

Orangeburg-Calhoun Technical College

Statement of Procedure

Title: Student Refund Procedure

Number: 4.034.01

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Department of
Responsibility: Vice President for Business Affairs
Vice President for Student Services

Authorization:

President

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I. Purpose

To provide guidelines for the refund of tuition and the return of Federal Financial Aid.

A student's withdrawal date is defined as the last date of attendance (LDA) in class. In circumstances where the LDA cannot be determined, the official withdrawal date will be the date the student began the official withdrawal process or provided official notification to the institution of his or her intent to withdraw.

A Federal Financial Aid recipient who does not officially withdraw from the College and no official LDA can be determined will be considered as having completed 50% of the semester for calculating the amount of aid to be returned to the Federal Government based on Section III and will not be eligible for a refund based on the College's refund policy as outlined in Section II.

A return of federal financial aid calculation will also be processed for students who receive all or any combination of Fs, WFs, WPs, or Ws as a result of non-attendance.

II. College Refund Policy

To receive a refund of tuition charges, a student must officially withdraw from the College as outlined in Section I or reduce the number of credit hours.

The refund percent is based on the Last Date of Attendance on the Drop/Add form. Tuition will be refunded at the following rate:

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REFUND PERCENT	WITHDRAWAL OR CREDIT HOUR REDUCTION
100%	Before classes begins
100%	During Drop/Add period
0%	After Drop/Add period

III. Return of Federal Financial Aid & Military Tuition Assistance (TA)

A student's Federal Financial Aid eligibility must be recalculated for students who withdraw, drop out, are dismissed or take a leave of absence prior to completing 60% of a semester as determined by the withdrawal date defined in Section I. Federal Financial Aid includes Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Iraq and Afghanistan Service Grant, Federal Direct Loans (subsidized and unsubsidized), and Federal Direct Plus Loans.

For students enrolled in modules (courses that do not span the entire length of the period of enrollment), a student will be considered as withdrawn for Title IV purposes if the student ceases attendance from all courses at any point prior to completing the period of enrollment, unless the student provides written confirmation at the time of withdrawal that he or she will attend a module that begins later in the same period of enrollment.

The recalculation of eligibility is based on the percent of earned aid using the following formula:

Percent of earned aid:

Number of days attended in the semester

Total number of days in the semester (less any scheduled breaks of 5 days or more)

If a student does not receive all of the funds that have been earned, per the Return of Title IV calculation, the student may be due a Post-withdrawal disbursement. If the Post-withdrawal disbursement includes loan funds, the student and/or parent will be notified via mail (within 30 days of the date it was determined that the student withdrew) to get permission before the loan funds can be disbursed to the student. The student and/or parent may choose to decline some or all of the loan funds so that the student/parent doesn't incur additional debt. The College may automatically use all or a portion of the student's Post-withdrawal disbursement of grant funds for tuition and fees. The College needs the student's permission to use the Post-withdrawal grant disbursement for all other school charges. If the student does not give permission, the student will be offered the funds. However, it may be in the student's best interest to allow the College to keep the funds to reduce the student's debt at the College.

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Federal Financial Aid must be returned to the Federal Government and Tuition Assistance must be returned to the Military Department based on the **percent of unearned aid** using the following formula:

$$\text{Aid to be Returned} = (100\% - \text{percent of earned aid}) \times \text{the amount of Federal Financial Aid/TA disbursed}$$

For example: Federal Financial Aid, if a student completes 20% of the semester, the student will earn 20% of the aid he/she was originally scheduled to receive. This means that 80% of the aid is unearned and must be returned to the U.S. Department of Education.

Unearned funds must be returned no later than 45 days from the determination of a student's withdrawal date and will be returned in following order:

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Direct Plus Loans
- Federal Pell Grants
- Federal SEOG
- Iraq and Afghanistan Service Grant

Unearned military tuition assistance funds are returned on a proportional basis through at least the 60% portion of the term regardless of the reason for withdrawal (service-related or otherwise). Any unearned TA funds will be returned directly to the military department, not to the service member. The return of unearned aid applies to the TA portion only and is calculated subsequently to calculating the return of federal financial aid to the U.S. Department of Education.

For Example: if a student received \$250 TA and earned 10% (\$25) of the TA funds that was scheduled to be disbursed, the unearned funds 90% (\$225) would be returned to the Military Department.

Once a student has attended at least 60% of the period for which Federal Financial Aid and/or TA funds were approved, the student is considered to have earned 100% of the funds.

The amount of aid to be returned is the responsibility of the College and the student. However, the student will be responsible for repaying the College for the amount that the College was required to return on his/her behalf less any refund that the student is eligible

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for under Section II. **Therefore, a student who does not complete at least 60% of a semester may owe a repayment to the College and/or the Federal Government for the amount of unearned Federal Financial Aid.**

A student who owes the College may not be permitted to register for a subsequent term or obtain an official academic transcript until the debt is paid. The debt from a financial aid Return to Title IV calculation must be paid in full before the student is allowed to register for future semesters or seek other resources from the College. If this debt is not paid to the College within **45 days** from the date of the notification to the student, the College will report it to the Department of Education's national database. This will prohibit the student from receiving federal or state Financial Aid at any other college or university in the United States until the full balance is paid to OCtech. **The student must then submit a copy of the receipt showing the balance paid in full to the OCtech Financial Aid office for the debt to be removed from the national database.** The College will place a hold on the student's records until the payment is received.