



Financial Aid Office

Return of Federal Student Aid Funds When a Student Withdraws

Students Who Withdraw from all Courses in a Semester

Federal regulations require the OCCC Financial Aid Office to perform a calculation to determine the dollar amount of **earned** and **unearned** Federal Student Aid funds for students who officially or unofficially withdraw from a semester. Any **unearned** funds must be returned to the appropriate Federal Student Aid program within 45 days of the determination that the student withdrew.

How to Withdraw from a Course at OCCC

Students may officially drop most courses online at www.occc.edu or totally withdraw from OCCC in person at Registration Services in the Main Building - first floor. Students needing further assistance may call 682-7512.

Total Withdrawal Before Completing 60% of the Semester

If a student completely withdraws from all courses before completing 60% of the semester, a calculation is performed. For a 16-week semester, 60% is approximately 10 weeks.

Calculation of **earned** funds is based on the number of calendar days the student attends, according to the official OCCC record, and the number of calendar days in the semester. The percentage of time in attendance determines the amount of **earned**. The remaining percentage is **unearned**.

If the calculation determines that OCCC must return Federal Student Aid funds for institutional charges, including, tuition, fees, and any books or supplies charged to Federal Student Aid, OCCC will invoice the student for the returned funds.

If the calculation determines that the student must also return Federal Student Aid funds, OCCC will return the unearned portion owed by the student, and will invoice the student for the returned funds.

The student will be notified through their college email of the amount returned and the Federal Student Aid program(s) to which the funds were returned.

Students should check with the Financial Aid Office for the exact date of the 60% point each semester.

Calculation Example

- Student withdraws on day 54 in a 113-day semester (Sundays and breaks are not included in the count)
- 54 days/113 days = 47.8 % **earned** and the remaining amount 52.2% is **unearned**
- Student tuition and fees for the semester totals \$547.00
- Federal funds disbursed to the student for the semester
 - ✓ Subsidized Direct Loan \$1,312.00
 - ✓ Pell Grant \$1,562.00
 - ✓ Total Disbursed \$2,874.00 x 47.8 % = \$1,374.00 **earned** funds
- \$2,874.00 disbursed - \$1,374.00 **earned** = \$1500.00 **unearned**
- OCCC must return the **unearned** percentage of charges \$547.00 x 52.2 % = \$286.00 to the Direct Loan program
- The student must repay the **unearned** loan funds \$1,312.00 - \$286.00 = \$1,026.00
- The remaining **unearned** portion \$1,214.00 - \$1,026.00 = \$188.00 is Pell funds which are considered protected by Federal Student Aid Pell Grant rules. Students are not required to return **unearned** Pell funds less than 50% of the Pell disbursement.

The school and the student are required to return any **unearned** funds in the following order:

1. Unsubsidized Federal Direct Stafford Loan
2. Subsidized Federal Direct Stafford Loan
3. Federal Direct Plus Loan
4. Federal Pell Grant
5. Federal SEOG

Students taking 8-week or 5-week courses semester (modules)

Students who are only taking 8-week or 5-week or a combination of such courses including Interessions are considered a withdrawal if they do not complete all days scheduled to complete within the semester. Calculations vary from students who are in module courses. ***Please consult the Fact Sheet: Calculating Return of Funds for Students in Module Courses.***

Students who fail to earn a passing grade in any course for the semester

When a student earns all 'F' or 'U' grades in a semester, OCCC is required to perform a Return of Federal Student Aid calculation based on the official OCCC record date of attendance when the student has all 'F' or 'U' grades.

Students receiving a combination of failing grades (F,W,U,I) the latest official OCCC record date will be used as the last date the student was enrolled for the semester and will be used in the calculation to determine the percentage of ***earned*** funds.

Student who Fail to Begin Attendance

If a student fails to begin attendance and the academic department does not have a record of beginning attendance, OCCC is required to complete a Return of Funds calculation.

Beginning attendance for on-campus courses is defined as attending the first day.

Beginning attendance for online courses is defined as participating in discussions, asking or answering a question from the professor or otherwise be involved in an academic activity.

Logging into the class is not sufficient to determine attendance.

For students receiving Federal Direct Stafford Loan funds and never beginning attendance in any course, OCCC is required to return all loan funds credited to the student's account and any payment made by the student or on behalf of the student for the semester, not to exceed the amount of the loan.

If a student begins attendance in some courses, but not all, the OCCC Financial Aid Office may be required to return Pell and Federal Direct Stafford Loan funds depending on the student's enrollment level.

If the student falls below half-time enrollment status prior to the close of the add/drop period, all loan funds will be returned to the Direct Loan Program and the Pell Grant amount will be reduced and payment will be made based on the new enrollment status.

Post-Withdrawal Disbursement

If a student whom OCCC has determined is eligible to receive Federal Student Aid funds withdraws from OCCC after beginning attendance, the Financial Aid Office must determine the amount of Title IV grant or loan assistance ***earned*** by the student.

If the amount disbursed to the student is less than the amount the student ***earned***, the student is eligible to receive a post-withdrawal disbursement.

OCCC Financial Aid Office may apply the post-withdrawal disbursement to a student's account to cover institutional charges and other charges for which the student has submitted appropriate authorization, not to exceed \$200 for prior any year charges.

The student will receive a written notification of the availability of the post-withdrawal funds. For Federal Direct Stafford Loans the student or the parent for PLUS loans must respond within 14 calendar days to accept the loan funds.