

Palomar College - Student Financial Assistance Programs Return to Title IV Policy

Effective **Fall 2000**, Palomar College will implement the new federal return provisions for recipients of Student Financial Aid (SFA). The school or the student may be required to return some of the federal funds awarded to the student. If the student received financial assistance from outside of the family, then a portion of the refund will be returned to the grant or loan source from which the assistance was received.

The new requirements, which apply to students who have returns calculated on or after the Fall 2000 semester, will use a formula to determine the amount of SFA funds a student has earned as of his or her last day of attendance. If a student withdraws before completing more than 60% of the payment period (semester), the percentage of SFA funds earned will equal the percentage of the calendar days completed in the payment period prior to the withdrawal date or the last day of attendance. After the student has completed 60% of the payment period, he or she has earned 100% of the SFA funds disbursed.

- ◆ **Percentage Earned** – The percentage of SFA funds earned is equal to the percentage of the payment period completed as of the last day of attendance.
- ◆ **Percentage Unearned** – The total SFA funds disbursed, minus the amount of SFA funds earned determine the amount of SFA loan and grant aid that is unearned and must be returned.

If a student will be withdrawing, then the student should visit the Admissions Office or drop all classes on Student eServices immediately. The student should also notify the Financial Aid Office so that future term (within the current aid year) SFA can be cancelled.

Palomar College's Refund Policy exists for calculating the refund of institutional charges. The federal "Return of Title IV Funds" formula dictates the amount of Federal Title IV aid that must be returned to the federal government by the school and the student. Palomar College's Refund Policy is as follows:

Enrollment Fee and Non-Resident Tuition – Classes must be dropped within the first two weeks of the semester to qualify for a refund. No refunds will be given after that time period unless the college cancels the class or if a verified processing error by the college occurred. Refunds for late-start and short-term classes will be made if the drop is made within the first 10% of the class.

Health Services and Accident Insurance Fee – Refunds are offered only when the college cancels the class or the student officially withdraws from college prior to the first day of the semester.

Student Representative Fee – Refunds are offered only when the college cancels the class or the student officially withdraws from college prior to the first day of the semester.

Palomar College will return the amount of SFA funds that the student does not earn. Funds will be returned to the SFA Programs in the following order: Unsubsidized Federal Stafford Loans and Subsidized Federal Stafford Loans. If funds remain after repaying all loan amounts, those remaining funds must be returned in the following order: Federal Pell Grant, Supplemental Educational Opportunity Grant (FSEOG) and Academic Competitiveness Grant (ACG). ACG added (effective) beginning 2006-2007 aid year.

After Palomar College has allocated the unearned funds for which it is responsible, the student must return assistance for which they are responsible. This amount is calculated by subtracting the amount of the unearned aid that the College is required to return from the total amount of unearned SFA assistance to be returned. The student must repay loan funds in accordance with the terms of the loan and any grant funds as an overpayment. The student is obligated to return only one-half of the unearned grant amounts.

Overpayment

A student who owes a federal Pell overpayment as a result of withdrawal from the College and a subsequent Return of Title IV Program funds calculation will retain SFA funding eligibility for 45 days from the date that the College sends a notification to the student of the overpayment. During the 45 days the student must take action by repaying the overpayment to the College. If the student does not repay the overpayment to the College during the 45 day, he or she becomes ineligible for future funding and the College will turn the student over to the U.S. Department of Education for collection.

Post-Withdrawal Disbursement

If the total amount of SFA funds the student earned as calculated under the new Return to Title IV funds policy is greater than the total amount disbursed, the student may be eligible to receive a post-withdrawal disbursement of SFA funds.

