

EXAMPLE — UNPAID CHARGES

AnneMarie's institutional costs for the semester total \$3,000. SFA pays for \$2,500. Her scheduled cash payment is \$500 ($\$3,000 - \$2,500 = \500).

AnneMarie withdraws without making any payments. Therefore, her unpaid charges equal \$500. The school's state policy allows it to retain 50% of the total school costs ($\$3,000 \times .50 = \$1,500$).

The unpaid charges rule requires that the school subtract AnneMarie's unpaid charges from the amount it could otherwise retain ($\$1,500 - \$500 = \$1,000$). Thus, the school would refund \$1,500 ($\$2,500 \text{ paid} - \$1,000 \text{ retained} = \$1,500 \text{ refund}$).

