

**DIN: 2070-1-01**  
**Title of Policy Return of Title IV Funds**

**Policy**

Financial aid recipients who withdraw from or cease attending all their classes prior to 60% point of the term being completed (including courses with a grade of “F” for non-attendance) are subject to the federal rules for the Return of Title IV Funds for any federal aid not earned.

The percentage of unearned aid is equal to the number of calendar days remaining in the term divided by the total number of calendar days in the term. The calculation of Title IV funds unearned has no relationship to the learner’s incurred institutional charges as determined by the college’s refund schedule for students that officially withdraw from a term. The Registrar’s Office is the college’s designated office to accept notification of official withdrawals. In the event that the last date of attendance cannot be determined, the mid-date (50% point) of the semester will be used. The Business Office will determine the repayment based upon federal and state procedures, the last date of attendance, type of aid awarded, and charges for tuition and fees. The repayment amount is considered unearned aid that a learner was not eligible to receive because of not completing the term, necessitating the repayment of funds. The college may have an obligation to return funds to an aid program funds previously applied to the learner’s account. The learner may have an obligation to repay funds that were paid directly to him/her. If the college returns funds that were applied to the learner’s account, a balance due the college will result. Federal student aid may not cover all unpaid institutional charges due to the college upon withdrawal. Failure to repay will prevent future registration at the college and initiate delinquent collection procedures, which will adversely affect the learner’s credit rating. A learner may contact the Business Office to receive an estimation of the required financial repayment, if any.

An example of the federal aid calculation results is stated below.

**Sample Withdrawal Case:**

- (1) Learner received \$1970 Federal Direct Loan and \$2025 Federal Pell Grant.
- (2) Learner completed only 27% of the semester.
- (3) Learner was required to repay \$2535 of the \$3995 total aid received.

**Purpose**

To comply with federal regulations

**Responsibility**

The table below describes responsibilities for this policy:

<b>Group/Individual</b>	<b>Responsibility</b>
Provost	Enforce policy
Financial Aid Office	Ensure that learners are knowledgeable of this policy and the consequences for not completing a term. In cooperation with the Registrar, identify those learners that failed to satisfactorily complete any courses.
Registrar	Monitor learner attendance. Notify Financial Aid and Business Offices of learner withdrawal or non-attendance.

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Business Office	Process return of funds calculations and bill learners who have incurred repayment obligations due to early withdrawal from college or for non-attendance without withdrawing. Receive and record all payments
Learner	Responsible for repayment of aid based on this policy.

**Supporting References**

Listed below are college document(s) that support this policy:

- 2045-1-01 Last Date of Attendance Policy
- 2125-1-01 Administrative Withdrawal Policy

**Compliance References:**

Listed below are references to compliance requirements (e.g. MnSCU policy, federal regulations).

- Federal Financial Aid Title IV Regulations

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