# Return of Title IV Funds
# When a Student Withdraws

Laws administered by the U.S. Department of Education specify how El Paso Community College must determine the amount of Title IV programs assistance earned when students withdraw. The Title IV programs under this law are: Federal Pell Grants; Federal Direct Loans: Subsidized Direct Loans and Unsubsidized Direct Loans; and Federal Supplemental Educational Opportunity Grants (FSEOG).

The amount of Title IV funds a student has earned or not earned due to complete withdrawal during the payment period or period of enrollment is calculated by a formula. If the student received less assistance than the amount earned, the student might be eligible to receive those additional funds. If the student received more assistance than the amount earned, the excess funds must be returned by El Paso Community College and/or the student. The institution is not required to return if the calculated amount is less than $1.

The total amount of Title IV program assistance earned is determined on a pro rata basis. For example, if a student completed 30% of the payment period or period of enrollment, then the student has earned 30% of the assistance originally scheduled to receive. Students completing more than 60% of the payment period or period of enrollment are considered to have earned all the Title IV funds scheduled to receive for that period.

Post-withdrawal disbursements occur when the student has earned Title IV funds and has not received those funds. If the post-withdrawal disbursement includes Federal Direct Loan funds, El Paso Community College must have the student authorization to disburse them. Student has the option to decline some or all of the loan funds. El Paso Community College may use all or a portion of the student post-withdrawal disbursement of grant funds for tuition, fees, and room and board. The institution needs the student authorization to use the post-withdrawal grant disbursement for all other school charges, without the authorization the funds will be offered to the student. However, it may be in the best interest for the student to allow El Paso Community College to keep the funds to reduce student debt.

There are some Title IV funds the student was scheduled to receive but cannot be disbursed because of failing to comply with other eligibility requirements. For example, a first-time, first-year undergraduate student who withdraws prior to completing the first 30 days of declared program.



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The student will not receive any Direct Loan funds because regulations mandates Direct Loan funds for first-time, first year undergraduate students must be enrolled past the 30th day.

Students receiving excess Title IV program funds must be returned; El Paso Community College must return a portion of the excess equal to the lesser of:

1. Institutional charges multiplied by the unearned percentage of the student funds; or
2. The entire amount of excess funds.

El Paso Community College must retain this amount even if it did not keep this amount of the student Title IV program funds. If the institution is not required to return all of the excess funds, the student must return the remaining amount. Any loan funds returned the student must repay in accordance with the terms of the promissory note. The student makes scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds the student needs to return is called an overpayment. The maximum amount of a grant overpayment a student must repay is half of the grant funds received or were scheduled to receive. The student does not have to repay a grant overpayment if the original amount of the overpayment is $50 or less. The student is responsible for making any payment arrangements with El Paso Community College or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when a student withdraws are separate from the refund policy at El Paso Community College. Therefore, the student may still owe funds to the institution to cover unpaid institutional charges. El Paso Community College might charge the student also for any Title IV program funds required to return by the College.

The El Paso Community College refund policy, requirements and procedures for officially withdrawing are available at:

https://www.epcc.edu/Admissions/Tuition

Students with any questions about the Title IV program funds, please contact the Financial Aid Office at (915) 831-2561 or the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the web at www.studentaid.ed.gov



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