

2009-10 FINANCIAL AID WITHDRAWAL AND REPAYMENT POLICY

When a student withdraws during his payment period or period of enrollment the amount of Title IV program assistance that a student has earned up to that point is determined by a specific formula. If a student received less assistance than the amount the student earned, he may be able to receive those additional funds. If a student received more assistance than he earned, the excess funds must be returned by the school and/or by the student.

The amount of assistance that a student has earned is determined on a prorated basis. For example, if a student completed 30% of his payment period or period of enrollment, the student earned 30% of the assistance he was originally scheduled to receive. Once a student has completed more than 60% of the payment period or period of enrollment, the student earns all the assistance that he was scheduled to receive for that period.

If a student did not receive all the funds that he earned, the student may be due a Post-withdrawal disbursement. If the Post-withdrawal disbursement includes loan funds, the school must get your permission before it can disburse them. A student may choose to decline some or all of the loan funds so that the student does not incur additional debt. Delta College may automatically use all or a portion of the student's Post-withdrawal disbursement of grant funds for tuition and fees. The school needs the student's permission to use the Post-withdrawal grant disbursement for all other school charges. If a student does not give his permission, the student will be offered the funds. Of course, it would be in the student's best interest to allow the school to keep the funds to reduce the debt at the school.

There are some Title IV funds that students may be scheduled to receive that would not qualify for a Post-withdrawal disbursement. For example, if a student is a first-time, first-year undergraduate student and he has not completed the first 30 days of his program before he withdraws, he will not receive any Direct loan funds that he would have received had he remained enrolled past the 30th day.

If a student receives excess Title IV program funds that must be returned, the school must return a portion of the excess equal to the lesser of:

1. The students institutional charges multiplied by the unearned percentage of your funds, or
2. The entire amount of excess funds.

The school must return this amount even if it didn't keep this amount of the students Title IV program funds.

If the school is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds that a student must return are to be repaid in accordance with the terms of the promissory note. That is, a student will make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that a student must return is called an overpayment. The maximum amount of a grant overpayment that a student must repay is half of the grant funds the student received or were scheduled to receive. The student must make arrangements with Delta College or the Department of Education to return the unearned grant funds.

The above requirements for the Title IV program when a student withdraws from school are separate from any refund policy that Delta College has. Therefore, a student may still owe funds to the school to cover unpaid institutional charges. Delta College can also charge for any Title IV program funds that Delta was required to return. For a copy of the current refund policy at Delta College refer to the most current College Catalog.

For questions about the Title IV program funds, a student can contact the Federal Student Aid Information Center at 1-800-433-3243. Information is also available on Student Aid on the Web at

www.studentaid.ed.gov.