Withdrawal and Return of Title IV Funds (R2T4) Policy

Students who receive federal student aid are subject to both the general Alaska Christian College refund policy (see “Refunds” in the most recent Alaska Christian College Catalog) and a separate federal Title IV funds refund policy. ACC is required by federal statute to recalculate federal financial aid eligibility for students who withdraw, drop out, are dismissed, or take a leave of absence prior to completing 60% of a semester. Both the College's refund policy and the separate federal Title IV refund policy are administered by the Business Office and the Office of Financial Aid.

Withdrawal Date Determination

Official Withdrawal

Students who withdraw from all courses in writing after the Add/Drop Deadline has passed are eligible for a percentage of financial aid based on the percentage of the semester completed. The withdrawal date is the date the student officially notifies the College of his or her intent to withdraw.

Unofficial Withdrawal

Students who do not notify the College of their intent to withdraw are considered unofficial withdrawals. The withdrawal date will be the student’s last day of academic related activity. If a last day of academic related activity cannot be identified, the withdrawal date will be the mid-point of the semester/payment period.

R2T4 Calculation

Students who receive federal financial aid must remain in their registered classes to “earn” the aid they originally received. The amount of federal aid earned is based on a prorated formula. Students who withdraw, or do not complete all classes in which they were enrolled, may be required to return some of the aid originally awarded to the student. Institutions, in accordance with 34 CFR §668.22, are required to determine the percentage of federal aid “earned” and return the “unearned” portion to the appropriate federal aid programs.

The following explains the formula used to determine the percentage of **earned aid**:

- Number of days completed up to the withdrawal date / the total number of calendar days in the semester/payment period = percentage of term completed
  - The percentage of term completed is the percentage of Title IV aid earned by the student.

- ❖ Scheduled breaks of five (5) days or more are not included in the total number of calendar days in the semester.

The following explains the formula used to determine the percentage of **unearned aid**:

- 100% minus the percentage of Title IV aid earned = percentage of unearned aid

Unearned aid shall be returned to the federal government from the student's account based on the following calculation:

- Total institutional charges X percentage of unearned aid = **amount of Title IV funds to return to programs**

The calculation must be performed within 30 days of the date the institution determines that a student has completely withdrawn.

The institution must return the unearned funds within 45 days of the calculation.

When calculating the percentage the student completed in the period of enrollment, if a student attended *more than 60%* of the period of enrollment, the student is considered to have earned 100% of the Title IV funds.

Return of Title IV Funds

If a student earned less aid than was disbursed, the College would be required to return a portion of the funds and the student may be required to return a portion of the funds. Students who owe a repayment of Tile IV aid must repay or establish satisfactory arrangements to repay those funds before becoming eligible for federal aid.

Funds are returned to the appropriate federal program(s) based on the percentage of unearned aid. The unearned funds are returned in the following order:

Federal Loans (when applicable)
Federal Pell Grants
Federal Supplemental Educational Opportunity Grants

Post-Withdrawal Disbursement

If a student earned more aid than was disbursed to him/her, the College would owe the student a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal.