

Refunds & Repayments

Federal Refund and Repayment calculations must be performed if you receive Title IV (Pell, FSEOG, and Direct Loans) and officially withdraw from all units, drop out of all units, are expelled, take an unapproved leave of absence, or fail to return from an approved leave of absence prior to the 60% date of the term. All unearned aid must be returned to the federal aid programs as determined by the Financial Aid Office.

Once you have maintained enrollment for at least 60% of the payment period (term), you have earned 100% of the Title IV funds disbursed. Therefore, it is in your best interest to maintain attendance and complete at least one class each term that you receive federal aid to avoid repayment of funds. (Different requirements apply to maintain Financial Aid Satisfactory Progress, please refer to policy.)

How the Calculation Works

- Number of days attended ÷ days in semester = % of semester completed
- Total \$\$ disbursed X %completed = Earned \$\$
- Total \$\$ disbursed - earned \$\$ = \$\$ to be returned

Once it is determined that you owe money back to any of the federal aid programs, you will be ineligible to receive further federal aid until this debt is cleared.

MiraCosta College Financial Aid Programs Return to Title IV Policy

Effective 2000-01, in accordance with Public Law 105-244, students who receive federal financial assistance and withdraw from all of their classes before completing more than 60% of the semester will be required to return any unearned federal funds. FWS earnings are excluded from the calculation. Only the federal portion of FSEOG will be included in the calculation.

Since MiraCosta College is not required to take attendance, a student's withdrawal date for the Return of Title IV calculation will be:

- The date the student provides notification, orally or in writing, to the Admissions and Records Office that he or she intends to withdraw, or
- The midpoint of the semester for students who do not officially withdraw, or
- The date posted by the instructor indicating the student's last date of attendance in class.

The Financial Aid Office will generate and print a report on a monthly basis identifying students who have officially dropped all classes. The student will be notified in writing within 30 days of any funds owed back and to which program they are owed.

The percentage of Title IV aid earned will be calculated by using worksheets and software developed by the Department or software developed by PeopleSoft that meets Department requirements. Institutional charges as described in the FSA Handbook will be included in the calculation.

To determine if a student was eligible to receive Title IV funds, even though none were disbursed, the cash management rules of 668.164 (g)(2) will be applied.

Once the amount of earned Title IV aid is determined, the sum totaled will be subtracted from the total amount of Title IV aid that was disbursed. If the student received more than the earned amount, the unearned portion will be returned by the college and by the student in accordance with the method prescribed in regulations. The amount will be returned in the following priority:

1. Unsubsidized Loan
2. Subsidized FFEL Loan
3. Pell Grant
4. FSEOG

How the Calculation Works

- 1) $\text{Number of days attended} \div \text{days in a term} = \% \text{ of term completed}$
- 2) $\text{Total \$\$ disbursed} \times \% \text{ completed} = \text{Earned \$\$}$
- 3) $\text{Total \$\$ disbursed} - \text{earned \$\$} = \$\$ \text{ to be returned}$

The amount the college returns will be subtracted from the total sum that must be returned and the balance will be due from the student. The student will be responsible to return unearned funds in the same priority listed above. However, students who have loans will return funds in accordance with the terms of the promissory note.

The student will have 45 days from the date he or she receives notice from the college to either repay the unearned Title IV aid in full, to set up a satisfactory repayment arrangement with the Lead Financial Aid Technician or the Director, or to set up a satisfactory repayment arrangement with the Department of Education if the funds are transferred to the Department of Education.

Grant overpayments will be reported to NSLDS marked with the appropriate flag corresponding to the action taken by the student. This reporting will take place within thirty days after:

- The student signs a satisfactory repayment arrangement;
The student fails both to repay the overpayment and to enter into a repayment arrangement with the college within the 10-day period;
- The student fails to meet the terms of the agreement signed with the college.

Post Withdrawal Disbursement

When the determination is made that the student did not receive all of the earned Title IV aid after the withdrawal date has been determined, the Financial Aid Office will send the student an award letter with a scheduled disbursement date. The student must accept a Loan Post Withdrawal Disbursement within 14 days.

Unofficial Withdrawals

If a student unofficially withdraws (earns all F's, NP's, and/or W's) before completing more than 60% of the term, we will review the class rosters to determine last date of attendance to determine the percent calculation. If there is no date posted on the class roster, we will use the 50% date in the semester.

Military Withdrawals

If a Title IV eligible student withdraws because of being called to active duty, or has been otherwise impacted by the military mobilization, the school must perform the Return of Title IV Funds calculations that are required by the statute and regulations (34 CFR 668.22). If those calculations result in the school being required to return funds to one or more of the Title IV programs, it must do so. In many cases such a return of funds by the school will reduce the student's loan debt. An institution, however, is not required to collect an overpayment of grant funds based on the Return of Title IV Funds calculation for such a student. Therefore, the school is not required to contact the student, notify NSLDS, or refer the overpayment to the Department in these cases.