

## Return of Title IV Policy for Financial Aid Recipients

Harper College students who are financial assistance recipients must be aware of the Return to Title IV Funds policy. This policy defines when a student is impacted by the Return to Title IV federal aid and how the required aid amount returned to the U.S. Department of Education is calculated.

Students subject to a review for Return to Title IV are those who received federal financial assistance and withdraw from all their classes on or before completing 60 percent of the payment period and/or receive all F grades in their classes due to non-attendance.

Federal financial assistance includes a Federal Pell Grant, Federal Supplemental Education Opportunity Grant, Federal Direct Loan, and/or a Federal PLUS Loan. A federally mandated Return to Title IV funds formula determines if the student or the school is required to return some of the federal funds awarded to the student to the Student Financial Aid (SFA) programs, or if the student is eligible for a refund of a portion of the institutional charges paid to Harper College such as tuition and fees.

The official date of withdrawal is the withdrawal date as recorded by the Registrar's Office. Instructors will report F grade with last date of attendance (unofficial withdrawal). Harper College is required to perform the Return of Title IV Aid calculation within 30 days of the date of determination that a student has completely withdrawn.

When a student withdraws, the Office of Student Financial Assistance determines if a student is eligible for a Return to Title IV exemption per federal regulations. If an exemption cannot be applied, the Return to Title IV funds calculator in the Banner Student Information System is used to determine how much aid the student earned before the withdrawal date and the unearned amount of Title IV Funds that must be returned. The percentage of aid to be returned is based on the number of calendar days remaining in the payment period divided by the number of calendar days in the payment period, less any scheduled breaks of five or more consecutive days.

As an example, if a student completes 30 percent of the payment period, they earn 30 percent of the financial assistance originally scheduled to receive. Once a student completes 60 percent of the payment period, the student earns all of the federal assistance they were scheduled to receive for that period.

If the student has earned more funds that were not yet disbursed, the student may receive funds as a post-withdrawal disbursement.

Any Title IV funds that were disbursed for the payment period that are more than the amount calculated to be earned are considered unearned and must be returned to the federal government within 45 days of the date the school determined the student withdrew. Harper College returns a student's unearned funds to the government and the student will be billed for any balance due. The Office of Student Financial Assistance will notify students of any amounts owed. Students with outstanding balances may be restricted from registering for future classes and receiving transcripts.

Funds that are returned to the federal government are used to reduce the outstanding balances in individual programs. Title IV federal financial aid returned must be allocated in the following order:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Federal Direct PLUS Loan
4. Federal Pell Grant
5. Iraq and Afghanistan Service Grant
6. Federal Supplemental Education Opportunity Grant

Repeated withdrawals can impact a student's eligibility to receive federal financial aid for future terms. (see Satisfactory Academic Progress Policy)

