

## **Return of Title IV Funds for Financial Aid Recipients**

Federal regulations require Title IV financial aid funds (Pell Grant, SEOG Grant, Direct Loans) to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student does not complete all courses for any reason, including medical withdrawals, they may no longer be eligible for the full amount of Title IV funds that they originally received. Under this policy, students earn financial aid in proportion to the time they are enrolled up to the 60 percent point of the term. After the 60 percent point in the term, the student will be considered to have earned all of the federal aid that was originally awarded to them and they will not be required to return any funds. Students should consult with financial aid office personnel before completely withdrawing from college to accurately determine repayment liability to federal financial aid sources.

Federal regulations require a recalculation of financial aid eligibility if a student:

- Completely withdraws from all courses (Official Withdrawal);
- Stops attending before the end of the semester (Unofficial Withdrawal);
- Does not complete all module classes in which the student is enrolled as of the start date of the semester and/or the start date of the module classes.
- If the recalculation results in a credit balance on the student's account, the credit balance must be disbursed as soon as possible and no later than 14 days after the calculation.

The unearned share of the federal financial aid must be returned to the program from which it was paid as prescribed by federal regulation in the following order:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Federal Plus Loan
4. Federal Pell Grant
5. Federal SEOG Grant

Official Withdrawal: When the student officially withdraws from all courses after the semester begins, the Financial Aid Office will use the withdrawal date to determine the portion of the Federal Title IV aid earned (or could have earned) to be used to pay institutional charges such as tuition and fees. Any unearned funds will be returned to the appropriate financial aid source.

Unofficial Withdrawal: A student is said to be unofficially withdrawn if they stop attending. For a student who has been determined to have unofficially withdrawn, the date of withdrawal for purposes of the Return of Title IV refund calculation will be the last date of attendance recorded by the faculty at grading.

Timeframe for Return to Title IV calculation: Federal regulations require the college to calculate the Return of Title IV refunds within 45 days of determining an official or unofficial withdrawal date.

Post Withdrawal Disbursement: In some cases, a student may withdraw from all courses before aid has been disbursed. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, they are entitled to receive a post-withdrawal disbursement of the earned aid that was not received. The amount earned is determined as part of the required federal Return of Title IV Funds calculation.