

## RETURN OF TITLE IV FUNDS POLICY

Students that withdraw from all classes prior to completing more than 60% of a semester will have their eligibility for aid recalculated based on the percent of the semester completed. For example, a student who withdraws and completes 30% of the semester will have “earned” only 30% of any Title IV aid they are entitled to. The school and/or the student must return the remaining 70%. Students considering withdrawal from all classes PRIOR to completing 60% of the semester are strongly encouraged to contact the Financial Aid Office to determine how withdrawal will affect current and future financial aid.

1. This policy applies to all students who withdraw, drop out, unofficially withdraw, receive all F's, receive all F's and/or W's, or are expelled from MMCC and receive financial aid from Title IV funds:
  - A. Title IV Funds include Federal financial aid programs authorized under the Higher Education Act of 1965, as amended, and includes the following programs:  
Family Federal Education Loans including Stafford Unsubsidized, Stafford Subsidized, and PLUS Loans, Federal Pell Grants, Federal SEOG, and Academic Competitiveness Grant.
  - B. A student's official withdrawal date is the date the student began the institution's withdrawal process as defined in the MMCC Catalog and Class Schedule Booklet, officially notified the institution of intent to withdraw, or the midpoint of the period for a student who leaves without notifying the institution, or the student's last date of attendance at a documented academically related activity.
2. Refunds on all institutional charges, including tuition and fees, will be calculated using the required refund formula established by the US Department of Education.
3. Title IV aid is earned in a prorated manner on a per day basis up to and including the 60% point in the semester. Title IV aid and all other aid is viewed as 100% earned after 60% of the semester is complete.

- a. The percentage of Title IV aid earned shall be calculated as follows:

$$\frac{\text{Number of days completed by student}}{\text{Total number of days in semester/session}^*} = \text{Percent completed and Percent earned}$$

The percentage of the semester completed is the percentage of Title IV aid earned by the student. The percent not completed is the percentage of unearned aid by the student.

\*The total number of calendar days in a semester of enrollment excludes any scheduled breaks of more than five days.

- b. The percentage of Title IV aid unearned and returned to the appropriate program shall be 100% minus the percent earned.
- c. Unearned Title IV aid shall be returned to the following programs in the following order:
  1. Unsubsidized Stafford Loan
  2. Subsidized Stafford Loan
  3. PLUS - Parent Loans to Undergraduate
  4. Federal Pell Grant
  5. Academic Competitiveness Grant
  6. Federal SEOG
- d. When the total amount of unearned aid is greater than the amount returned by MMCC from the student's account, the student is responsible for returning unearned aid to the appropriate program(s) as follows:
  1. Unsubsidized Stafford Loan\*
  4. Federal Pell Grant

2. Subsidized Stafford Loan\*
3. PLUS - Parent Loans to Undergraduate\*
5. Academic Competitiveness Grant
6. Federal SEOG

\*Loan amounts are returned within the terms of the promissory note.

\*\*Amounts to be returned by the student to federal grant programs will receive a 50% discount.

4. A notice of refund calculation and a detailed statement of charges owed to the college and/or the federal aid program will be sent to the student's home address following the withdrawal.
  - a. Students are responsible for any portion of their institutional charges that the college has to return to the federal aid program. Repayment arrangements may be made with the MMCC Business Office within thirty days to avoid further action.
  - b. Students who owe unearned grant aid directly to the federal program may repay the college within thirty days to avoid losing Title IV eligibility and being turned over to the U.S. Department of Education (FSA) Collection Division.
5. 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, you must notify MMCC that you wish to receive the loan funds. MMCC may automatically use all or a portion of your post-withdrawal disbursement including loan funds, if you accept them for current year tuition and fees. For all other school charges, the school 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 MMCC to keep the funds to reduce your debt.
6. Institutional and student responsibilities in regard to the return of Title IV funds.
  - a. MMCC responsibilities include:
    - i. providing each student with the information given in this policy;
    - ii. identifying students who are affected by this policy and completing the Return of Title IV Funds calculation for those students;
    - iii. returning any Title IV funds that are due the Title IV programs from the college.
  - b. The student's responsibilities include:
    - i. becoming familiar with the Return of Title IV policy and how complete withdrawal affects eligibility for Title IV aid;
    - ii. returning to the Title IV programs any funds that were disbursed directly to the student that the student was determined to be ineligible for under the Return of Title IV Funds calculation.
7. The fees, procedures, and policies listed above supersede those published previously and are subject to change at any time.
8. Any notification of a withdrawal or cancellation of classes should be in writing and addressed to the Enrollment Services Office.

If you would have question about the Title IV Return of Funds calculations, contact the Financial Aid Office at (989) 386-6663.