

TITLE: RETURN OF FINANCIAL AID WHEN A STUDENT WITHDRAWS

If a student totally withdraws from GCC or quits attending classes before 60% of the semester enrollment period has passed, they will need to pay a portion of their financial aid back to GCC and/or the federal financial aid programs. If a student fails to begin attendance in any class, the class will not be counted in the student's enrollment status for financial aid purposes and may result in the student paying a portion of their financial aid back to the financial aid program. Repayment can occur at any time during the academic year depending on the receipt of this information by the GCC Financial Aid Office.

The law specifies how GCC must determine the amount of Title IV program assistance the student earns if the student withdraws from school. The Title IV Programs administered by GCC that are covered by this law include: Federal Pell Grant, Federal Direct loans, Federal PLUS loans and the Federal Supplemental Educational Opportunity Grant.

When a student withdraws during a payment period, the amount of Title IV program assistance that is earned is determined by a specific formula. If the student received more assistance than what was earned, the excess funds must be returned by the student and/or GCC. The amount of the student's financial aid that may need to be returned to the programs, along with the amount the student may owe the school, will be calculated by the GCC Financial Aid Office. The student will be notified of any payment obligations they may have.

If a student withdraws before 60% of the payment period has passed, GCC must always return a portion of the aid that was received for tuition/fees and books. The student also has a financial obligation to repay a portion of their financial aid back to the various federal programs for any educational costs in which financial aid was received. Any loan funds that were received are paid in accordance with the terms of the promissory note. The student would make the scheduled payment to the holder of the loan over a period of time. The student may also be billed for any loan funds the school was required to return to the lender.

The amount of assistance that the student has earned is determined on a prorated basis. For example, if the student completed 30% of the payment period, the student would earn 30% of the assistance that was originally scheduled to be received. Once the student has completed more than 60% of the payment period, the student earns all of the assistance they were scheduled to receive.

If the student did not receive all of the funds they earned, the student may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, GCC must receive the student's permission before GCC can disburse the loan funds. The student may choose to decline all or some of the loan funds so additional loan debt is not incurred. GCC will automatically use the student's post-withdrawal disbursement of grant funds for tuition, fees and

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room charges. GCC needs the student's permission to use the post-withdrawal loan disbursement for all other school charges. If the student does not give their permission, the student will be offered the funds. However, it may be in the best interest of the student to allow GCC to keep the funds to reduce their debt at the school.

There are some Title IV funds that the student may have been scheduled to receive, but GCC cannot disburse the funds once the student withdraws because of other eligibility requirements. For example, if the student is a first-time, first-year student and they have not completed the first 30 days of the term before they withdraw, Federal loan funds cannot be disbursed.

The requirements for Title IV program funds when a student withdraws are separate from GCC's refund policy. Therefore, the student may owe funds to GCC to cover unpaid institutional charges. GCC also charges students for Title IV program funds that GCC was required to return.

GCC reserves the right to withhold services, including the issuing of academic transcripts, from a student who has not satisfied any financial obligation.

Students are required to register for all of their classes prior to the first Friday of the semester. If the student registers for classes after this date, he/she will not be included in the student's enrollment status for financial aid purposes. If the student withdraws from a second eight-week class and never begins attendance in that class, the student's financial aid will be adjusted to reflect the new enrollment status. This situation normally places the student in a repayment status and they will be required to repay any overpayment of financial aid they received for the course(s) they withdrew from.

If a student completes the first eight-week classes and never begins attendance in the second eight-week classes and does not provide written confirmation that he/she will not begin attendance in the second eight-week classes prior to the start of the second eight-week classes, the student is considered a withdrawal. The student would not be considered a withdrawal if the student was still enrolled in a semester long course.

The withdrawal date is the date the student began the withdrawal process or officially notifies GCC of the intent to withdraw. For students who withdraw without notifying GCC, the midpoint of the period may be used as the withdrawal date. GCC may always, at its option, use the student's last date of attendance at a documented academically related activity in lieu of any other withdrawal date.

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