

## Clark College Return of Title IV Policy

Federal student aid 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 from all courses, for any reason, they may no longer be eligible to receive the full amount of federal student aid originally scheduled. Return of Title IV (R2T4) Funds refers to a mandatory calculation that is required when a federal student aid recipient officially or unofficially withdraws from Clark College during a term of enrollment. The Financial Aid Office is required to determine the amount of aid earned by students who withdraw from all financial aid eligible classes. Students who complete zero financial aid eligible credits for a term of enrollment are subject to the R2T4 calculation.

### Return of Title IV Freeze Date

Clark College use a Return of Title IV Freeze Date to determine the number of days a student is scheduled to attend during the payment period. The Freeze Date is aligned with the institutional census date. For summer it is the eighth business day of the term; for fall, winter and spring it is the tenth business day of the term.

### Calculating the Return of Title IV Funds

The R2T4 calculation compares the amount of federal student aid earned to the amount disbursed and determines whether funds must be returned. The calculation requires the following steps to be completed:

1. Determine the date of withdrawal and percentage of payment period completed.
2. Calculate the amount of Title IV aid earned.
3. Calculate the amount of Title IV aid unearned.
4. Determine the school's and the student's share of unearned Title IV aid to return and determine if a grant protection is applicable to the student portion.
5. Return unearned aid in the following order of priority established by the Department of Education:
  1. Federal Direct Unsubsidized Loan,
  2. Federal Direct Subsidized Loan,
  3. Federal Direct PLUS Loan,
  4. Federal Pell Grant,
  5. Iraq and Afghanistan Service Grant, and
  6. Federal Supplemental Educational Opportunity Grant (FSEOG)

### Calculating the Percentage of Aid Earned

The amount of federal student aid earned is calculated by dividing the number days enrolled, counted through the date of official or unofficial withdrawal, by the number days in the term. The portion of aid considered unearned is returned to the appropriate aid program(s) which may result in the student owing a balance to Clark College. All aid is considered earned and a return of funds is not required when a student completes at least 60% of the term.

An official withdrawal is defined as the date the student withdrew, according to [Clark College Enrollment Services](#) withdrawal procedures. If the student did not officially withdraw, or earned all failing grades (F, U or Y), then the last date of attendance submitted by the faculty is used to determine the amount of aid earned.

### Return of Unearned Title IV Funds

The Financial Aid Office is responsible for notifying the student of the amount of aid earned for the term and updating student accounts to reflect return of the unearned portion to the appropriate federal aid program. This action may result in outstanding charges owed to the college; students will receive a billing statement from Clark College Accounting Services.

### Tuition Refunds

Official withdrawals may result in a refund of tuition charges based on the [Clark College Refund Policy](#). Refunds issued as a result of the withdrawal will be applied by toward the student's debt owed by Clark College Accounting Services.

**Post-Withdrawal Disbursements**

If the amount of earned aid exceeds the amount disbursed, a post-withdrawal disbursement may be owed to the student. Disbursements of grant funds will be credited directly to student accounts and applied toward eligible institutional charges. If a disbursement includes loans, students will be notified in writing of their eligibility and deadline to claim available funds.