

**CAROLINAS COLLEGE OF HEALTH SCIENCES  
POLICY and PROCEDURE**

**STUDENT AFFAIRS**

**SUBJECT:** RETURN OF TITLE IV FUNDS (FINANCIAL AID)

**REVIEWER(S):** Director of Financial Aid\*  
Dean of Student Affairs and Enrollment Management  
Business Operations Manager

**POLICY**

According to federal regulations 34 CFR § 668.22, 34 CFR § 668.43(a)(2) through (4), DCL GEN-11-14, and HEA, Section 484B, Carolinas College of Health Sciences is required to create and publish a Return to Title IV Policy. When a student applies for financial aid, the student agrees that financial aid funds will be used for educational purposes only. Therefore, if a student withdraws before completing their program, a portion of the funds received may need to be returned. Carolinas College will calculate the amount of financial aid it needs to return to the Title IV programs in accordance with the procedures outlined below.

**PROCEDURE**

**A. Refund vs. Return to Title IV Funds**

1. When a student withdraws from Carolinas College prior to the end of the term, the procedure for returning Title IV program funds will be separate and apart from Carolinas College's refund policy, which details the procedure for issuing refunds to students with a cash credit balance.
2. Upon withdrawal from Carolinas College, a student may still owe funds to the school to cover unpaid institutional charges, and Carolinas College may charge the student for any Title IV program funds that they were required to return on the student's behalf.

**B. Carolinas College Responsibilities**

Carolinas College's responsibilities regarding Return to Title IV Funds are as follows:

- a. Provide students with information in this policy and procedure.
- b. Identify students who are affected by this policy and procedure and complete the Return to Title IV funds calculation for those students.
- c. Return any Title IV funds required to the correct Title IV programs within 45 calendar days of the date the student provides official notice of withdrawal.
- d. If less Title IV aid has been disbursed than the student has earned, calculate a post-withdrawal disbursement and return the appropriate Title IV funds.
- e. Return all excess funds, including funds the Return to Title IV calculation identifies as the student's responsibility to return.

**C. Student Responsibilities**

1. The student should officially withdraw from Carolinas College by providing written notification of his or her intent to withdraw to the Office of Student Records and Information Management.
2. A student may rescind his or her notification of intent to withdraw. Submissions of intent to rescind a withdrawal notice must be filed in writing with the Office of Student Records and Information Management.
3. These notifications, to either withdraw or rescind his or her withdrawal, must be sent to the Office of Student Records and Information Management.
4. A student must repay any funds to Carolinas College that were disbursed to the student, for which the student was determined to be ineligible via the R2T4 calculation.
5. Remaining unearned Title IV loan funds (e.g., Direct loans) must be repaid by the student in accordance with the terms of the loans.

**D. Withdrawal From Carolinas College**

**1. Before the 60% Point of the Term**

Carolinas College must perform a R2T4 calculation to determine the amount of earned aid up

through the 60% point in each term of enrollment. Carolinas College will use the U.S. Department of Education's proration schedule to determine the amount of R2T4 funds the student has earned at the time of withdrawal.

**2. Withdrawal After 60% Point of the Term**

For a student who withdraws from Carolinas College after completing 60% of the term, the student will be deemed to have earned 100% of the Title IV funds he or she was scheduled to receive during that term. In this case, there are no unearned funds. Carolinas College, however, must still perform a R2T4 to determine the amount of aid the student has earned and determine whether the student is eligible for a post withdrawal disbursement.

**E. Earned Aid**

Title IV Aid is earned in a prorated manner on a per diem basis (calendar days), up to the 60% point in the term. Title IV aid viewed as 100% earned after the 60% point in the term. A copy of the worksheet used to perform this calculation can be requested in writing from the Office of Financial Aid.

**F. Date of Determination for an Official Withdrawal from Carolinas College**

1. The date of determination for a student to be considered officially withdrawn from Carolinas College is:
  - a. The date the student provided official notification of his or her intent to withdraw, in writing or orally; or,
  - b. The date the student began the withdrawal process from Carolinas College records. A student is allowed to rescind his or her intent to withdraw notification in writing to the Office of Student Records and Information Management and continue the program. If the student subsequently withdraws from Carolinas College, the student's withdrawal date will be his or her original date of notification of intent to withdraw.
  - c. The 50% point of the semester, if the student withdraws without notifying Carolinas College and a last date of attendance cannot be determined.
2. Students called to active military service during a term in which they are enrolled may be entitled to a refund of tuition and fees if they withdraw or the student may be entitled to receive a final grade or incomplete grade in his or her courses.
3. A student is considered a withdrawal from classes offered in a session when the student ceases attendance at any point prior to completing the term of enrollment, unless Carolinas College obtains confirmation at the time of withdrawal that the student will attend a session that begins later in the same term of enrollment. This confirmation must be obtained at the time of the withdrawal, even if the student has registered for subsequent courses.
4. If the student receives Title IV grant or loan assistance and does not begin attendance in a term of enrollment, the student is ineligible for any Title Aid.
5. Students should contact the Office of Student Records and Information Management to determine their options.

**G. Return to Title IV Calculation**

1. Upon receipt of the official withdrawal notification, Carolinas College will complete the following:
  - a. The Office of Financial Aid verifies the student's attendance through the financial aid withdrawal form or the school's attendance records.
  - b. The Return to Title IV (R2T4) calculation is performed to determine the amount of federal funds the student has earned and the amount of unearned Federal funds for which Carolinas College of Health Sciences and the student is responsible to return (if any). Calculations are completed using the US Department of Education's Return of Title IV Worksheets (included in SONIS), student's attendance and withdrawal date, and are based upon the period of enrollment.
2. The Office of Financial Aid will return the amount of any unearned portion of the Title IV funds for which Carolinas College is responsible within forty-five calendar days of the date of the official notice of withdrawal was provided.
3. The Office of Financial Aid will provide the student with a letter explaining any returns that have been made to the Title IV federal programs on the student's behalf because of his or her exiting the

program. Remaining unearned Title IV loan funds (e.g., Direct loans) must be repaid by the student in accordance with the terms of his or her loans.

4. If the student's scheduled attendance is more than 60% of the period of enrollment, one is considered to have earned 100% of the Federal funds received for the period of enrollment. In this case, no funds need to be returned and no letter will be sent from the Office of Financial Aid.
5. A copy of the completed worksheet and notification letter will be kept in the student's file.
6. In the event a student decides to rescind his or her official notification to withdraw, the student must provide a signed and dated written statement that he/she is continuing his or her program of study and intends to complete the period of enrollment. Title IV assistance will continue to as originally planned. If the student subsequently fails to attend or ceases attendance without completing the period of enrollment, the student's withdrawal date is the original date of notification of intent to withdraw.

#### **H. Unofficial Withdrawal from Carolinas College**

1. If a student does not officially withdraw and subsequently fails to earn a passing grade in at least one (1) course offered over an entire term, Carolinas College must assume, for Title IV purposes, that the student has unofficially withdrawn from Carolinas College, unless the one can document that the student completed the enrollment period.
2. If a financial aid recipient who has not officially withdrawn from Carolinas College fails to receive a passing grade in at least one (1) class during the term, the Office of Financial Aid will determine whether the student established eligibility for the aid originally awarded.
3. Once grades are final for a term, the following procedures will be performed:
  - a. The Office of Financial Aid will determine which students did not officially withdraw and failed to earn a passing grade in at least one (1) course offered over an entire term.
  - b. The 50% point of the semester, if the student withdraws without notifying Carolinas College and a last date of attendance cannot be determined.
    - Instructors will be contacted and asked to provide information on the student's attendance. If the student did not enroll in Carolinas College, or stopped attending Carolinas College during the payment period, the financial aid originally awarded will be cancelled or adjusted.
  - c. The Return of Title IV (R2T4) calculation is performed to determine the amount of federal funds the student has earned and the amount of unearned Federal funds for which Carolinas College and the student is responsible to return, (if any).
    - Calculations are completed using the U.S. Department of Education's Return of Title IV Funds Worksheets, the student's attendance, and withdrawal date, and are based upon the period of enrollment.
  - d. The Office of Financial Aid will return the amount of any unearned portion of the Title IV funds for which Carolinas College, and the student are responsible, within 45 calendar days of the date the official notice of withdrawal was provided.
    - Remaining unearned Title IV loan funds (e.g., Direct loans) must be repaid by the student in accordance with the terms of the loans.
  - e. The Office of Financial Aid will provide the student with a letter explaining any returns that have been made to the Title IV federal programs on the student's behalf because of exiting the program. If a student attends Carolinas College for more than 60% of the term of enrollment, he/she is considered to have earned 100% of the federal funds he or she received for the that term of enrollment. In this case, no funds need to be returned and no letter must be sent from the Office of Financial Aid.
  - f. A copy of any completed worksheet and notification letter will be kept in the student's file.

#### **I. Example of R2T4 Calculation**

1. The Office of Financial Aid determines the percentage of Title IV aid the student earned by taking the calendar days completed in the term of enrollment and dividing the number of completed days by the total calendar days in the term of enrollment (excluding breaks of five (5) days or more and days the student was on an approved leave of absence). Example: 18 completed days/118 total days = 15.3% [Title Aid Earned]

2. The Office of determines the dollar amount of Title IV aid the student earned by multiplying the percentage of Title IV earned by the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the period of enrollment. Example:  $15.3\% \times (\$1800 \text{ disbursed} + \$1005 \text{ that could have disbursed}) = \$429.17 \text{ Aid Earned}$
3. If this percentage is greater than 60%, the student earns 100% of the disbursed Title IV, HEA funds or aid that could have been disbursed.
4. If this percentage is less than 60%, the percentage earned is equal to the calculated dollar amount earned.
5. Title IV aid to be returned is equal to the unearned percentage (100% minus the Percent earned) multiplied by the amount of aid disbursed toward institutional charges. If a student earned less aid than was disbursed, Carolinas College would be required to return a portion of the funds, and the student may be required to return a portion of the funds. All Title IV fund returns must be completed no later than 45 calendar days after the date the Office of Financial Aid determines that the student withdrew.
6. Funds are returned to the appropriate federal program based on the percentage of aid earned and the order of return dictated by the U.S. Department of Education.
7. When Title IV funds are returned, the student may owe a balance to Carolinas College.

#### **J. Order of Return**

1. CCHS is authorized to return excess funds after applying them to the current outstanding Cost of Attendance (COA) charges. A copy of the Institutional R2T4 worksheet performed on the student's behalf is available through the Office of Financial Aid upon written request. In accordance with federal regulations, when Title IV, HEA financial aid is involved, the calculated amount of the R2T4 funds is retracted in the following order:
  - a. William D. Ford Unsubsidized Federal Direct Loan Program
  - b. William D. Ford Subsidized Federal Direct Loan Program
  - c. William D. Ford Federal Direct Parent Loan Program (PLUS)
  - d. Federal Pell Grants
  - e. Federal Supplemental Educational Opportunity Grant Program (FSEOG)
  - f. Iraq Afghanistan Service Grant

#### **K. Disbursement of Federal Aid Due to Return to Title IV Calculation**

1. As per 34 CFR § 668.164(h), if the Return to Title IV calculation results in a credit balance on the student's account, the credit balance will be disbursed as soon as possible, but no later than 14 days after the calculation of the Return to Title IV.

#### **L. Post-Withdrawal Disbursement Conditions**

1. If a student has accepted Title IV aid by the date of the withdrawal, but the financial aid has not disbursed, the student may be eligible for a post-withdrawal disbursement. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, the student is eligible to receive a post-withdrawal disbursement for the earned aid that was not received. Under these circumstances, a R2T4 calculation must be performed to determine whether the student is eligible for a post-withdrawal disbursement. Carolinas College must make this determination within **30 calendar days** after the student has withdrawn. The following conditions apply when processing a post-withdrawal disbursement:
  - a. A student may not owe a prior year balance or fail to meet Satisfactory Academic Progress according to Carolinas College and the Office of Financial Aid policy.
  - b. A student must have accepted aid by the date of the withdrawal.
  - c. If before the student's withdrawal date, a loan offer has been accepted, the loan must also have been originated by Carolinas College.
  - d. If the student is eligible for a post-withdrawal disbursement of a loan, the Office of Financial Aid must send notification of post-withdrawal disbursement eligibility to students within **30 calendar days** after the student withdraws. Students will be given a minimum of **14 calendar days** to respond to the post-withdrawal disbursement offer.
  - e. Carolinas College will disburse any Title IV grant funds a student is due as part of a post-

- withdrawal disbursement within **45 calendar days** of the date the institution determined the student withdrew and disburse any loan funds a student accepts by the post withdrawal disbursement deadline within **180 calendar days** of the withdrawal date.
- f. Carolinas College of Health Sciences cannot make a post-withdrawal disbursement to a deceased student or a student who has not signed the loan's promissory note.
  - g. For students who provide written notification back to Carolinas College that they want the loan funds prior to their post-withdrawal disbursement deadline, the Office of Financial Aid will collaborate with the Business Office to subsequently disburse the loan.

**M. Time Frame for the Return of Title IV Program Funds**

In the event Carolinas College cannot locate the student (or parent) to whom a Title IV credit balance must be paid, the Business Office will determine what programs constitute the refund and will notify the Office of Financial Aid of any unclaimed credit balances that need to be returned to the Title IV programs. The Office of Financial Aid must return the funds no later than **240 calendar days** after the date Carolinas College issued the check or 45 calendar days after the EFT was rejected.

**N. Return to Title IV Questions**

If you have questions regarding Title IV program funds, after visiting with or emailing the Office of Financial Aid, you may call the Federal Student Aid Information Center at 1-800-4-fedaid (800-433-3243). TTY users may call 800-730-8913. Information is also available via Student Aid on the Website at [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

**O. Review of Policy and Procedure**

The Return of Title IV Funds policy and procedure will be reviewed bi-annually.

**REFERENCES**

**Related Policies to Consult**

**Carolinas College:**

- ACADEMIC – Withdrawal/Leave of Absence (W/LOA)
- ADMINISTRATIVE – Refunds
- BOARD – Financial Aid
- STUDENT AFFAIRS AND ENROLLMENT MANAGEMENT – Financial Aid

**Related 2024 SACSCOC Standard(s)**

- 12.6 Student debt
- 13.6 Federal and state responsibilities