Treatment of Title IV Aid When a Student Withdraws

The law specifies how National Louis University must determine the amount of Title IV program assistance that you earn if you withdraw from classes. The Title IV programs that are covered by this law are: Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs) and Federal Perkins Loans.

When you withdraw during the term, the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received less assistance than the amount earned, you may be able to receive those additional funds. If you received more assistance than you earned, the excess funds must be returned by National Louis University and/or you.

The amount of assistance that you have earned is determined on a pro rata basis. For example, if you completed 30% of your term, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the term, you earn all the assistance that you were scheduled to receive for that term.

If you did not receive all of the funds that you earned, you may be due a Post-withdrawal disbursement. If your Post-withdrawal disbursement includes loan funds, National Louis University must get your permission before it can disburse them. You may choose to decline some or all of the loan funds so that you don’t incur additional debt. National Louis University may automatically use all or a portion of your Post-withdrawal disbursement of grant funds for tuition and fee charges.

There are some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements, such as not signing the Master Promissory Note for Stafford and PLUS loans.

If you or the University receives excess Title IV program funds that must be returned, we must return a portion of the excess equal to the lesser of:

1. Your institutional charges multiplied by the unearned percentage of your funds, or
2. The entire amount of excess funds.

National Louis University must return this amount even if we didn’t keep this amount of your Title IV program funds.

If National Louis University is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You do not have to repay a grant overpayment if the original amount of the overpayment is $50 or less. You must make arrangements with National Louis University or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from the National Louis University tuition refund policy. Therefore, you may still owe funds to the University to cover unpaid charges.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at www.studentaid.ed.gov.