



ATLANTA TECHNICAL COLLEGE

## **Return to Title IV Policy**

## **Return of Title IV Funds**

Important Notice to All Federal Financial Aid Recipients: The federal Higher Education Act (HEA) of 1965 was amended in 1998 and new regulations were established about the Title IV student Financial Aid programs. Students earn their Title IV federal Financial Aid by attending class and if they are not enrolled long enough to earn all their aid, the ‘unearned’ portion must be returned to the appropriate Title IV program.

Title IV Financial Aid programs include Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (SEOG), Federal Work-Study (FWS), and Federal Stafford Loans. Federal Work-Study earnings are not affected by the Title IV regulations concerning the return of unearned federal Financial Aid. Only Federal grants and loans are affected by this policy.

### **Official Withdrawal**

Official Withdrawal occurs when a student completely withdraws from all classes in a semester before completing 60% of the semester, the Financial Aid office is required to adjust the amount of Pell Grant, FSEOG, and /or Federal Loans awarded to a student to return the unearned Title IV funds. Financial Aid Administrators then use a process in Banner to determine the portion that needs to be returned by the college. The student’s award is adjusted and removed from account. The Disbursement records are sent to COD for processing. The Business Office returns necessary funds to the Department of Education. Students are notified via email of the Return of Title IV funds calculation as well as who to contact for payment arrangements.

If funds have already been paid to the student, the student will receive a statement from the Business Office with the amount to be paid back, which the student will be responsible for. Any balance due will cause a HOLD to be placed on the student’s account until all outstanding funds have been returned. Withdrawn students with a HOLD for outstanding funds, will not be allowed to register or access their records until the balance due has been satisfied.

### **Unofficial Withdrawal**

An Unofficial Withdrawal occurs when a student leaves ATC without notifying the institution And/or fails to earn a passing grade in any class. At the end of each term, the Registrar provides Financial Aid with a list of all students who have received all F’s and/or WF combinations. ATC requires instructors to report, for all students awarded a non-passing grade, the student’s last day of attendance. ATC uses this information to determine whether a student who received all F’s and/or WF combination grades withdrew.

ATC determines whether a student earned the non-passing grade by determining if the student’s LDA for each course is prior to the last day of the term per the ATC academic calendar that is published. If one instructor reports that the student attended through the end of the period, then the student is not a withdrawal. In the absence of evidence of a last day of attendance at an academically related activity, ATC will consider a student who failed to earn a passing grade in all classes to be an unofficial withdrawal.

### **Order of return of Title IV funds**

A school must return Title IV funds to the programs from which the student received aid during the payment period or period of enrollment as applicable, in the following order, up to the net amount disbursed from each source:

- Unsubsidized Direct Loans (other than Direct PLUS Loans)
- Subsidized Direct Loans
- Federal Perkins Loans
- Direct PLUS Loans
- Federal Pell Grants for which a Return is required
- FSEOG for which a return of funds is required
- TEACH Grants for which a Return is required
- Iraq and Afghanistan Service Grant, for which a Return is required

### **Withdrawing from a Class Always Affects Your Financial Aid**

Per the ATC Business Office, students that drop from a course by the end of the third (3<sup>rd</sup>) instructional day of the semester will receive no grade for the course and will receive a 100% refund of applicable tuition and fees. Students who withdraw/drop a class as of the fourth (4<sup>th</sup>) instructional day of the semester will receive a “W” grade, which counts toward their Financial Aid SAP completion ratio, and will be charged 100% tuition and fees. No refunds. HOPE considers withdrawn or dropped credit or learning support classes as attempted hours. Although you have not completed the course to earn a grade, these hours count toward the lifetime cap of hours that HOPE will pay toward a degree (127 semester hours). All hours attempted (including withdrawals) will count toward the evaluation of your GPA that will occur after you attempt 30, 60 and 90 semester hours - **This is for ALL Hope recipients** - and at the end of every Spring Semester - **This is for associate degree-seeking students only.**

When you withdraw, the Federal Pell Grant is reduced according to the number of days in the semester you have completed. If you withdraw from ATC, there is a possibility you will be billed for tuition and fees depending on your withdrawal date. Also, the Office of Financial Aid considers ‘Unofficial’ withdrawals when determining Financial Aid eligibility. If you stop attending courses and receive a grade of an ‘F’ due to your stop attending, then Financial Aid will have to recalculate your eligibility to determine what portion of your Financial Aid you earned. A portion of those funds may be required to be returned, leaving you with a balance.

If a student withdraws from all course for a full term (16 weeks) but is registered in the upcoming mini-mester B, we must still complete a R2T4 **IF** the course has not begun. The registration of a mini-mester does not constitute enrollment, per DOE. The only way we can avoid doing a R2T4 is if we have ‘Written Confirmation’ that the student will be returning during that payment period.

For the student not to be considered a withdrawal for Title IV purposes, in accordance with the requirements for the treatment of students in program offered in modules, the school would need to either: (1) obtain written confirmation of future attendance in a Title IV eligible course later in the semester; or (2) put the student on an approved leave of absence. Of course, if the student subsequently returns and begins attending a Title IV eligible course later in the period, the

student's Return of Title IV Funds calculation would be undone in accordance with 34 CFR 668.22(a)(2)(iii).

Also, if the student withdraws from the full term and the mini-mester you include all the days of enrollment from the full term and the mini-mester. Example: student withdraws from full term on September 3<sup>rd</sup>, we get a written confirmation that they are returning for Term 3 beginning on October 1<sup>st</sup>. Student does enroll for Term 3 but withdraws on October 15<sup>th</sup>. The R2T4 is processed for the whole term effective October 15 but we start count for his enrolled days at the first day of the full term.