

# Return of Title IV Funds Policy

Revised March 2014

If you are thinking about withdrawing from all classes PRIOR to completing up to and including 60% of the semester, you should contact the Financial Aid Office to see how your withdrawal will affect your financial aid.

The Higher Education Amendments of 1998 changed the formula for calculating the amount of aid a student and school can retain when the student totally withdraws from all classes. Students who withdraw from all classes **prior** to completing more than 60% of an enrollment term will have their eligibility for aid recalculated based on the percent of the term completed. For example, a student who withdraws completing only 30% of the term will have earned only 30% of any Title IV aid received. The school and/or the student must return the remaining 70%. The Financial Aid Office encourages you to read this policy very carefully. *If you are thinking about withdrawing from all classes **PRIOR** to completing up to and including 60% of the semester, you should contact the Financial Aid Office to see how your withdrawal will affect your financial aid.*

1. The policy shall apply to all students who withdraw, drop out or are dis-enrolled from York County Community College (YCCC), and receive financial aid from Title IV funds:
  - a) The term .Title IV Funds. refers to the Federal financial aid programs authorized under the Higher Education Act of 1965 (as amended) and includes the following programs which are available at YCCC:

Unsubsidized Federal Stafford Loans, subsidized Federal Stafford loans, Federal Parent (PLUS) loans, Federal Pell [Grants](#), and Federal Supplemental Equal Opportunity Grants (FSEOG).

- b) A student's withdrawal date is:

the date the student began the institution's withdrawal process or officially notifies the institution of intent to withdraw. This is accomplished by completing the "Withdraw Form" at the Registration Desk in Student Affairs  
**or**

the midpoint of the period for a student who leaves without notifying the institution; **or**

the student's last date of attendance at a documented academically related activity.

The Financial Aid Office will consider the last date of attending classes, taking an exam, completing tutorial, computer assisted instruction, academic counseling or advisement, or turning in an assignment.

2. Title IV aid is earned in a prorated manner on a per diem basis up to and including the 60% point in the semester. Title IV aid and all other aid is viewed as 100% earned after that point in time.

- a) The percentage of Title IV aid earned shall be calculated as follows:

Number of days completed by student /Total number of days in term\*

= Percent of term completed\*\*

\*\*The percent of term completed shall be the percentage of Title IV aid earned by the student.

\*The total number of calendar days in a term of enrollment shall exclude any scheduled breaks of more than five days.

- b) The percentage of Title IV aid unearned (i.e., to be returned to the appropriate Title IV program) shall be 100% minus the percent earned.
- c) Unearned aid shall be returned by YCCC from the student.s account calculated as follows:

Total institutional charges x percent of unearned aid = amount returned to program(s). Unearned Title IV aid shall be returned to the following programs in the following order:

1. Unsubsidized Stafford Loan
2. Subsidized Stafford Loan
3. Parent Loans to Undergraduate Students (PLUS)
4. Federal [Pell Grant](#)
5. Federal SEOG
6. Other Title IV grant programs

**Exception:** no program can receive a refund if the student did not receive aid from that program.

- d) When the total amount of unearned aid is greater than the amount returned by YCCC from the student's account, YCCC will return (on behalf of the student) unearned aid to the appropriate program(s) as follows:

1. Unsubsidized Stafford Loan\*
2. Subsidized Stafford Loan\*
3. Parent Loans to Undergraduate Students (PLUS)\*

4. Federal Pell Grant\*\*

5. Federal SEOG\*\*

6. Other Title IV grant programs\*\*

\* Loan amounts are returned with the terms of the promissory note. No further action is required other than notification to the holder of the loan of the student's withdrawal date.

\*\*Amounts to be returned on the student's behalf to federal grant programs will receive a 50% discount.

3. Refunds and adjusted bills will be sent to the student's home address (PLUS refunds will be returned to the parent's address on file) on file in the Business Office following withdrawal. Students are responsible for making arrangements with the Business Office on any portion of their institutional charges that are left outstanding after the Title IV funds are returned. If a student has extenuating circumstances in regards to their withdrawal, and it relates to the student's outstanding institutional charges, s/he may address those issues by meeting with the Assistant Dean of Students.

4. Institutional and student responsibilities in regard to the return of Title IV funds:

a) YCCC's responsibilities in regard to the Title IV funds include:

providing each student with the information given in this policy

identifying students who are affected by this policy and completing the Return of Title IV Funds calculation for those students;

returning any Title IV funds that are due the Title IV programs.

b) The student's responsibilities in regard to the return of Title IV funds include:

Becoming familiar with the Return of Title IV policy

Knowledge of how complete withdrawal affects eligibility for Title IV aid;

5. The procedures, and policies listed above superseded those published previously and are subject to change.

6. Any notification of a withdrawal or cancellation of classes should be done at the Registration Desk in Student Affairs. That date will be forwarded and utilized by the Financial Aid Office for all Title IV recalculations.