

# Return of Title IV Funds

Title IV funds are offered to a student under the assumption that the student will complete all courses he/she is scheduled to attend during the period Title IV aid is offered. A financial aid recipient who does not complete all of the days he/she was scheduled to attend during the payment period may be required to return all or a portion of the federal financial aid received for that semester. A recipient who has had Title IV aid returned may also be required to pay back to the College any balance originally paid by Title IV aid, such as tuition and fees or student refund of Title IV aid.

If a student ceases attendance prior to completing more than 60% of the payment period or period of enrollment, the amount of Title IV grant or loan assistance earned by the student must be determined using a specific formula. This is known as the Return to Title IV Funds calculation. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned by the College and/or the student to the appropriate program. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she may be eligible to receive a post-withdrawal disbursement of the earned aid that was not received. The exact amount to be returned by the College and/or repaid by the student will vary depending on the amount of financial aid earned and the date the student ceases attendance.

The repayment percentage is determined by the number of days remaining in the term from the student's last date of attendance (if known) or the midpoint of the term, whichever is later in the semester. The amount of assistance earned is determined on a prorated basis. For example, if the student completed 30% of the payment period or period of enrollment, he/she would earn 30% of the assistance he/she was originally scheduled to receive. If the student completes more than 60% of the payment period (generally the length of the semester) or period of enrollment (if enrolled in Modules – courses that run less than the full semester), all the assistance that he/she was scheduled to receive for that period is earned. CCSNH college Financial Aid Offices will track enrollment in each module (group of courses in a program that do not span the entire length of the payment period within a term, for example, summer sessions or eight week courses) to determine if a student began enrollment in all scheduled courses. If the student provided written confirmation he/she will be attending a course in a module beginning later in the same payment period or period of enrollment (for nonterm and nonstandard term programs, this must be no later than 45 calendar days after the end of the module the student ceased attending) then this is not considered a withdrawal. If the student does not return, then it is considered a withdrawal and the Return of Title IV Funds calculation requirements apply.

The Registrar's Office is the official authority within the college designated to accept withdrawal notifications. If a student communicates to a staff person in the Registrar's office while that person is acting in an official capacity, that communication in whatever form (verbal or written), is considered official notification. Students are urged to submit a signed withdrawal form and/or Add/Drop form to the Registrar's Office to show their intent to withdraw. The official date of withdrawal will be the date the form is submitted to the Registrar's Office or the student verbally notifies the Registrar's Office.

Students are considered unofficially withdrawn from college when they cease attending classes after the add/drop period and fail to provide official notification of their intent to withdraw. Instructors will enter a grade of AF for these students. Their withdrawal date for R2T4 purposes will be the midpoint of the semester unless a different date of notification is provided by an instructor prior to the end of the semester.

When a student fails to earn at least one grade in a credit course per term, the withdrawal calculation must be performed. A grade of F is considered an earned F. A grade of AF is not considered an earned F.

There are some Title IV funds that students are scheduled to receive that cannot be disbursed once a student withdraws because of other eligibility requirements.

If the student receives excess Title IV program funds, the College must return a portion of the excess equal to the lesser of:

1. The institutional charges multiplied by the unearned percentage of the student's funds, or
2. The entire amount of excess funds.

The College must return this amount even if a credit balance refund has been issued to the student.

If the College is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds to be returned by the student (or student's parent for a PLUS Loan) are to be repaid in accordance with the terms of the promissory note.

Any amount of unearned grant funds that a student must return is called an overpayment. The maximum amount of a grant overpayment that a student must repay is half of the grant funds he/she received or was scheduled to receive. The student must make arrangements with the school or the Department of Education to return the unearned grant funds.

The requirements for the Title IV program funds when a student withdraws are separate from the College refund policy. Therefore, a student may still owe funds to the College to cover unpaid Institutional charges. The College may also charge a student for any Title IV program funds that the school was required to return.

The school will use the federal policy to determine the amount which must be returned by the school and/or the student to Title IV programs. The procedure is:

1. Determine withdrawal date
2. Determine the period of enrollment
3. Determine Amount of Earned Title IV Aid
4. Determine Amount of Unearned Title IV Aid
5. Determine Title IV Aid to be disbursed
6. Determine Title IV Aid Disbursed
7. Determine Title IV Aid to be Returned
8. Calculate the College's Responsibility
9. Determine Amount College Returns by Program
10. Determine Student's Responsibility
11. Determine Amount Student Returns by Program

Students that fall into the Return of Title IV Funds obligation category will be notified with a letter explaining the results of the school's calculation process.

The College will return funds to the appropriate aid programs as prescribed by law and regulation in the following order:

1. Federal Direct Unsubsidized Stafford Loan
2. Federal Direct Subsidized Stafford Loan
3. Federal Direct PLUS Loan
4. Federal Pell Grant
5. Federal Supplemental Education Opportunity Grant (SEOG)
6. Other Title IV Aid Programs
7. Other Federal sources of aid
8. State/Private/College aid

The College must return funds as soon as possible but no later than 45 days from the date the College determined the student withdrew.

If a student owes federal financial aid repayments or Return of Title IV Funds, the student will be denied federal aid eligibility at any institution and will not be able to enroll until full payment arrangements are made.

Satisfactory Academic Progress (SAP) requirements apply to all financial aid recipients regardless of the funding status due to a Return of Title IV Funds calculation. Repayment of part of a student's federal financial aid does not release the student from the SAP requirements.