

## RETURN OF TITLE IV FUNDS POLICY

### POLICY:

The CCCTC-Practical Nursing Program adheres to the guidelines established in the Title IV Higher Education Act of 1965:

The Financial Aid Office is required by federal statute to determine how much financial aid was earned by students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60% of a payment period or term. Refer to last day of attendance/withdrawal policy for process for withdrawal and process for determining last day of attendance. Refer to LOA policy.

For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, a school must still complete a Return calculation in order to determine whether the student is eligible for a post-withdrawal disbursement.

The calculation is based on the percentage of earned aid using the following Federal Return of Title Funds formula:

Percentage of payment period completed=the number of clock hours scheduled to be completed up to the withdrawal date divided by the total clock hours in the payment period or term. (Any break of five days or more is not counted as part of the days in the term.) This percentage is also the percentage of earned aid.

Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formula:

Aid to be returned=(100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.

If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds. When Title IV funds are returned the student borrower may owe a debit balance to the institution.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement which must be paid within 180 days of the student's withdrawal. See late disbursement policy

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

Refunds are allocated in the following order:

- Unsubsidized Direct Stafford Loans (other than Plus loans)
- Subsidized Direct Stafford Loans
- Direct PLUS Loans
- Federal Pell Grants for which a Return of funds is required