

Return to Title IV Policy

General Information

The US Department of Education requires institutions to apply the Return to Title IV Funds policy for students withdrawing from a college or university who have received Title IV financial aid. Federal Title IV programs in use at Carolina College of Biblical Studies include Pell Grants, Direct Loans, and Direct Plus Loans.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that the school may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. CCBS will charge the student's account for any Title IV program funds the school was required to return.

A student who withdraws after the 60% point of a semester is entitled to retain all Title IV aid for that semester. However, if the student withdraws prior to the 60% point of the term, unearned Title IV funds as determined by the federal policy must be returned to the various programs. These funds must be returned even if CCBS provides no refund to the student. This means the student could owe the college and/or the U.S. Department of Education a significant amount of money.

CCBS does not participate in all federal programs. The return of Title IV aid from the applicable programs is in the following order:

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Direct Parent PLUS Loans
- Federal Pell Grants

Documenting Attendance

Before processing a return to Title IV, the college will verify the student established attendance in all classes used to determine financial aid eligibility. If a student never attended one or more classes, the Financial Aid office will first recalculate the student's eligibility, then calculate the return of Title IV funds, and then adjust the disbursed aid accordingly. As a result, the student may end up owing the institution for unearned aid initially disbursed to their student account. If the student never attended any classes, all aid will be canceled and the student billed for any outstanding charges.

Determining Earned Aid

Though your aid is posted to your student account early on in each semester, funds are earned upon completion of the term. Title IV financial aid is earned by the calendar day, not class day. This includes weekends, holidays, and breaks of less than five consecutive days. CCBS is required to determine the amount of Title IV aid the withdrawing student has earned and then either disburse any additional funds the student may be entitled to up to the amount earned or return funds the student already received in excess of the amount earned.

When a student receiving Federal Title IV financial aid withdraws during the payment period, the amount of the Title IV funds that the student earned is calculated as of the student's withdrawal date by dividing the number of days attended by the total number of days in the term. Title IV funds are earned per day up to the 60% point in the enrollment period. Title IV funds are fully earned if the withdrawal date is after the 60% point in that period. If a student withdraws prior to or on the 60% point of the semester, CCBS is required to determine the portion of the aid disbursed that was earned by the student before the withdrawal date. The unearned Title IV funds must be returned to the respective federal aid programs. Unearned aid is the amount of disbursed Title IV aid that exceeds the amount of Title IV aid earned based on attendance in the enrollment period. CCBS will process, calculate, and return any required funds within 45 days of determining a student has withdrawn.

Students who earn a grade of F in a course due to low performance (not failed due to non-attendance) will be reviewed to determine the student's attendance throughout the course. Excessive absences or weeks of non-participation may result in a change to marked attendance and a revised FN status. If this occurs, the Financial Aid Director will determine whether the student was withdrawn from the college at any point and perform an R2T4 if necessary.

Official Withdrawals

Students submit a documented form of communication to the Registrar. This may include an official Withdrawal Form or an email statement kept in the student's file for reference. The date of withdrawal is the date this communication is submitted.

Unofficial Withdrawals

Title IV aid recipients who fail to withdraw but stop attending class are considered unofficial withdrawals. The Return to Title IV Funds policy requires CCBS to calculate the "earned" amount based on the last day of attendance of the semester. If the student stopped attending prior to the 60% point of the term, the student will be billed for any outstanding charges as a result of the Return of Title IV funds. Unofficial withdrawals are processed within 30 days of determining the student was unofficially withdrawn and any funds returned within the 45 total days required by Federal Student Aid.

Student Notification

Once the Return to Title IV Funds calculation has occurred the Finance Office will notify the student of any aid returned. If the student has an outstanding balance due to the institution as a result of the return it will be posted on the student's account.

Post-Withdrawal Disbursement

If the student did not receive all the funds that were earned prior to withdrawing, a post-withdrawal disbursement may be due. If the student is eligible for a post-withdrawal disbursement of a grant, it must be disbursed within 45 days. If the post-withdrawal disbursement includes loan funds, the student must give permission before the funds can be disbursed. Funds will be drawn down and posted to the student's account as with a typical disbursement.

Credit Balances

The school will determine the student's correct balance using the results from both the Return to Title IV calculation and the institutional refund calculation. If a credit balance results from either the refund process or because of a post-withdrawal disbursement, the balance will be refunded to the student as soon as possible but no later than 14 days after the date of the Return to Title IV calculation is performed.