

Notre Dame Seminary
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Return Formula Used When a Student With Federal Unsubsidized Loans Withdraws from Notre Dame Seminary Graduate School of Theology

Notre Dame Seminary is required by federal statute to determine how much federal financial aid was earned by students who withdraw, drop out, are dismissed, or take a leave of absence *prior* to completing 60% of a payment period or term.

For a student who withdraws *after* the 60% point-in-time, there are no unearned funds. However, a school must still complete a Return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

The calculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula:

Percentage of payment period or term completed = the number of days completed up to the withdrawal date divided by the total days in the payment period or term. (Any break of five days or more is not counted as part of the days in the term.) This percentage is also the percentage of earned aid.

Funds are returned to the [unsubsidized direct loan program](#) based on the percentage of unearned aid using the following formula:

Aid to be returned = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.

If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds. Keep in mind that when Title IV funds are returned, the student borrower may owe a debit balance to the institution.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

Students should also complete "Exit Loan Counseling" on the [StudentLoans.gov](#) website.