



Policy & Procedure No. 2.017
Nunez Community College

Title:	Return of Title IV
Effective Date:	10-19-18
Last Revision Date:	04-16-2018
Cancellation:	
Department/Office:	Student Affairs

Return of Title IV Policy

PURPOSE

The purpose of the Return to Title IV (R2T4) Policy is to determine the amount of federal grant and/or loan assistance the student earned in accordance with federal regulations when a federal financial aid recipient withdraws from all classes (officially or unofficially, as defined by regulations) during a term.

SCOPE

This policy applies to financial aid awards and recipients.

POLICY

In accordance with federal regulations when a federal financial aid recipient withdraws from all classes (officially or unofficially, as defined by regulations) during a term, the college must determine the amount of federal grant and/or loan assistance the student earned. If less assistance is received than what was earned, the student may qualify for those funds. If more assistance is received than earned, the unearned funds must be returned by the school and/or student to the appropriate program(s).

The federal code of regulations 34 CFR 668.22 defines the treatment of withdrawals, the calculation of earned and unearned aid, the disbursement or return of federal funds, and the timelines for each.

Note: The Return of Title IV Funds calculation is different from the College tuition and fee refund calculations.



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Official vs. Unofficial Withdrawal

Information about course withdrawal is available on the college's catalog at:

<http://www.nunez.edu/college-catalog>

An **official withdrawal** is when the student drops classes via the Web by logging into LoLA. It is the student's responsibility to request the withdrawal. Failure to do so will result in a grade of F. See the Academic Calendar for specific information on when the withdrawal period ends.

If a student who began attendance and has not officially withdrawn fails to earn a passing grade in at least one course offered over an entire period, the institution must assume, for Title IV purposes, that the student has **unofficially withdrawn**, unless the institution can document that the student completed the period.

This includes any student who has a combination of the following grades for all courses for the semester:

- W, F, FN, I

Title IV regulations do not require attendance be taken as a general rule. Under some circumstances, attendance may be taken as required by:

- An outside entity (i.e. accreditor, state) for a particular student or cohort of students;
- The college itself has a requirement that its instructors take attendance; or
- The college or an outside entity has a requirement that can only be met by taking attendance or a comparable process to demonstrate attendance in courses of that program or a portion of that program.

As a non-attendance taking institution, the last date of attendance (LDA) will use a standard 50% of the term as the last date of attendance (LDA) unless an actual date can be documented by the College. In such cases, that date will be the last date of attendance for the Return of Title IV calculations.

Programs or departments that are required to take attendance by an outside entity or are considered a clock hour program, the last date of attendance (LDA) is used as the withdrawal date for the Return of Title IV calculations for students in those programs. All other students will use a standard 50% of the term as the last date of attendance (LDA) unless an actual date can be documented by the College. In such cases, that date will be the last date of attendance for the Return of Title IV calculations.



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Withdrawal Date

The withdrawal date for a student who withdraws is the earlier date of:

- The date the student began the withdrawal process; or
- The date the student otherwise provided the school with official notification of the intent to withdraw; or
- The date the institution becomes aware the student ceased attendance; or
- The midpoint of the payment period or period of enrollment for which Title IV assistance was disbursed if the student ceases to attend without official notification and withdrawal.

Treatment of Title IV Aid When a Student Withdraws

The law specifies how the college must determine the amount of Title IV program assistance that you earn if you withdraw. The Title IV programs that are covered by this law are: Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs) and Federal Perkins Loans.

When a student withdraws during your payment period or period of enrollment, the amount of Title IV program assistance earned up to that point is determined by a specific formula. If the student received less assistance than the amount that you earned, the student may be able to receive those additional funds. If the student received more assistance than earned, the school and/or student must return the excess funds.

Return of Title IV Funds Refund Calculation

The amount of assistance earned is determined on a pro rata basis. For example, if a student completed 30% of the payment period or period of enrollment, the student earned 30% of the assistance originally scheduled to receive. Once the student has completed more than 60% of the payment period or period of enrollment, the student earned all the assistance that was scheduled to receive for that period.

If the student received excess Title IV program funds that must be returned, the school must return a portion of the excess equal to the lesser of:

- The student institutional charges multiplied by the unearned percentage of your funds, or
- The entire amount of excess funds



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Post-Withdrawal Disbursements

If the student did not receive all of the funds earned, a student may be due a Post-withdrawal disbursement. If a Post-withdrawal disbursement includes loan funds, the college must get the student's permission before disbursement can be made. A student may choose to decline some or all of the loan funds so that additional debt doesn't incur.

- The college may automatically use all or a portion of the Post-withdrawal disbursement of grant funds for tuition, and fees
- The school needs permission to use the Post-withdrawal grant disbursement for all other school charges. If the student does not give permission, the student will be offered the funds.
- However, it may be in the student's best interest to allow the school to keep the funds to reduce the debt at the school.

Percentage of Payment Period Completed

A return of title IV funds (R2T4) is computed for a payment period. A payment period is a term, i.e., fall semester, spring semester, and summer term. 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. 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.

The percentage of the payment period completed is calculated by dividing the total number of calendar days in the payment period into the number of calendar days completed as of the student's withdrawal date.

Scheduled Breaks

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

Treatment of Drop/Add Courses

In the count of total days in the payment period, a course that is officially dropped prior to a student ceasing attendance is not included as days that a student was scheduled to attend, unless the student remained enrolled in other courses for those days. A course that is officially added prior to the student ceasing attendance is included, even if the student never began attending.



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Institutional Charges

Institutional charges are tuition, and fees, and other educationally-related expenses assessed by the institution.

Calculation of Title IV Assistance Earned by the Student

The percentage of Title IV assistance earned is equal to the percentage of the payment period completed as of the withdrawal date.

- If the withdrawal date occurs after the 60 per cent point, then the percentage of Title IV assistance earned is 100 percent.

This percentage is then applied to the total amount of Title IV grant and loan assistance that was disbursed (and that could have been disbursed) to the student, or on the student's behalf in the case of a parent PLUS loan, for the payment period for which it was awarded.

Calculation of Title IV Assistance Unearned by the Student

The unearned amount of Title IV assistance to be returned is calculated by subtracting the amount of Title IV assistance earned by the student from the amount of Title IV aid that was disbursed to the student or on behalf of the student in the case of a parent PLUS loan.

Responsibility of the Institution for Return of Unearned Aid

The college will return all unearned funds back to the aid program and the student will be responsible for any balance this creates.

Responsibility of the Student for Return of Unearned Aid

In the event, there is remaining unearned aid, the college will be responsible for returning those funds.

Any loan funds that the student must return, the student will (or your parent for a PLUS Loan) repay in accordance with the terms of the promissory note. That is, they will make scheduled payments to the holder of the loan over a period of time.

The requirements for Title IV program funds when a student withdraws are separate from any refund policy that the school may have.

- Therefore, a student may still owe funds to the College to cover unpaid institutional charges.
- The College will also charge the student for any Title IV program funds that the College is required to return.



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If the return of the funds creates a balance due on the student account, the student will be responsible to pay the balance on their account.

Order of Return of Title IV Funds:

A school must return Title IV funds to the programs from which the student received aid during the payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

1. Unsubsidized Direct Stafford loans (other than PLUS loans)
2. Subsidized Direct Stafford loans
3. Federal Perkins loans
4. Federal PLUS loans
5. Direct PLUS loans
6. Federal Pell Grants for which a Return is required
7. Federal Supplemental Educational Opportunity Grants (FSEOG) for which a return of funds is required
8. Federal TEACH Grants for which a Return is required
9. Iraq and Afghanistan Service Grant for which a Return is required

Any federal college work-study funds that you have earned prior to your withdrawal are yours to keep and will not be returned.

Timeframe for the Return of Title IV Funds by the Institution

The college must return the funds for which it is responsible as soon as possible but no later than 45 days after the date of its determination that the student withdrew.

An institution must determine the withdrawal date for a student that does not provide notification to the institution no later than 30 days after the end of the earlier of the payment period or period of enrollment

Student Notification

The college will notify a student in writing within 30 days of the institution's determination that the student withdrew and either owes a Title IV or HEA overpayment or owes funds to the College.

Retroactive Withdrawals

If funds have been returned for a student based on his or her official or unofficial withdrawal, those funds cannot be reinstated if the student petitions for, and receives, a retroactive withdrawal (official, medical withdrawal, or exception to enrollment).



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Withdrawal from Modules or Parts of Term

If a student withdraws from current classes, but is registered in a later-starting class for the semester, we are required to calculate the amount of unearned aid to return to federal programs, unless, the student indicates in writing, that the student will attend the future courses.
document review process and all reviewing entities

X	Reviewing Council/Entity	Review Date	Effective Date
	Financial Aid Office	10-16-18	10-19-18
	Business/Bursar Office	10-16-18	10-19-18
X	Vice Chancellor for Student Affairs	10-16-18	10-19-18
X	NCC Compliance Committee	10-16-18	10-19-18
X	Chancellor’s Council	10-19-18	10-19-18

Policy Referenced: **LCTCS Policy 2.017**

Distribution: Distributed Electronically via College’s Internet on **10-20-18**
Posted on the College website on **10-20-18**
Published in College Catalog on **10-20-18**
Distributed Electronically to Students & Faculty/Staff on **10-20-18**

Chancellor’s Signature/Approval

SIGNATURE: 

DATE: **10/20/2018**

Tina M. Tinney, Ed.D.
Chancellor