

► IMPORTANT INFORMATION - PLEASE READ ◀:

Treatment of Title IV Aid When a Student Withdraws

Contact the financial aid office BEFORE you withdraw from classes. Withdrawing from class can affect your disbursements, repayments and Satisfactory Academic Progress (SAP). You may reach the Allan Hancock College Financial Aid Office at (805) 922-6966, ext 3200, or at finaid@hancockcollege.edu

Federal Regulations, 34 CFR, Parts 668, 682, and 685 specifies how Allan Hancock College must determine the amount of Title IV program assistance that you earn if you withdraw from school. The Title IV federal programs that are covered by this law that Allan Hancock College offers are: Pell Grants, Direct Loans, Supplemental Educational Opportunity Grants (SEOG) and Iraq and Afghanistan Service Grant (if student qualifies).

Though your aid is posted to your school account at the start of each period, you earn the funds as you complete the period. If you withdraw during your payment period, the amount of Title IV program assistance that you have earned up to that point is determined by a specific formula. If you received less assistance than the amount that you earned, you may be able to receive those additional funds. If you received (or Allan Hancock College received on your behalf) more assistance than you earned, the excess funds must be returned by the school and/or you.

The amount of assistance that you have earned is determined on a pro rata basis. For example, if you completed 30% of your payment period, you earn 30% of the assistance you were originally scheduled to receive. Students who complete more than 60% of the semester are considered to have earned 100 % of their financial aid. Below are the 60% dates for each semester:

Summer 2023 **July 13, 2023**

Fall 2023 **October 24, 2023**

Spring 2024 **April 8, 2024**

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If your post-withdrawal disbursement includes Direct Loan funds, Allan Hancock College must get your permission before it can disburse them. We will notify you by letter that you are eligible for a post-withdrawal disbursement of loan funds and that you have a deadline of 14 days to respond to the request to reject, or accept all or just a portion of the loan amount offered for authorization. In the notification, Allan Hancock College states that we are not required to make the post-withdrawal disbursement of loan funds if you do not respond by the deadline. Allan Hancock College may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition and fees. Allan Hancock College needs your permission to use the post-withdrawal grant disbursement for all other school charges. If you do not give your permission (questions are provided to you as part of your financial aid process when your FAFSA application is received), you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at Allan Hancock College.

There are some Title IV funds that you were scheduled to receive that cannot be disbursed to you once you withdraw because of other eligibility requirements. For example, if your loan was not originated by Allan Hancock College before you withdraw, you will not be eligible for any Direct Loan funds that could have been disbursed.

If you receive (or Allan Hancock College on your behalf) excess Title IV program funds that must be returned, Allan Hancock College must return a portion of the excess equal to the lesser of:

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

Allan Hancock College must return this amount even if it didn't keep this amount of your Title IV program funds.

If Allan Hancock College is not required to return all of the excess funds, you must return the remaining amount.

If you receive more Title IV aid than the amount earned, Allan Hancock College, you, or both must return the

unearned funds in a specified order as follows:

1. Unsubsidized Direct Stafford loans
2. Subsidized Direct Stafford loans
3. Federal Pell Grants
4. Iraq and Afghanistan Service Grant
5. Federal Supplemental Educational Opportunity Grants (FSEOGs)

Any loan funds that you must return, you repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time.

Any amount of unearned grant funds that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You do not have to repay a grant overpayment if the original amount of the overpayment is \$50.00 or less.

Return of Title IV Funds does not apply to Federal Work-Study, state funds, scholarships or institutional awards.

At the end of a semester when grades are final, if you receive non-passing grades, F, NP, I and/or W, you will be notified by email to provide documentation from an instructor of your attendance on or after the 60% date. Failure to respond within 2 weeks from the date Allan Hancock College notified you, Allan Hancock College will assume that you attended 50% of the semester and you will be treated as a withdrawal based on that assumption.

Within 30 days of determining that you withdrew and must repay all or part of a Title IV funds, Allan Hancock College will notify you that you must repay the overpayment. Allan Hancock College will also notify you of your ineligibility for additional Title IV funds. If you fail to repay Allan Hancock College during the 45 day period, your overpayment will immediately be reported to the National Student Loan Data System (NSLDS) and referred to the Department of Education Debt Resolution Services for collection on the 46th day.

The requirements for Title IV program funds when you withdraw are separate from any refund policy that Allan Hancock College may have. Therefore, you may still owe funds to the school to cover unpaid institutional charges. For information regarding our school's Refund of Fees policy, refer to our school catalog at:

<https://catalog.hancockcollege.edu/current/>

If you have questions about your Title IV program funds, you may call our office 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.