



## **Student Withdrawal and Return to Title IV Funds** **Financial Aid Office**

Blue Mountain Community College  
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Federal regulations require the college to have a fair and equitable refund policy for students receiving financial assistance who officially or unofficially withdraw from all classes. It is the policy of Blue Mountain Community College to determine the amount of Title IV grant or loan assistance that the student earned as of the student's determined withdrawal date in accordance with Federal regulations. The following will explain the process and the consequences to students. Students may also contact the Financial Aid office at BMCC, 541-278-5759 or [FinancialAid@bluecc.edu](mailto:FinancialAid@bluecc.edu), with additional questions regarding this policy or the process through which it is enforced.

### Definitions

Grade F: Failure. An indication that the student has participated in the course but has not adequately met the stated outcomes and criteria of the course.

Grade FA: Failure-Attendance- An indication that the student did not participate (either by attendance or by online participation) in a significant amount of the course and, as a result, has not adequately met the stated outcomes and criteria of the course. Instructors assigning this grade provide a Last Date of Attendance to satisfy Federal Title IV requirements.

### Financial Consequences of Withdrawal

If the student ceases to attend or does not complete more than 60% of the term, then a calculation is completed by the Financial Aid office to determine the percentage of financial aid the student has earned. Any unearned aid will be returned to the U.S. Department of Education (USDE) within 45 days from the determined withdrawal date. This may result in financial debt for the student to repay and may also make them ineligible for future financial assistance (grants and loans) due to a lack of satisfactory academic progress. Because of these serious consequences, we strongly urge students to consult with their faculty advisor, success coach, or financial aid advisor to help them with decisions about withdrawing. More information on how to contact the success coach can be found at [www.bluecc.edu/enrollment-services/advising/student-success-center](http://www.bluecc.edu/enrollment-services/advising/student-success-center).

See BMCC's Tuition Refund Policy available at <http://www.bluecc.edu/enrollment-services/registration/tuition-refund-policy> for more information on the Tuition Refund Policy.

### Attendance and Calculation of Aid Earned

In general, federal regulations assume that the student "earns" federal financial assistance in direct proportion to the percentage of the term they complete (attend or participate). Once the student has completed more than 60% of the term, they have earned 100% of their financial aid. This calculation counts all calendar days including the first and last day of each term, weekends, and holidays.

If the student officially or unofficially withdraws during the term, the Financial Aid office staff will calculate the percentage of the term the student completed. If the student does not attend or participate for more than 60% of the term, the unearned portion of financial aid grants and loans (excluding Federal Work Study) must be returned to the USDE. Date of withdrawal is based on one of the following:

- The date the student drops all credit classes online (official withdrawal) resulting in a W grade, *or*
- The date the student provided notification of withdrawal from all credit classes (in person, by email, or via telephone)

- For a student who does not provide notification, the date made known to the college that the student ceased attendance in all credit classes (unofficial withdrawal),
- For a student who does not return from an approved leave of absence, the earlier of the date of the end of the leave of absence or the date the student notifies the BMCC that he or she will not be returning to BMCC
- When a student is no longer actively participating in a term, resulting in all FA grades, this will be considered an unofficial withdrawal. The later of the midpoint of a term or the last date of attendance (the last day the student submitted an assignment or test) will be used as the unofficial withdrawal date.

The college will use this date to calculate, according to a federally-mandated formula, the portion of the total financial assistance the student has earned, and therefore is entitled to receive up to the time of official or unofficial withdrawal. If the student, or the college, receive more assistance than is earned, the unearned excess funds must be returned to the USDE. On the other hand, if less financial assistance was received than the amount earned, additional funds may first be applied toward outstanding institutional charges and any excess paid to the student. Students will be notified in writing of these actions.

If withdrawal occurs after the student has completed 60% of the term, the student will have earned all of the financial assistance received and no return of Title IV funds will be required.

Example- for illustration purposes only

Blue Mountain Community College				
Return of Title 4 Funds				
09/27/2016				
<b>Student Information</b>		<b>Institutional Costs</b>		
Id	100-8522	Tuition & Standard Fees	\$1,489.00	
Name	WALTER, GREGG L.	<b>Term Calculations</b>		
<b>Term Information</b>		Percent Completed	3.0%	
Term Name	Summer	Earned Aid	\$128.67	
Start Date	06/20/2016	Unearned Aid	\$4,160.33	
End Date	08/25/2016	Institution's Share	\$1,444.33	
Withdrawal Date	06/21/2016	Student's Initial Share	\$2,716.00	
		Student's Initial Share	\$2,716.00	
		Total Loans less Institution Share	\$905.67	
		Initial Student's Share (Grants)	\$1,810.33	
		Grant Protection	\$969.50	
		Student's Share (Grants)	\$840.83	
Aid Received		Aid to Return		
Title 4 Programs	Disbursed	Institution Share	Student Share	Student Returns
UnSubsidized Stafford Loan	\$1,484.00	\$1,444.33	\$39.67	\$39.67
Subsidized Stafford Loan	\$866.00	\$0.00	\$866.00	\$866.00
Pell Grant	\$1,939.00	\$0.00	\$840.83	\$840.83
FSEOG	\$0.00	\$0.00	\$0.00	\$0.00
IASG	\$0.00	\$0.00	\$0.00	\$0.00

-Student attended only one day.

-He earned 3% of the federal aid.

-BMCC and student share the responsibility of returning unearned aid to the Department.

-The amount returned by BMCC to the Department of Education will be added to the student's account balance due to the college.

-In this case, BMCC will return the unsubsidized "institutional share"

-The student is responsible for returning the "student share" for unsubsidized, subsidized and Pell grant.

#### Student Share:

- Loans- Federal policy allows students to repay student Return to Title IV loan funds in accordance with the terms of the Master Promissory Note previously signed.
- Pell Grant- If arranged by the student and no balance is owed to BMCC, BMCC will accept payment for the Pell grant funds owed to the Department by the student. The arrangements and payment is due within 30 days of the withdrawal date. BMCC will report the student as having a Pell overpayment to the Department of Education.

## Order of Return to Federal Aid Programs

1. Federal Unsubsidized Direct Loan\*
2. Federal Subsidized Direct Loan\*
3. Federal PLUS Loan\*
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant
6. Iraq & Afghanistan Service Grant
7. Other (excluding Federal Work Study)

\*Student repayment according to terms of the loan

## When a Student Fails to Begin Attendance

If financial aid is processed for a student who never begins attendance in any credit class for which s/he registered in a term, all aid will be cancelled and returned to the Department of Education. Any refunds paid to the student will be owed back to the college.

## Information Regarding Loan Repayment/Counseling

The Return to Title IV calculation may result in the student's and parent's being responsible for directly returning additional loan amounts to the Department of Education.

The loan grace period begins on the withdrawal date from the school, or when the student ceases to be enrolled on at least a half-time basis. If the student does not re-enroll as a half-time student within 6 months of withdrawal, or less than half-time enrollment, the loans enter repayment. The student should contact the loan servicer or the Department of Education to make payment arrangements. The promissory note signed by the borrower outlines repayment obligations.

Exit Counseling- A student who received a subsidized, unsubsidized, or a Plus loan under the Direct Loan program, is required under Federal regulations to complete exit counseling if

- The student drops below half-time enrollment
- The student graduates, or
- The student leaves school

To complete exit counseling, visit

<https://studentloans.gov/myDirectLoan/counselingInstructions.action?counselingType=exit>.

## Consequences of Non-Repayment

Students who owe the Department of Education for an overpayment of Title IV funds are not eligible for any additional federal financial aid until the overpayment is paid in full or payment arrangements are made with the US Department of Education.

Students who owe BMCC will be placed on a financial hold. They will not be allowed to register for subsequent terms or receive academic transcripts until the balance is paid.

Students have 30 days from the date of their bill to:

- Pay in full the amount shown, or
- Make written payment arrangements with the Business Office to repay the amount in full within no more than 2 years.

Should a student fail to pay the amount shown, or if they make payment arrangements but do not make their payments as scheduled, the balance will be turned over to collections.

## How Withdrawals Affect Future Financial Aid Eligibility

In most cases, financial aid students who completely withdraw are considered not to have made satisfactory academic progress towards program completion. A total withdrawal may place the student in suspension with no-option to appeal status (if previously on Probation Status). For more information on satisfactory Academic Progress, please visit [www.bluecc.edu/enrollment-services/financial-aid/satisfactory-academic-progress](http://www.bluecc.edu/enrollment-services/financial-aid/satisfactory-academic-progress).

NOTE: This policy is subject to revision without notice based on changes to federal laws and regulation or BMCC policies. If changes are made, the student is held to the most current policy.

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### **BMCC Non-Discrimination Statement – Updated July 2016**

It is the policy of the Blue Mountain Community College Board of Education and School District that there will be no discrimination or harassment on the grounds of race, color, sex, marital status, sexual orientation, religion, national origin, age or disability in any educational programs, activities or employment. Persons having questions about equal opportunity and nondiscrimination should contact the BMCC Title IX Coordinators Room M-150 or Room M-217 Morrow Hall, Blue Mountain Community College, 2411 NW Carden, Pendleton, OR 97801, Phone: 541-278-5796 or 541-278-5850. Email: [ddrebin@bluecc.edu](mailto:ddrebin@bluecc.edu) or [tparker@bluecc.edu](mailto:tparker@bluecc.edu). For hearing impaired assistance, please call Oregon Relay at 7-1-1.