

Davis Technical College

Student Financial Aid - Return to Title IV Clock Hour Policy

Effective Date: 1 July 2024

1. Purpose

- 1.1. When a recipient of Title IV grant aid withdraws from the College during a payment period in which the student began attendance, the Financial Aid Office must determine the amount of Title IV grant Aid that the student earned as of the student's withdrawal date.

2. References

- 2.1. Federal Student Aid Handbook Volume 5
- 2.2. Code of Federal Regulations, 34 CFR 668.22
- 2.3. Davis Technical College Student Financial Aid Satisfactory Progress Policy
- 2.4. Davis Technical College Student Withdrawal Policy and Procedures

3. Definitions

- 3.1. **Competency Hours:** Also referred to as "standard hours" or "progress hours." Refers to work completed by the student that counts toward student progress.
- 3.2. **Enrolled Hours:** Hours a student is scheduled to be in class.
- 3.3. **Attended Hours:** Hours a student physically attends class.
- 3.4. **Payment Period:** The number of clock hours a student must attend and the number of clock hours of work that a student must complete in 150% of the scheduled hours for that payment period. For example, if a payment period is 300 clock hours, the student must attend 300 clock hours and complete 300 clock hours' worth of work by scheduled hour 450.
- 3.5. **National Student Loan Data System (NSLDS):** A centralized database reporting student aid and enrollment information between students, lenders, schools, guarantors, and other parties with a vested interest.
- 3.6. **Withdrawal Date:** For purposes of Return to Title IV (R2T4), an official withdrawal is determined when the student notifies College staff or faculty of the intent to withdraw; or an unofficial withdrawal, when the College withdraws the student for cause; or the date of the last active schedule for students whose schedule has been inactive for 60 days.

4. Policy

- 4.1. The Financial Aid Office will perform a Return of Title IV Funds Calculation using the College's financial aid management software. Funds will be returned to the Department of Education within 45 days following the date the school determines the student has an official or unofficial withdrawal.

- 4.2. Student Returns Within 180 Days of Withdrawal Date:** If a student returns to the College within 180 days of their official withdrawal date the student must resume their original payment period that was used to calculate the return of funds. In most cases a student will have received more federal aid than was earned and will have to make up hours before they are eligible to receive additional federal aid. SAP and attendance policy will apply and student's progress and attendance at the time of withdrawal will be used to determine financial aid eligibility.
- 4.3. Student Returns After 180 Days of Withdrawal Date:** If a student returns to the College after 180 days of their official withdrawal date, their prior payment period is no longer in effect and a new payment period will be established as long as student continues to be eligible for federal aid. SAP and attendance policy will apply and student's progress and attendance at the time of withdrawal will be used to determine financial aid eligibility.

5. Procedures

- 5.1. Disbursed Payments:** Students are eligible for aid disbursed based on scheduled hours. The Davis Technical College Financial Aid Satisfactory Progress Policy requires completion and attendance of enrolled hours before payment of any subsequent disbursements.
- 5.2. Return to Title IV Calculation:** The College will evaluate student withdrawals on a regular basis and calculate a Return to Title IV in a timely manner. The number of scheduled hours the student completed will be compared as a ratio of total hours in the period to determine the percentage of funds earned up through the 60% point of the payment period. At 61% students are eligible to receive 100% of aid for the payment period. The calculation also includes a grant protection allowance in comparison to institutional charges.
- 5.2.1.** Any funds that the College is required to return, will be returned to the student or the Department of Education within 45 days of determining the student has withdrawn.
- 5.2.2.** Since the College does not participate in federal loans, funds are returned, based on calculation, in the following order:
1. Federal Pell Grant
 2. Iraq and Afghanistan Service Grant
 3. Federal Supplemental Education Opportunity Grant (FSEOG)
- 5.3. Post-withdrawal Disbursement:** At the time the student withdraws, if it is determined that a late disbursement of financial aid could be made, a post-withdrawal disbursement will be calculated, and funds returned to the student as described in 5.2.1.
- 5.4. Unearned Charges:** If, at the time the student withdraws, it is determined that unearned charges must be returned to the U.S. Department of Education, those funds will be returned as described in 5.2.
- 5.5. Title IV Credit Balance:** If it is determined that a student is eligible for a refund of federal aid, the College will send the balance to the student within 14 days of the completion of the Return to Title IV Funds calculation. A refund will only be sent to student after all institutional charges and grant overpayments have been satisfied.
- 5.6. Institutional Charges:** If the College is required to return funds, allocation of federal dollars will be returned as outlined in section 5.2. Any amounts left owing for direct school charges will be invoiced and billed to the student.
- 5.6. Title IV Overpayment:** If it is determined, after completion of a Return to Title IV calculation, that the student has an overpayment of Title IV funds, the student will be notified within 45 days of the determination that the student withdrew. In addition, the aid administrator must notify the

Department of Education through an update to NSLDS (National Student Loan Database System). Once an overpayment has been reported to the Department of Education, a student immediately becomes ineligible for any Title IV aid until the overpayment has been resolved.

- 5.6.1** The College will bill the student for any overpayment of Title IV aid. If the College is unsuccessful in collecting a Title IV overpayment, the student may be referred to the Department of Education’s Default Resolution Group to collect on the outstanding debt.
- 5.6.2** In most cases the College will return a student’s portion on their behalf, which means an overpayment will normally not be reported to the Department of Education.

6. Approvals and Notes

Effective Date: 1 July 2024
Expanded President’s Council Approval: 10 June 2024
Revised: 24 May 2024
Revised: 22 August 2022
Revised: 17 May 2021
Revised: 11 December 2018
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President’s Council Approval: 12 April 2012