

## Pro-Rata Refund Practice

**Scenario:** The school charges the student **\$5,002.50** for the program (Total Charges). This includes:

\$4,500.00		Tuition (refundable)
100.00		Registration fee ( <u>non</u> -refundable)
2.50		STRF fee ( <u>non</u> -refundable)
+ 397.50		Books ( <u>non</u> -refundable)
<b>\$5,000.00</b>		<b>Total Charges</b>

The student pays **\$2,000** up front (Total Student Paid). The student withdraws after completing **20** out of **100** days in the period of attendance.

**1. What percentage of the period of attendance did the student attend?**

$$\frac{\text{(Days Student Attended)}}{\text{(Total \# of Days)}} = \text{(Percentage Attended)}$$

**2. Is the student eligible for a pro-rata refund?**  Yes  No

**3. Divide the Total Charges by the total number of days in the period of attendance.**

$$\frac{\text{(Total Charges)}}{\text{(Total \# of days)}} = \text{(Charge per day)}$$

**4. Multiply the number of days the student attended by the charge per day to determine the amount the student owes to the school.**

$$\text{(\# Of Days Attended)} \times \text{(Charge Per Day)} = \text{(Amount Owed to School)}$$

**5. Determine what is refundable of the amount the student paid.**

\$		Total Student Paid
		Registration Fee (Non-Refundable)
		STRF fee (Non-Refundable)
-		Books (Non-Refundable)
\$		<b>Refundable Amount</b>

**6. Calculate the amount refunded to the student.**

\$		Refundable Amount
-		Amount Owed to the School
\$		<b>Refund to the Student</b>