

Return of Title IV Funds

Policies and Procedures

The following governs the return of Title IV funds disbursed for students at South Arkansas College. This policy applies to students receiving Title IV funds, which includes the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), and Federal Direct Loans (Subsidized and Unsubsidized) who officially withdraw, stop attending, drop out, are expelled, take a qualified leave of absence or fails to return from an approved leave of absence.

A student is said to have officially withdrawn when they have completed either of the following steps: 1) pick up and complete a Drop/Add Form at the Registrar's Office; or 2) download and complete the Drop/Add form found under the *Quick Info* link on the website. Follow the instructions on that form on how to return the form to the Registrar's Office for input. Refer to the *Changing a Schedule/Dropping and Adding Courses* section of the South Arkansas College catalog and website for a more detailed listing of the procedures for officially withdrawing from college.

Failure to attend class or failure to follow the official withdrawal procedures could cause a student to receive a letter grade of F, I, NC, WE or WF in all courses. In this case, the Return to Title IV Policy would still apply once an official last date of attendance is established.

1. A student's withdrawal date is:
 - a. the date the student began the institution's withdrawal process or otherwise provides official notification to the institution, verbally or in writing, of intent to withdraw; (this can be done by filling out the appropriate withdrawal form, obtaining all needed signatures and turning that form into the Registrar's Office); or
 - b. the midpoint date of the payment period for a student who leaves without notifying the institution; or
 - c. the student's last date of attendance at a documented academically-related activity; or
 - d. The date the institution determines is related to special circumstances if those special circumstances prevent a student from beginning the withdrawal process; or
 - e. The date that the institution determines the student began an approved leave of absence if the student fails to return from that approved leave of absence.

Merely discontinuing class attendance is not considered to be a formal withdrawal from college. Students who were awarded Title IV financial assistance and who discontinue class attendance may be held responsible for repayment of part or all tuition and fees.

The amount of Title IV aid earned is determined by multiplying the total Title IV aid that was disbursed or could have been disbursed to the student's account by the percentage of time during the payment period completed by the student. Title IV aid is viewed as 100% earned after the 60% point of the payment period. The amount of Title IV funds to return (unearned aid) to the specific federal programs will be determined, using the student's withdrawal date or last date of attendance (unofficial withdrawal), by calculating the percentage of the payment period for which the student did not complete. Scheduled breaks of at least 5 consecutive days are excluded. The institution must return, in the specified order, the lesser of the total amount of unearned Title IV aid to be returned as calculated or an amount equal to the total institutional charges incurred by the student multiplied by the percentage of unearned Title IV aid. The student will be responsible for repaying, in the specified order, any remaining portion of the unearned Title IV aid. If the student's portion of unearned Title IV aid is a federal grant(s), the student will be required to return no more than 50% of the amount. Federal Stafford loans will be repaid in accordance with the terms of the loan program as explained in the Master Promissory Note (MPN).

Unearned aid funds are allocated to the Title IV Programs from which the student received assistance in the following specified order of those Title IV Programs at South Arkansas College:

- 1) Unsubsidized Direct Loans (other than Direct PLUS Loans)
- 2) Subsidized Direct Loans
- 3) Direct PLUS Loans
- 4) Federal Pell Grants for which a return of Title IV funds is required
- 5) FSEOG for which a return of Title IV funds is required
- 6) TEACH Grants for which a return of Title IV funds is required
- 7) Iraq and Afghanistan Service Grant, for which a return of Title IV funds is required

After the institutional refund has been credited in the specified order, any remaining amount will be returned to the student in a post-withdrawal disbursement.

In the event of an official withdrawal, the South Arkansas College institutional tuition and fees refund policy will be applied and tuition and fees will be reduced, if applicable. Refer to Tuition Refunds Section of the semester schedules for a more detailed proration table. The student may be liable for any Title IV Funds disbursed to their account to cover institutional charges in excess of the amount allowed by the Return to Title IV Calculations. Amounts must be repaid within 45 days of the notification of the overpayment. If no payment is received, holds will be placed on the student's account and the student will lose eligibility for future Title IV aid until such time that the overpayment is paid in full or satisfactory repayment arrangements are made.

South Arkansas College will provide each student with the information given in this policy at the time they accept/decline their award package. It is also provided in the college catalog and on the college's website.

The procedures and policies listed above supersede those published previously and are subject to change at any time. Examples of any worksheets for the Return of Title IV Funds policy may be obtained by contacting the Financial Aid Office.