

AREA OF RESPONSIBILITY: Student Accounts
RESPONSIBLE CONTACT: Director of Student Accounts
POLICY IDENTIFICATION: University Closure Refund and Loan Discharge Policy
DATE: January 31, 2024

Virginia Union University will comply with federal regulations by providing clear guidance to students should there be a university closure. It aims to protect students' financial interests and facilitate their transition, whether they choose to complete their education elsewhere or enter the workforce.

Cancellation of Loans: The Department of Education will cancel all federal student loans associated with the period of the University's closure.

Refund of Payments: Students will receive refunds for all payments made toward the canceled loans post-closure.

Accrued Interest and Charges: Any accrued interest and other charges due to the University will be discharged along with the loan's principal amount.

Closure Date Relevance: Loan discharge eligibility will be determined based on the University's official closure date.

Completion Percentage: If students have completed more than 60% of their course or program at the time of closure, they can receive a grade. If closure occurs when the student has completed 60% or less of their program, they may apply for loan discharge.

Application for Discharge: Affected students must submit a formal application for loan discharge. The application will be provided by the University and should be submitted to the designated department.

Automatic Discharge Timeline: Loans will be automatically discharged if the application is not completed one year after the official closure date of the University.

Reimbursement of Payments: Students will be reimbursed for any payments made voluntarily or through forced collection after the closure date.

Credit Bureau Reporting: The discharge of loans will be reported to credit bureaus to eliminate any negative credit history related to these loans.