



## **Title IV**

### **1. Policy Statement/Procedure Description**

The Higher Education Amendments of 1998 changed the formula for calculating the amount of aid a student and school can retain when the student totally withdraws from all classes. If a student withdraws from Kentucky State University, the school, the student, or both may be required to return some or all of the federal funds awarded to the student for that semester. A student who withdraws from all classes prior to completing 60% of the enrollment term is subject to having his/her eligibility adjusted based on the percentage of the term completed.

- For example, a student who withdraws from all classes after completing only 10% of term only earns 10% of aid disbursed or received on his/her account. As a result, the school or student must return 90% of the disbursed/received aid that was not earned.

This policy applies to all Title IV federal aid recipients with disbursed aid from any of the following Federal programs:

- Federal Direct Stafford Loans (un
- Federal Perkins Loan
- Federal Direct PLUS Loans (Graduate and Parent)
- Federal Pell Grant
- Federal Supplemental Education Opportunity Grant (SEOG)
- TEACH Grant.

### **2. Entities Affected**

- Financial Aid
- Finance and Administration

### **3. Policy Owner/Interpreting Authority**

Executive Vice President for Finance and Administration

#### **4. Related Policies**

#### **5. Statutory or Regulatory References**