

CENTRAL BAPTIST COLLEGE

RETURN OF TITLE IV FUNDS POLICY

The return of Title IV funds is processed by the Financial Aid Office. The amount of Title IV funds to be returned is calculated by the Business Office. This policy applies to all students who withdraw from Central Baptist College either officially or unofficially. This policy is separate and distinct from the Central Baptist College Refund Policy. Therefore, the student may still owe funds to cover unpaid institutional charges. The college reserves the right to collect from the student any Title IV funds that the college was required to return. The calculated amount of the “Title IV Funds Returned” that is required for students affected by this policy are determined according to the following definitions and procedures, as required by regulation.

The College has 45 Days from the date the college determines that the student withdrew to return all unearned funds as required. The college will notify the student if they owe a repayment by written notice. The college will inform the student or parent that they have 14 calendar days from the date of notification to accept a post-withdrawal disbursement. If the student or parent does not respond within the allotted time frame, the college will return any earned funds that the college is holding to the Title IV programs. **All post-withdrawal disbursements must occur within 90 days of the student’s withdrawal date.**

The return of Title IV funds regulations do not dictate the institutional refund policy. The calculation of Title IV funds earned by the student has no relationship to the student’s incurred institutional charges.

The college is required to determine the earned and unearned Title IV aid a student has earned as of the date the student ceased attendance based on the amount of time the student was scheduled to attend.

Pre 60% Withdrawal

Central Baptist College must complete a “Treatment of Title IV Funds Withdrawal Form” to determine the amount of earned aid up through the 60% point in each semester. Central Baptist College will use the Department of Education prorate schedule to determine the amount of Title IV funds the earned as of the time of withdrawal.

After the 60% point in the semester, a student has earned 100% of the Title IV Funds they were scheduled to receive during the period. The college must still complete a “Treatment of Title IV Funds Withdrawal Form” to determine the amount of aid that the student has earned.

Post 60% Withdrawal

For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, Central Baptist College will still determine whether the student is eligible for a post-withdrawal disbursement.

Note: Below is a sample calculation to determine the amount of unearned aid a student would be expected to repay based on the reported last day of attendance in the term from which a student withdraws.

Sample Calculation

1. Determine the percentage of Title IV aid earned by the student by taking the calendar days completed in the semester, divided by the total calendar days in the semester(excluding college holidays).

$$\frac{\mathbf{20\ completed\ days}}{\mathbf{120\ total\ days}} = \mathbf{16.7\%(\% \text{ of completed days})}$$

2. Determine the amount of Title IV aid earned by the student by multiplying the Percentage of Title IV aid earned times the total of the Title IV aid disbursed Plus the Title IV aid that could have been disbursed for the semester.

$$\mathbf{16.7\% \times 3,500.00 = 584.50 \text{ (Amount of aid earned by the student)}}$$

3. If this amount is greater that the total Title IV aid disbursed for the semester, A Post-withdrawal disbursement will be calculated; if the amount is less than the amount of Title IV aid disbursed, the difference will be returned to the Department of Education.

Withdrawal – Official vs. Unofficial:

A student who withdraws is one who either officially completes a “Central Baptist College Withdrawal Form, unofficially withdraws (administrative withdrawal), is suspended, or expelled.

A student’s withdrawal date is determined by the date of last attendance in an academic class or the date of administrative withdrawal, suspension, or expulsion.

A student may rescind their official withdrawal notification by filing a written statement with the Registrar within 4 calendar days of the official withdrawal date. The student must state that they will continue to participate in academically-related activities, and intend to complete the semester for which payment of Title IV funds were or would be received. The rescission of withdrawal is negated if the student subsequently ceases to

attend prior to the end of the semester. The withdrawal date then is the student's original date of withdrawal.

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 semester. Title IV aid is viewed as 100% earned after that point in time. A copy of the worksheet used for this calculation can be requested from the Vice President for Financial Affairs.

In accordance with federal regulations, when Title IV financial aid is involved, the calculated amount of returned funds is allocated in the following order:

- Unsubsidized FFELP Loans
- Subsidized FFELP Loans
- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Federal PLUS Loans
- Direct PLUS Loans
- Federal Pell Grant

Central Baptist College's responsibilities in regard to the return of Title IV funds is as follows:

- Provide students with the information given in this policy;
- Identifying students who are affected by this policy and completing the Return of Title IV Funds calculation for those students;
- Returning any Title IV funds that are due the Title IV programs.

The student's responsibilities in regard to the return of Title IV funds include:

Returning TO THE Title IV programs any funds that were disbursed to the student and which the student was determined to be ineligible for based on the Return of Title IV Funds calculation.

Any notification of withdrawal must be submitted using the Notice of Withdrawal Form and submitted to the Registrar.

A Student may rescind their official withdrawal by giving written notification to the Registrar with the allotted time requirement.

If you would like examples of the worksheets for this Return of Title IV Funds policy, contact the Financial Aid Director at (501) 329-6872 Ext 1185 or the Vice President for Financial Affairs at (501) 329-9872 Ext 110.

Post Withdrawal:

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, the college must get your permission before they can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. The College may automatically use all or a portion of your Post-Withdrawal disbursement (including loan funds, if you accept them) for tuition, room and board, and fees. For all other school charges, the college needs your permission to use the post-withdrawal disbursement. If you do not give your permission, you will be offered the funds. *However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the college.*

If Central Baptist College is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an overpayment. The amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You must make arrangements with your school or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that the college may have. Therefore, you may still owe funds to the college to cover unpaid institutional charges. The college may also charge you for any Title IV program funds that the college was required to return. If you don't already know what the college's refund policy is, you may ask your Financial Aid Director for a copy to the refund policy.

Central Baptist College can provide you with the requirements and procedures for officially withdrawing from college.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at:

1-800-4-FEDAID (1-800-433-3243)

TTY: 1-800-730-8913

You may also contact your Financial Aid Advisor at:

(501) 329-6872 Ext 185

Information is also available on Student Aid on the Web at www.studentaid.ed.gov

This policy is subject to change at any time, and without prior notice