# Federal Refund Requirements vs. State Refund Requirements

The institution adheres to both federal and state regulations in managing refunds for students who withdraw from their academic programs. In accordance with Return of Title IV (R2T4) requirements, federal financial aid recipients who withdraw before completing 60% of their enrollment period are subject to a recalculation of their aid eligibility. Simultaneously, state regulations require the institution to calculate a prorated refund for all students—regardless of whether they receive federal aid—if they have completed less than 60% of their enrollment period.

In situations where the federal Return of Title IV calculation results in a higher refund amount than the state-mandated prorated refund, the institution and/or the student must return the larger amount to the appropriate Title IV program. This adjustment may leave the student with an outstanding balance owed to the institution, requiring the student to settle the amount to remain in good financial standing.

For students enrolled in modular programs, additional considerations apply. A student may be considered as withdrawn for institutional refund purposes under state regulations, even though the same withdrawal does not trigger the federal Return of Title IV requirements. In these cases, the institution will issue a prorated refund for the institutional charges in line with state policies while retaining 100% of the federal financial aid for which the student remains eligible.