

Return to Title IV Funds Policy

The College is required to calculate the amount of Federal Title IV funds to be returned for a student who has withdrawn from all classes. Federal Title IV funds are: Unsubsidized Direct Loan, Subsidized Direct Loan, Direct PLUS (Graduate Student), Direct PLUS (Parent), Pell Grant, Supplemental Educational Opportunity Grant, TEACH Grant, and Iraq and Afghanistan Service Grant. The assumption of this policy is that a student earns aid based on the period of time he/she remains enrolled. Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of financial assistance that the student was originally scheduled to receive. This policy does not apply to students who have dropped some classes but remain enrolled in other classes. When a student reduces his or her course load from 12 credits to 9 credits, the reduction represents a change in enrollment status, not a withdrawal. If a student reduces his or her enrollment status, financial aid may need to be recalculated but no Return calculation is required.

RMC does not have a formal written academic or financial aid leave of absence policy. Students withdrawing from college completely are required to complete the process of an official academic withdrawal from Rocky Mountain College. The official withdrawal form can be found online at <https://www.rocky.edu> > Academics > Office of Student Records > Forms and Services > Academic Withdrawal. It is the student's responsibility to contact all departments indicated on the withdrawal form to complete the withdrawal process. The student must contact the Student Accounts Office for information regarding the proration of charges and financial assistance and for the handling of the balance of their account as a result of the withdrawal calculation. Accounts with a balance due Rocky Mountain College are subject to the Student Account Policies.

The date the official withdrawal form is submitted by the student determines the percentage of the term completed. This percentage is used to calculate the proration of tuition, fees, room, board and financial assistance as governed by the Return of Title IV Funds policy set forth by the Department of Education. If the withdrawal takes place after the first five days of the semester and before 60% of the term is completed, the percentage is determined by dividing the calendar days completed in the period by the calendar days in the period (excluding scheduled breaks of five days or more).

- Withdrawal before 60% of term completed – prorated refund based on percentage of term completed (number of days completed divided by number of days in semester)
- Withdrawal after 60% of term completed – no refund

Title IV funding is prorated based on the percentage of the term completed as outlined above. Both aid disbursed and aid that could have been disbursed is also used in the calculation. The amount of Title IV and institutional aid that exceeds the amount of aid earned under the required formula is considered to be unearned. Unearned Federal Title IV funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

The responsibility to repay unearned aid is shared by the institution and the student in proportion to the aid each is calculated to possess. If it is determined Title IV funds must be returned by the College, the Financial Aid Office returns the funds in the following order: Unsubsidized Direct Loan, Subsidized Direct Loan, Direct PLUS (Graduate Student), Direct PLUS (Parent), Pell Grant, FSEOG, TEACH Grant, Iraq and Afghanistan Service Grant. The College will return its share of unearned Federal Title IV funds no later than 45 days after it determines that the student withdrew. The student must repay his/her share either by (1) paying loans in accordance with the terms and conditions of the promissory note or (2) repaying grants directly to the Department of Education or under a payment arrangement through the College (not required by the College). Within 30 days of the date of withdrawal, students are provided with a written summary of the Return of Title IV Funds calculation as well as a letter informing them if and/or how much they are responsible for repaying.

If the student withdraws without official notification, the College will determine the last date of attendance. The school must determine the withdrawal date no later than 30 days after the end of the earlier of (1) the payment period or the period of enrollment (as applicable), (2) the academic year, or (3) the student's educational program. This date is generally the student's last date of attendance at a documented academically-related activity. Academically related activities include, but are not limited to a lecture, a lab, an exam, attending a study group. Residing in institution owned facilities or eating at institution provided food services are not considered to be academically related activities. If a last day of attendance cannot be determined and the College can verify the student attended at least one class during the term, the 50% point of the semester will be used as the withdrawal date.

A student may be eligible for a post-withdrawal disbursement if prior to withdrawing, the student earned more federal financial aid than was disbursed. If a student is eligible for a post-withdrawal disbursement for Title IV funds, the disbursement will be processed for the student and a refund will be issued within 14 days of the credit balance.

If the post-withdrawal disbursement includes loan funds, the Financial Aid Office must get the student's permission before it can disburse the loan funds. Students may choose to decline some or all of the loan funds in order not to incur additional debt. A notice will be sent out to the student, and the signed, original document must be returned to the Financial Aid Office within 14 days.

Rocky Mountain College may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition and fees. However, the school needs the student's permission to use post-withdrawal grant disbursements for all other school charges. If the student does not provide their permission, the student will be offered funds. However, it may be in the student's best interest to allow the school to apply the funds to the student's balance and reduce the student's debt at the school.