

Return of Title IV Funds Policy

Mineral Area College is required to have a policy which allows for the recalculation of Title IV aid eligibility for students receiving Federal Student Aid who officially or unofficially withdraw from classes.

1. Official Withdrawal

If a student withdraws or is withdrawn or dismissed from Mineral Area College, the school and/or the student may be required to return some of the Federal Student Aid funds awarded to the student. The student may also be eligible for a refund of a portion of the tuition and fees paid to Mineral Area College for the semester. If the student received financial assistance other than federal funds, a portion of the refund may be returned to the program from which the assistance was received.

Refunds to all Title IV aid (Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Direct Loans) recipients who withdraw during an enrollment period will be reviewed and recalculated to comply with Federal Student Aid regulations.

If a student wishes to withdraw, the student should contact Student Services and complete a withdrawal form. The date used when calculating the refund will be the date of withdrawal documented by Student Services.

2. Unofficial Withdrawal or Dropping Class

All students who enroll and are Federal Student Aid recipients must attend all classes for which they were originally enrolled. Dropping classes may result in a repayment obligation. If a student fails to attend one or more classes and does not officially withdraw, any aid disbursed is subject to repayment by the student.

If a student is withdrawn by the instructor for excessive absence or failure to actively participate (in the case of a web class) from the College at any time during the semester, any aid disbursed is subject to repayment by the student. The amount of repayment due is calculated based on the student's last day of attendance.

If a student stops attending all classes before completing at least 60% of the semester, they will have a repayment obligation for Federal Student Aid program(s).

3. Receipt of all F's for the Semester

Students who enroll and are Federal Student Aid recipients are evaluated at the end of each semester to determine if they received all grades of F or a combination of grades of F and Withdrawn Courses. Those students are subject to the Return of Title IV Funds Policy.

4. Example of Earned/Unearned Title IV Aid Calculation and Repayment Calculation

A. Calculation of the amount of Title IV Assistance earned by the student:

- (1) Amount of Title IV Assistance earned by the student is equal to the percentage of the payment period that the student completed as of the student's withdrawal date, if this date occurs on or before— Completion of 60 percent of the payment period .
 - a. Example: $\text{Total Completed Days in the Payment Period} / \text{Total Days in the Payment Period} = \text{Percentage Completed}$. $\text{Total Percentage Completed} \times \text{Total Aid Disbursed/Could Have Been Disbursed} = \text{Total Aid Earned}$.
- (2) 100%, if the student's withdrawal date occurs after—Completion of 60 percent of the payment period or period of enrollment.
- (3) Apply this percentage to the total amount of title IV grant or loan assistance that was disbursed and could have been disbursed to the student, or on the student's behalf, for the payment period or period of enrollment as of the student's withdrawal date. Aid that could have been disbursed is aid that the student had been awarded for the payment period on or before the date of withdrawal/date of last attendance.

**Examples of 60% Point for 2017-2018 Academic Year
Regular 16 Week Term (Terms other than 16 Weeks will have different 60% points)**

**Fall 2017 – October 27, 2017
Spring 2018 – March 23, 2018
Summer 2018 – July 6, 2018**

B. Calculation of the amount of Title IV Assistance unearned by the student:

The percentage of title IV grant or loan assistance that has not been earned by the student is calculated by determining the complement of the percentage of title IV grant or loan assistance earned by the student as described in Section 5A above.

C. Total amount of unearned title IV assistance to be returned:

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 as of the date of the institution's determination that the student withdrew.

5. Repayment is made to the Federal Student Aid Programs by the College in the following order as mandated by the U. S. Department of Education:

Unsubsidized Direct Stafford Loan
Subsidized Direct Stafford Loan
Direct PLUS (Parent)
Pell Grant
FSEOG

Repayment is made to the Federal Student Aid programs by the College based on the U.S. Department of Education's Return of Title IV funds distribution hierarchy.

6. Post-Withdrawal Disbursements

- (1) For a student who withdraws after the 60% point in time, even though a return is not required, a return calculation is completed to determine whether the student is eligible for a post-withdrawal disbursement if the following conditions are met:
 - (a) ISIR (Institutional Student Aid Report) or SAR (Student Aid Report) processed with an official expected family contribution (EFC)
 - (b) All Verification Documents Received by the Financial Aid Office (if selected by the Department) prior to the student's last date of attendance or within 30 days thereafter.
- (2) Post-Withdrawal Disbursement is made within 180 days of the student's last date of attendance.
- (3) Post-Withdrawal Disbursements are made first from available grant funds and then available loan funds. Available funds, refers to Title IV program assistance that could have been disbursed to the student but was not disbursed as of the date of the institution's determination that the student withdrew. Further aid that could have been disbursed includes aid that had been awarded to the student prior to the date of withdrawal/date of last attendance.
- (4) Without obtaining a student's permission, Title IV grant funds from a post-withdrawal disbursement are credited to a student's account to pay for tuition, fees, and room and board (if the student contracts with the school).
- (5) Post-withdrawal of loan funds will be offered to student if the following conditions are met:
 - (a) ISIR or SAR processed with an official EFC
 - (b) All Verification Documents received by the Financial Aid Office (if selected by the Department) prior to the student's last date of attendance or within 30 days thereafter
 - (c) Student has completed all required Direct Loan Paper work prior to last date of attendance.
- (6) Post-withdrawal disbursement of loan funds is not automatic. Student is mailed a letter through the postal mail to offer the availability of those funds. If accepted, disbursement is made as soon as possible by credit to the student account.

Updated 09/29/2017