

## **BCM - Return of Title IV Refund Policy**

Updated September 2021

This department-level policy facilitates BCM's compliance with the U.S. Department of Education requirements mandating the refund Title IV funds to students who withdraw from BCM. These requirements are separate from school and program tuition and fee refund requirements that are established in BCM's [Institutional Tuition and Fees Policy \(23.1.04\)](#). Therefore, students may still owe funds to the school/program to cover unpaid institutional charges. BCM will charge students for any Title IV funds that the school was required to return that did not qualify under BCM's [Institutional Tuition and Fees Policy \(23.1.04\)](#).

### **Return of Title IV Funds**

Withdrawing or stopping attendance may result in financial debt for the student and may also make the student ineligible for future financial aid, including loans. We strongly urge students to consult with the academic Dean(s) and a financial aid counselor to help them with decisions about withdrawing.

### **Withdrawal Date**

The withdrawal date is the date the student is officially withdrawn from BCM, which may be different than the last date of attendance. There are two types of withdrawals; 1) withdrawal determined by the promotions committee or Dean due to academic standing initiated by the Dean and 2) course withdrawal initiated by the student. BCM uses the last date of attendance to calculate the "earned" and "unearned" portion for the Title IV refund.

### **Title IV Refund Amount - Formula Calculation**

Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. It is the policy of BCM to determine the amount of earned and unearned portions of Title IV aid as of the date the student ceases attendance. During the first 60 percent of the enrollment period, a student "earns" Title IV funds in direct proportion to the length of time he or she remains enrolled. A student who remains enrolled beyond the 60 percent point earns all of his or her aid for the period. If earned aid exceeds disbursed aid, additional funds may be disbursed to the student in the form of a late disbursement. Additional disbursements are not permitted if the amount of earned aid is less than the total Title IV aid that was disbursed prior to the institution's determination that the student withdrew.

### **Repayment of Unearned Aid**

BCM and the student are required to return unearned Title IV funds to the Title IV programs. Students can repay the student portion of federal loans under the terms and conditions of the master promissory note (MPN) for the loan. However, the unearned portion of the loans that BCM must return is posted as a charge to the student account and this amount must be repaid

by the student. Refunds and repayments will be distributed to the appropriate Title IV, programs in the following order:

1. Federal Unsubsidized Stafford Loan Program
2. Federal Direct Graduate PLUS Loan Program
3. Any other Federal Title IV program
4. Other federal, state, private or institutional sources

### **Time Frame for Returning Funds**

The institution must return its share of unearned Title IV funds no later than 45 days after it determines that the student withdrew. All students are required to complete an in-person check-out process with the Office of Student Financial Aid. Students are informed in-person if they are required to return any Title IV funds or if they are eligible for a Post-Withdrawal Disbursement. Students who need to return Title IV funds must make immediate payment arrangements with the Student Accounts Office.

### **Post-withdrawal Disbursements of Aid**

While it is exceedingly rare, a student who earned more aid than was disbursed prior to withdrawal could be due a post-withdrawal disbursement. BCM will notify the student during the check-out process if they are due a post-withdrawal disbursement of aid. Students are encouraged to cancel the loan. BCM will document the student's decision in their file. The student has up to 14 calendar days to respond to the Financial Aid Office if they are eligible for a post-withdrawal disbursement. Any portion of a post-withdrawal disbursement not credited to the student's account will be offered to the student within 30 days of the withdrawal date. BCM will return the post-withdrawal disbursement to the Department of Education if no response is received from the student, funds are declined by the student, or response is not received within the 14-day time frame.

### **BCM Tuition and Fee Refund Policy**

Students who withdraw from school, go on a leave of absence for longer than 60 days, are dismissed, or otherwise stop attending classes will have Tuition refunded as indicated in Section IV.A.5 of the [Institutional Tuition and Fees Policy \(23.1.04\)](#). Except graduation and health insurance fees, fees are generally non-refundable (see 23.1.04, Section IV.A.6). Refunds are calculated based on the length of the enrollment period for which the students are enrolled. Students are charged in half-year increments. Refund percentages are rounded to the nearest dollar.

The institution has 14 calendar days from the date a credit appears on the student account to issue a refund. When a refund is processed, it will appear on the student's account with the description "Student Refund." On that date, it will be issued to the student via the method the student has chosen in RefundSelect (if no method has been chosen, it will be mailed to the student's address on record).

## **Repayment**

Students are also reminded that while they may be eligible to retain a certain portion of loan funds, these loan funds must be repaid. Once a borrower has exhausted any grace period the student will enter repayment no later than six months after the last day of attendance.

Borrowers are encouraged to review information on deferments and forbearances if they anticipate difficulty in repayment. Refer to the BCM [Student Financial Aid Policy \(23.1.02\)](#) for more information on forbearance and deferment.

## **Exit Counseling**

All students who have a break in attendance are required to complete a Student Loan Exit Counseling before clearance is granted from the institution and no later than 30 days from the official withdrawal or leave date. On-line Exits are required to be completed for Federal Stafford and Grad Plus loan borrowers on the federal website <https://studentaid.gov> and/or with Heartland **ECSI** at <https://heartland.ecsi.net/> if the student has a private loan through BCM.

For additional information or to set up a meeting with a Financial Aid Counselor please e-mail [financialaid@bcm.edu](mailto:financialaid@bcm.edu).