



### **Return of Title IV Funds Policy**

As a result of the Higher Education Act amendments of 1998, a student who completely withdraws from classes, receives all F's, or a combination of both during the term may be required to repay a percentage of the Title IV Financial Aid funds received.

The federal regulations assume that students “earn” their financial aid over the course of a term by attending and participating in classes. A student cannot “earn” all of their financial aid unless they attend and/or academically participate in more than 60% of the term. (This calculation counts all calendar days, including the first and last day of each term, weekends and holidays.) A student who completes more than 60% of the term has earned all of their Financial Aid assistance.

If a student withdraws or stops attending before 60% of the term, they have not “earned” all of their financial aid funds. Federal regulations require the college to perform a Return to Title IV (R2T4) calculation to determine the amount of any unearned aid the student received that must be returned to the federal programs.

EXAMPLE: A student who withdraws completing 30% of the term will have “earned” only 30% of the Title IV Financial Aid, the remaining 70% must be returned.

Students who fail to receive a passing grade in any class are considered unofficially withdrawn and the midpoint (50%) of the term is used to determine the amount of funding that must be repaid.

The Financial Aid Office will review official records periodically throughout the term and at the end of each term for student withdrawals. The college returns funds to financial aid programs received in the following order:

- Unsubsidized Federal Direct Loan\*
- Subsidized Federal Direct Loan\*
- Federal Direct PLUS Loan\*
- Federal Pell Grant\*\*
- Federal Supplemental Educational Opportunity Grant\*\*
- Other Title IV funds\*\*

\* Federal loans are repaid under the terms and conditions of the promissory note.

\*\*Amounts to be returned by the student to federal grant programs will be reduced by 50% of the total grant aid disbursed.