Title IV Refund Policy (10/2011)

The law specifies how Webster University must determine the amount of Federal Student Aid (FSA) assistance students earn if they withdraw from school. The FSA programs that are covered by this law are: Federal Pell Grants, Academic Competitive Grants, National Smart Grants, TEACH Grants, Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOG), Federal Perkins Loans.

When a student withdraws the amount of FSA program assistance that they have earned up to that point is determined by a specific formula. If the student received (or the school or parent received on their behalf) less assistance than the amount that was earned, the student may be able to receive those additional funds. If the student received more assistance than was earned, the excess funds must be returned by the school and/or the student to the Federal Title IV programs.

The amount of assistance that the student has earned is determined on a pro-rata basis. For example, if the student completed 30% of the payment period or period of enrollment, the student has earned 30% of the assistance that was originally scheduled. Once the student has completed more than 60% of the payment period or period of enrollment, the student has earned all of the assistance that was originally scheduled.

If the student did receive all of the funds that were earned, they may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the student may choose to decline the loan funds so that they do not incur additional debt. Webster University may automatically use all or a portion of the student’s post-withdrawal disbursement (including loan funds if the student accepts them) for tuition, fees, and room and board charges. For all other school charges, Webster University needs the student’s permission to use the post-withdrawal disbursement. If the student does not give their permission, they will be offered the funds. However, it may be in the student’s best interest to allow Webster to keep the funds to reduce any charge balance on their account.

If the student receives (or Webster University or the student’s parent on their behalf) excess FSA program funds that must be returned, Webster University must return a portion of the excess equal to the lesser of:

1) The student’s institutional charges multiplied by the unearned percentage of the student’s funds, or
2) The entire amount of excess funds.

Webster University must return this amount even if it didn’t keep this amount of your FSA program funds.

If Webster University is not required to return all of the student’s excess funds, the student must return the remaining amount. Any loan funds that the student must return,
the student repays in accordance with the terms of the promissory note. That is, the student makes scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that the student must return is called an overpayment. The amount of a grant overpayment that the student must repay is half of the unearned amount. The student must make arrangements with Webster University or the Department of Education to return the unearned grant funds.

The requirements of FSA program funds when you withdraw are separate from any refund policy that Webster University may have. Therefore, you may still owe funds to the school to cover unpaid charges. Webster University may also charge you for any FSA program funds that the school was required to return. For example, the Title IV Refund Policy may require Webster University to return a portion of federal funds back to the Title IV programs but the student may still owe the university tuition charges for the course they withdrew from. For more information on the university’s Refund Policy, please consult the school catalog.

If students have any questions about their FSA program funds they are encouraged to contact the Financial Aid Office. Additionally, students may call the Federal Student Aid Information Center at 1-800-433-3243. The Center accepts calls from 8 a.m. to midnight (EST), seven days a week. TTY users may call 1-800-730-8913. Information is also available on the U.S. Department of Education’s “Financial Aid for Students Home Page” at www.ed.gov/studentaid.