U.S. Department of Education Return of Title IV Funds Policy

Students who have been paid federal financial aid funds are required to earn these funds by attending classes through at least 60% of the period of enrollment.

Students who quit attending or withdraw from all courses, but have already received their federal financial aid disbursement for the semester, may have been overpaid. If an overpayment occurs, the student is required to repay a portion of the funds to the school and to the U.S. Department of Education.

Which financial aid funds are affected?
The federal overpayment policy, established by the U.S. Department of Education, affects students who have received assistance through the following federal financial aid programs:

- Pell Grant
- Supplemental Education Opportunity Grant (SEOG)
- Federal Direct Subsidized and Unsubsidized Loans
- Parent (PLUS) Loans

How is the overpayment amount determined?
The overpayment amount is based upon the number of days in the semester the student has completed. The more days the student has been in attendance, the less the overpayment. A federally mandated formula is used to calculate the amount of the overpayment.

When applicable, unsubsidized funds will be returned before subsidized funds, and loan funds returned before grants.

How does the school determine my last date of attendance?

When determining a last date of attendance and calculating the portion of funds earned by the student, the institution must always use the student’s last date of an academically-related activity as indicated in official attendance records of the College and reported by faculty.

A documented last date of attendance based on an academically-related activity must be used to determine a student’s unofficial withdrawal date.

Furthermore, a documented last date of attendance based on an academically-related activity must also be used to determine the aid earned by those students who officially withdraw from courses.

What if I fail to begin attendance in a course?

Federal regulations require that students earn their financial aid funds by attending courses. If a student fails to begin attendance in a course, the school is required to reduce the student’s financial aid enrollment level and eligibility.

If a student is not attending classes, the student is expected to complete the official withdrawal process of the College. To complete the withdrawal process contact the Office of Enrollment Services located in the Student Center.

Will this affect me if I withdraw from or fail an individual course?

This policy only applies to students who:

- Withdraw from or cease attendance in all classes prior to the 60% point of the semester.

- Fail all classes and cease attendance prior to the 60% point of the semester.

In most cases, it does not apply to a student who has withdrawn from select courses, unless the student fails to complete one or more courses that span the entire period of enrollment.

What if I am taking a course in a compressed format?

Jefferson College offers some courses in a compressed format like first or second 8-week short sessions. These are known as modules. If you withdraw from coursework that has already begun, but are registered for a late start class, your unearned financial aid will be returned to the federal program, unless you indicate in writing your intent to participate in that later session. To avoid a federal overpayment, students in modules must successfully complete one or more courses that together comprise at least 49% of the total days in the payment period, complete coursework equal to or greater than the coursework required for half-time enrollment, or complete the requirements for graduation.
If I am not planning to attend, will I be dropped for non-payment?

Students verified to receive any form of federal, state, or institutional financial aid are prevented from being dropped from courses for non-payment.

A student’s financial aid funds count as anticipated payment, so if a student is not planning to attend the College, the student must officially withdraw.

Do I send the amount of my overpayment to the school or to the U.S. Department of Education?

If an overpayment of federal financial aid occurs, the student may be required to return a portion of the overpayment to the school and to the U.S. Department of Education.

The College will return the overpayment on the student’s behalf and bill the student for the balance due, allowing 45 days for repayment. Any unpaid balance will be subject to collection action.

Students may not use the next semester’s financial aid award to pay a past due balance incurred during a different loan period or financial aid award year.

When will I know if I have to return an overpayment?

The College reviews all student attendance and withdrawal information throughout each semester. If a student is required to repay all or a portion of his or her financial aid, the amount will be posted to the student’s Jefferson College account and a bill will be mailed.

How can I avoid getting into a situation that will require the return of an overpayment?

Many students panic when they begin to struggle in classes. They will withdraw from all courses even though they may be doing well in one or two classes. Students should only withdraw from those classes that are giving them the most difficulty and attempt to finish as many classes as possible.

Also, before withdrawing from a short session course, discuss your unique period of enrollment and the implications of ceasing participation in modules with the Office of Student Financial Services.