Refund Policy

Return of Title IV Federal Funds (R2T4)

A recipient of federal financial aid (Title IV) is subject to a recalculation of their aid eligibility if they:

- completely withdraw from all of their classes prior to the 60% point of the semester or
- stops attending all their classes before completing the semester or
- do not complete all the modules (courses which are not scheduled for the entire semester) for which he/she has registered at the time those modules begin

If one of the above applies the Financial Aid Office will calculate the portion of federal financial aid the student has earned and any unearned aid must be returned to the aid programs. Any credit balance from federal aid owed to the student will be placed on hold until the R2T4 calculation is completed.

The percentage of aid the student has earned is equal to the percentage of the semester the student has completed (date they withdraw from all classes). To determine percentage completed, the number of calendar days completed is divided into the number of calendar days in the semester. This percentage is multiplied by the amount of aid disbursed or eligible to be disbursed to calculate the amount of aid the student has earned and can keep.

Any unearned aid (total aid minus earned aid) must be returned to the aid programs in the following order:

- Federal Direct Unsubsidized Loan
- Federal Direct Subsidized Loan
- Federal Perkins Loan
- Federal PLUS Loan
- Federal Pell Grant
- Federal SEOG

If it is determined that there is unearned aid, then the school and or the student must return the unearned funds.
The school is required to return the total institutional charges multiplied by the percentage of funds that was unearned. Lakeland will bill the student for any account balance created when the college is required to return financial aid.

The student must return the unearned aid that the school is not responsible for returning. If the student is required to return loan funds, they do so under the terms of the loan. If the unearned aid the student must return includes federal grants, they are only required to return the grant amount that exceeds 50% of the original total federal grant aid received for that semester. If the amount the student owes is less than $50, then no repayment is required.

Lakeland will notify the student if they owe a grant overpayment. The student then has 45 days to repay the overpayment to Lakeland who will then return the unearned funds to the federal programs. Failure to repay the grant overpayment within 45 days will result in the student being reported to the Department of Education (DOE). At that point the student loses eligibility for federal financial aid at any institution and must pay or make payment arrangements directly with the DOE. Once the grant overpayment is paid in full or satisfactory payment arrangements with the DOE are made, the student regains eligibility for federal financial aid.

A student who fails all of their classes in a semester may be subject to a R2T4 calculation. If a student “earned” at least one of their F’s (i.e. attended class until the end of the semester and received an F for poor performance), then no calculation is required. However, if the student failed all classes because they stopped attending at some point in the semester, then a R2T4 calculation is required based on the last date of attendance. If a last date of attendance cannot be determined the 50% point of the term will be used as the withdrawal date.

In some cases the R2T4 calculation will result in the student being eligible for a post-withdrawal disbursement of financial aid. The Financial Aid Office will notify the student if this is the case.