- You start the semester with 5 credits, but fully withdraw during the 10<sup>th</sup> week of the semester

*Result*

- You are no longer eligible for the grant. \$500 is withdrawn from your account, creating a balance of \$500.
- The school is not required to return any of the loan funds, as at least 60% of the semester has been completed.
- You will not be refunded any of the tuition for those 5 credits, as no refunds can be given after the 5<sup>th</sup> week of the semester.
- Your account will then have a balance of \$500, for which you are responsible to pay.