

SECTION 15: RETURN OF TITLE IV FUNDS

(LAST REVIEWED JULY 2012)

15.1 Process Overview & Applicability

As required by federal regulations, the Student Financial Aid Office must recalculate the federal financial aid eligibility for any student that ceases attendance, officially or unofficially, before the end of the semester. For the purposes of this chapter, this will be termed “withdraw.” This calculation process is called “Return of Title IV Funds (R2T4). Title IV funds are awarded based on the fact that a student will remain in school for the entire semester for which the funds are awarded. When a student withdraws, he/she may not be eligible for the full amount of funds that were originally awarded and/or disbursed. Both ACM and the student may be required to return some or all of these funds to the appropriate Title IV programs.

This policy applies to the following Federal Title IV financial aid programs at ACM: Pell Grant, Supplemental Educational Opportunity Grant, Iraq/Afghanistan Service Grant, Direct Subsidized and Unsubsidized Stafford Loans, and Direct PLUS Loans.

Last updated: July 2012.

Policies

Students who officially withdraw, unofficially leave the College, or are requested to leave, are subject to the following ACM Tuition and Refund Policy, approved by the ACM Board of Trustees and the Middle States Accreditation Team:

TUITION AND FEE REFUND POLICY – WITHDRAWAL FROM CLASSES

In order to be eligible for a refund, a student must officially withdraw from the college through the registration office. If the account is unpaid, an official withdrawal is still necessary to be eligible for a deletion of the appropriate charges. Non-attendance of classes or termination of attendance of classes does not constitute official withdrawal.

All tuition charges and fees (except the registration fee) are refundable if the student officially withdraws or drops a class or classes before the first day of the semester. If the account is unpaid, a

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deletion of the appropriate charges will be made instead of a refund.

Eighty percent (80%) of the tuition charges and fees (less the registration fee) are refundable if a student officially withdraws or drops a class or classes prior to the end of the third week of classes, or in the case of a summer session, prior to the end of the first week of classes. If the account is unpaid, a deletion of the appropriate charges will be made instead of a refund.

No refund or deletion of charges is made if a student withdraws or drops a class or classes after the deadline dates specified above; however, refunds may be considered if the student can verify that he or she never attended classes or stopped attending classes before the refund deadlines. In these cases, since the student did not officially withdraw before the refund deadlines, and since a position was held open in the class, the refund or deletion of charges will not exceed eighty percent (80%). The remaining twenty percent (20%) is considered to be a non-refundable charge.

For the following reasons, tuition and fees (less registration fee) are refundable beyond the refund deadline on a pro-rated basis (from 100% to 0%) according to the number of class dates remaining in the semester:

- (1) Medical reasons dated and certified by a physician; or
- (2) Job transfer dated and certified by the employer; or
- (3) Job schedule (shift) change, which causes a conflict with class schedule, dated and certified by the employer; or
- (4) Military transfer dated and certified by documentation (copy of orders) from the military unit.

Students withdrawing and receiving financial assistance are subject to an additional refund analysis, called Return of Title IV Funds (R2T4). All R2T4 calculations will be performed using the Return of Funds module in Datatel. ACM shall follow the federal regulations governing the R2T4 funds policy. In accordance with this policy, the ACM SFAO shall determine the earned and unearned Title IV aid for the student based on the date the student ceased attendance as defined by the payment period.

As required by the Higher Education Amendments of 1998, the ACM SFAO will recalculate the Title IV Federal financial aid eligibility for any student who officially or unofficially withdraws, drops out, or is dismissed from Allegany College of Maryland prior to completing 60% of the enrollment period. A student must attend through 60% of the payment period before the student has earned 100% of his/her Title IV

FR 11/1/1999, pp.
59016 to 59044
GEN-04-12
GEN-04-03
GEN-00-24
2010-11 FSA
Handbook,
Vol. 5, Chapter 2

Aid. For students who withdraw after the 60% period, there are no unearned funds. However, the school must still complete the R2T4 computation to determine if the student is due a post-withdrawal disbursement. In the case of ceased attendance, the ACM Student Financial Aid Office shall perform the Return of Title IV Funds (R2T4) calculation to determine the following:

1. If the amount disbursed to the student is greater than the amount earned by the student, unearned funds will need to be returned.
2. If the amount disbursed to the student is less than the amount the student earned, he or she may be eligible to receive a post-withdrawal disbursement of the earned aid that was not received.
3. If a student receives funds and then withdraws, drops out, or is expelled, he or she may be required to return the unearned portion of the money to the aid programs from which the money was awarded.

For students wishing to officially withdraw, the Registration Office has the official paperwork that the student must complete and return. Once the paperwork is processed in the Registration Office, the student is directed to the Business Office to determine if he/she is due a refund, according to the ACM Tuition and Refund Policy.

Verbal or written withdraws are taken in any office on campus and are forwarded to the Registration Office for official processing. If the student is present, he/she is also instructed to visit the Registration Office to officially withdraw. For students who officially withdraw, the Registrar enters a "withdrawn status" in Datatel and the date of this status change is recorded.

The Director of Student Financial Aid determines the withdrawal date for all students for whom the R2T4 calculation must be performed. The Student Financial Aid Office shall be responsible for notifying ED, guaranty agencies, and any other personnel/agencies that need to know the official or the unofficial withdrawal date of each student.

The Coordinator of Campus-Based Programs shall be responsible for collecting and organizing the official and unofficial withdrawal information and reports for all students. The Director of Student Financial Aid shall be responsible for the Return of Title IV Funds calculation process, for notifying the student of his/her obligation to repay any Pell Grant or SEOG, for tracking any necessary repayment agreement information, for tracking any post-withdrawal disbursement data, and for reporting or referring overpayments to ED. The Student Loan Officer shall be responsible for notifying the student of his/her

obligation to repay any student loan funds, tracking any necessary repayment information, and reporting enrollment changes to NSLDS.

Below are the steps the Student Financial Aid Office shall take in the Return of Title IV Funds process.

Step 1: Determine the official or unofficial withdraw date. For students who unofficially withdraw, the ACM SFAO shall determine the withdrawal date no later than 30 days after the end of the earlier of:

- a. the payment period or period of enrollment,
- b. the academic year, or
- c. the student's educational program.

Step 2: Determine the date of ACM's determination that the student withdrew. This is the date ACM becomes aware that a student has withdrawn.

Step 3: Determine the student's aid amounts that were disbursed or that could have been disbursed. Aid that could have been disbursed is aid that is not yet received by the College but for which the student is otherwise eligible to receive.

Step 3: Determine the percentage of aid earned by calculating the percentage of the period that the student completed.

Step 4: Determine the amount of earned aid by applying the percentage to the total Title IV aid that was or could have been disbursed.

Step 5: Determine the allowable institutional charges. At ACM, this is the charges for tuition, fees, books purchased at the ACM Bookstore, and Willowbrook Woods Housing charges.

Step 6: Determine the amount of unearned aid by subtracting earned aid from disbursed aid **or** determine the amount of a post-withdrawal disbursement by subtracting disbursed aid from earned aid.

Step 7: If unearned funds must be returned, determine the school's and the student's shares; **or** if a post-withdrawal disbursement is due, determine the sources from which it will be funded.

GEN-06-05

668.22(a)(5)(ii)(A)
(1)

668.22(a)(5)(ii)(A)
(2)

Step 8: If unearned funds must be returned, allocate unearned aid to programs from which student was funded; **or** if a post-withdrawal disbursement is due, determine the sources from which it will be funded and credit the student account and send student applicable notification and/or obtain proper authorizations. All post-withdrawal disbursements will be made within 120 days of the date the institution determines the student withdrew.

668.22(a)(5)(iii)(B)
(1)

668.22(a)(5)(ii)(B)
(2)

Step 9: Return the institution's share and any funds repaid by the student or refer the student to ED; **or** make the post-withdrawal disbursement.

Step 10: Notify the student and the Business Office of the Calculation results.

The following lists the policies for determining which students will or will not be subject to the Return of Title IV Funds calculation:

668.22(a)(1)

1. Students who have officially withdrawn from all classes on or after the first day of school shall be subject to the R2T4 calculation.
2. Students who have unofficially withdrawn from all classes on or after the first day of school shall be subject to the R2T4 calculation.
3. Student who never began attendance in any classes will NOT BE subject to the R2T4 calculation.
4. Students who have either officially or unofficially withdrawn from all classes that have no Title IV funds or have only Federal Work-Study monies will NOT BE subject to the R2T4 calculation.
5. Students who have completed at least one class within the payment period or period of enrollment, but drop other classes, will be treated as having changed enrollment status and will NOT BE subject to the R2T4 calculation, unless the student's enrollment meets the new definition of a module program under new regulations concerning programs offered in modules effective July 1, 2011.

For programs offered in modules: Effective July 1, 2011, the final rules make changes to the treatment of modular programs for all types of program formats, including term-based credit hour programs. The final rules state that "a program is offered in a module if a course or courses in the program do not span the length of the payment period or period of enrollment." This rule replaces the current policy that states a student who completes at least course within a semester is

not subject to the R2T4 calculation. A student is now considered to have withdrawn if he/she does not complete all the days for a credit hour program for which he/she was scheduled to attend. Students who cease attending a module, but who confirm they will attend a module beginning later in the same payment period are NOT considered to have withdrawn. The confirmation can be a written statement from the student or a registration for a future module. The Department of Education has provided a worksheet to help make the final determination. [See the end of Section 15.](#)

Last updated: July 2012.

Procedures

For students who do a complete withdrawal from the College, the Registrar's Office will record all official withdrawal information. This information becomes part of our "W" Report.

For student who drop one or more courses, but are not a complete withdrawal, the instructors are responsible for recording either a "Never Attended" status or a "Last Day of Attendance" status in Webadvisor.

For students who withdraw or drop a course themselves, the withdraw status will be part of our "Withdraw Report." If necessary, a manual Attendance Check (A/C) Form will be sent from our office to each instructor by the Coordinator of Campus-Based Programs. [A copy of the A/C Form is attached.](#) This staff person will collect and organize all information pertaining to withdraws and "F" grades.

For student's receiving "F" grades at midterm and as a final grade, the Coordinator of Campus-Based Programs will send manual A/C requests to determine whether or not the student actually attended the class. Any adjustments to federal financial aid for never attending will be made by this staff person when the A/C is complete.

The Student Financial Aid Office uses the following reports to ascertain student attendance information:

1. "W" Report – runs every Friday showing the week's withdraws for both student and instructor drops. Report shows a "Last Day of Attendance" for all instructor drops.
2. "F" Grade Report – runs at midterm grade processing and final grade processing. Report includes the "Never Attended" and "Last Day of Attendance" statuses.
3. "End of Term" Reports – compilation of all "W" and "F" grades with statuses. This is the final check to ensure that all R2T4

calculations are done.

When a student's A/C information is complete, the Coordinator of Campus-Based Programs give the student file and A/C to the Director, who will perform the R2T4 calculation.

Students are notified in writing at the time of their registration as to the withdrawal process. In addition, the information is posted on the ACM website and in the ACM catalog. All Title IV financial aid recipients are given a copy of the withdrawal policy and the Return to Title IV Funds policy in their award letter notification packet.

Last updated: July 2012.

13.1 Withdrawal Date

Resources

Policies

Allegany College of Maryland is not required to take attendance.

668.22(b),(c)

The following is the official withdrawal information as taken from the 2012-2013 College Catalog:

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“A student withdrawing from any course(s) up to the tenth week of the semester must complete a Change of Schedule form. This form must be filed before adding or dropping any course(s) becomes final. Except by written approval of the Academic Standards Committee, a course may not be officially dropped or changed to an audit after the tenth week of the semester. If a student neglects to follow the official withdrawal procedure and merely ceases to attend classes, a grade of “F” will be recorded at the end of the semester. The official date of withdrawal is the date on which the completed Change of Schedule form is filed with the Registration Office, or the date of the Academic Standards Committee’s action. The student is responsible for all assigned course work up to this date. Students indebted to the College at the time of withdrawal will be obligated to fulfill the financial obligation. Extenuating circumstances, such as illness, must be documented and will be reviewed individually.”

Below is the official academic regulation relating to withdrawals, as taken from the Academic Regulations Handbook, revised May, 2010.

SECTION R: WITHDRAWAL FROM CLASSES

- R1 To withdraw from a course(s) prior to the beginning of class/es, the student must prepare a Change of Schedule Form, have it signed by the advisor, and have it recorded in the Registration Office.
- R2 To withdraw from a course(s) after the beginning of class/es, the student must prepare a Change of Schedule Form, have it signed by the advisor and the instructor(s), and have it recorded in the Registration Office.
- R3 To withdraw from the College the student must prepare a Withdrawal Form, have it signed by the advisor, and have it recorded in the Registration Office.
- R4 A student may withdraw and receive “W” grades for all courses in a semester supported by medical documentation indicating that the student was unable to attend classes or effectively participate in class activities. The documentation must include dates.
- R5 Courses officially dropped within the first 20% of the course-will not be included on the student's official transcript.

- R6 Courses officially dropped up to 60% of the course will be recorded with "W" grades on the student's official transcript.
- R7 The official date of withdrawal is the date on which the completed Change of Schedule Form or Withdrawal Form is received in the Registration Office.
- R8 When absences endanger the student's progress in a course in the judgment of the instructor, the instructor may drop the student from the class roster. The instructor will notify the Registration Office, in writing, to this effect and the Registration Office will then notify the student. When a student is dropped by the instructor, Regulations R4 and R5 shall apply. When a student is dropped by the instructor after withdrawal deadline, a grade of "F" shall be recorded. (See Regulation U4).
- R9 If a student dies during the course of a semester, a grade of "W" will be recorded for each class. Also, any unresolved "I" grades on a deceased student's record will revert to "W" grade.

A student's withdrawal date will be determined as:

- a. the date the student began the institutional withdrawal process or officially notified the institution of intent to withdraw; or
- b. the midpoint of the period for a student who leaves without notifying the institution; or
- c. the student's last date of attendance at a documented academically-related activity.

The definition of an "Academically-related activity" is a student engaged academically in a classroom setting, an exam, a tutorial, a computer-assisted instruction, submitting an academic assignment, attending a school assigned study group, or participating in online discussions about academic matters. It is NOT living in institutional housing, using a meal plan, academic counseling, logging into an online course without active participation, or a self-certification from a student.

Therefore, for students who officially withdraw, the withdrawal date shall be the date on which the completed Change of Schedule Form or Withdrawal Form is received in the Registration Office, as determined by the Registrar. Nonattendance in classes does not constitute an official withdraw.

For unofficial withdrawals, the date of withdrawal shall be determined by the Director of Student Financial Aid by documenting the last date of attendance in any academically-related activity, as determined by the instructor's completion of the "Last Day of Attendance" status in Datatel or the Class Attendance Form sent to instructors by the Coordinator of Campus-Based Programs.

For students who are unable to officially withdraw due to extenuating circumstances, the withdrawal date shall be determined by the Director

of Student Financial Aid by documenting the last date of attendance in any academically-related activity, as determined by the instructor's completion of the "Last Day of Attendance" status in Datatel or the Class Attendance Form sent to instructors by the Coordinator of Campus-Based Programs.

For students who fail to earn a passing grade in all courses for which they are registered, the "F" Grade Report will be requested at midterm grade processing and final grade processing. The Coordinator of Campus-Based Programs shall review the report and perform any manual A/C Forms that are needed, as instructors are asked to complete the "Never Attended" and "Last Day of Attendance" statuses when submitting "F" grades.

Students who do not actually cease attendance in all classes are not considered to have withdrawn and will not be subject to the R2T4 calculation process. Likewise, students who completely withdraw before the first day of class are not subject to the return calculation.

Students may not rescind a withdrawal notification. ACM does not have a leave of absence policy.

For students who withdraw after the 60% period of the term, there are no unearned funds. However, the school must still complete the R2T4 computation to determine if the student is due a post-withdrawal disbursement.

Last updated: July 2012.

Procedures

After the A/C Form is complete, the student file and the A/C information are given to the Director of Student Financial Aid, who shall make the determination of the withdrawal date based on the information from the A/C Form.

The A/C Form includes questions pertaining to activities approved under an "academically-related" activity. Instructors complete the form and return it electronically to the SFAO.

This date is recorded on the "ROFC" form in Datatel – a drill down form from "AIDE."

Last updated: July 2012.

13.2 Formula Calculation

Resources

Policies

The Director of Student Financial Aid shall be responsible for performing the R2T4 calculation. All R2T4 calculations will be performed using the Return of Funds module in Datatel. All calculations will be based on the payment period for each student.

668.22(e)(5)

Title IV aid recipients who are only receiving federal work-study are not required to be a part of the R2T4 calculation. A student who never began attendance in any of his/her classes will not be considered in the R2T4 process. Likewise, a student who began attendance, but was not and could not have been disbursed Title IV grant or loan funds prior to his/her withdrawal, will not be considered an R2T4 person.

Aid that could have been disbursed is considered in the formula calculation. The following excerpt from the 2012-2013 FSA Handbook defines what is considered as aid that could have been disbursed.

“...aid that could have been disbursed is also used in the calculation. There are two principles that govern the treatment of disbursements of Title IV funds in Return calculations. The first principle provides that, for purposes of determining earned Title IV aid, generally, so long as the conditions for late disbursements in 34 CFR 668.164(g)(2) **were met prior to the date the student became ineligible**, any undisbursed Title IV aid for the period for which the return calculation is performed is counted as aid that could have been disbursed (regardless of whether the institution was prohibited from making the disbursement on or before the day the student withdrew because of the limitations in 34 CFR 668.164(g)(4) or elsewhere). Any undisbursed Title IV aid for the period that the school uses as the basis for the Return calculation is counted as aid that could have been disbursed as long as the following conditions were met before the date the student became ineligible –

- for all programs, the Department processed a Student Aid Report (SAR) or Institutional Student Information Record (ISIR) with an official Expected Family Contribution (EFC) for the student;
- for an FSEOG award, the institution made the award to the student;
- for a Direct Loan, the institution certified or originated the loan, as applicable; and
- for a Federal Perkins Loan, the institution made the award to

the student.

A promissory note must be signed for a loan to be included as “Aid that could have been disbursed” in a Return calculation. The signature may be obtained after the student withdraws. However, in order for the loan to be included as “Aid that could have been disbursed,” the promissory note must be signed before the school performs the Return calculation.

Of course, a school can only include aid (e.g., the loan funds) for the period for which the institution does the Return calculation. If the calculation is performed on a payment period basis, the loan funds counted are those for the payment period; if the calculation is performed on the period of enrollment basis (e.g., the academic year basis), the loan funds counted are those for the entire period of enrollment.

The second principle provides that a student can never receive as a Post-withdrawal disbursement any funds from a disbursement that the institution was prohibited from making on or before the date the student withdrew. Therefore, although the following potential disbursements can be counted as “Aid that could have been disbursed” (if intended for the period for which the Return calculation is being performed), an institution is prohibited from disbursing –

- for nonstandard term credit-hour programs where the terms are not substantially equal in length, credit-hour nonterm programs, and clock-hour programs, a second disbursement of Direct Loan funds where the student has not reached the later of the calendar midpoint of the loan period or the date that the student completes half of the academic coursework or clock hours (as applicable) in the loan period (34 CFR 685.301(b)(5), or (6)); a second or subsequent disbursement of Direct Loan funds unless the student has graduated or successfully completed the loan period (34 CFR 668.164(g)(4)(ii));
- a disbursement of Direct or Perkins loan funds for which the borrower has not signed a promissory note;
- for clock-hour or credit-hour nonterm programs, a disbursement of a Federal Pell Grant, Iraq and Afghanistan Service Grant, TEACH Grant or, for a subsequent payment period when the student has not completed the earlier payment period for which the student has already been paid (34 CFR 690.75(a) (3) and 34 CFR 691.75(a)(3)&(4));
- a disbursement of a Direct Loan to a first-year, first-time borrower who withdraws before the 30th day of the student’s program of study (34 CFR 668.164(g)(4)(iii)) (except when this delay does

not apply because of low default rates);

- a disbursement of a Federal Pell Grant, Iraq and Afghanistan Service Grant, TEACH Grant or, to a student for whom the institution did not have a valid SAR/ISIR by the deadline established by ED (34 CFR 668.164(g)(4)(iv)) annually in the public deadline notice, and
- a first disbursement of a Direct Loan (i.e., the first disbursement of a Direct Loan in a loan period) to a student enrolled in a modular program who has withdrawn before beginning attendance in enough courses to establish a half-time enrollment status.

Last updated: July 2012.

Procedures

Each Friday the Coordinator of Campus-Based Programs processes the “W” report. The report shows the activity for the week. She combines all “W” reports into an EXCEL spreadsheet and keeps a running list of the withdrawn students. The EXCEL spreadsheet is stored on the shared financial aid drive “I” and called “Attendance 2012-2013.” An “*” beside a student name indicates the student has now withdrawn from all courses and will need to have an R2T4 calculation performed.

At the end of the term, the “W” report is compared with the “F” report. For any student who has a combination of all “W” and “F” grades, an A/C Form is started and the student name added to the EXCEL spreadsheet.

The Director determines the last date of attendance, the institutional charges, aid that was disbursed, and aid that could have been disbursed. The return calculation is performed using Datatel’s Return of Funds module. The Director uses PCEX to print a return letter for each student, called “FAER2T4.” Each student receives a copy of the letter, a copy of return calculation from Datatel called “Detail Return of Funds Report (ROFD), and a copy of our R2T4 policy. A copy of this letter and the calculation sheet is placed in the student’s file.

ACM does not make disbursements of Title IV financial aid to students who have been selected for verification that have not yet been verified and we do not make interim disbursements of financial aid.

Last updated: July 2012.

13.3 Post-Withdrawal Disbursements

Policies

A post-withdrawal disbursement (PWD) is funds due to the student when a student earns more Title IV aid than was disbursed to the student.

Students who are eligible for a post-withdrawal disbursement of a Federal Pell Grant or FSEOG funds will have the disbursement applied to their account. Students who are eligible for a post-withdrawal disbursement of Federal Student Loan or Federal Parent PLUS loan funds will be required to approve any post-withdrawal disbursement amount before those funds will be credited to the student's account or are given to the student as a refund.

If the student owes the College for tuition, fees, and books, the post-withdrawal disbursement will be credited to the student's account. Post-withdrawal disbursements will be offered to the student within 30 days of the date the school determined the student withdrew. In the case of federal loan funds, the student will have 14 days to respond to the approval letter, after which time the post-withdrawal disbursement will not be made. The Director shall be responsible for notifying the student or the parent of the availability of the post-withdrawal disbursement and shall track the notification and authorization to make the disbursement.

All post-withdrawal disbursements will be made from available grant funds before any loan funds. All PWD must meet the requirements for a late disbursement.

No PWD will be made to the account of a deceased student.

Last updated: July 2012.

Procedures

After the Director performs the R2T4 calculation, she determines if a PWD is due the student. If so, she also determines if the PWD is from grant funds or loan funds.

If the student is due a PWD from grant funds, the student name and ID are added to the next FATR process for payment and the student is sent a letter and a copy of the calculation results.

Resources

668.22(a)(4),(5)
GEN-04-12
GEN-04-03

2012–13 *FSA Handbook*, pp. 5-82 to 5-90

If the student and/or parent is due a PWD from loan funds, the Director sends the PWD letter to the student. There are 2 letters: FAEPWDN for PWD No Balance Owed to ACM and FAEPWDO for PWD Student Owes Balance to ACM. The student file is kept in the Director's Office so that she can track the return of the signed letter giving permission to make the disbursement.

After the necessary forms are returned, she will process the student's payment. Copies of all post-withdrawal forms will be placed in the student's financial aid file.

Last updated: July 2012.

13.4 Returning Unearned Funds

Resources

Policies

If the student receives more federal student aid than the amount earned from the R2T4 calculation, the school, the student, or both are required to return the unearned funds. Unearned aid must be returned to the appropriate Title IV financial aid program. If the calculation determines that unearned aid has been credited to the student's billing account, the institution will return those funds to the appropriate federal program within 45 days of the date the school determined the student withdrew. However, the student will then be responsible for any outstanding charges that remain when the funds are returned. Calculations may show that the student is now ineligible for refunds of federal grants and/or loans that he/she has already received. Students who are responsible for returning unearned financial aid funds or who now owe the College must make arrangements with the Business Office for prompt repayment of funds.

668.22(g)-(i)

The ACM SFAO shall return Title IV Funds in the following order:

1. Unsubsidized federal direct student loan
2. Subsidized federal direct student loan
3. Direct PLUS loan
4. Federal Pell Grant
5. Federal Supplemental Opportunity Grant
6. Iraq/Afghanistan Service Grant

Last updated: July 2012

Procedures

After the Director performs the R2T4 calculation, any funds which need returned are done so automatically through the FATR process within 45 days of the determination of a student's withdrawal. If the student must return loan funds, it will be the responsibility of the student to repay those loans according to the terms of the promissory note.

The Director sends an official letter to the student out of Datatel called "FAER2T4" and a copy of the calculation results. There is a section specifically marked on the letter if the student owes an overpayment to a Title IV grant program. The letter instructs the student to make the payment to the ACM Business Office. We will, in turn, send the

overpayment back on the student's behalf. If the student does not make the overpayment to ACM within 45 days from the date of the letter, the Director will refer the student account to the Department of Education as a grant overpayment due.

Once the FATR/FATP process has been completed by the Student Financial Aid Office and the Business Office, the College Accountant is responsible for returning funds through the G5 Federal System within the 45 day time limit. The College Accountant receives a copy of the FATP report from the Business Office.

Last updated: July 2012.

13.5.1 Overaward Resolution

Policies

ACM will notify the student in writing if the student has to repay an overpayment of a Federal Pell Grant or FSEOG. The student will be instructed to make the payment to the ACM Business Office within 45 days of the date of the letter. If the amount is not paid in full in that time frame, the Director will report the overpayment to the Department of Education. The letter also states that failure to pay will result in the student losing eligibility for all Title IV programs at all colleges and universities.

Last updated: July 2012.

Procedures

If the student has not paid the overpayment after the 45 day time limit, the Director will complete the Overpayment Referral form to turn the student over for a grant overpayment to the U.S. Department of Education. The student will be notified in writing when this happens.

Last updated: July 2012.

GEN-06-05
GEN-05-17
2012–13 FSA
Handbook, p. 5-98-
99

Determination of Withdrawal in Modules Questions (Taken from Fall 2011 FSA Training Manual)

As noted on page 66895 of the preamble to the final regulations (October 29, 2010) the following three questions may be used to determine whether a student in a program offered in modules is a withdrawal and the Return of Title IV Funds requirements apply:

Question 1: After beginning attendance in the payment period or period of enrollment, did the student cease to attend or fail to begin attendance in a course he or she was scheduled to attend?

If the answer is no, this is not a withdrawal. If the answer is yes, go to question 2.

Question 2: When the student ceased to attend or failed to begin attendance in a course he or she was scheduled to attend, was the student still attending any other courses?

If the answer is yes, this is not a withdrawal; however other regulatory provisions concerning recalculation may apply. If the answer is no, go to question 3.

Question 3: Did the student confirm attendance in a course in a module beginning later in the period (for non-term and nonstandard term programs, this must be no later than 45 calendar days after the end of the module the student ceased attending)?

If the answer is yes, this is not a withdrawal, unless the student does not return.

If the answer is no, this is a withdrawal and the Return of Title IV Funds requirements apply.

Example

This example illustrates (1) how to determine when a student is a withdrawal from a term-based program offered in modules; (2) the amount of aid to use in the Return of Title IV Funds calculation when a student withdraws from a program offered in modules; (3) how to determine the numerator and denominator when calculating the percentage of the payment period completed for a student who withdraws from a program offered in modules; and (4) what steps must be taken when a student who withdrew from a term-based program offered in modules returns within the payment period; (5) how to determine the numerator and denominator when calculating the percentage of the payment period completed for a student who withdraws again.

Program Profile:

Payment Period/Period of Enrollment: Payment period, 15-week semester Program structure for payment period/period of enrollment: Three consecutive five-week modules, 35 days in each module, no scheduled breaks.

A student enrolls for one three-credit course in each of the three modules. Student ceases attending module 1 after completing 10 days. The student does not confirm attendance in a later module. The student does not attend module 2, but returns for the one 3-credit course in module 3. The student withdraws from module 3 after completing 15 days.

When the institution determines that the student has ceased to attend module 1, the institution answers the Determination of Withdrawal Questions to determine whether the student is a withdrawal as follows: The answer to Question 1 is yes. The student ceased to attend a course the student was scheduled to attend—the three-credit course in The answer to this Question 2 is no. When the student ceased to attend the course in module 1, he or she was not attending any other classes. Because the answer to Question 2 is no, Question 3 must be answered.

The answer to this Question 3 is no. The student did not confirm attendance in a later module. Thus, this student is a withdrawal and the Return of Title IV Funds requirements apply.

If the student was awarded Pell Grant funds, before performing the Return of Title IV Funds calculation, the institution must recalculate the student's awards to reflect the change in enrollment status from nine credit hours, to three credit hours. These recalculated aid amounts are used in the Return of Title IV Funds calculation.

The percentage of the payment period completed is determined by dividing the number of calendar days completed by the total number of calendar days in the payment period, which included all days within the period that the student was scheduled to complete, except for any scheduled breaks of at least five consecutive days when the student is not scheduled to attend a module or other course offered during that period of time, and any days the student was on an approved leave of absence. The student has completed 10 days. The total number of days in the payment period includes all the days in all the modules the student was scheduled to complete, which is 105 days (three modules of 35 days each). The percentage of the payment period completed is determined by dividing 10 days by 105 days, resulting in .0952, rounded to .095 or 9.50%.

When the student returns for module 3, §668.22(a)(2)(iii)(A) applies, which provides that, if a student withdraws from a term-based credit hour program offered in modules and reenters the same program prior to the end of the period, the student is treated as if he or she did not cease attendance for purposes of determining the student's aid awards for the period. The student is considered to be in the same payment period he or she was in at the time of the withdrawal and retains his or her original Title IV eligibility for that payment period, provided the student's enrollment status continues to support the same amount of those funds. To do this, the institution must:

- recalculate the student's Title IV, HEA program eligibility based upon enrollment in modules 1 and 3 and then re-disburse any Title IV, HEA program funds that had been disbursed and then returned under the Return of Title IV Funds provisions, adjusting, if necessary, for the change in enrollment status from nine credit hours to six credit hours;
- disburse any Title IV, HEA program funds the student was otherwise eligible for that had not yet been disbursed at the time the student withdrew, adjusting for the change in enrollment status; and

- cancel any Title IV overpayments assessed the student as a result of the prior withdrawal that were disbursed upon reentry.

When the institution determines that the student has ceased to attend module 3, the institution again answers the Determination of Withdrawal Questions to determine whether the student is a withdrawal:

The answer to **Question 1 is yes**. The student ceased to attend a course the student was scheduled to attend—the three-credit course in module 3. Because the answer to Question 1 is yes, Question 2 must be answered.

The answer to this **Question 2 is no**. When the student ceased to attend the course in module 3, he or she was not attending any other classes. Because the answer to Question 2 is no, Question 3 must be answered.

The answer to this **Question 3 is no**. There are no later modules in which the student can confirm attendance. Thus, this student is a withdrawal and the Return of Title IV Funds requirements apply.

The total number of days in the payment period is the original 105 days. While the student did not begin module 2, since module 2 was included in the original payment period or period of enrollment and used to determine the amount of Title IV, HEA funds eligibility, the 35 days from module 2 are included in the denominator.

The total number of completed calendar days in the period reflects the completed days in both modules 1 and 3. The student had completed 10 days in module 1 and 15 days in module 3 for a total of 25 days completed in the payment period. The percentage of the payment period completed is determined by dividing 25 days by 105 days, resulting in .238, or 23.8%.

**ALLEGANY COLLEGE OF MARYLAND
Cumberland, MD 21502**

ATTENDANCE MEMORANDUM

Federal regulations require that we determine a student's last date of attendance in the classroom or at an academically-related activity. The last date may be the result of an official or unofficial withdrawal, drop by the student or instructor, or if/when students stop attending/participating. Please note that if this is a web class, you may use the last date the student logged onto your class, submitted homework, took tests/quizzes, or participated in any academically-related class activity.

THIS INFORMATION IS NECESSARY EVEN IF THE STUDENT HAS OFFICIALLY WITHDRAWN OR YOU'VE DROPPED THE STUDENT.

****The student and class in question is located in the email in which this was attached.****

Student Name: (name you're receiving this for)
Class: (class you're receiving this for)

Please complete **ALL** information which is requested.

Student attended this class at any time during the term: **Yes** **No**

IF YES, PLEASE COMPLETE ALL THAT APPLY BELOW:

- a) Last Date of Attendance
(This date should be the last date the student attended before you dropped him/her or the last date the student attended before unofficially withdrawing.)
- b) Last Date of Test or Quiz Taken
- c) Last Date an assignment was submitted

Additional Comments:

Instructor's Signature: Date:

Please feel free to email this form back to me or print it off, complete and return to the Student Financial Aid Office as soon as possible. Thanks!