



Title: Refund Policy	Policy No.: ADM 3.2	Date: 9/6/2007 Rev.: 7/6/11
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Areas Affected: All BSMCON Faculty and Students Page 1 of 3

POLICY STATEMENT:

The purpose of this refund policy is to document circumstances under which a refund will be given to students for tuition and fees. The College invests significant resources and incurs costs with the understanding that enrolled students intend to complete the academic curriculum to which they have committed. It is important that there be a clear and consistent policy regarding refunds to be equitable to all students and to the College.

POLICY:

A. General Regulations Governing Refund;

1. All students are eligible for a refund regardless of enrollment status and refunds are made throughout the semester as warranted. Students should bring enough aid at the beginning of each semester to cover any expenses prior to the release of any refund.
2. Refund will be paid within 45 days from (a) receipt the written request of withdraw or (b) the date of determination (DOD), i.e., the date which the College has determined that a student has withdrawn, unless federal or state requirements specify otherwise.
3. The College's refund policy is applied only after a Return of Title IV aid calculation has been made. The College uses the last date of attendance to calculate the amount of refund due and the date of determination will be the date used for calculating the time frame allowed to actually refund any monies due. The refund policy will be based on a semester, following Virginia's Pro Rata formula (Section C).

B. Regulations governing refund to students who drop or withdraw from a course or who are on an approved medical leave in a given term at the College:

A student who enters but drops or adds a course during the add/drop period (first Saturday after the start of the semester), (before the 5th calendar day for programs offered completely online), is entitled to receive a 100% refund of tuition and fees.

C. Regulations governing refund to students who withdraw from the College in a given semester at the College. (State Council of Higher Education for Virginia, 2006) (Refer to D – Return to Title IV for students receiving financial aid.)

1. A student who enters but withdraws from the College during the add/drop period (first Saturday after the start of the semester), (before the 5th calendar day for programs offered completely online), is entitled to receive a 100% refund of tuition and fees.
2. A student who enters but withdraws from the College during the first 1/4 (25%) of the semester is entitled to receive a minimum refund of 50% for tuition only.

Reference Policy # _____

Approved by:		
_____	<u>Assistant Dean of Administration</u>	_____
_____	<u>Provost/VP</u>	_____
Signature	Title	Date
Approval History:		
Committees and Dates:		
Office of Financial Aid: 7/11		
Policy Committee: 7/11		

3. A student who enters but withdraws from the College after completing 1/4 (25%), but less than 1/2 (50%) of the semester is entitled to receive a minimum refund of 25% for tuition only.
4. A student who withdraws from the College after completing 1/2 (50%), or more than 1/2 (50%), of the semester is not entitled to a refund.

D. Return to Title IV - Financial Aid Recipients

Due to changes in federal regulations, a new Return of Title IV Aid Policy is effective beginning in the 2011-2012 academic year. All students must abide by this new policy beginning July 1, 2011.

Federal law requires Colleges to calculate how much federal financial aid a student has earned if that student:

- completely withdraws (Separation from the College), or
- stops attending before completing the semester, or
- takes a medical leave of absence, or
- does not complete all modules (courses which are not scheduled for the entire semester) for which he/she has registered at the time those modules began.

Colleges are required by federal statute to determine how much financial aid was earned by students (Earned Aid) who withdraw from the College or take a leave of absence prior to completing 60% of a payment period or term. For a student who withdraws from the College after the 60% point-in-time, there is no unearned aid. However, a College must still complete a Return calculation in order to determine whether the student is eligible for a post-separation disbursement.

The payment period for most students is the entire semester. However, for students enrolled in modules (courses which are not scheduled for the entire semester), the payment period only includes those days for the module(s) in which the student is registered.

Aid is returned to the appropriate aid program based on the percentage of unearned aid.

If a student earned less aid than was disbursed, the College would be required to return a portion of the aid and the student would be required to return a portion of the aid. The student borrower may owe a debit balance to the College when Title IV aid is returned.

If a student earned more aid than was disbursed, the College would owe the student a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal from the College.

The College must return the amount of Title IV aid for which it is responsible no later than 45 days after determining the student's withdraw date.

- a. A student's withdraw date (as defined in 34 CFR 668.22):
 1. The date the student began the College's withdrawal process or officially notified the College in writing of intent to withdraw;
 2. For a student who withdraws from the College without notifying the College, the date the College determines is related to the circumstances beyond the student's control, or the midpoint of the semester; or,
 3. the student's last date of attendance (LDA) at a documented academically related activity.

For a student who withdraws from the College without providing notification to the College, the College must determine the withdrawal date no later than 30 days after the end of the earliest of the payment period, the academic year, or the educational program.

- b. Aid are returned to the following sources in order of priority, as established by Congress:
- _ Unsubsidized Federal Stafford Loans.
 - _ Unsubsidized Direct Stafford Loans.
 - _ Subsidized Federal Stafford Loans.
 - _ Subsidized Direct Stafford Loans.
 - _ Federal Perkins Loans.
 - _ Federal Parent (PLUS) Loans.
 - _ Direct PLUS Loans.
 - _ Federal Pell Grants for which a return of aid is required.
 - _ Federal Academic Competitiveness Grant
 - _ Federal Supplemental Opportunity Grants for which a return of aid is required.
 - _ Federal TEACH Grant
 - _ Other Title IV assistance for which the return of aid is required.
 - _ Other federal, state, private or institutional financial assistance for which return of aid is required.
- c. There are six basic steps to the formula for calculating the amount of aid that must be returned to the Title IV programs:
1. Determine date of withdraw from College and percentage of payment period attended by the student.
 2. Calculate amount of Title IV aid earned by the student.
 3. Compare amount earned and amounts disbursed to determine amount unearned.
 4. Determine late disbursement if amount earned is greater than amount disbursed.
 5. Determine amount of Title IV aid must be returned if amount earned is less than amount disbursed.
 6. Calculate portion of aid to be returned by the College and student.

A student may have an outstanding balance with the College due to the Return of Title IV aid. If the outstanding balance is not paid within three months from the date of withdraw, the College will send the student's account to its collection agency.

FORMULAS:

Earned Aid (percentage of payment period or term completed) = the number of days completed up to the separation date divided by the total days in the payment period or semester. (Any break of five days or more is not counted as part of the days in the semester.)

Unearned Aid (aid to be returned) = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or semester.

REFERENCES:

State Council of Higher Education for Virginia. 2006. Regulations governing certification of certain institutions to confer degrees, diplomas, and certificates. (Reg. 8 VAC 40-31 (N) (6).

Return to Title IV – Higher Education Act (HEA), Section 484B; 34 CFR 668.22