

## 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 (in which ECC participates):

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



### ➤ Attendance in class is key in determining the amount of financial aid you earn

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.

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.

### ➤ **Post Withdrawal Disbursement (PWD)**

If you did not receive all of the funds that were earned prior to withdrawing, a PWD may be due. If the PWD includes grant funds, they will be processed within 45 days. If the PWD includes loan funds, you must give permission before the funds can be disbursed. PWD loan funds will be offered within 30 days and you will have 14 days to accept or decline the funds. All PWD funds are applied to your account with the college and any amount due before any refund is prepared for you (in the event of a refund due to you, it will be processed as soon as possible but no later than 14 days from when any credit balance was created).

### ➤ **Order of Return**

The calculated amount of funds to be returned is sent back in the following order (for programs in which ECC participates):

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Federal Pell Grants
- Iraq & Afghanistan Service Grants
- Federal Supplemental Education Opportunity Grant Program (FSEOG)

### ➤ **Timeframe**

The Return of Title IV process will be handled as quickly as possible after you quit attending or have withdrawn from all classes but no later than 45 days after that determination has been made.

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

Applicants for admission and employment, students, employees, and 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 Donald Shook Student Center, 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**



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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