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## FINANCIAL AID IMPACT DUE TO WITHDRAWING AND DROPPING CLASSES

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### WHAT HAPPENS TO MY FINANCIAL AID IF I WITHDRAW (DROP ALL MY CLASSES)?

If you withdraw (drop all your classes) **BEFORE the end of the first week of classes**, and financial aid has disbursed, all of your financial aid will be cancelled and you will be required to repay KU. If you drop some, but not all hours prior to the end of the first week of classes and aid has disbursed, your remaining enrollment status will be evaluated to determine if you meet the criteria for the financial aid you have received. If you do not meet the criteria, your aid will be adjusted or cancelled and you will be required to repay the amount for which you were ineligible, to KU.

If you withdraw **AFTER the end of the first week of classes**, you and the University may be expected to repay some or all of the financial aid you have received for the semester. If you withdraw within a KU Tuition Adjustment/Refund period, the Financial Aid and Scholarships Office (FAS) is required by federal law to determine if your KU refund must repay some or all of the financial aid you received. The date you withdraw determines whether you receive a KU refund as well as the amount of the refund. It also determines how much financial aid you and the University are expected to repay to the federal financial aid programs. Therefore, **it is not possible to accurately predict how much you must repay until AFTER you have withdrawn.**

### PELL AND LOAN DOCUMENTATION OF ATTENDANCE

If you are a Federal Pell Grant recipient and you drop either some of your classes or all of your classes **AFTER** the end of the first week of classes, you will receive an email requesting documentation of attendance on the classes that you dropped. If you can provide the proper documentation, then it may be possible for you to maintain the same amount of Pell Grant that you received originally. You will be given two weeks from the date of the dropped classes to provide documentation of attendance before the next phase of adjustment on your account will take place.

If you are a Federal Loan recipient, and you drop **ALL** of your classes **AFTER** the end of the first week of classes, you will receive an email requesting at least one hour of documentation of attendance on the classes you dropped. If you can provide the proper documentation for one hour of attendance, you may be able to keep your federal loans. You will be given two weeks from the date of the dropped classes to provide documentation of attendance before the next phase of adjustment on your account will take place.

Once the Documentation of Attendance phase is completed and all necessary adjustments to your account have been made, you will receive a letter from FAS explaining which financial aid programs KU repaid for you, and it will instruct you to pay close attention to the e-bill that will be sent by Student Account Services for any potential unpaid balance on your student account. You may be required to repay the financial aid programs directly using your own funds. If you fail to repay or fail to make satisfactory arrangements to repay within 45 days, you may lose your eligibility to receive future federal and state financial aid, and be subject to involvement by a collection agency to obtain payment.

### WHAT IF I DROP HOURS, BUT REMAIN ENROLLED IN AT LEAST SIX HOURS?

In most cases, you are not expected to repay financial aid awards you received for the semester as long as you remain enrolled in at least 6 hours. However, dropping hours may affect your future eligibility for financial aid.

## **WHAT IF I WITHDRAW OR DROP BELOW SIX HOURS?**

The spring disbursement of your Federal Direct Subsidized/Unsubsidized and/or PLUS loan(s) may be cancelled if you withdraw or drop below six hours in the fall. **You must contact FAS if your spring disbursement was cancelled and you want a loan for the spring semester.** Additionally, the grace period on your Federal Direct Subsidized/Unsubsidized loans, Health Professions Student Loans (HPSL), Loans for Disadvantaged Students (LDS), and Federal Perkins loans will begin once you withdraw or drop below 6 hours. Federal Subsidized/Unsubsidized loan borrowers have a six-month grace period before repayment begins. Federal Perkins borrowers have a nine-month grace period before repayment begins and HPSL/LDS borrowers have a twelve-month grace period before repayment begins. If you withdraw or drop below 6 hours and you have a Federal Direct Subsidized and/or Unsubsidized loan, you should contact the Direct Loan Servicing Center at 800-848-0979. If you have HPSL/LDS and/or Federal Perkins loans, you should contact the Federal Perkins/NDSL office at the University of Kansas at 785-864-3322. If you have received a Federal Direct Subsidized/Unsubsidized loan and you drop below 6 hours within the first 21 days of class, the Direct Loan Servicing Center has the right to demand payment of your loan in full.

## **WHAT ABOUT FUTURE FINANCIAL AID?**

To be eligible for federal, state, and some types of institutional financial aid, you must meet Satisfactory Academic Progress (SAP) standards. The FAS office has established guidelines (based on federal regulations) for evaluating your progress, taking into consideration your cumulative KU GPA, the cumulative number of hours you have attempted and completed at KU as well as hours that have successfully transferred from any other postsecondary institution, and the maximum amount of time you are allowed to complete your degree.

Dropping too many hours over the course of several semesters could negatively affect your SAP status and result in you becoming ineligible for federal, state, and some institutional financial aid programs. For more information about SAP, please visit [affordability.ku.edu/financialaid/eligibility](http://affordability.ku.edu/financialaid/eligibility).

## **TITLE IV REPAYMENT EXAMPLE:**

You are a student at KU. You were charged \$1220 in tuition and fees. On the first day of class, you received credits from a Title IV Pell Grant for \$782 and a Title IV Federal Supplemental Educational Opportunity Grant (SEOG) for \$263, leaving an unpaid balance of \$175. You withdrew from all of your classes on the 11<sup>th</sup> day of class, which was during the 50% KU Tuition Adjustment/Refund Period. You were entitled to 50% of your original tuition cost, which would result in a credit of \$610. You completed only 9.8% of the semester, but you provided documentation of attendance for all of your dropped classes. The University must repay some of your Federal Financial Aid since you are not eligible for the remaining 90.20% of the financial aid you received. You will receive a letter from FAS informing you that the University must return \$782 to the Federal Pell Grant Program and \$161 to the Federal SEOG Program on your behalf for a total of \$943. KU will take the remaining account balance of \$175, charge back the returned \$943 to pay back the Pell Grant and the SEOG, and add back in the \$610 credit from your tuition refund and you will be sent an e-bill from Student Account Services for the balance of \$508 that is owed on the account.