

COLORADO COMMUNITY COLLEGE SYSTEM

SYSTEM PRESIDENT'S PROCEDURE

RETURN OF TITLE IV FUNDS

SP 4-20c

References:

Federal Student Aid Handbook, Volume 2 – Institutional Eligibility and Participation 2002-2003, Chapter 6

Effective: July 1, 2003

Approved:

S/ Joe D. May, System President

Application:

This procedure applies to all CCCS institutions.

Background:

This policy applies only to the Return to Title IV requirements established by the federal government. The return of funds requirement is a complex process involving a great deal of interoffice cooperation. This policy is applied to the thirteen institutions that make up the Colorado Community College System, each institution of which may have slightly varying internal contacts, based upon organizational structure.

I. Process Overview & Applicability

The Return to Title IV funds calculations is required when a student has withdrawn, officially or unofficially, from all enrolled courses during a period of instruction at the institution. Students, who withdraw from some courses, but not all enrolled courses, may be subject to other calculations based upon their new enrollment status.

Title IV funds to be included in the Return to Title IV calculations are defined as: Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Stafford Loan (subsidized and unsubsidized), Federal Direct Student Loan (subsidized and unsubsidized), and the Federal PLUS loan and the federal portion of the Colorado Leveraging Educational Assistance Program.

Note: Students who are only awarded Federal College Work-Study funds are not subject to the Return to Title IV calculations.

Any student documented to have been in attendance beyond 60% of the term will not be subject to return calculations.

None of the system community colleges are required to take attendance as a general rule unless attendance is required by an outside agency for a particular student or cohort of students. For example, students who receive veteran's administration educational benefit. Therefore, all community colleges will, as a general rule, use the standard 50% of the term as the last date of attendance unless a later date of withdrawal can be documented by the institution. In such cases, that date will be the last date of attendance for the Return to Title IV calculations.

Procedures

The process of withdrawing from courses can be accomplished in three ways; by completing a paper form, on-line via the worldwide Web and through the telephone registration systems.

Not all institutions have all options available throughout the entire term. Please refer to individual class schedules at the various institutions for options and availability.

Faculty at some institutions within the system can withdraw a student from class through the administrative withdrawal process. This can be accomplished with an administrative withdrawal form or in some instances via the Web for Faculty at institutions that have incorporated that ability within their technology. A grade of "W" or an "AW" may be assigned depending on the institution.

In addition to faculty, some members of the administration can administratively withdraw a student, following a disciplinary process, for failure to abide by the colleges stated code of conduct.

Establishing the last date of attendance for documented instances where a student was enrolled beyond 50% of the academic term is determined by the actual date the student officially withdrew utilizing one of the methods described above. In cases where the student was administratively withdrawn or where the student earned or was assigned a grade of "F", the last date of attendance entered by the faculty member or other authorized official will be reviewed to determine if a return to title IV funds is required.

Each of the community colleges runs the STITLIV.PVA1 program at least once every thirty days commencing with the census date for the normal full term. The program provides a listing of all students who have all "W's", all "F's" or a combination of all "W" and "F" grades for the term identified. The program provides the last date of attendance for each class, when provided. In those instances where a grade of "F" has been assigned by a faculty member without a last date of attendance being posted, college staff will contact the instructor or appropriate division office to have

the date provided in those instances where attendance beyond 60% of the term has not already been documented. Note: If all courses enrolled in the term were withdrawn from prior to 50% of the expiration of the term, the person responsible for reviewing the STITL4PVA1 report will also need to determine whether or not the student was in a cohort that required the institution to take attendance (i.e.: VA educational benefit recipients). In such instances, the actual reported last date of attendance will be used in the calculation of Return to Title IV funds.

The Schedule of Classes for each term describes the process for the student to withdraw from courses. This information is also frequently provided on-line for student access through the World Wide Web. Additional publications such as student guides, financial handbooks, college catalogs, etc. can also describe the process of withdrawing from courses.

II. Establishing a Withdrawal Date

When the student withdraws from all classes or ceases to attend before 60% of the term has elapsed he/she establishes a withdrawal date.

Official Withdrawals - The withdrawal date is the date the student completes the college withdrawal. The withdrawal date for all classes may be found in SIS on screen SDM or on the official withdraw form. When all classes receive a W the withdrawal date is the last date that a student withdrawal was initiated.

Unofficial withdrawals – The withdrawal date is the midpoint of the payment period unless the college can show from its records that the student participated in an academically related activity beyond the midpoint. The school will use the later date as the date of withdrawal. The records to show that student attended beyond the midpoint could include a Last Date of Attendance indicated on the SDM screen. Unofficial withdrawals from class are awarded an AW, F or W, depending upon the institutional grading options.

Time Frame for Determining the Withdrawal Date:

- Official withdrawals - The withdrawal date is determined within 30 days of the date withdrawal.
- Unofficial withdrawals – The withdrawal date is determined within 30 days of the date end of the term.
- Procedure for Determining Withdrawal Date -The responsible person within the office designated by the institution will review withdrawals at least every thirty days following census. The Office will determine the withdrawal dates within the required timeframe.

Rescinding Withdrawal:

A student who rescinds a withdrawal notice and gains reentry into class will not be subject to Return to Title IV. Such students will drop off of the STITL4PV1 report.

Required Attendance:

When the college is required to take attendance for certain students for outside entities the college will use the Last Date of Attendance to determine the Withdrawal Date.

Extenuating Circumstances:

Students with extenuating circumstances may not be able to officially withdraw. For these students the college will use the date the college was notified that the student could no longer attend (death, hospitalization, incarceration, etc.).

Leaves of Absence:

The system colleges do not grant any Leave of Absence.

Academically Related Activity:

Academically related activity may be used by faculty to establish the Last Date of Attendance. This may include: An examination, a login for an on-line course, completed assignments, etc.

III. Process for Calculating Return to Title IV

The responsible person within the office designated by the institution will perform the Return to Title IV Funds calculation by using the software sponsored by the Dept. of Education. In unusual instances, hand calculations may be required because of the program (i.e. tech centers at CCD with open entry open exit classes) because the federal software does not easily support non-traditional terms of enrollment. In this instance the college uses the payment period to determine the start and end date of the calculation.

A. Triggering the Calculation.

The calculation is triggered when it has been determined that the student has withdrawn or ceased to attend. Official withdrawals are calculated during the term when the student initiates action to formally withdraw from classes. Unofficial withdrawals are calculated, normally, at the end of the term shortly after grades are posted.

B. Communication Across Offices

In some cases the office making the determination that a return to title IV funds is required may be different than the office performing the actual calculation. In that case the following communication is done:

Through use of e-mails, check off blocks for financial aid on withdrawal forms, comments on #348 and/or screen prints all parties can remain informed should a student completely withdraw from all attempted classes. The final process to discover such students can be accomplished by running the STITL4PV1.fex.

In summary, the Return to Title IV Funds calculation will be performed within 30 days after the institution has determined the student has completely withdrawn from classes. A calculation may also occur if the institution has determined that the student has unofficially withdrawn. This is normally determined at the end of the semester when the student receives grades of all F's or a combination of all F's and W's.

C. Institutional/Non-Institutional Charges

Examples of institutional charges:

- Tuition and fees (other than application and registration fees)
- Room and Board if contracted with the school
- Course materials such as books and supplies

Examples of non-institutional charges:

- Registration fees
- Group health insurance billed by the school
- A charge to a student's account for discretionary educationally related expenses (e.g., parking fines, library fines, etc.)

D. Roster of students that may need to be calculated

Each of the system community colleges runs the STITL4PVA1 program at least once every thirty days commencing with the census date for the normal full term. The program provides a listing of all students who have all "W's", "AW's", or "F's" or a combination of all "W", "AW" and "F" grades for the term identified. A calculation will be performed if the student has completely withdrawn from all courses prior to the 60% point of the term.

Official Withdrawals:

- * The withdrawal dates are posted on the SIS system as well as the report generated by the STITL4PVA1 program. These dates determine the period of time that the student was enrolled within that semester.

The amount of Title IV aid disbursed, or that could have been disbursed, is recorded on the SIS system on various screens and those amounts will be used in calculating the return. The amounts disbursed are also recorded on the STITL4PVA1 program.

The charges institutions use in calculations are retrieved from the Billing Receivable System screens.

IV. Post-Withdrawal Disbursement

If a student withdraws or drops and as a result of applying the institutional refund policy the school reverses, reduces, or cancels a student's charges, The Return to Title IV Aid requirements still apply. An otherwise eligible student who begins attendance at a school and is disbursed or could have been disbursed Title IV grant or loan funds prior to a withdrawal or drop earns a portion of these funds.

Students dropping all courses during the add/drop period may be eligible for a Post Withdrawal Disbursement based on the amount of time they were in attendance. Any otherwise eligible student who began attendance at an institution and was disbursed or could have been disbursed Title IV grant or loan funds prior to a withdrawal has earned a portion of those Title IV funds (668.22(a) and 668.22(1) (4)). The charges used in the return calculation are always the charges on the student's account prior to withdrawal or drop.

In the instance where a student is awarded a loan for only one term and withdraws, no portion of any second or subsequent disbursement for the term may be disbursed to a student as a post-withdrawal disbursement even though the amount of the second subsequent disbursement is included as aid that could have been disbursed for purposes of determining earned Title IV funds.

If a school has a valid Individual Student Institutional Record (ISIR) and a Loan has been certified prior to the date of withdrawal an institution could make an initial disbursement provided they follow the late disbursement regulations.

Effects of the 30-day delayed requirement. If the student withdraws before the 30th day the loan funds are exempt from the calculation of Title IV program assistance.

If a post-withdrawal disbursement is due:

A school must track post-withdrawal disbursements. Any post-withdrawal disbursement must meet late disbursement requirements. The school must have a valid Student Aid Report (SAR)/Individual Student Institutional Record (ISIR) with an official expected family contribution.

A school is required to make a post-withdrawal disbursement. The disbursement for incurred educational costs must be made within 90 days of the date of the institution's determination that the student withdrew.

A school is required to offer to the student (or parent for PLUS) any amount of a post-withdrawal disbursement in excess of those credited to the student's account. The notice must include the information necessary to make an informed decision on whether the student or parent would like to accept the disbursement. The notice must be sent within 30 calendar days after the date that the school determines the student withdrew. The notice must permit the parent/student to determine which funds, if any, they wish to decline/accept. The notice must also advise that if there is no response within 14 calendar days the school is not required to make the post-withdrawal disbursement and funds will be returned to the Title IV programs. If notification is received from the student/parent within the 14 days the school must disburse the funds within 90 days. If authorization is received after the 14-day deadline the school must notify the student or parent that the disbursement will not be made and why.

V. Return to Title IV Funds When a Student Drops Prior To Census

1. Determine student population - The institution may run a variety of programs that provide information to discover a student who enrolled and completely dropped prior to the end of census. The SBA 590, SBA690, SBA881, SBA892, E2 reject (zero credits) all may be used to find those students who may need eligible for a post-withdraw disbursement. Each of these reports identifies students who are enrolled at a level (FT/QT/HT/LTH) different from the level used initially to award aid. The students who were awarded but have no enrolled hours will be followed up on.
2. The students 139 screen (registration audit trail) will be viewed to determine:
 - a. Did they ever register for the term?
 - b. Did they drop before the beginning of the term?
 - c. Did they drop after the beginning of the term and before census?
3. Students in 2(c) above are the population we will be dealing with. All other non-enrolled students 2(a) & 2(b) are not considered in the Return to Title IV Funds calculation.
4. Each instructor will be contacted in writing, or via electronic communication, to verify if the student attended during the add/drop period.
5. A student who attended at least one class period will have Return to Title IV Funds calculated and a letter sent offering them the aid they earned per post-withdrawal requirements.

VI. Returning Unearned Funds

The college will return Title IV funds to the programs from which the student received aid during the period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

1. Unsubsidized Federal Stafford loans
2. Subsidized Federal Stafford loans
3. Unsubsidized Direct Stafford loans
4. Subsidized Direct Stafford loans
5. Perkins loans
6. Federal PLUS loans
7. Direct PLUS loans
8. Federal Pell Grants
9. Federal Supplemental Educational Opportunity Grants (FSEOG)
10. Colorado Leveraging Educational Assistance Program grants

Procedures

Within 30 days from the date the college determined that the student withdrew:

- The college will return unearned funds for which the college is responsible.
- The college will notify the student in writing if they owe a Title IV grant repayment. The letter will inform the student of the dollar amount owed, the grant program, the method for repaying the funds and to whom, and the consequences of failing to repay the funds. If the student repays the funds to the college, the financial aid office will be responsible for returning the unearned funds to the proper grant program.
- In cases where a loan only was awarded to the student, the student will be notified if a return to title IV amount has been sent to the lender thereby reducing the student's outstanding loan amount.

Shortly, typically within 7 calendar days, after 45 days have elapsed from the date the student was informed in writing of their repayment obligation, if the student has not repaid the overpayment in full to the college:

- The college will report the overpayment to NSLDS
- The college will refer the student's overpayment to the Department of Education for collection. The referral must be on institutional letterhead.
- The institution must report any satisfactory payment arrangements on NSLDS and correctly change the status code within NSLDS to reflect the same.

VI. Overaward Resolution

Individual colleges within the Colorado Community College System will have their own written policy concerning the return of funds on behalf of a student who owes an overaward and may consider the returned funds as the student's debt to the college. Individual colleges may also have a written policy requiring the student to repay to the college the portion of the overpayment which was the responsibility of, and returned by, the college.

Procedures

Students owing an overpayment will be informed in writing that it must be paid in full within 45 days or the student will lose financial aid eligibility. If the student has not paid within the 45 day limit, shortly thereafter the college will complete the Overpayment Referral form and either fax or mail the form to the Department of Education for collection. Note: Normal mail is the preferred method by the Department of Education. After the 45 day limit, the college will also report the overpayment to the National Student Loan Database System.

If the student repays within the 45 day limit, the college will not report the student for collection nor report on NSLDS. The college will return the student's portion of the overpayment to the applicable grant program.

The system college policy, effective with the fall 2003 term, is to bill the student for the amount of "unearned tuition and fees" according the Return to Title IV calculations that the institution was required to return to the Title IV programs. Under the institutional tuition and fee payment requirements, the student is still responsible for payment, with or without the availability of student financial aid funds. The student is not considered to owe a repayment to the federal financial aid programs for such amounts; rather the amount owed is an institutional debt.