

## ***Student Refund Policy***

Category: *Finance*

Policy Number: 5013

Policy Manager: *Office of the Bursar*

Current Revision Approval Date: 3/12/2025

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### **PURPOSE**

This policy outlines the processes for issuing refunds to students for tuition, fees, and financial aid overpayments, in accordance with institutional, state, and federal regulations.

### **TARGET AUDIENCE**

This policy applies to students, parents/guardians, faculty, and staff.

### **AUTHORITY**

The University's Board of Visitors, pursuant to Virginia Code § 23.1-1301, may delegate administrative authority to the University President who may delegate authority to other university employees.

The University's Chief Financial Officer through presidential delegated authority shall oversee the creation and implementation of policies and other necessary actions related to the administration of the University's financial affairs.

### **DEFINITIONS**

**Add/Drop Benefit** – A timeframe before the close of the add/drop period that permits students to adjust their schedules without penalty.

**Course Withdrawal** – The voluntary or involuntary removal of a student from a course after the add/drop period.

**Credit Balance Refunds:** A refund issued when a student has overpaid or their financial aid exceeds the amount owed. Refunds may occur due to changes in enrollment or payment plans.

**Official Withdrawal** – The process of a student's voluntary or involuntary removal from all courses after the add/drop period.

**Return of Excess Funds:** A requirement under Title IV of the Higher Education Act of 1965 that financial aid borrowers return all funds above and beyond their aid eligibility amount.

**Student Financial Aid:** Financial assistance provided through grants, loans, or work-study to help cover educational expenses.

**Title IV Financial Aid Programs:** Federal student aid programs authorized under Title IV of the Higher Education Act of 1965 and administered by the U.S. Department of Education.

Title IV Financial Aid programs include, e.g., Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), Federal Direct Subsidized Loan (undergraduate students only), Federal Direct Unsubsidized Loan, Federal Direct Parent Loan for Undergraduate and Graduate Students (PLUS), and Federal College Work Study (CWS).



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**Tuition Refund:** A repayment of money paid for tuition and fees or a reduction in charges if tuition and fees have not yet been paid. Refund eligibility depends on the date of withdrawal, financial aid, and course completions. Special circumstances (e.g., documented medical emergencies) may be factored into the refund eligibility determination.

**Virginia State University (VSU):** University

## **POLICY STATEMENT**

Virginia State University is committed to providing transparency and accessible information regarding the refund process. The following identifies the requirements and obligations associated with the refund process.

### **1. Student Account Refunds**

**Federal Loans or Grants:** If a student has a credit balance greater than \$5.00 from remaining federal loans or grants (such as Pell Grants or Direct Loans), the Office of the Bursar will automatically issue refunds within 14 calendar days after disbursement in line with federal regulations.<sup>1</sup>

**Non-Federal Loans or Grants:** If a student has a credit balance greater than \$5.00 from remaining non-federal loans or grants, the Office of the Bursar will automatically issue refunds within 14 calendar days of disbursement in line with federal regulations.<sup>2</sup>

**Parent PLUS Loans<sup>3</sup>:** These loans may only be used to pay for a student's educational expenses and are applied to charges on a student's account first before any other payment types. If a credit balance exists after all charges are covered, refunds may be issued to the parent or student, depending on the parent borrower's designation (i.e., to directly receive the funds or apply the funds to the student's account) on the loan application. Refund options include:

- Direct deposit (through the University's NelNet portal).
- Paper check mailed to the student's address in Banner.

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<sup>1</sup> See Higher Education Act of 1965, 20 U.S.C. § 28.

<sup>2</sup> See Higher Education Act of 1965, 20 U.S.C. § 28.

<sup>3</sup> See 34 CFR 685.

A student will receive a paper check automatically if they do not select the direct deposit option.

## 2. Tuition and Fee Refunds for Withdrawal

Pursuant to instructions from the Office of the Bursar, students are required to pay their tuition and fees for registered courses unless enrollment is officially canceled before the start of classes. If a student cancels before the start of university classes, 100% of tuition and fees will be refunded.

A student who officially withdraws from the University may receive a full or partial refund (credit) based on the date the student initiates the withdrawal. The Office of the Registrar records the withdrawal date in the student information system. Regardless of any adjustments to charges, the Office of the Registrar may adjust the student's financial aid based on the percentage of the semester completed before withdrawing.

### **Withdrawal from the University without Federal Aid**

If a student withdraws within the first 20 days of the semester, tuition and fees are refunded on a prorated schedule to be calculated from the first day of class for the semester:

<i><b>Tuition and Fee Proration Schedule</b></i> <i>(The student did not receive Title IV aid)</i>	
<i><b>Days of attendance</b></i>	<i><b>Percentage of Tuition and Fee Reduction</b></i>
<i>1 – 10 days</i>	<i>75%</i>
<i>11-20 days</i>	<i>50%</i>
<i>21 or more days</i>	<i>0%</i>

### **Withdrawal from the University with Federal Aid**

If the student withdraws before completing 60% of the term, remaining and unearned financial aid is returned to the federal government.

## 3. Responsibilities of the Office of the Bursar

The Office of the Bursar is responsible for administering and enforcing this policy through its various functions, including but not limited to, billing tuition and other charges, collection of personal and financial aid payments, and financial aid disbursements.

#### **4. Responsibilities of Other University Administrative Offices, Employees and Policy Stakeholders**

University employees who are officially responsible for administering the University's financial aid programs or those who administer the withdrawal process shall be proficient in this policy and related regulations, principles, and laws and execute their functions accordingly.

Withdrawal refund policies are subject to change based on new or revised regulations and at the discretion of the Bursar's Office.

#### **RELATED PROCEDURES**

*N/A*

#### **RELATED MATERIALS/REFERENCES**

34 CFR 668.1 (c) – *Student Assistance General Provisions.*

34 CFR 685. *William D. Ford Federal Direct Loan Program*

Higher Education Act of 1965, 20 U.S.C. § 28

To learn more about eligibility, explore resources for covering costs related to student enrollment, or to ask questions about Title IV program funds, students and parents should call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on student aid on the web at [www.studentaid.gov](http://www.studentaid.gov).

*VSU's Student Guide for Tuition, Fees, and Other Financial Information*

[www.fafsa.gov](http://www.fafsa.gov)

Rates for tuition, mandatory fees, and other necessary charges in accordance with Virginia Code § 23.1-1301.

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**APPROVED BY:**



March 12, 2025

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**Makola M. Abdullah, Ph.D.**  
**President**

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**Date**

**REVISION HISTORY**

This policy supersedes the following archived policies:

*Month, date, and year*

*Previous Policy Title*

N/A

N/A