

Repayment Policy

If you receive a **Grant** and then **withdraw** from one or all of your classes, you will **owe** money back to the federal program. Here's how it works:

REDUCED ENROLLMENT

If you receive a grant and you withdraw from one or more of your classes, you will owe back money.

EXAMPLE: If you were enrolled in 12 units and received a Pell grant of \$3,247, then you withdraw from 2 classes (6 units) you would then owe \$1,623.00.

Return to Title IV Funds

Federal Title IV financial aid funds are awarded under the assumption that a student will remain in attendance and successfully complete the entire semester for which the funds were awarded. The funds include, Federal Pell Grant and Federal Supplemental Education Opportunity Grant (FSEOG).

Chaffey College is not required to take attendance. Students who are not able to complete a course have an obligation to **withdraw** officially. A student may drop or **withdraw** only before 61% completion of the class. An instructor may also drop or **withdraw** a student for lack of attendance only before 61% completion of the class. After census, students should not rely on instructors to drop or **withdraw** them from a class.

A student's withdrawal date is:

- **Official withdrawal:** The date the student dropped his/her last class in the Admissions Office of his or her intent to withdraw, or
- **Unofficial withdrawal:** The midpoint of the semester for a student who leaves without notifying the college (and received all FW grades; combination of all FW and/or W grades), or
- The student's last date of attendance in a documented academically-related program

Students who withdraw from all of their classes, are dropped by all of their instructors, and/or receive all FW grades for the semester may be subject to repayment of federal funds and the Return of Title IV will be calculated assuming attendance at the 50% point of the semester.

If a student withdraws after completing 60% of the term, the student has earned 100% of the Title IV funds awarded/received.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a *post-withdrawal* disbursement. The student will receive a Post Withdrawal Disbursement notification letter informing the student of the award eligibility, and the amount that the student is eligible to receive and when funds will be available.

Payment of a Refund or return of Title IV (Section 8.3)

Chaffey College is required to perform a Return to Title IV calculation within 30 days of the date the school learns that a student has completely withdrawn. Federal regulations require that the Financial Aid Office performs a calculation to determine how much financial aid a student has earned. The Financial Aid office uses a federal formula to determine how much aid a student earned based on his/her last day of attendance.

A student who withdraws from courses after receiving Federal Aid may be required to return a portion of the funds to the US Department of Education.

The institution would also be required to return a portion of the funds. The institution must return the portion of Title IV funds for which it is responsible to the U.S. Department of Education no later than 45 days after the date of the determination of the date of the student's withdrawal.

1. In the event that a student has not earned all of the aid that was disbursed, he or she may be required to return some of the financial aid received. Students will be notified in writing of the requirement to return financial aid funds.

2. A repayment notification will be sent with the amount due. The student will have 45 days from the date on the notification to repay the funds directly to the school. After the 45th day, the overpayment will be reported to the US Department of Education for collection. The student will be ineligible for any additional Title IV funds until the repayment is resolved. Once the balance owed is transferred from the college to the U.S. Department of Education, the student can contact the Department of Education by calling 1-800-621-3115.

Any unearned portion will be returned by the college and/or the student in accordance with the method prescribed in regulations. The amount will be returned in the following priority order:

In accordance with federal regulations, when Title IV financial aid is involved, the calculated amount of the R2T4 Funds" is allocated in the following order:

Return of the Title IV Aid, based on the type of aid disbursed, in the following order:

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

Calculation of Return to Title IV Funds

Example:

Step 1

Determine the total amount of federal funds for the semester:

Student receives \$1,524 Pell Grant award and could have received an additional \$1,523 if you had completed the semester, equaling a total of \$6,095 for the semester.

Step 2

Determine the percentage of funds earned by the student:

There are 120 days in the semester and the student withdraws from all classes on the 15th day of the semester.

$15/120=12.50\%$ of funds earned

Step 3

Amount of the semester funds earned by the student

The Financial Aid office will calculate what students earned and did not earn:

$\$1,524$ grant money received + $\$1,523$ that could have received = $\$3,047 \times 22\% = \661.20 earned

$\$1,524$ grant money received - $\$661.20$ earned aid = $\$862.80$ unearned aid (78.30%)

An additional portion of the grant must be repaid by the college based on your total institutional charges at the time you withdrew

For Example, you took 13 units for the semester at \$46 per unit. Your total institutional charges = \$640
 $\$640 \times 78.30\%$ (unearned) = \$501.12 the college has to pay back to the federal program

Students will return the unearned amount minus 50% of the total aid that was disbursed and aid that could have been disbursed.

$\$862.80$ unearned aid - $\$501.12$ that the college returns = $\$361.68$ which is the initial amount of unearned aid due from you. $\$3,047$ total aid disbursed/could have been disbursed $\times 50\% = \$1,523.50$.
 $\$361.68 - \$1,523.50 = \$0$ student returns to the federal grant program.

If a student receives financial aid, contact the Admissions and Records Office and the Financial Aid Office prior to withdrawing from classes to discuss alternative options. There are programs and/or services to assist students in staying on track with their educational goals.