Students who have been paid federal financial aid funds are required to earn these funds by attending classes through at least 60% of the period of enrollment.

Students who quit attending or withdraw from all courses, but have already received their federal financial aid disbursement for the semester, may have been overpaid. If an overpayment occurs, the student is required to repay a portion of the funds to the school and to the U.S. Department of Education.

Which financial aid funds are affected?

The federal overpayment policy, established by the U.S. Department of Education, affects students who have received assistance through the following federal financial aid programs:

- Pell Grant
- Supplemental Education Opportunity Grant (SEOG)
- Federal Direct Subsidized and Unsubsidized Loans
- Parent (PLUS) Loans

How is the overpayment amount determined?

The overpayment amount is based upon the number of days in the semester the student has completed. The more days the student has been in attendance, the less the overpayment. A federally mandated formula is used to calculate the amount of the overpayment.

When applicable, unsubsidized funds will be returned before subsidized funds, and loan funds returned before grants.

How does the school determine my last date of attendance?

When determining a last date of attendance and calculating the portion of funds earned by the student, the institution must always use the student’s last date of an academically-related activity as indicated in official attendance records of the College and reported by faculty.

A documented last date of attendance based on an academically-related activity must be used to determine a student’s unofficial withdrawal date.

Furthermore, a documented last date of attendance based on an academically-related activity must also be used to determine the aid earned by those students who officially withdraw from courses.

Will this affect me if I withdraw from or fail an individual course?

This policy only applies to students who:

- Withdraw from or cease attendance in all classes prior to the 60% point of the semester.
- Fail all classes and cease attendance prior to the 60% point of the semester.

In most cases, it does not apply to a student who has withdrawn from select courses, unless the student fails to complete one or more courses that span the entire period of enrollment. Prior to withdrawing from a short session course, discuss implications with the Office of Student Financial Services.
If I am not planning to attend, will I be dropped for non-payment?

Students verified to receive any form of federal, state, or institutional financial aid are prevented from being dropped from courses for non-payment.

A student’s financial aid funds count as anticipated payment, so if a student is not planning to attend the College, the student must officially withdraw.

Do I send the amount of my overpayment to the school or to the U.S. Department of Education?

If an overpayment of federal financial aid occurs, the student may be required to return a portion of the overpayment to the school and to the U.S. Department of Education.

The College will return the overpayment on the student’s behalf and bill the student for the balance due, allowing 45 days for repayment. Any unpaid balance will be subject to collection action.

Students may not use the next semester’s financial aid award to pay a past due balance incurred during a different loan period or financial aid award year.

When will I know if I have to return an overpayment?

The College reviews all student attendance and withdrawal information throughout each semester. If a student is required to repay all or a portion of his or her financial aid, the amount will be posted to the student’s Jefferson College account and a bill will be mailed.

How can I avoid getting into a situation that will require the return of an overpayment?

Many students panic when they begin to struggle in classes. They will withdraw from all courses even though they may be doing well in one or two classes. Students should only withdraw from those classes that are giving them the most difficulty and attempt to finish as many classes as possible.

Federal Financial Aid Funds are earned by attending classes. Unearned financial aid received by a student must be repaid.