

## RETURN OF TITLE IV FUND POLICY

This procedure applies only to the Return of Title IV (R2T4) requirements established by the federal government. The return of funds requirement is a complex process involving a great deal of interoffice cooperation.

### **Procedure:**

#### Process Overview & Applicability

Title IV funds are awarded to a student under the assumption that the student will attend courses for the entire enrollment period for which the assistance is awarded. Students who do attend and successfully complete the entire enrollment period, are assumed to have 'earned' 100% of the Title IV funding disbursed. Schools are required to perform a Return of Title IV calculation for Title IV eligible students who do not successfully complete the entire enrollment period due to withdrawal (official or unofficial). If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, the student is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

a. The Return of Title IV calculations are required when a student has failed, received an unsatisfactory grade or withdrawn, officially or unofficially, from any enrolled course during a period of enrollment at the college. Students, who fail to complete some courses, but not all enrolled courses, may be included in the Return of Title IV calculations. Title IV funds to be included in the calculation are Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Direct Stafford Loan (subsidized and unsubsidized), and Federal PLUS loan. Note: Federal Work Study funds are not included in the calculation

b. Aims Community College procedure does not require its instructors to take attendance. Therefore, Aims Community College will use the standard 50% of the term as the last date of attendance (LDA) unless an actual date can be documented by the college. In the case of unofficial withdrawals, Aims Community College will use the later of the LDA or 50% point.

#### Establishing a Withdrawal Date

When a student withdraws from a course or ceases to attend, they establish a withdrawal date at that time.

a. Official Withdrawals - The withdrawal date is the date the student completes the college withdrawal process. Students can withdraw from all courses online or in person at the Admissions and Records Office. When all courses receive a 'W', the withdrawal date is considered the date of initiation by the student or school as in the case of cancelled courses or student appeals.

b. Unofficial Withdrawals - The last date of attendance for an unofficial withdrawal is the documented date recorded by the college or, if no date is available, the midpoint of the student's term of enrollment. The last date of attendance is the last date a student participated in an academically related activity.

c. A student is considered to have withdrawn from a payment period or period of enrollment if within that same payment period or period of enrollment the student does not complete all the days the student was scheduled to complete.

#### d. Withdrawal Dates for Courses Offered In Modules

If a student is enrolled in at least one module course, they are considered a module student and thus the following conditions apply. Colleges will be able to determine whether a student enrolled in a module(s) is a withdrawal by asking the following questions:

1. After beginning attendance in the payment period or period of enrollment, did the student cease to attend or fail to begin attendance in a course they were scheduled to attend? If the answer is no, this is not a withdrawal.

**If the answer is yes, go to question 2.**

2. When the student ceased to attend or failed to begin attendance in a course they were scheduled to attend, was the student still attending any other courses? If the answer is yes, this is not a withdrawal; however, other regulatory provisions concerning recalculation may apply.

**If the answer is no, go to question 3.**

3. Did the student confirm attendance in a course in a module beginning later in the period (for non-term and nonstandard-term programs, this must be no later than 45 calendar days after the end of the module the student ceased attending)? If the answer is yes, this is not a withdrawal, unless the student does not return. If the answer is no, this is a withdrawal and the Return of Title IV Funds requirements apply.

#### e. Written Confirmation of Future Attendance

A student is not considered to have withdrawn if the college obtains written confirmation from the student (close to the date that the student actually ceased attendance and before the time the college was required to return Title IV funds, offer any post-withdrawal disbursement of loan funds, or take any other action under the Return of Title IV requirements) that the student will attend a module that begins later in the same payment period or period of enrollment.

- A student may also reaffirm their intent to attend by registering for a future course at the time of the withdrawal.
- A college may not wait to perform a Return of Title IV Funds calculation to see if the student who has withdrawn and has not provided written confirmation of future attendance will return later in the payment period or period of enrollment. Similarly, if a student withdraws from a term-based credit hour program offered in modules during a payment period or period of enrollment and reenters prior to the end of the period, the student is eligible to receive any title IV program funds that they were otherwise eligible to receive prior to withdrawal.
- If the student does not return for the future module after providing written confirmation of future attendance, a return calculation must be completed.

#### f. Time Frame for Determining a Withdrawal Date

- Official withdrawals - The withdrawal date is determined within 30 days of the date of withdrawal.
- Unofficial withdrawals - The withdrawal date is determined within 30 days of the end of the term.

#### g. Rescinding Withdrawal

- Aims Community College may allow a student to rescind their official notification to withdraw by filing a written statement that they will continue to participate in academically related activities and intends to complete the payment period or period of enrollment.
- If the student subsequently withdraws after rescinding an intent to withdraw, the withdraw date is the date the student first provided notification to the college or began the college's withdrawal process, unless a last date of attendance or academically related activity is documented.

#### h. Extenuating Circumstances

Students with extenuating circumstances may not be able to officially withdraw. For these students the college will use the date the college was notified that the student could no longer attend (i.e., death, hospitalization, incarceration, etc.).

#### i. Academically Related Activity

An academically related activity may be used by faculty to establish the last date of attendance. These include physically attending a course where there is an opportunity for direct interaction between the instructor and students, such as:

- Submitting an academic assignment

- Taking an exam
- Attending a study group assigned by the college
- Participating in an online discussion about academic matters
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course

The college is to exclude those activities where the student is not academically engaged such as:

- Logging into an online course without active participation
- Participating in academic counseling or advisement

For students enrolled in a distance education context, logging in is not sufficient, by itself, to demonstrate academic attendance by the student.

#### Calculating Return of Title IV

After the 60% point in the payment period or period of enrollment, a student has earned 100% of the Title IV funds they were scheduled to receive during the period. If a student withdraws after the 60% point-in-time, there are no unearned funds. A college must still determine whether the student is eligible for a post-withdrawal disbursement.

#### Example

In spring 2018, a student is enrolled in 3 courses, totaling 12 credit hours. All courses are full-term courses (1/6/18 – 5/8/18). The student received a Pell Grant for \$2185 and was awarded Work-study for \$1352. On 3/14/18, the student withdraws from all courses.

Calculation: There are 106 days in the period and the student attended 55 days. The student attended 51.9% of the payment period. (Percentage of term in attendance = Days attended up to last date of attendance / total days in term (less breaks of 5 consecutive days or more.  $55/106=51.9\%$ ) The required R2T4 calculation shows that the required return amount is \$692. Since work-study funds are not subject to return, the institution returns \$692 of Pell.

#### Post-Withdrawal Disbursement

The amount of the post-withdrawal disbursement is the difference between the amount of Title IV funds disbursed and the amount earned.

A college may not make a post-withdrawal disbursement of any of the following Title IV funds:

- Second or subsequent Direct Loan disbursements to a student who did not graduate or successfully complete the loan period
- Direct Loan disbursement to a first-time, first year undergraduate who withdrew before completing the first 30 days of their program at a college that is not exempt from the delayed delivery/disbursement requirement
- Direct Loan disbursement to a borrower who has not signed the loan's promissory note
- Disbursements of any Title IV funds to students for whom the college did not receive a valid Institutional Student Information Record (ISIR) or Student Aid Record (SAR) prior to the student withdrawing or by the annual deadline published by the U.S. Department of Education in the Federal register

Post withdrawal notification requirements:

- The notification must include the information necessary to make an informed decision on whether the student or parent would like to accept the disbursement.
- The notice must be sent within 30 calendar days after the date that the college determines the student withdrew.
- The notice must permit the parent/student to determine which funds, if any, they wish to decline/accept.
- The notice must also advise that if there is no response within 14 calendar days, the college is not required to make the post-withdrawal disbursement and funds will be returned to the Title IV programs.
- If the notification is received from the student/parent within 14 days, the college must disburse funds within 180 days. If authorization is received after the 14-day deadline, the college must notify the student or parent that the disbursement will not be made and why.

### Returning Unearned Funds

The college will return Title IV funds to the programs from which the student received aid during the period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

- Unsubsidized Direct Stafford Loans
- Subsidized Direct Stafford Loans
- Direct PLUS loans
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grants (FSEOG)

### Deadlines

- The college will return unearned funds for which the college is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew.
- Within 30 days from the date the college determined that the student withdrew, the college will offer a post withdrawal disbursement, if applicable.

### Over-award Resolution

Aims Community College considers the returned funds as the student's debt to the college.

### Secondary Review of R2T4 Calculations

It is Aims Community College Financial Aid Office Policy to conduct a secondary review on a minimum of 50% of the R2T4 Calculations that are performed each term.

### Aims Community College Tuition Refund Policy

If a student officially drops a class before the census date (last date to drop the class), a refund of 100% of tuition and fees will be made. There will be no refund after that date. Unless a tuition appeal is submitted and approved by the Tuition Appeals Committee.

The procedures and policies listed above supersede those published previously and are subject to change at any time.