

Refund Policies

Institutional Refund Policies

Refund Policy/Buyer's Right to Cancel

If your application is rejected, you will receive a full refund of all tuition, fees, and other charges. You will be entitled to a full refund of tuition, fees, and other charges if you give notice that you are cancelling your contract within five business days after the enrollment contract is considered effective. An enrollment contract will be presumed to effective on the date the institute notifies you that you have been accepted into the institute, and you have signed the enrollment contract. If the notification of acceptance into the institution is sent by mail, then the effective day of being accepted is the postmark on the acceptance letter.

This five-day refund policy applies regardless of when the program starts. If you give notice more than five days after you signed the contract, but before the start of the program, you will receive a refund of all tuition, fees, and other charges minus 15%, up to \$50, of the total cost of the program. You will be provided a prorated tuition, fees, and other charges refund minus a 25%, up to \$100 fee, if you provide notice of your withdrawal after your program has begun, but before 75% program has completed. If you withdraw from your program after 75% of the program has completed, you are not entitled to a refund of tuition, fees, and other charges. The institute's kit cannot be reasonably resold and therefore is nonrefundable if the kit has been opened.

You will receive notice acknowledging your withdraw request within 10 business days after receipt of the notice, and you will receive a refund of any tuition, fees, and other charges within 30 business days of receipt of your withdrawal. Written notice is effective of the date of the postmark if sent by mail or the day it has been hand-delivered to the institute. If you do not withdraw or contact the institute about your absence, and you have not attended your program for 21 consecutive days, you will be considered to have withdrawn from the school as of your last date of attendance.

The institute shall maintain evidence that the refund is received by the recipient in a timely manner, such as, but not limited to, a cancelled check, bank reconciliation, signed receipt of delivery, or documentation that funds were disposed of in accordance with the applicable regulations. The above refund policy applies to all terminations for any reason, by either party, including student decision, course or program cancellation, or school closure.

Return of Title IV Policy

Federal law determines how the institute must determine the amount of Title IV program assistance a student earns if they withdraw from school. The Title IV program funds that are covered by this law are: Federal Pell Grants, Direct Loans, Direct PLUS Loans, and Federal Supplemental Educational Opportunity Grants (FSEOGs).

Though aid is posted to a student's account at the start of each period, the student earns the funds as they complete the period. If the student withdraws during the payment period, the amount of Title IV program assistance students earn is determined by a specific formula. If the student receives less assistance than the amount earned, the student may be able to receive those additional funds. If the student received more assistance than earned, the institute must return the excess funds.

The amount of assistance a student earns is determined on a pro rata basis. For example, if a student completed 30% of their payment period, the student would earn 30% of the assistance originally scheduled to receive. Once a student completes more than 60% of the payment period, the student earns all of the assistance scheduled for that period.

Withdrawal Date

A student's withdrawal date is used to calculate the percentage of the payment period completed and is always the student's last date of attendance.

If a student did not receive all the funds earned, they may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the institute must obtain a student's permission before it can disburse them. The student may choose to decline some or all of the loan funds so that the student does not incur additional debt. The institute may automatically use all or a portion of the post-withdrawal disbursement or grant funds for tuition and fees as contracted with the institute. The institute needs a student's permission to use the post-withdrawal grant disbursement for all other school charges. If the student does not provide their permission, the student will be offered the funds. However, it may be in the student's best interest to allow the school to keep the funds to reduce their debt at the institute.

Because of other eligibility requirements, there may be Title IV program funds that a student is scheduled to receive which are not available once they withdraw. For example, a first-time, first-year undergraduate student, who has not completed the first 30 days of the program before withdraw, is not eligible for Direct Stafford Loan funds that they may have received had the student remained enrolled past the 30th day.

If a student receives (or school or parent on the student's behalf) excess Title IV Program funds that must be returned, the institute must return a portion of the excess equal to the lesser of:

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

The institute must return this amount even if it did not keep this amount of the student's Title IV funds.

If the school is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that a student must return (or the student's parent for a Direct Plus Loan), the student (or parent) must repay in accordance with the terms of the promissory note. That is, the student (or parent) must make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that a student must return is called an overpayment. The maximum amount of a grant overpayment that a student must repay is half of the grant funds a student received or was scheduled to receive. The student does not have to repay a grant overpayment if the original

amount of the overpayment is \$50 or less. The student must make arrangements with the institute or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when a student withdraws are separate from the institute's refund policy. Therefore, a student may still owe funds to the institute to cover unpaid institutional charges. The institute may also charge a student for any Title IV program funds that the institute was required to return.

For questions about Title IV program funds, a student can call the Federal Student Aid Information Center at 1-800-4-FEDAID. Information is also available on the U.S. Department's "Financial Aid for Student's Home Page" at www.studentaid.gov.

Any unearned Title IV funds must be returned to the appropriate program within 45 days of the date of determination of withdrawal.

Date of Determination of Withdrawal

The date of determination is the earlier of:

- The date the student notifies the institute of the student's withdrawal or the date of the student's withdrawal, whichever is later;
- The date the institute terminates the student;
- The student has failed to attend classes for a 14 calendar days period. For purposes of determining the amount of the refund, the date of the student's withdrawal shall be deemed the last date of recorded attendance. For the purpose of determining when the refund must be paid, the student shall be deemed to have withdrawn at the end of the 14-day period.

Returns by the institute shall be paid, as applicable, in the following sources, in order, up to the total net amount disbursed from each source.

1. Unsubsidized Direct Loans (other than Direct PLUS loans);
2. Subsidized Direct Loans;
3. Direct Plus Loans;
4. Federal Pell Grants for which a return is required;
5. Federal Supplemental Education Opportunity Grants (FSEOG) for which a return of funds is required.

Any unearned funds that have not yet been disbursed to the student must be offered to the student within 30 days of the date of determination if not applied directly to the student's account.

The law states that a student is responsible for all unearned Title IV program assistance that the institute is not required to return. This is determined by subtracting the amount returned by the institute from the total amount of unearned Title IV funds to be returned.

Minnesota State Refund Policy

Part I – Determining Amount of Net Refund of Institutional Charges

- A. Amount of funds (financial aid, cash) applied to the original institutional charges for the period, including any post-withdrawal disbursements of Title IV financial aid applied to institutional charges. If funds exceed the original institutional charges, enter the amount of original institutional charges.
- B. Subtract amount of original institutional charges the school can retain per its institutional or state-mandated refund policy.
- C. If gross refund is not greater than zero, then no refund is due to the state financial aid programs.

- D. Subtract amount of institutional share of any required refund for Title IV financial aid programs.
- E. Net Refund Of Institutional Charges** If net refund is not greater than zero, then no refund is due to state financial aid programs.

Please see Appendix 13b of the 2014-15 Minnesota State Grant manual

Part 2 – Determining Proportional Share of Non-Title IV Financial Aid Package for Refund

List all non-Title IV financial aid disbursed to the student for the payment period. Take amount disbursed by State Financial Program times the percent of total amount of Non-Title IV Aid disbursed and this equals the percentage to be refunded back to the State Financial Aid Programs.

Veterans Refund Policy

If the student receives veterans' benefits for attendance in a state or federally approved course and fails to enter the course, withdraws, or if the student is terminated at any time prior to completion, that student receives a refund of all tuition, fees, and other charges that exceed a pro rata portion of the total charges. The pro rata portion is determined by the ratio of the number of days or hours of instruction completed to the total number of instruction days or hours in the course, in accordance with Chapter 36, Title 38 US Code Section 1776. An established application fee in an amount not to exceed \$10 need not be subject to proration. Where the established application fee is more than \$10, the amount in excess is prorated.