

Return of Funds Policy for Financial Aid

I. Conditions for a Return:

All financial aid students who either officially or unofficially withdraw from the college will have a return of funds calculation performed to determine the amount of financial aid they earned up to the time of withdrawal. A student who has completed at least one class within the payment period of enrollment, but drops other classes is treated as having changed enrollment status rather than having withdrawn unless the program is offered in modules.

Any of the following situations would not require a return of Title IV funds calculation:

- A student who was awarded only federal work-study
- A student who did not have any federal aid
- A student who completed at least one course with a "D" or better unless that course is a module.
- A student who is enrolled in classes that are not eligible for federal financial aid.

II. Owed Disbursement Upon Withdrawal

When the total amount of the Title IV grant and/or loan assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement.

The Financial Aid Advisor handles post-withdrawal disbursement offerings, tracks acceptances from students, and see that aid is paid.

III. Withdrawal Dates

A student may officially withdraw by contacting the Admission and Registration Office by phone or in person.

A student unofficially withdraws by ceasing to attend class at any time during the semester. The instructor is responsible for administratively withdrawing the student with a "mid-term withdrawal." Students who attend beyond the mid-term, but unofficially withdraw and receive an "F" will be identified at the end of the semester. The instructor indicates the last date of attendance. The Financial Aid Office is made aware of which students have officially and unofficially

withdrawn from their courses through reports and information from Admission and Registration.

IV. Timeframe

Students are notified they owe a Title IV grant repayment by letter after the return of funds calculation is performed. The calculation is performed within 30 days of the date the institution determined the student withdrew. If the student owes Department of Education, the student is given 14 days to contact our office to make payment arrangements. If this is not done, the student is reported to DOE through the National Student Loan Database System (NSLDS).

The Financial Aid Office is responsible for returning any funds owed by the school. The school portion owed is returned within a few days after the calculation is performed and within 45 days from the date the institution determined the student withdrew.

V. Order which Title IV Program Funds must be Returned

Financial aid in excess of the amount earned is reduced in the following priority:

1. Unsubsidized Direct Stafford Loan
2. Subsidized Direct Stafford Loan
3. Direct PLUS Loan
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (FSEOG)

VI. Procedures for the Calculation

A financial aid advisor performs the return of funds calculation using the Return of Title IV module in Colleague. The Financial Aid Advisor also notifies the student of their repayment responsibility.

Repayments to the school are taken at the Admissions and Registration Office. Delinquent payments are handled through the Finance Department. If a student owes the Department of Education (DOE), students are given two weeks to repay the entire amount owed to the Department of Education. If the student does not comply, they are turned over to DOE for collection.

VII. Notice

The College's SAP policy is subject to change without notice to comply with federal or state regulations, or LLCC Board of Trustees policy or action.