

## **Return of Title IV Funds and Institutional Refund Policy**

Federal regulations require that Hutchinson Community College perform a Return of Title IV Funds calculation if a student withdraws or otherwise fails to earn any credit for a semester. HCC may be required to return funds to Federal Student Aid as a result of the calculation. The FSA programs HCC administers that are covered by this law are: Federal Pell Grants, Direct Stafford Loans, PLUS Loans, and Federal Supplemental Educational Opportunity Grant (FSEOG) and Iraq and Afghanistan Service Grant.

### **Notification Requirements**

The school will provide a clear and conspicuous written statement describing its return of funds policy to all prospective students, free of charge, prior to the student's enrollment.

The written statement provided to prospective students includes an explanation of Return of Title IV Funds and notifies prospective students that they may request examples of the application of the school's refund policy. This information is available in the Consumer Information section of the Financial Aid section of the HCC website.

The school will also make all currently enrolled students aware of its refund policy and will inform these students of the availability, upon request, of examples of the application of the school's refund policy.

All students, prospective and continuing, are informed, in writing, of the procedures that they must follow to obtain a refund.

If and when the school changes its refund policy, all students are made aware of the new policy through an addendum or new publications.

For programs that require students to purchase specific supplies and equipment, the school will publish the cost of those items in the cost brochure and program brochures.

This information will be provided to all students, free of charge through the HCC Catalog which is available online.

### **Determining the Student's Last Date of Attendance or Withdrawal Date**

The Financial Aid Office will determine the student's withdrawal date according to the following policies and procedures. The Financial Aid Office will use information submitted to the Records Office to best determine the student's withdrawal date or last date of attendance. This may include, but is not limited to: electronic withdrawal records, withdrawal forms, email correspondence, and instructor initiated withdrawal forms.

When determining the withdrawal date or last date of attendance, the Financial Aid Office will always use the latest documented date for the return of funds calculation. If there is no date available, the return will be calculated as an "unofficial withdrawal" and 50% will be used.

### **Withdrawal Process**

The Records Office is responsible for processing withdrawals and maintaining record of withdrawals.

Once a withdrawal has been processed, the information is available to the Financial Aid Office electronically. A computer process is run by the Financial Aid Office to obtain withdrawal information on a regular basis.

Hutchinson Community College is not required to take attendance.

### **Official Withdrawals**

The official withdrawal process can be found at <http://www.hutchcc.edu/catalog/policy/?id=35>. The latest date the student completes the official withdrawal process is considered the student's official withdrawal date for the purposes of R2T4.

A student may also otherwise officially notified the institution of his or her intent to withdraw. The official notification may be either in writing, by telephone, electronically, or orally. The student must make the notification to the Records Office who will complete the withdrawal process on the student's behalf.

If a student begins the prescribed withdrawal process and otherwise notifies the institution of his or her intent to withdraw, the earlier of the two dates becomes the withdrawal date unless a later date of academic activity is documented by the institution. Academic activity may include, but is not limited to, an exam, a tutorial, computer assisted instruction, academic counseling, academic advising, turning in a course assignment, or attending a study group. Simply logging in to an online course is not considered an academic activity. A student who has not ceased attendance has not officially withdrawn.

An instructor or advisor may also withdraw a student from a course. As part of that process, an instructor or advisor may provide a last date of attendance for the course. If the last date of attendance is provided, it may be used as a last date of academic activity for the purposes of calculating the return of funds.

### **Unofficial Withdrawals**

To establish the withdrawal date for students who unofficially withdraw (drop out without notifying the school), the Financial Aid Office will use the latest withdrawal date or last date of attendance from any of the student's courses to calculate the funds to be returned to FSA. If no withdrawal date is recorded, the student will be considered to have earned 50 percent of their assistance unless the student can document a later last date of attendance.

### **Modules**

A module course is a course that does not span the published length of the semester. A course will be considered a module if it begins or ends more than a week before or after the published payment period for that term. If a student completes module course(s), but was also enrolled non-module course(s) and fails to complete the scheduled payment period for those course(s), that student is considered a withdrawal. The Financial Aid Office may use the scheduled end date for the course(s) that the student earned credit for as the last date of attendance. If a student was not enrolled in any courses other than the module course(s) and completes those course(s), they are not considered a withdrawal.

### **Institutional Date of Determination**

The date of the institution's determination that the student withdrew for a student who provided official notification of his or her withdrawal to the institution is the student's withdrawal date or the date of the notification, whichever is earlier.

For a student who did not provide notification of his or her withdrawal, the date that the institution becomes aware that the student ceased attendance becomes the institution's determination date. For students who receive a grade of "F", it will be the latest end date of their course(s)

### **Definition of Aid Recipient for R2T4 purposes**

HCC defines an "aid recipient" as someone whose aid has disbursed or whose aid could have been disbursed prior to his withdrawal. The student must have completed verification prior to his withdrawal to be considered an aid recipient.

### **Approved Leave of Absence**

HCC does not grant students leave of absences. R2T4 is required of any aid recipient who has ceased attendance. Students receiving all incompletes for a term are not considered to be on an approved LOA. They are considered to have ceased attendance and will be treated as "unofficial withdrawals" unless another last date of attendance can be determined.

### **Treatment of Title IV Credit Balances**

If a student who has withdrawn from school has a Title IV credit balance on his account, that balance will be held until the R2T4 calculation and any necessary adjustments have been made. The cash management requirement to disburse credit balances within 14 days is suspended until the R2T4 calculation can be performed. Student and/ or parent authorization is not required to hold the credit balance. Any credit balance remaining after the calculation has been performed must be disbursed within 14 days of the R2T4 determination.

If a check is returned to a school or an EFT is rejected, HCC may make additional attempts to disburse the funds no later than 45 days after the funds were returned or rejected. If HCC does not make further attempts to disburse the funds, the funds must be returned before the end of the initial 45-day period. HCC will cease all attempts to disburse the funds and return them no later than 240 days after the date it issued the first check.

### **The Return of Title IV Funds Calculation**

The Financial Aid Office uses the Department of Education's Return of Title IV Aid Web product to perform calculations. All billing and withdrawal documentation is gathered by the Financial Aid Office to perform the calculation.

The payment period is used when establishing the school calendar for purposes of the calculation.

### **Post-withdrawal Disbursements**

After the calculation is performed, if earned aid exceeds disbursed aid, a post-withdrawal disbursement is made or offered. Pell grant is disbursed to credit any balance remaining of allowable charges assessed for the term, any other charges for which the student has granted permission, and directly to the student, if applicable. All disbursements are made within 45 days of the date of determination that the student withdrew. The student is notified of the disbursement in writing.

If a post-withdrawal loan disbursement is due, the student is offered the disbursement in writing. Information about the amount and type of loan disbursement available is provided along with information about the outstanding balance owed the college, if any. The student is notified that if they do not reply with a written request for any or all of the funds by the specified deadline that their loan will be canceled.

### **Return to Title IV Funds**

If it is determined that the aid disbursed to the student exceeds the amount of aid the student earned for the term, aid is returned to the Department within 45 days of the date of determination that the student withdrew. The student is notified of the return in writing. The amount that HCC is required to return is returned in the following order:

1. Unsubsidized Direct Loan
2. Subsidized Direct Loan
3. Federal Direct PLUS Loan
4. Federal Pell Grant
5. Federal SEOG
6. IASG

HCC will repay any portion of the student's responsibility to the Department of Ed in the prescribed order, and, in turn, bill the student for the return of funds. Any portion of the student's share that is allocated to a loan program is repaid by the student under the terms and conditions of the Master Promissory Note.

Students will be notified by mail of the results of their Return of Title IV Funds calculation.

