The Higher Education Amendments of 1998 established the concept that financial aid must be earned through class attendance. When you totally withdraw from all classes, The AAMU Student Financial Aid Office must calculate the amount of financial aid you have earned prior to withdrawing. Any Title IV aid received in excess of the earned amount is considered unearned. Unearned aid must be returned to the respective Federal Aid program(s).

**How will a withdrawal affect my federal financial aid?**

Title IV (federal) financial aid funds are awarded under the assumption that a student will remain enrolled for the entire academic semester for which funds were awarded and disbursed.  When a student withdraws from all courses, regardless of the reason, they may no longer be eligible to receive the full amount of federal financial aid for which they were originally awarded.  The return of these funds to the federal government is based on the idea that a student earns financial aid based upon the length of time for which they were enrolled.  A pro-rated calculation determines the amount of federal financial aid that they earned.  Once the 60% point in the semester is reached, a student is considered to have earned all of their financial aid and will not be required to return any funds.

**A calculation is required if any of the following criteria are met:**

1. The student completely withdrawals from the college
2. The student stops attending before the semester ends

If an AAMU student does not attend any classes during a given semester, they are not eligible to receive any federal funds for that semester and must repay all of the aid which was originally received.

**How does the calculation work?**

Aid recipients earn the aid they receive by remaining in classes.  The amount of aid earned is based upon a pro-rated calculations.  Students who withdraw or do not complete all of the classes in which they were enrolled may be required to return some of the aid originally awarded.

**The following is an explanation of the formula used to determine the percentage of aid that must be returned to the federal government:**

* The percent earned is equal to the number of calendar days completed up to the withdrawal date divided by the total number of calendar days in the payment period
* The payment period for most Roanoke students is the full academic year (Fall and Spring semesters)
* The percent unearned is equal to 100 percent less the percent earned.
* Breaks of 5 days or longer are not included in the count of total days in the payment period.

**What is a Post-Withdrawal Disbursement?**

When the return of title IV calculation results in the student's being eligible to receive either Federal Direct Subsidized or Unsubsidized Loan proceeds, they will be notified by Roanoke's Financial Aid Office.  Written notification from the student is required before our office will proceed with the processing of these loan funds.

**How is the Withdrawal Date calculated?**

The date of withdrawal used to compute refunds is the date the student last attended class, as recorded by the Registrar's Office.
**Is there a specific order in which federal funds are returned?**

All Federal Direct Loans will be returned in first in the following order: Unsubsidized Stafford Loans, Subsidized Stafford Loans, Federal PLUS Loans, Pell Grant funds will be returned next followed by Federal SEOG funds.  All institutional funds will be returned after federal funds are returned.

**If all of my loan funds are not returned, how will my repayment work?**

The refund calculation may result in the student or the parent being responsible for some portion of loan funds.  The loan grace period on these loans will begin upon withdrawal from Roanoke (or when they drop below half-time enrollment).  If the student does not re-enroll at Roanoke or another institution during this time, their loan will enter into repayment.  The student should contact their loan servicer to make arrangements for repayment.

**What happens to my aid if I want to return to AAMU in the future?**

As long as the student left AAMU in good academic standing as outlined in our **(insert our SAP link** **here)** the Financial Aid Office will reinstate all institutional funds in full.  The [Free Application for Federal Student Aid (FAFSA)](http://www.fafsa.gov/) is required for consideration of need-based assistance from the Federal Government.