

## U.S. Department of Education Return of Title IV Funds Policy

Students who have been paid federal financial aid funds are required to earn these funds by attending classes through at least 60% of the period of enrollment and by successfully completing the classes (successful completion does not include grades: H, W, WX, I, F). Students who quit attending or withdraw from all courses prior to the 60% point in the semester, but have already received their federal financial aid disbursement for the semester, may have been overpaid. If an overpayment occurs, the student is required to repay a portion of the funds to the school and/or to the U.S. Department of Education.

### ➤ Which financial aid funds are affected?

The federal repayment policy, established by the U.S. Department of Education, through the reauthorization of the Higher Education Act of 1965, as amended in 1998, affects students who have received assistance through the following federal financial aid programs:

- ✓ Federal Pell Grant
- ✓ Federal Supplemental Education Opportunity Grant (SEOG)
- ✓ Federal Direct Subsidized and Unsubsidized Loans
- ✓ Parent (PLUS) Loans



### ➤ When is the 60% point in the semester?

For the 2015-2016 academic year the 60% point for each semester is:

#### **Fall 2015 Semester**

*October 26, 2015*

#### **Spring 2016 Semester**

*March 21, 2016*

#### **Summer 2016 Semester**

*July 7, 2016*

**⚠ Please Note:** *Dates will vary for, short-term classes, long-term classes, OTA classes and Saturday classes.*

The longer a student remains in attendance, the smaller the amount of overpayment he or she will owe.

Students who remain in attendance through at least the first 60% of the semester, but later officially withdraw from the College, will not be required to repay any portion of their federal financial aid.

### ➤ How is the overpayment amount determined?

The overpayment amount is based upon the number of days in the semester the student has completed. The more days the student has been in attendance, the less the overpayment requirement will be. A federally mandated formula is used to calculate the amount of the overpayment.

Example: Student withdraws on 57<sup>th</sup> day of semester  
Formula:  $\text{enrolled days} / \text{days in enrollment period} = \% \text{ of aid earned}$   
 $57 / 121 = 47.1\%$  of aid earned.  
52.9% of funds received by the college must be returned to the appropriate federal aid program.

### ➤ How does the school determine my last date of attendance?

Attendance is determined through the official withdrawal records of the College and attendance information reported by faculty. If you are not attending classes, you are expected to complete the official withdrawal process of the College. The last date of attendance is the last day you attended class or other documented academic related activity. Unofficial withdrawals automatically have a last day of attendance as the mid-point of the semester, unless there is a documented last date of attendance. If you enroll, never attend, and do not officially withdraw from classes; you will be responsible for a 100% overpayment of any federal aid disbursements you receive. To complete the withdrawal process contact the Student Services Center in Buescher Hall or the Registration staff at your satellite location.

### ➤ Will this affect me if I withdraw from an individual course?

This policy only applies to students who:

- Withdraw from **all** classes prior to the 60% point of the semester
- Students who fail all their classes and cease attendance prior to the 60% point of the semester.

*It does not apply to a student who has withdrawn from selected courses.*

### ➤ Do I send the amount of my overpayment to the school or to the U.S. Department of Education?

If an overpayment of federal financial aid occurs, the student may be required to return a portion of the overpayment to the school and to

the U.S. Department of Education. The College will bill the student for the total overpayment and allow 45 days for repayment. Any unpaid balance of a required overpayment due to the U.S. Department of Education will be reported to them after 45 days. Students who owe an overpayment to the U.S. Department of Education will be *ineligible* for federal aid at any school. Any unpaid balance due to the school will be subject to collection action.

➤ **When will I know if I have to return an overpayment?**

The College reviews all student attendance and official withdrawal information throughout each semester. If you are required to repay all or a portion of your financial aid, the amount will be posted to your ECC student account and you will receive a bill.

This policy only applies to students who withdraw from all courses or completely stop attending all classes.

➤ **How can I avoid getting into a situation that will require the return of an overpayment?**

Many students panic when they begin to struggle in classes. They will withdraw from all classes even though they may be doing well in one or two classes. Only withdraw from the classes that are giving you the most difficulty. Attempt to finish as many classes as you can.

## **\*\* Important Notice \*\***

Students receiving any form of federal, state or institutional financial aid, are prevented from being dropped from courses for non-payment.

Financial aid awards count as an anticipated payment. **If you are not planning to attend the College, you must officially withdraw from your classes.** If you do not withdraw, your courses will be held and you will become responsible for the balance of your tuition and fees owed East Central College.

**Federal Financial Aid  
Funds are earned by  
attending class.**

**Unearned financial aid  
received by a student must  
be repaid.**

### **Notice of Non-Discrimination Policy (Adopted December 2, 2013)**

Applicants for admission and employment, students, employees sources of referral of applicants for admission and employment and individuals with whom the Board of Trustees and college officials do business are hereby notified that East Central College does not discriminate on the basis of race, color, religion, national origin, ancestry, gender, sexual orientation, age, disability, genetic information or veteran status.

Inquiries related to employment practices may be directed to the Human Resources Director, 005-D Multipurpose Building, telephone number 636-584-6710 or [hrnotice@eastcentral.edu](mailto:hrnotice@eastcentral.edu).

Inquiries/concerns regarding civil rights compliance as it relates to student programs and services may be directed to the Vice President of Student Development, 131 Buescher Hall, telephone number 636-584-6565 or [stnotice@eastcentral.edu](mailto:stnotice@eastcentral.edu).

Both offices are located at the ECC main campus located at 1964 Prairie Dell Road, Union, Missouri 63084.

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## **Repaying Unearned Federal Financial Aid 2015/2016**



Office of Financial Aid  
1964 Prairie Dell Road  
Union, MO 63084  
(636) 584-6588  
FAX (636) 583-6651  
[finaid@eastcentral.edu](mailto:finaid@eastcentral.edu)  
[www.eastcentral.edu](http://www.eastcentral.edu)

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