

Treatment of Title IV Fund after Withdrawal

Return of Title IV Funds

Students who receive financial aid and later terminate their enrollment, regardless of reason for withdrawal, are subject to the return policy mandated by the U.S. Department of Education. The policy may require students to return funds to the College and to the Department of Education.

Any student receiving Title IV Funds (Federal Direct Loans, Federal Pell Grant, and/or FSEOG) who withdraws from the College, officially or unofficially, during the first 60% of the term may be required to return a calculated percentage of those funds to the Department of Education.

The calculated percentage is based on the percentage of the term the student was actually enrolled.

For example, if a student withdrew at the 50% mark of the term, only 50% of aid was earned. Students, who withdraw, officially or unofficially, must return books to the campus bookstore within 20 days of withdrawal. Any student who registers for a class, but does not attend the class, will not be entitled to federal financial aid for the class. If aid has been disbursed when it is realized the class was not attended, the student is responsible for refunding the money and paying tuition for the class. Those students who completely withdraw and have never attended any classes are responsible for all charges as Federal Title IV funds will not be applicable.

Date of Determination that the Student Withdrew

Withdrawn student reports are reviewed by the Financial Aid Office weekly. The Date of Determination that a student withdrew will be the date the report was reviewed by the Financial Aid Office and a determination was made that a Return to Title IV calculation was required.

For the purpose of calculating Return of Title IV Funds (R2T4), a student's withdrawal date depends on the type of withdrawal.

Student-Initiated Notification – Official Withdrawal

1. An official withdrawal occurs when a student withdraws (and/or drops) from:
 - all courses in the term or
 - all course(s) scheduled to complete for which a grade(s) is yet to be assigned. The withdrawal date used for the R2T4 calculation of official withdrawals will be the date the student withdraws from classes in their Banner SSB/MySnead portal.
2. No Student-Initiated Notification – Unofficial Withdrawal

An unofficial withdrawal occurs when a student:

- receives all non-passing grades in courses scheduled to complete
- receives a non-passing grade in the last course(s) scheduled to complete, i.e., the course with the latest end date in the student's enrollment schedule

A student who unofficially withdraws for Title IV purposes and will be considered to have a withdrawal date of the 50% date of the term of withdrawal and the R2T4 will be calculated based on the 50% date of the term.

Calculation of Earned Title IV Assistance

For R2T4, the total number of calendar days in a term is defined by the student's scheduled course enrollment, i.e., start and end dates of courses, excluding scheduled breaks of at least five consecutive days.

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The days are counted from the start date of the earliest course to the end date of the last course scheduled to complete (i.e., has the latest end date), excluding scheduled breaks. This may be less than the full length of a term, which is 16 weeks in the fall and spring and 11-weeks in the summer.

Scheduled breaks must be at least five consecutive days. It includes periods when SSCC is not scheduled in session, e.g., holidays, and when the student is not scheduled to attend a course within the term.

The percentage of Title IV federal aid assistance earned by the student will be determined on a prorate basis up to the 60% point of a student's payment period. Once a student has completed more than 60% of a payment period, 100% of awarded aid has been earned.

Total days scheduled to complete is the denominator in the calculation of percentage of earned aid. The days are counted from the start date of the earliest course to the end date of the last course scheduled to complete (i.e., has the latest end date), excluding scheduled breaks.

The total days to withdrawal date are the numerator in the calculation of percentage of earned aid. The number of days reported is the total from the start date of first course to the withdrawal date, excluding scheduled breaks of at least five consecutive days.

After calculating the percentage of aid earned, a calculation of the amount of aid earned will be performed. The total aid disbursed and yet to be disbursed for the term is multiplied by the percentage earned rounded to the one-hundredth decimal.

When a student has received unearned funds, SSCC must return a portion of the unearned excess equal to the lesser of:

- The student's institutional charges multiplied by the unearned percentage of funds, or
- The entire amount of the unearned funds. The funds will be returned in the order below as prescribed by federal regulations, within 45 days from the date of determination that a student officially or unofficially withdrew from the College.
- Unsubsidized Federal loans
- Subsidized Federal loans
- Federal PLUS loans
- Federal Pell Grants
- Federal Iraq Afghanistan Grants
- Federal Supplemental Educational Opportunity Grants (SEOG)
- TEACH Grants

In the event there is remaining unearned aid, the student is responsible for returning the student share of unearned funds to the U.S. Department of Education. The unearned student share of loan funds must be returned (by the student or parent if PLUS loan), they will be repaid in accordance with the terms of the promissory note over a period of the time.

When grant funds should be returned, the law provides that the student may repay 50% of a federal grant rather than 100%. The College will return the federal grant overpayments on behalf of the student.

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Post Withdrawal Disbursements

If the total amount of the Title IV grant and/or loan assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement.

A post-withdrawal disbursement of grant funds is applied towards outstanding term charges on the student's account and may pay up to the amount of the allowable charges (i.e., tuition and fees).

Any remainder of grant aid is paid to the student within 14 days of the funds being posted to the student account. The student will be notified within 30 days of the date of determination of withdrawal of the post-withdrawal disbursement. A refund will be sent as soon as possible but no later than 45 days of the date that the College determined that the student withdrew (officially or unofficially).

A post-withdrawal disbursement of loan funds may be paid if the student is eligible to receive the funds. The student (or parent if a PLUS loan) will be notified within 30 days of the date of determination of withdrawal that loan funds are available. The student will be given the opportunity to accept, decline, or reduce the amount of loan. Upon receipt of a timely response from the student (or parent), the College will disburse the loan funds as soon as possible but no later than 180 days of the date of determination of the student's withdrawal date. Loan funds will be applied towards the outstanding term charges on the student's account and may pay up to the amount of the allowable charges (i.e., tuition and fees). Any remainder will be paid directly to the student (or parent).

Snead State Community College maintains the right to decide whether or not to make a post withdrawal disbursement if the student (or parent if a PLUS loan) responds after 14 days of the date that the notification was sent. If SSCC decides not to make the post-withdrawal disbursement, it will inform the student in writing within 15 days of the decision.