

Treatment of Title IV Aid When a Student Withdraws

The law specifies how Wallace Community College must determine the amount of Title IV program assistance that you earn if you completely withdraw from school or cease to attend all classes. The Title IV programs that are covered by this law are: Federal Pell Grants, Academic Competitiveness Grants, National SMART Grants, TEACH Grants, Stafford Loans, PLUS Loans, Federal Supplemental Educational Opportunity Grants (FSEOGs) and Federal Perkins Loans.

When 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 (or Wallace Community College or parent received on your behalf) less assistance than the amount that you earned, you may be able to receive those additional funds. If you received 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 prorata basis. For example, if you completed 30% of your payment period you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than **60%** of the payment period, you earn **all** the assistance that you were scheduled to receive for that period.

If you receive (or Wallace Community College or parent receives on your behalf) excess Title IV program funds that must be returned, Wallace Community 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.

Wallace Community College must return this amount to the Department of Education.

Any amount of unearned grant funds that must be returned is called an overpayment. The maximum amount of a grant overpayment that must be repaid to the Department of Education is half of the grant funds received or were scheduled to be received. As recipient/beneficiary of these funds, you must make arrangements with Wallace Community College or the Department of Education to return the unearned grant funds.

The requirements for Title IV program funds when you withdraw are separate from the refund policy of Wallace Community College. Therefore, you may still owe funds to the College to cover unpaid institutional charges. Wallace Community College will charge you for any Title IV program funds that the school was required to return on your behalf. Until payment is made, all of your college records will remain on hold; transcripts will not be sent, and you may not register for any classes at the College. If you do not pay within 60 days, the College will refer your account to a collection agency.

If you have questions about your Title IV program funds, you can call 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.

TITLE IV GRANT AWARD ACKNOWLEDGEMENT OF RESPONSIBILITY

Your Title IV Grant Award represents a commitment between the Department of Education - provider of funds, Wallace Community College - provider of services, and you – a student at this institution of higher learning. It should be understood that the commitment made by each party in this endeavor is also accompanied by responsibility. If you completely withdraw or cease to attend all classes before you have completed **60%** of any semester, and you have received Pell **or** SEOG funds, whether by check, charged tuition, fees or books, and Wallace College has to return any funds paid on your behalf, **you will be responsible for repaying funds to the College.**

If funds are not repaid within 60 days, you will be placed on processing hold and will not be allowed to register or receive a copy of your transcript. In addition, the College will refer your account to a collection agency.

I understand and accept my commitment. I also certify that a copy of this process has been provided for my personal records.

Student Signature

Student Number

Date