



POLICY TITLE
Return of Title IV

POLICY NUMBER
5-554

Responsible Office: <i>Office of Financial Aid and Scholarships</i>	Effective Date: <i>08/01/2022</i>
Responsible Official: <i>Director of Financial Services</i>	Last Reviewed Date: <i>07/01/2019</i>
Policy Classification: <i>Student Affairs</i>	Origination Date: <i>10/01/2014</i>

I. POLICY STATEMENT

Baton Rouge Community College (BRCC) adheres to the federal rules and guidelines established by 34 CFR 668.22 *Treatment of title IV funds when a Student Withdraws*. Title IV funds are awarded to BRCC students under the assumption that they will attend classes for the entire payment period (semester) for which the assistance is awarded. If a student withdraws from the College, for any reason including medical issues, the student may no longer be eligible for the full amount of financial aid funding they were originally scheduled to receive and in compliance with this policy, return of awarded aid may be appropriate.

II. POLICY RATIONALE AND SCOPE

Title IV of the Higher Education Act of 1965, as amended in 1998 established the concept that financial aid must be earned through class attendance. When a student totally withdraws from all classes, The BRCC Office of Financial Aid and Scholarships must calculate the amount of financial aid a student has earned prior to withdrawing. Any Title IV aid received in excess of the earned amount is considered unearned. Unearned aid must be returned to the respective federal aid program(s).

III. POLICY AUDIENCE

This policy applies to BRCC students that receive Title IV funding (including Pell, Federal Supplemental Educational Opportunity Grant (SEOG), Federal Direct Student Loans, and funding from other federal aid programs).

IV. POLICY COMPLIANCE

Failure to comply with this policy would be failure to comply with federal regulations.

V. POLICY DEFINITIONS

Official Withdrawal – the act of a student removing themselves from all courses using their self-service account after the add/drop period.

Unofficial Withdrawal – when student earns all F's and/or W's in a semester.

Title IV recipient – a student who has met the eligibility requirements to receive Title IV aid.

VI. POLICY IMPLEMENTATION PROCEDURES

Procedure for Return of Funds

1. **Return of Aid Programs** - Unearned aid amounts are to be returned to Title IV financial aid programs: Federal Direct Student Loan Programs (unsubsidized then subsidized); Federal Perkins Loan Program; Federal Direct PLUS loans; Federal Pell Grant Program; Federal SEOG Program; any other programs funded by Title IV; other federal, state, private or institutional aid programs. Any amount remaining after the applicable programs have been fully repaid is returned to the student. A 100% credit for the term affected will be given in the event of student death. The Return of Title IV Aid calculation will be based on the official notification of the date of death.
2. **Earned Aid** - A student has not earned 100% of their financial aid until s/he has attended more than 60% of the term. If a financial aid recipient totally withdraws on or before the 60% point of the term, there is a portion of the aid that has not been earned. The percentage of earned aid is determined by taking the number of days attended divided by the total number of days in the term.
3. **Unearned Aid** - The percentage of unearned aid is calculated by subtracting the earned percentage from 100%.
4. **Return of Unearned Aid Amount** - Once the earned and unearned aid percentages are determined, the next step is to calculate the dollar amount of total unearned aid that must be returned. The Return of Unearned Aid Amount (Return of Aid Calculation) is determined by multiplying the unearned aid percentage by the total of all Title IV aid disbursed or eligible to be disbursed.
5. **Return of Fees** - The unearned aid portion is repaid by both the student and BRCC. The College can use any fee adjustment refund generated by the withdrawal to pay the portion it owes back. However, depending on the time of withdrawal, the student may also be responsible for repaying a portion of his/her fees that had been previously paid by financial aid. In almost every instance, the fee refund will be less than the total Return of Unearned Aid Amount. As a result, when a student withdraws, a balance will be created for the

difference between the fee refund and the Return of Unearned Aid Amount. **The student is responsible for paying this balance.**

6. **Post-Withdrawal Disbursements** - If a student totally withdraws from a semester and receives less federal aid than the amount earned, then the student may be eligible for a post-withdrawal disbursement. The student must have met all of the conditions for a late disbursement prior to withdrawing. Grant funds will automatically be applied towards outstanding charges created by the withdrawal. Loan funds will not be applied until written confirmation is received from the borrower. If no confirmation is received, the loan is cancelled.
7. **Non-Title IV Aid** - Refunds applicable to non-Title IV funds will be distributed to the respective aid accounts in the same proportion as the aid awarded.
8. **Dropping All Classes** – To avoid financial penalties and aid adjustments, make sure you drop all classes during the published add/drop period. Students that drop all courses during the add/drop period will not be considered a student for that semester and, thus, not entitled to receive any form of financial aid. Awarded aid will be cancelled and returned to the appropriate program(s).
9. **Failing ALL Classes** - If a student fails all of his/her classes in a semester, s/he may be subject to a Return of Title IV Aid calculation. If a student has "earned" at least one "F" (i.e., attended class at least one time during the term and received an F for poor performance), then no calculation is required. However, if the student receives all Fs because they stopped attending or never attended courses prior to the 60% point in the semester, then a R2T4 calculation is required. This is considered an unofficial withdrawal and the latest last date of attendance entered by the instructor(s) will be used as the withdrawal date. An account balance will be created if the calculation results in the return of financial aid.
10. **Future Aid Eligibility** - Withdrawing may affect the student's eligibility to receive financial aid in subsequent terms. Upon withdrawal, the student should notify the BRCC Office of Financial Aid and Scholarships when s/he plans to return so that necessary adjustments may be made to the financial aid award. Students should also review the [Satisfactory Academic Progress](#) requirements published on the BRCC website.

VII. POLICY RELATED INFORMATION

This policy is in compliance with the following Federal Code and Regulations: [34 CFR 668.22 Treatment of Title IV funds when a student withdraws.](#)

VIII. POLICY EXCEPTION

Due to federal regulations, there is no exception to this policy.

IX. POLICY HISTORY AND REVIEW CYCLE

This policy will supersede its previous policy. This policy is to be reviewed and revised, as needed, within three years of the effective date.

X. POLICY URL

This policy may be accessed on the BRCC website at www.mybrcc.edu.

IX. POLICY APPROVAL - APPOINTING AUTHORITY



Willie E. Smith, Sr., Ed.D.
Chancellor

8/1/22

Date