

Federal Return of Funds/Repayment Policy - effective 2006-2007 academic year.

Under changes made by the Higher Education Reconciliation Act of 2005 (HERA), this policy focuses on the amount of Title IV program funds to be when returned when a student withdraws from college prior to completing the semester. **This policy applies only to students receiving Title IV aid (Federal Pell Grant, Federal SEOG, Academic Competitiveness Grant and Federal subsidized and unsubsidized Stafford Loans).**

During the first 60% of the enrollment period, a student “earns” Title IV funds in direct proportion to the length of time he or she remains enrolled.

If you withdraw totally from the College without completing 60% of the enrollment period, you will be required to repay a portion of the aid received within 45 days. For example, if you withdraw after completing 10% of the enrollment period, up to 90% of the Federal funds that were awarded to you may need to be repaid.

A student’s withdrawal date is:

- C Date the student began the institution’s withdrawal process
- C Midpoint of the period for a student who leaves without notifying the school.
- C The institution has the option of using the student’s last date of attendance at a documented academically-related activity in lieu of any other withdrawal date.

The responsibility to repay unearned aid is shared by the school and the student in proportion to the aid each is assumed to possess.

The institution’s share is the lesser of:

- C the total amount of unearned aid; or
- C institutional charges multiplied by the percentage of aid that was unearned.

The student’s share is:

- C the difference between the total unearned amount and the institution’s share.

Under the HERA, the amount of a grant overpayment due from a student is limited to the amount which the original grant overpayment exceeds half of the total Title IV grant funds received by you. Students do not have to repay a grant overpayment of less than \$50 to the Department of Education.

Kirtland Community College will bill students for any balance owed due to the College’s

return of funds to the Department of Education.