

Federal Title IV Refund Policy

Students who receive federal student aid are subject to both the general Massachusetts School of Law refund policy (see “Refunds” in MSL’s most recent Student Guide Book) and a separate federal Title IV funds refund policy. MSL is required by federal statute to recalculate federal financial aid eligibility for students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60% of a payment period or term. The federal Title IV financial aid programs must be recalculated in these situations.

If a student leaves the institution prior to completing 60% of a payment period or term, eligibility for Title IV funds is recalculated by our third party servicer. This recalculation 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 appropriate federal 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. The amount of Federal Aid that you must return is determined by the Federal Formula for Return of Title IV funds (section 484 B of the Higher Education Act , the full text of which is available at <http://www2.ed.gov/policy/highered/leg/hea98/sec485.html>)

If a student earned less aid than was disbursed, MSL 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.

MSL must return the amount of Title IV funds for which it is responsible no later than 30 days after the date of the determination of the date of the student’s withdrawal.

Refunds are allocated in the following order:

- Unsubsidized Federal Stafford Loans
- Other assistance under this Title for which a Return of funds is required

Students who owe a repayment of Title IV aid must repay those funds before becoming eligible again for federal aid. Both the general MSL refund policy and the separate federal Title IV refund policy are administered by the office of Financial Aid.

The responsibility for returning unearned Title IV aid is shared between MSL and you. MSL will distribute the unearned aid back to the Title IV programs as specified by law . you will be billed for the amount that you owe to the Title IV programs as well as any amount due MSL as result of Title IV funds that were returned that would have be used to cover tuition charges. These funds must be returned within 45 days of Date of Determination. The school must notify the student of this required return within 30 days of the Date of Determination.