

RETURN IN COMPLIANCE FOR FEDERAL FINANCIAL AID RETURN OF TITLE IV FUNDS POLICY

In accordance with Federal regulations, those students who receive a disbursement of Title IV funds, Pell Grant and/or Supplemental Educational Opportunity Grant (FSEOG) officially withdraws or ceases attendance prior to the 60% point in the payment period, RSTC will determine whether the student must repay a portion of the net disbursement. Federal Work-Study is excluded from the calculation. This process is called a Return of Title IV Calculation.

Title IV funds must be disbursed within 14 days of the aid being posted on the students financial account, however aid is earned as student attends throughout the semester.

If the student does not complete 60% of the semester, RSTC is required to perform a calculation to determine if funds must be returned to the Department of Education. This date of withdrawal is determined in two different ways for official and unofficial withdrawals.

Official Withdrawal: The official withdrawal date is determined by the date the student started the withdrawal process or the date of the last academic related activity.

Unofficial Withdrawal: The unofficial withdrawal date is determined by the date the instructors report as the last documented academic related activity when a grade of "F" is posted at the end of the semester or payment period. The return of funds calculation shall be based on the midpoint of the term for students who unofficially withdraw and cease attending before completing 60% of the term, unless it can be determined that the last documented academic related activity/engagement is after the 50% date, at which time that date will be used to the benefit of the student.

The percentage formula is as follows: total number of calendar days completed in the payment period divided by the total number of calendar days in the payment period equals the percentage of Title IV funds earned. Scheduled break days of 5 or more are excluded from the calculation.

Funds shall be returned in the following order:

1. Federal Pell Grants
2. FSEOG

Any remaining credit, (post-withdrawal disbursements), shall be posted to the student's account within 45 days of the date it was determined that the student withdrew. If there is a remaining credit after all expenses are paid, the balance shall be refunded to the student within 14 days.

Calculations and returns must be made 45 days from the date of determination for official withdrawals and 30 days from the end of the semester (or payment period) for unofficial withdrawals.

The student may be required to return or repay the remaining unearned Title IV funds to the Department of Education. RSTC will notify the student in writing of the amount they owe, the procedure for repayment and consequences of non-payment within 30 days. Any student who does not return or repay unearned Title IV funds as required by law will be reported to the Department of Education and will not be eligible to receive Title IV funds at RSTC or any other college participating in the Title IV Program until overpayment is paid in full.

RSTC requires the student to repay any funds that the school was required to return to the Department of Education as a result of the students' failure to complete 60% of the term. RSTC will notify the student by email informing them of the amount due to the school and why the amount is owed giving the student a day for the amount to be repaid. The student's account will be placed on hold and the student will not be able to register or receive an official transcript until said amount is paid in full.

If the student owes RSTC funds and fails to pay by the demanded date, their record will be turned over to Williams & Fudge, Inc. for collection, then if not paid will be sent to SSS Recovery for further collections.