



How an Incomplete/Withdrawal Could Impact Your Financial Aid

Federal regulations require Title IV financial aid funds to be awarded under the assumption that you will attend CET for the entire enrollment period in which federal financial aid assistance will be awarded. If you do not complete or withdraw from the program for any reason, you may no longer be eligible for the full amount of Title IV funds that you were originally scheduled to receive.

The return of funds is based upon the premise that students earn their financial aid in proportion to the amount of time in which they are enrolled. A pro-rated calculation is used to determine the amount of federal student aid funds you will have earned at the time of the incomplete/withdrawal.

If you leave or withdraw at or prior to completing 60% of scheduled hours in the Enrollment Period, your financial aid awards will be pro-rated and CET may be required to return funds to the federal student aid program and you may owe a balance due to CET that may be created by the funds refunded to U.S. Department of Education. If you leave or withdraw upon completing more than 60% of scheduled program hours (Period of Enrollment), you will have earned 100% of your financial aid awards.

It is your responsibility to return unearned financial aid (Title IV) funds that were disbursed to you. Unearned Title IV fund loan proceeds paid to you must be repaid under the terms and conditions of the promissory note.

School and student responsibility for return of unearned federal funds

Both you and CET are responsible for returning unearned federal financial aid to the federal government. You will be billed for any amount due as a result of the return of federal aid funds calculation.

- The amount of grant proceeds you must repay is limited to the amount by which the grant overpayment exceeds half of the original grant funds.
- An overpayment of \$50 or less does not have to be repaid.
- You must make arrangements with the Department of Education to return such grant proceeds within 14 days of the date of notice of overpayment.
- You will be reported to the National Student Loan Data System (NSLDS) if you do not to make repayment arrangements within 14 days of the date of the notice of overpayment. This will result in the loss of any further financial aid eligibility.

Example calculations for illustration purposes only:

The following is an example of a return of funds for a student who withdrew from a 630 program after completing 260 hours of the 630 scheduled hours in the Enrollment Period (scheduled program hours). This student would have earned 41.26% of his/her Title IV Funds for the Enrollment Period ($260/630 = 41.26\%$). The remaining amount would have to be returned to the appropriate source.

The following is an example of a return of funds calculation for a student who withdrew from a 900 hours program after completing 549 hours of training of the 900 scheduled program hours (Enrollment Period). This student would have earned 61% of his/her Title IV funds (financial aid) for the enrollment Period ($549 \div 900 = 61\%$). Since this student withdrew after completing 60% of the program hours, the student is considered to have earned all (100%) his or her federal financial aid.

Refunds

In the event that you have received less aid than the amount of financial aid that you have earned at the time of withdrawal, you are eligible to receive those funds. CET will notify you of your eligibility of a post-withdrawal disbursement of aid. You will have 14 days to accept or decline these funds.

Additional loan information to consider when withdrawing

- ✓ If the calculations result in a balance due from you to CET, a bill will be sent to your permanent home address and will be due upon receipt.
- ✓ An email notification and/or via U.S. postal service containing a letter detailing the withdrawal amounts returned to each program.



- ✓ If you are a Federal Direct Loan borrower, you are required to complete the Exit Counseling at the time of your withdrawal. You may complete the Federal Direct Loan Exit Counseling at the Department of Education's website, <https://studentaid.gov>.
- ✓ A copy of the Federal Direct Counseling materials (if applicable), will be sent to you via email and via regular U.S. Postal service to your address in file.
- ✓ Your Federal Direct Loan Servicer will be notified that you are no longer enrolled, and the loan repayment process will begin.
- ✓ It is important that you understand your rights and responsibilities, and your completions of the required exit counseling will prepare you for repaying your loan(s).
- ✓ Your grace period for loan repayments for Federal Direct Unsubsidized and Subsidized Loans will begin on the day after your last day of attendance from CET. If you are not enrolled at least part-time for more than 6 months, your loans will go into repayment. You must contact your Loan Servicer to make payment arrangements. Loans must be repaid by you (student/parent) as outlined in the terms of your promissory note.

Order of award refunded

All unearned aid must be returned to the federal aid programs as determined by the Federal calculation. Funds must be returned in the following order:

- a) Direct Loan Unsubsidized
- b) Direct Loan Subsidized
- c) Parent PLUS Loan
- d) Pell Grant
- e) SEOG Grant

Institutional refund calculation

CET also has to comply with State regulations; after performing the Return to Title IV (financial aid) funds calculations, a second refund calculation must be performed following state rules. Tuition will be refunded to the funding source or to students who withdraw prior to or at 60% of the scheduled program hours and a withdrawal fee of \$100 will be assessed. No tuition will be refunded for any withdraw that occurs after 60% of the scheduled program hours. For the formula used, please refer to the "Refund Policy" section of your Enrollment Agreement.

Private/Other Scholarships

Private or other scholarship aid will not be recalculated unless the scholarship agency has provided a withdrawal policy at the time of awarding. If the donor or agency provides the withdrawal procedures, the appropriate unearned percentage will be used to calculate the amount to be returned.

Contact information

If you have questions on any of the above information, please contact your Financial Aid Officer. You may visit www.nslds.ed.gov to verify that any refunded amount(s) has been credited to your account, and inquire if you still have any outstanding balance. The National Student Loan Data System (NSLDS) is the U.S. Department of Education's (ED's) central database for student aid. For students and parents borrowing a financial aid loan, the loan will be submitted to NSLDS and will be accessible by the student, parent, authorized agencies, lenders and institutions.