



OFFICE OF FINANCIAL AID

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Return of Title IV Financial Aid Funds Required Calculation Procedures

Federal regulations require the College to complete a Return of Title IV calculation for students who are awarded federal financial aid funds who officially or unofficially withdraw from classes. The Higher Education Act, as reauthorized and signed into law on October 7, 1998 established the Return of Title IV Funds Policy.

The concept behind the policy is that the student earns a portion of the Title IV funds each day the student attends classes. If the student withdraws or stops attending classes, the College is required to complete the Return of Title IV calculation to determine the percentage of Title IV federal funds that have been earned.

The Return of Title IV calculation is completed using the last date of attendance. For Title IV purposes, the last date of attendance is one of the following: the date the formal withdraw process begins, the date the student otherwise gives official notice of intent to withdraw (i.e., letter, phone call, email, in person), the midpoint of the term, or the last documented date of attendance in an academically-related activity (i.e., documented attendance in a class or lab or submission of an assignment in an online course).

The College must be able to document that the student actually attended the class. FCC faculty members are required to confirm attendance one time each semester. At the end of the semester, FCC faculty are also required to provide a last date of attendance for any classes with a failing grade.

It is important to note that if a student attends through 60 percent of the semester, all Title IV aid is considered earned.

A student who attends and completes at least one course that spans the entire term will have earned the Title IV aid for the semester. Adjustments would be made for classes not attended.

A student who withdraws from a module class within the term must still be attending another class, or it is considered to be a withdraw, even if registered for future classes starting within the term. Also, if a student completes one module with a passing grade, but then withdraws from a module starting later in the term, this is considered a withdraw and would require a Return of Title IV calculation. The student at the time of withdraw from a module class provide a written statement to the Financial Aid Office indicating the intent to attend (within 45 days) a future module class, or the student is considered to be withdrawn and a Return of Title IV calculation must be completed.

Return of Title IV Calculation Process

The financial aid office identifies students who withdraw from all classes during the semester and the Return of Title IV calculation is completed. At the end of the semester, the financial aid office identifies students who receive all non-passing grades and completes the Return of Title IV calculation. This calculation is completed with 30 days of the date of school determination.

The financial aid office uses the U.S. Department of Education online website to complete the calculations. Sample copies of the Return of Title IV calculation is available upon request from the financial aid office.

For each student that the College is required to complete a calculation for, the financial aid office determines the amount of Title IV financial aid to be included in the calculation, the dates of the enrollment period, the last date of attendance and charges for the semester.

The calculation determines the percentage of financial aid earned based on the following calculation:

Number of days in the enrollment period and number of days attended. The percentage is multiplied by the total aid for which the student is eligible to determine the amount of aid earned.

For example: Length of the enrollment period is 110 days and student attended 30 days. For this calculation 30 days is 27.3% of the semester. The student is eligible to receive 27.3% of the total aid. If the total aid was \$2000 then the student would be eligible to receive \$546 (earned aid). Total aid – earned aid = unearned aid (aid to be returned).

The next step is for the school to determine total institutional charges and multiply that figure by the percentage of unearned aid ($100\% - \% \text{completed} = \% \text{unearned}$).

The College must then return the amount of unearned aid, up to the maximum received, to each of the Title IV programs in the following order:

- Unsubsidized Direct Stafford Loan
- Subsidized Direct Stafford Loan
- Direct PLUS loan
- Federal Pell grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

The College then calculates the amount for which the student is responsible by subtracting the amount returned by the College from the total amount which is unearned. That remaining amount is the student's share and is allocated in the same order as stated above.

After the College completes the Return of Title IV calculation and determines dollar amounts and which individual programs must be repaid, the student will be notified of any amounts he or she owes. Funds that must be returned by the student to the loan programs can be paid in full in accordance with normal loan repayment terms for which the student is responsible. For grant overpayment amounts due from the student, a student has 45 days to make repayment and does not have to repay a grant overpayment of \$50 or less.

This policy is separate from the institutional refund policy. The College refund schedule for each session is printed in the academic schedule. If a student withdraws after the published dates, there is no

refund. Unpaid balances as a result of a Return of Title IV calculation and required return of funds will be charged back to the student.

The financial aid office encourages students to meet with a financial aid staff member prior to withdrawing or stopping attendance in classes.