



## **Office of Financial Aid and Scholarships**

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***Return to Title IV Aid Guide***

*What students need to know before  
withdrawing from UC Merced ...*

## Return of Title IV Funds due to Withdrawal

This guide provides information regarding the Return to Title IV Aid policies at UC Merced that apply to any student who withdraws, is dismissed, or takes a leave of absence (PELP) from UC Merced prior to the 60% point in the semester. For the remainder of this document, the term “withdraw” will be used to describe students who withdraw, are dismissed or who have taken a leave of absence (PELP). The policy applies to all students that discontinue enrollment in all classes, on or after the first day of the term.

When you withdraw, two separate calculations must be determined. First, a Refund of Fees must be calculated. Secondly, the Office of Financial Aid and Scholarships must calculate the Return to Title IV Aid, which is the amount of aid you received during the term that must be returned to the aid programs.

### REFUND OF FEES CALCULATION

Based upon the date you withdraw, you may receive a full or partial refund of your fees. This refund will not impact the Return of Title IV Aid Calculation, but does affect the amount of money you may owe back to the University for withdrawing. UC Merced's *Fee Refund Schedule* will determine your eligibility for a refund of any portion of your registration fees and non-resident tuition. The *Fee Refund Schedule* refers to calendar days beginning with the first day of instruction of the semester. The effective date for determining a refund of fees is the date a completed Cancellation/Withdrawal or PELP form is received in the Office of the Registrar. If you cancel your enrollment before the first day of the semester you are eligible for a full refund of fees. If you withdraw any day after the semester begins, your refund will be pro-rated according to the schedule of refunds (see below). For the first term a student is enrolled at UC Merced the student will be considered a **NEW** student. After the first term of enrollment, a student will be considered a **CONTINUING** student.

#### Fee Refund Schedule

Refund Schedule for Continuing and Readmitted Students and New Students Who Do Not Receive Federal Financial Aid	
# of Days in Semester	Refund
0-1	100%
2-11	75%
12-27	50%
28-53	10%
54+	0%

#### Modified Fee Refund Schedule

Refund Schedule for NEW Students who Receive Title IV Federal Financial Aid and Withdraw During their First Academic Term	
# of Days in Semester	Refund
0-7	100%
8-14	90%
15-28	80%
29-35	70%
36-49	60%
50-56	50%
57-63	40%
64+	0%

#### Determining the Withdrawal Date for the Fee Refund Schedule

The date of withdrawal is determined by the Office of the Registrar and is the date that the completed withdrawal/cancellation or PELP form is received in the Office of the Registrar. If a student does not submit an official withdrawal/cancellation or PELP form to the Office of the Registrar, the student will not receive a refund. These students are considered unofficial withdrawals. If a student is dismissed from the University, the date of dismissal is used as the official withdrawal date.

## **Determining the Withdrawal Date for the Return to Title IV Calculation**

When a student withdraws from UC Merced, the withdrawal date used in determining the amount of financial aid that needs to be returned is the earliest of the date: 1) the student files the Official Notice of Withdrawal Form with the University Registrar, or 2) the student officially notifies the Registrar's Office of his/her intent to withdraw; or 3) UC Merced determines what most accurately reflects the last date of an academically related activity of the student.

### **RETURN OF TITLE IV AID CALCULATION**

The Office of Financial Aid and Scholarships will identify recipients who have withdrawn from the University and determine which students fall under the federal guidelines for Return of Title IV aid. Title IV Funds refers to the Federal Student Aid programs authorized under the Higher Education Act of 1965 (as amended). Federal, State and Institutional aid will be considered in the Return of Title IV Aid calculation. Aid from the following programs will be returned as part of the Title IV calculation and in the order listed below:

- *Federal Stafford Unsubsidized Loans*
- *Federal Stafford Subsidized Loans*
- *Federal PLUS Loan*
- *Federal Pell Grant*
- *Academic Competitiveness Grant (ACG)*
- *National SMART Grants*
- *Federal Supplemental Educational Opportunity Grants (FSEOG)*

If you are not receiving any of the above aid, then your financial aid awards are classified as NON-FEDERAL. Students who received NON-FEDERAL aid (listed below) are required to go through a similar calculation to determine the portion of these funds that are "unearned". Aid is returned as follows:

- *Cal Grant*
- *Institutional Aid*

## **Calculating "Earned" and "Unearned" Aid**

When you withdraw, the Office of Financial Aid and Scholarships must calculate the amount of financial aid you have "earned" prior to withdrawing. Any aid received in excess of the "earned" amount is considered "unearned". The "unearned" portion must be returned to their programs. This amount is jointly shared by UC Merced and the student.

The amount of assistance that a student has earned is calculated on a daily basis from the first day of classes. This process uses calendar days rather than business days. For instance, if you completed 30% of your enrollment period, you have earned 30% of the assistance that you were originally scheduled to receive. Once you have completed more than 60% of the payment period, you have earned all the assistance that you are eligible for.

"Earned" aid is determined by taking the number of days attended before withdrawing divided by the total number of days in the term (first day of instruction until the last day of finals, excluding breaks in teaching 5 days or longer).

**EXAMPLE #1:** If you (undergraduate student) withdraw from Fall semester on the second day of instruction and there were 110 days in the term and you received \$4775 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\frac{\text{Days attended } 2}{\text{Total days of term } 110}$$

“Earned” percentage = 1.8%

“Unearned” percentage = 98.2%

**EXAMPLE #2:** If you (undergraduate student) withdraw from Fall semester on the 26<sup>th</sup> day of the 110 day term and received you \$1665 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\frac{\text{Days attended } 26}{\text{Total days of term } 110}$$

“Earned” percentage = 23.6%

“Unearned” percentage = 76.4%

### Calculating Return of Title IV Aid Amount

Once the “earned” and “unearned” aid percentages are determined, the amount of aid to be returned can be calculated. To calculate this number you multiply the “unearned” aid percentage by the Total of all Title IV Aid received. The resulting number is the Total “Unearned” Aid.

**EXAMPLE# 1:** If you (undergraduate student) withdraw from Fall semester on the 2<sup>nd</sup> day of the 110 day term and received \$4775 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{“Unearned” Aid Percentage} = 98.2\% \\ \times \text{ Total of all Title IV Aid Received} = \$4775 \\ \hline \text{Total “Unearned” Aid} = \$4689.05 \end{array}$$

**EXAMPLE #2:** If you (undergraduate student) withdraw from Fall semester on the 26<sup>th</sup> day of the 110 day term and received \$1665 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{“Unearned” Aid Percentage} = 76.4\% \\ \times \text{ Total of all Title IV Aid Received} = \$1665 \\ \hline \text{Total “Unearned” Aid} = \$1272.06 \end{array}$$

### Calculating School Portion of Return of Title IV Aid

The amount of “unearned” aid that must be returned by UC Merced is a percentage of the institutional charges for that term. To determine this number multiply the “unearned” aid percentage by the total institutional charges. When the School Portion of the Return is determined, it is compared to the total “unearned” aid. If the School Portion of the Return is less than the Total “Unearned” Aid then UC Merced must return the amount of the School Portion of the Return. If the School Portion of the Return exceeds the Total “Unearned” Aid, then UC Merced must return the amount of the Total “Unearned” Aid. Aid will be returned to the appropriate financial aid programs in the order mentioned above.

**EXAMPLE #1:** If you (undergraduate student) withdraw from Fall semester on the 2<sup>nd</sup> day of the 110 day term and received \$4775 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{"Unearned" Aid} = 98.2\% \\ \underline{\text{X Institutional Charges} = \$3611.50} \\ \text{School Portion of Return} = \$3546.49 \end{array}$$

Total "Unearned" Aid = \$4689.05 > School Portion of Return = \$3546.49  
UC Merced will return \$3546.49

**EXAMPLE #2:** If you (undergraduate student) withdraw from Fall semester on the 26<sup>th</sup> day of the 110 day term and received \$1665 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{"Unearned" Aid} = 76.4\% \\ \underline{\text{X Institutional Charges} = \$3611.50} \\ \text{School Portion of Return} = \$2759.19 \end{array}$$

### Fee Refund vs. School Return Amount

In most cases, the amount of the fee refund received will be less than the amount of financial aid that UC Merced must return. This will create a balance on your UC Merced student account. You are responsible for paying this balance in addition to any other balance created from the "Student" portion of the Return of Aid.

### Calculating "Student" Portion of Return

After the school returns the appropriate amount of aid, any amount of the Total "Unearned" Aid that remains becomes the "Student" portion of the Return of Title IV Aid. The Student Portion of the return is distributed back to the aid program in which it was awarded using the hierarchy mentioned above.

**EXAMPLE #1:** If you (undergraduate, new student) withdraw from Fall semester on the 2<sup>nd</sup> day of the 110 day term and received \$4775 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{Total "Unearned" Aid} = \$4689.05 \\ \underline{- \text{UC Merced Return Amount} = \$3546.49} \\ \text{Student Portion of Return} = \$1142.56 \end{array}$$

**EXAMPLE #2:** If you (undergraduate, new student) withdraw from Fall semester on the 26<sup>th</sup> day of the 110 day term and received \$1665 in Federal Financial Aid and institutional charges are \$3,611.50:

$$\begin{array}{r} \text{Total "Unearned" Aid} = \$1272.06 \\ \underline{- \text{UC Merced Return Amount} = \$1272.06} \\ \text{Student Portion of Return} = \$0 \end{array}$$

UC Merced will return these funds on your behalf and you will be responsible for reimbursing UC Merced for this return.

### ***FUTURE AID ELIGIBILITY***

Withdrawing may affect your eligibility to receive financial aid in subsequent terms. Depending upon the type of financial aid you receive, you may be required to resubmit certain applications.

If you are a loan recipient and you withdraw during Fall semester, future disbursements for the current academic year will be cancelled. Once you withdraw and are no longer in attendance at any institution, your six month grace period will begin. After that, you will need to start repaying your student loan. It is important to make the loan payments on time to prevent default. If you default on a student loan, you will lose your eligibility for any future financial aid.

Withdrawal from school may affect your Satisfactory Academic Progress standing and future eligibility for financial aid.

**Important:** Your semesters of financial aid eligibility are limited. When you withdraw you use up one semester of eligibility!

### ***WITHDRAWAL PROCESS***

An official cancellation/withdrawal form must be filed with the Office of the Registrar prior to leaving UC Merced. Students must indicate the reason for withdrawing. The students' withdrawal date will be determined from the date the cancellation/withdrawal form is received. Students can obtain a copy of the cancellation/withdrawal form from the Student's First Center or at <http://registrar.ucmerced.edu>.

The Return of Title IV Calculation will still be performed for students who receive Federal aid for a term, leave school during that term and fail to submit an official cancellation/withdrawal form with the Office of the Registrar. The Office of Financial Aid will try to determine the last date of an academically related activity or we will assume that the student completed 50% of the term. Academic progress requirements still apply to students who unofficially withdraw.

### ***SPECIAL CANCELLATION / WITHDRAWS***

If your registration is cancelled by UC Merced for any administrative reason or you submit a completed withdrawal/cancellation form before the first day of instruction, you will be refunded 100% for your registration fees regardless of the date that your registration was cancelled. All of your financial aid received for the term must be returned to the Office of Financial Aid in full.

**Important:** If you are aware that you will be administratively canceled, do not spend your financial aid refund because it will have to be repaid.

## STUDENT NOTIFICATION

Once the Return to Title IV Calculation has been performed, your UC Merced student account will reflect any refunds or charges. Depending on the outcome of the calculation, you may owe funds back to the University. This amount will be listed in your e-bill on the MyUCMerced website. You are responsible for monitoring your student account after withdrawing. For more information regarding your student account, please contact Student Business Services at [sbs@ucmerced.edu](mailto:sbs@ucmerced.edu) or (209) 228-4114.



**Come and see  
us before  
dropping all  
of your  
courses!!!**

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