

TREATMENT OF TITLE IV FUNDS POLICY

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(PELL GRANT, SUPPLEMENTAL EDUCATION OPPORTUNITY GRANT (SEOG))

- **WHEN A STUDENT WITHDRAWS**
- **STOPS ATTENDING CLASS**
- **IS SUSPENDED**
- **TAKES AN UNAPPROVED LEAVE OF ABSENCE (UNOFFICIAL WITHDRAW)**
- **DOES NOT ATTEND ALL SCHEDULED CLASSES**
- **DOES NOT COMPLETE ALL MODULES (MINI-SESSIONS) IN WHICH THE STUDENT IS ENROLLED**

ATTENTION FINANCIAL AID RECIPIENTS: Class enrollment and attendance should be taken seriously, it is important to know and understand your class schedule and it is your responsibility to attend class. SOWELA faculty are not required to keep attendance records, unless required by an outside entity such as required for Practical Nursing and Aviation Maintenance programs. If you must resign from SOWELA you must do so officially by logging in to your LOLA account and withdrawing from your classes. Please note, currently SOWELA does not have an approved leave of absence policy /program. This policy will apply to any student who receives Title IV aid: Federal Pell Grant, Supplemental Education Opportunity Grant (SEOG).

RETURN OF TITLE IV FUNDS POLICY

SOWELA uses the payment period for the calculation of the Return of Title IV funds formula. The payment period is the semester in which the student receives Title IV funds. If a student, who is disbursed Title IV funds, withdraws or stops attending class on or before completing 60% of the semester in which the Title IV aid was disbursed, the following Return of Title IV Funds policy will be applied. This percentage is determined by taking the number of days in the semester completed divided by total number of days in the semester (excluding breaks of 5 or more days).

DETERMINING STUDENTS WITHDRAWAL DATE

If a recipient of Title IV funds withdraws from school after beginning attendance, the amount of Title IV aid earned by the student must be determined. This applies to any student receiving Title IV aid who officially withdraws, drops out, is suspended, takes an unapproved leave of absence (unofficial withdrawal), and/or does not attend ALL scheduled classes.

The amount of Title IV Funds to return to the applicable federal programs will be determined, using a withdrawal date from classes and calculating the percentage of the enrollment period for which the student did not complete. For students who stop attending class prior to the college census date (14th class date), the last date of class attendance will be used as the withdrawal date in the calculation. If a student stops attending class officially after the college census date, the date that the student begins the withdrawal process will be used to calculate how much aid was earned for the semester. If a student stops attending class unofficially after the college census date, the midpoint semester date or if available the last date of student participation in an academically related activity may be used as a withdrawal date to calculate

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how much aid was earned for the semester. In a program required to take attendance by an outside entity, the last date of class attendance will be used as the withdrawal date. Scheduled breaks of five or more consecutive days are excluded from the enrollment period used in the calculation. SOWELA Technical Community College will return the lesser of the total of unearned aid or an amount equal to institutional charges multiplied by the percentage of unearned aid. SOWELA must return unearned funds within 45 days of the date of determination of the withdrawal date. If aid disbursed is less than aid earned, the student may be due a post-withdrawal disbursement.

OFFICIAL/UNOFFICIALWITHDRAWALS

Failure to attend class or failure to resign properly could cause the student to receive a letter grade of "F" in one or more courses. In this case, when the student ceases attendance prior to the end of the scheduled enrollment period, the student would still be subject to the return of funds policy. Merely discontinuing class attendance is not considered to be a formal resignation from the college. For unofficial withdrawals, the withdrawal date is defined as either the midpoint of the semester or the last documented date of attendance of an academically-related activity, (as defined by federal regulations.) If a student fails to ever begin attending a class, the award amount may need to be recalculated.

Through the return of Title IV funds calculation, there are funds that the school is responsible for returning and funds that the student is responsible for returning. The schools returns are the lesser amount of the aid disbursed minus the aid earned OR the institutional charges multiplied by the percentage of the payment period that was not completed.

The amount of unearned funds that the student must return is called an overpayment. The maximum amount of a grant overpayment that the student must repay is half of the grant funds received or were scheduled to receive. The student will be notified of the amount of money that must be repaid due to unearned funds within 30 days of the date SOWELA determines the student withdrew.

Withdrawing from modules can be a partial or a complete withdrawal. Modules (mini-sessions) are any class that in a program that does not span the entire length of the regular semester. A student enrolled in modules is considered withdrawn if the student does not complete all of the days in the module or modules that the student was scheduled (enrolled) to complete. If a student withdraws from a course in a later module prior to the last day of a previous module that student is not considered as withdrawn based on not attending the later module.

However, dependent upon the time of withdrawal from a later module, a recalculation of aid based on the change in enrollment status may be required. If the student provides written notice to the Financial Aid Office at the time of the withdrawal from a current module that s/he plans to attend a later module in the same semester, s/he is not considered a withdrawal. If the student does not provide that written confirmation, the return of Title IV funds calculation of aid will be completed. However, if the student does return in a later module in the same payment period, regardless of whether prior written confirmation was received, the R2T4 process will be reversed and the student will be awarded only the funds s/he is eligible to receive at the time of the return.

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In the event of official resignation, SOWELA's institutional refund policy will be applied and tuition will be reduced by that amount. The student may be liable for any Title IV funds disbursed/refunded to their account in excess of the amount allowed by federal regulations. The school will collect the portion of any assistance owed by the student. If no payment is received, holds will be placed on the student's account and the student will lose eligibility for Title IV aid unless the overpayment is paid in full or satisfactory repayment arrangements are made

POST-WITHDRAWAL DISBURSEMENTS

A post-withdrawal disbursement will be made to an eligible student who withdraws from the college but has not yet received a Title IV aid disbursement. These disbursements will be made in accordance with federal regulations. If a student is due a post-withdrawal disbursement, the disbursement must be made within 90 days of the institution's determination that the student withdrew. Eligible post-withdrawal disbursements will be credited to the student's account and applied towards outstanding current semester charges.

INSTITUTIONAL CHARGES

SOWELA defines institutional charges as tuition, fees, and books. These are the amounts that were initially assessed the student before any institutional refund was applied. These charges include tuition and required fees, including required program and course fees, as stated in the SOWELA catalog. If a student wishes to participate in the SOWELA book allowance electronic process, books must be purchased at the SOWELA bookstore online or on campus at posted times throughout the year/semester.

SOWELA's INSTITUTIONAL TUITION ADJUSTMENT POLICY

SOWELA's tuition adjustment policy is stated in the SOWELA college catalog. If a student is due a refund based on the tuition adjustment policy, that refund will be applied first to the student's portion of return of Title IV funds. Next refunds remaining will be applied toward the school's portion of return of Title IV funds. If any portion remains after applying toward the return of Title IV funds, it will be used to pay any balances owed to SOWELA and lastly funds remaining would be refunded to the student.

EARNED AID

The student has not earned 100% of their financial aid until she/he has attended more than 60% of the term. If a student officially or unofficially withdraws on or before the 60% point of the semester the student has not earned a portion of the aid that was disbursed. The percentage of earned aid is determined by taking the number of days completed divided by the total number of days in the term (excluding breaks of 5 or more days).

UNEARNED AID

The student is required to pay SOWELA any unearned aid they have received. The financial aid office will email the student a notification of change in eligibility. SOWELA will return all funds required by the school and those funds to be returned on behalf of the student. The student will then be required to repay SOWELA.

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RETURN OF UNEARNED AID

Once the determination (see calculation example below) is made for earned/unearned percentage of aid, the next step is to calculate the percentage of aid in dollar amounts. This is completed by taking the percentage of unearned aid and multiplying by total aid disbursed; this will give you the amount of unearned aid.

RETURN OF TITLE IV FORMULA IN DETAIL

1. **Determine the amount of Title IV Aid received by the student.** This includes aid that has been disbursed and aid that could have been disbursed. "Aid that could have been disbursed" is defined as aid for which the student was eligible to receive at the time of withdrawal. Late disbursement rules apply to "aid that could have been disbursed."

2. **Determine percentage of aid earned** (*Percentages are rounded to three decimal places. For example, .4486 would be .449 or 44.9%*)

This requires several steps:

- a. **Determine student's withdrawal date.** (*SOWELA is NOT required to take attendance*) For **official** withdrawals, the withdrawal date is the date the student began the withdrawal process (as noted on the "Request for Resignation" form) or otherwise provided official notification of intent to withdraw. The official withdrawal process is stated in the class bulletin each semester.

For **unofficial** withdrawals, the withdrawal date is either the midpoint of the semester, or the last date of attendance at an academically-related activity as documented by the school. In either case mentioned above, SOWELA may use the last date of attendance at an academically-related activity, as documented by the school. This date may be earlier or later than the dates listed above. In any program required to take attendance by an outside entity, the last date of class attendance will be used as the withdrawal date. In addition, instructors take attendance prior to the College census date and a last date of attendance at an academically-related activity will be used if a student withdraws during this period.

- b. **Determine the percentage of payment period (semester) completed** Divide the number of days completed by the number of days in the semester. This percentage is the percentage of payment period (semester) completed and the percentage of Title IV aid earned for the semester. For example, if the semester consisted of 103 days, and the student attended for 43 days, he completed 41.7% of the semester; therefore, he earned 41.7% of his Title IV aid.

Note- Weekends will be included; breaks of 5 or more consecutive days are excluded from the payment period.

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3. Determine the amount of aid earned by the student. Determine the amount of Title IV aid that was disbursed and that could have been disbursed as of the withdrawal date. Multiply the percentage from step 2B (earned aid) by this amount. The amount that could have been disbursed includes late disbursements for which the student qualifies. Example: 41.7% X \$2000=\$834

4. Compare the amount earned to the amount disbursed. If earned aid exceeds disbursed aid, a post-withdrawal late disbursement is due the student. If disbursed aid exceeds earned aid, funds must be returned to the Title IV programs. (\$2000 disbursed, \$834.00 earned)

5. Determine if the student is due post-withdrawal disbursement or if Title IV aid must be returned. Subtract the Title IV aid actually disbursed from the amount of Title IV aid earned. If aid disbursed is greater than aid earned, funds must be returned to the Title IV programs. If aid disbursed is less than aid earned, the student may be due a post-withdrawal disbursement.

A. Title IV funds to be returned to Title IV programs the school and the student may be required to return unearned Title IV funds to the Title IV programs. Amounts to be returned by the school may be rounded to the nearest dollar.

1. Amount due from school (*may be rounded to the nearest dollar*):

- a. Determine the amount of institutional charges the student incurred for the current semester.
- b. Multiply the unearned aid percentage by the amount of institutional charges.
- c. School is responsible for returning the lesser of the two amounts.
 - The amount of Title IV funds that the student does not earn; or
 - The amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of funds that were not earned. The percentage of unearned Title IV funds is determined by subtracting the percentage of the payment period completed from 100%.
- d. School must return funds as soon as possible but no later than 45 days after the date the institution determines the student withdrew.
- e. If SOWELA is required to use institutional funds to pay the school's portion of Return of Title IV funds, SOWELA will set up an "accounts receivable" for the student's account. The student will then owe a debt to SOWELA to reimburse SOWELA for the amount SOWELA was required to return to the Title IV programs due to the student's withdrawal.

2. Amount due from student

- a. Subtract amount due from school (from above) from the amount of Title IV aid to be returned (from step 5). Student is responsible for returning this amount.

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- b.** Amounts to be returned to grant programs are limited to the amount by which the original grant overpayment exceeds half of the total Title IV grant funds disbursed or could have been disbursed to the student.
- c.** SOWELA must notify student of repayment obligation within 30 days of the date SOWELA determines that student withdrew.
- d.** Student must repay grant overpayment to SOWELA within 45 days of notification of overpayment. Grant overpayments not paid to SOWELA within 45 days will be reported to the Department of Education and the student will be ineligible for future Title IV aid until the overpayment is resolved or repayment arrangements are made with the Department of Education.

**These same policy guidelines will be applied towards students who receive funding through the Military Tuition Assistance Program.

SOWELA Technical Community College does not discriminate on the basis of race, color, national origin, gender, disability, or age in its programs and activities. The following person has been designated to handle inquiries regarding the non-discrimination policies:

Title: Compliance Officer
Address 3820 Sen J Bennett Johnston Ave
Telephone No.: 337-421-6565 or 800-256-0483
Email: complianceofficer@sowela.edu