



Financial Aid Office

Withdrawal and the Return of Title IV Federal Financial Aid Funds

This notice serves to disclose required consumer information in regard to how course withdrawals may affect your Title IV Federal Financial Aid Funds. Funds are awarded under the assumption that students will attend school for the entire payment period or period of enrollment for which the aid was awarded. If you withdraw from all classes during this period, the amount of Title IV Federal Financial Aid that you have earned and are entitled to keep must be determined by a mandated federal formula.

Types of withdrawal

- An **official** withdrawal is initiated by the student or instructor and is determined by “the student’s withdrawal date, or the date of official notification, whichever is later.”
- An **unofficial** withdrawal occurs when there is no official notification or withdrawal by the student or instructor, so the withdrawal date is based on “the date that the College becomes aware that the student has ceased attendance”. If you do not officially drop your classes and receive Fs, NCs and/or Ws for all your courses in a term, you will be considered an unofficial withdrawal, even if you were enrolled in the course(s) for the entire term.

Short-term courses or modules are courses in a program that do not span the entire length of the payment period or period of enrollment. If you withdraw and you will *not* attend a subsequent short-term class, it is considered a complete withdrawal and an overpayment calculation must be done. If at the time of withdrawal you provide written notification that you *will* attend another short-term course within 45 days of the same payment period, then this is not considered a withdrawal. If you do *not* attend within 45 days of the same payment period, the withdrawal date is that of the prior module you ceased attending.

Southwestern College’s withdrawal policy is available at

<http://www.swccd.edu/modules/showdocument.aspx?documentid=4345>

Calculation of Earned Federal Financial Aid Funds

The purpose of the federal calculation is to determine the earned and unearned amounts of federal aid for which the student is eligible. It is calculated by: 1) determining the percentage of the semester or term that is completed, 2) multiplying the percentage by the amount of Pell awarded, and then 3) subtracting that amount from what you have already been paid. This will result in either an underpayment or overpayment to the student. Federal regulations stipulate that once you have completed more than 60% of the payment period or period of enrollment, you have “earned” all the assistance you were scheduled to receive for that period of enrollment.

Example: Student enrolled in 12 units and was paid \$2823 in Pell. He/she withdraws from all classes after October 7th, which is the 40% point of the term.

Calculation: $40\% (\% \text{ of term attended}) \times \$2823 (\text{Amount Awarded}) = \$1129 (\text{Earned Amount})$
 $\$2823 (\text{Amount paid}) - \$1129 (\text{Earned Amount}) = - \$1694 (\text{Unearned amount})$

- For **official** withdrawals, the calculation of the percentage of the semester attended is

based on the date of the official withdrawal from classes or the student's last date of documented attendance at an academically related activity.

- For **unofficial** withdrawals, the calculation of the percentage of the semester attended is based on earning 50% of the semester. SWC must determine the withdrawal date no later than 30 days after the end of the earliest of the (1) payment period or period of enrollment (as appropriate), (2) academic year, or (3) educational program.

Effective summer 2013, the class census date (4th week of full term, 17.5-week semester classes or the 30% point of a less than full term courses) on which the student was paid will determine the enrollment status for all calculations.

Returning Funds

If it is determined that you have been overpaid, you will be notified via email of the amount and program of funds that are required to be returned. You will have 45 days from the date of notification to repay the funds directly to Southwestern College. After 45 days, your debt is referred to the Department of Education Debt Resolution Services Department (1-800-621-3115) for collection and you must make the payment directly to them. Any student loan funds to be returned must be repaid in accordance with the terms of the promissory note, making scheduled payments to the lender or holder of the loan over a period of time.

Important - as soon as **any** overpayment amount is determined, a hold will be placed on your records and eligibility for **all** Title IV aid will be suspended until the debt is completely resolved.

Post Withdrawal Disbursement

If you did not receive all of the funds that you earned, you may be due a post withdrawal disbursement. Southwestern College may automatically use all or a portion of your post-withdrawal disbursement (including student loan funds, if you accept them) for outstanding tuition and fees. There may be Title IV Financial Aid that you are scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements.

Order of return of funds

The order of the Return of Title IV Federal Financial Aid Funds by Southwestern College is:

1. Unsubsidized Direct Loans
2. Subsidized Direct Loans
3. Federal Pell Grants
4. Federal Supplemental Educational Opportunity Grants (FSEOG)

Federal Work Study (FWS) funds are excluded from the calculation.

Refund Policy/Institutional Charges

Students should be aware that while SWC's school policy determines the charge students will owe after withdrawing, the school refund policy will not affect the amount of Title IV aid the student earns under the federal return calculation. Mandatory fees, including Enrollment Fees, Student Center Fees and Health Fees, are required to be included in any Title IV calculation.

SWC refund policy is available online at: <http://www.swccd.edu/index.aspx?page=306>

If you have questions about your Title IV Financial Aid program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at <http://www.studentaid.ed.gov>