

Polytechnic University of Puerto Rico
Financial Aid Office

*2014-2015
Federal Financial Aid Return Policy (R2T4)*

Procedure for the Calculation of Federal Financial Aid to be Returned to the Federal Government when a Student Withdraws

The new procedure to determine the amount of funds to be returned to the Federal Government when a student withdraws is established in sect. B 484 of "Higher Education Act" of 1965, as amended, and will be effective on August 1, 2000.

The Financial Aid Office will determine the amount of financial aid that must be returned to the Federal Education Department for every student that withdraws and has received federal financial aid. The following steps are necessary in the calculation of financial aid amount to be returned:

- Determine the first day of classes
- Determine the last day of classes or examination
- Determine the date on which the student withdraw or had the intention
- Determine the amount of financial aid earned by the student during that period of time
- Determine the amount of financial aid that will be returned to the Federal Government

The above procedure applies to the following federal financial aid programs that have been disbursed or could have been disbursed:

- Federal Student Loans: Unsubsidized loan, Subsidized loan, and PLUS loan
- Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

Example of the Procedure for the calculation of federal financial aid amount to be returned to the Federal Government

The student has enrolled for the 14/OF period with an academic load of 12 credits. Classes began on August 11, 2014, and the student officially withdrew on August 25, 2014. The student has Pell Grant with an EFC = 0. The Pell Grant payment for the academic period would be \$1,910.

1. Determine the number of calendar days of the payment period in which the student is enrolled:

83 calendar days for 14/OF trimester

2. Determine the number of calendar days since the start of classes until the date the withdrawal was officially notified:

14 calendar days (from August 11 to August 25, 2014)

3. Determine the percent (%) of days completed since the start of classes until the day of the withdrawal:

$$14/83 = .168 = 17\%^*$$

* This represents the percent (%) of financial aid earned by the student during this period. If the percent of earned financial aid exceeds 60%, the student will receive 100% of the financial aid allocated for that period.

4. Determine the percentage of days not completed:

$$100\% - 17\% = 83\%^{**}$$

** This represents the percent of financial aid that will be returned to the Federal Government.

5. Determine the amount of financial aid that will be paid to the student (amount to be credited to the account):

Pell Grant Payment = \$1,910	\$ 1,910
EFC = 0	<u> x.17*</u>
12 credits	\$ 325

6. Determine the amount of financial aid that will be returned to the Federal Government:

Pell Grant Payment = \$1,910	\$ 1,910
EFC = 0	<u> x.83**</u>
12 credits	\$ 1,585