

Summary of Federal Requirements Regarding Financial Aid and Student Withdrawal

The law specifies how BCC must determine the amount of federal financial aid (Title IV) that you earn if you withdraw from school. The Title IV programs that are covered by this law are: Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Stafford Loans, PLUS Loans, and Federal Supplemental Educational Opportunity Grants (FSEOGs)

When you withdraw during your payment period or semester, 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 your school 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 pro rata basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or period of enrollment, you earn all the assistance that you were scheduled to receive for that period.

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 loan funds, BCC must get your permission before we can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. BCC may automatically use all or a portion of your Post-withdrawal disbursement of grant funds for tuition and fees. The school needs your permission to use the Post-withdrawal grant disbursement for all other school charges. If you do not give your permission, 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 the school.

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 you are a first-time, first-year undergraduate student and you have not completed the first 30 days of your program before you withdraw, you will not receive any Direct Loan funds that you would have received had you remained enrolled past the 30th day.

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

The school must return this amount even if it didn't keep this amount of your Title IV program funds.

If BCC is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return, you (or your parent for a PLUS Loan) 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 or less. You must make arrangements with your school 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 BCC tuition refund policy. Therefore, you may still owe funds to the school to cover unpaid institutional charges. BCC will also charge you for any Title IV program funds that the school was required to return.

For the BCC [Tuition Refund Policy click here](#); for the BCC [Withdrawal Policy click here](#)

If you have questions about your Title IV program funds, you can call the BCC Financial Aid Office at 508 678 2811, extension 2515, 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.