RETURN OF TITLE IV FUNDS

Federal regulations governing the use of Title IV funds (student, parent loans and PELL Grants) dictate how much of this type of aid a student has "earned" for the period of time attended. Any "unearned" Title IV funds must be returned to the Title IV program (i.e., loan program or Pell Grant program). The amount of Title IV funds earned may not fully cover the institutional charges for the period of enrollment. In fact, the determination of the amount of Title IV funds that a student has earned has no relationship to a student's actual institutional costs. The student needs to be aware that if they drop from a program, Title IV funds may have to be returned to a Title IV fund if they have not been "earned" and the student may owe the school money as a result of no longer having access to those Title IV funds. The school's position on charges that are not covered by Title IV funds because the funds had to be returned is that the student must pay the school any money owed.

The school will determine, according to federal regulation, the amount of Title IV grants or loan assistance the student earned as of the student's withdrawal date. Withdrawal date is defined as the last date of academic attendance as documented by attendance records.

If a student earned less Title IV funds than was disbursed, as of the withdrawal date, the difference must be returned to the Title IV program. If a student earned more aid than was disbursed as of the withdrawal date, the difference will be treated as a post-withdrawal disbursement. This amount will be disbursed to the institution and/or student as appropriate.

If the student completed 60% or less of the enrollment period, the percentage of Title IV aid earned is equal to the percentage of the enrollment period that the student completed as of the student's withdrawal date. If the student completed more than 60% of the enrollment period, the percentage of Title IV funds earned is 100%. The percentage of unearned Title IV funds is the complement of the amount earned.

The amount of Title IV funds to be returned is calculated as follows:

\[
\text{Amount to be returned (unearned aid)} = \text{Disbursed Aid} - \text{Earned Aid}
\]

The percentage of the payment period or enrollment period that the student completed is calculated by:

\[
\frac{\text{Total Number of Hours Completed* by the Student as of the Withdrawal Date}}{\text{Total Number of Hours in the Enrollment Period}}
\]

Or if the hours completed by the student are 70% or more of the hours that were scheduled to completed by the student's withdrawal date, then the calculation is as follows:

\[
\frac{\text{Total Number of Hours Scheduled to be Completed by the student as of the withdrawal date}}{\text{Total Number of Hours in the Enrollment Period}}
\]
When returning Title IV funds, both the school and the student have responsibilities. The school must return the lesser of either 1) the total amount of unearned aid, or 2) institutional charges for the enrollment period times the percentage of Title IV aid not earned.

The student must return the difference between what the school has returned in unearned Title IV funds and the total amount of unearned Title IV assistance. If the assistance is in the form of loans, the student just repays the loans. If the assistance is in the form of PELL grants, the student need only return 50% of the PELL grant amount due. The student may repay the grant amount due in full, enter into a payment agreement with the school, or enter into a repayment agreement the Secretary of Education.

Title IV funds must be returned in the following order of priority:

- Unsubsidized Stafford Loans
- Subsidized Stafford Loans
- PLUS Loans
- Pell Grants

* Potential hours less absences of any kind, including absences such as bereavement leave.

As the Student, you are still responsible to pay your tuition bill even if you do not complete the course; if you are not satisfied with your education, if you cannot find employment, or if you did not receive the education or other services you purchased from BOCES.