

## **RETURN OF FUNDS POLICY THE EVERGREEN STATE COLLEGE**

If a student fully withdraws from The Evergreen State College and is a financial aid recipient, then the school and/or the student may be required to return some of the federal funds awarded to the student. If the student received aid from the Institution and/or the State of Washington, then a portion of the refund may be returned to the funding source from which it was received.

In general, the law assumes that you “earn” your financial aid awards directly in proportion to the number of days of the term you attend. If you completely withdraw from school during a term, the school must calculate, according to a specific formula, the portion of the total scheduled financial aid you have earned and are therefore entitled to receive up to the time you withdrew. If you receive (or the College receives on your behalf) more aid than you earn, the unearned excess funds must be returned to the Department of Education. The order in which the funds must be returned are as follows:

- |  |                        |
|--|------------------------|
| 1. Federal Unsubsidized Stafford Loan      | 6. Federal Pell Grant  |
| 2. Federal Subsidized Stafford Loan        | 7. Federal Teach Grant |
| 3. Federal Perkins Loan                    |                        |
| 4. Federal PLUS Loans to Graduate Students |                        |
| 5. Federal PLUS Loans to Parent*           |                        |

The portion of the financial aid grants and loans you are entitled to receive is calculated based on a percentage by comparing the total number of days in the quarter to the number of days you completed before you withdrew. For example, if you complete 30% of the quarter, you earn 30% of the aid you were originally scheduled to receive. This means that 70% of your scheduled awards remain unearned and must be returned to the programs.

If you withdraw from the College after 60% of the term is completed, you can be said to have earned all (100%) of your aid. If you withdraw from the College (either officially or unofficially) before completing 60% of the quarter, you may have to repay any unearned aid that was already disbursed to you.

Your withdrawal date will be determined by the College as: (1) the date you began the College’s withdrawal process (as described in the Evergreen catalog); (2) the midpoint of the quarter if you withdraw without notifying Registration and Records of your intent to withdraw; or (3) your last date of attendance at an academically related activity as documented by the College.

If you received excess funds that must be returned to the government, the College shares with you the responsibility of returning those excess funds. The College’s portion of the excess funds to be returned is equal to the lesser of

- The entire amount of the excess funds, or
- Your total institutional charges multiplied by the percentage of unearned funds.

If the College is not required to return all of the excess funds, you must return the remaining amount. Any loan funds that you must return must be repaid according to the terms of your promissory note. If you must return any grant funds, the law provides that the amount you must repay is to be reduced by 50%. *Please note: this reduction applies only to Title IV grants.* This means that you have to return half of any excess funds you receive from the Title IV grants. If the return of unearned aid caused any portion of your tuition and fees to become unpaid, you will be billed by the College. In such cases, you will be required to make arrangements with Student Accounts to pay the balance.

Any financial aid funds you do have to return are considered a grant overpayment. You must either repay that amount in full or make satisfactory arrangements with either the College or the Department of Education, whichever applies, to repay the balance owed. You must complete these arrangements within 45 days of the date you are notified by the College that an overpayment occurred or risk losing your eligibility for further Federal financial aid.

Worksheets used to determine the amount of return of funds are available upon request from the Financial Aid Office.

## **Return of other than Federal Title IV aid**

### **1. State Need Grant (SNG) Authority: WAC 250.20.051(4)**

State Grant recipients, who withdraw from the institution, are expelled, or otherwise complete zero credits in any given term must repay state grants on a prorated basis.

For the purposes of this policy, "Award" is the amount of state grant for which the student was eligible during the enrollment period, after the school made any required adjustments for need and enrollment level. All monies, whether disbursed to the student account or directly to the student, shall be included in the repayment calculation.

## **KNOWN LAST DATE OF ATTENDANCE**

- If a student's last date of attendance can be verified and is prior to or on 50% of the term, the state grant repayment will be based on the percent of the term not completed (or the percent of the scheduled hours remaining in the payment period for clock hour schools).
- If the last date of attendance occurs after **50%** of the term, the state grant award is considered 100% earned and no state grant repayment is due.

### **State grant repayment formula: Known last date of attendance, prior to or on 50% of the term:**

1. The percent of state grant earned is calculated by dividing days in attendance by calendar days in term. Scheduled breaks of five or more days should be excluded from the calculation.
2. Subtract the percent of state grant earned from 100%; this equals the percent of unearned state grant.
3. Multiply the percent of unearned state grant by the grant amount.
4. Multiply the amount from step 3 by 50% to determine the state grant repayment due.

### **Example: Known last date of attendance, prior to or on 50% of the term:**

A student is awarded \$400 for a state grant and completed 20% of the term prior to withdrawal. The state grant repayment is calculated as follows:

1. The unearned percentage equals 80% (100% less 20% completed).
2. Unearned aid equals \$320 (80% of \$400 state grant award).
3. The repayment equals \$160 (\$320 X 50% reduction).

## **UNKNOWN LAST DATE OF ATTENDANCE**

If a student attends a portion of a term and withdraws with no verified last date of attendance, the state grant repayment will be 50% of the grant amount with no additional adjustments.

## **NO-SHOW REPAYMENTS**

If a state grant recipient never attends courses in the term for which they received a state grant award, the state grant repayment is 100% of the award. If a school is unable to distinguish between a no-show and an unofficial withdrawal, the no-show policy shall apply.

## General repayment policies:

1. Repayments are based on the state grant award amount, including enrollment and packaging adjustments.
2. Verified withdrawal dates after 50% of the term equate to 100% earned state grant.
3. Unofficial withdrawals/no known last date of attendance equate to repayment of 50% of the state grant award.
4. No shows are 0% earned and equate to repayment of 100% of the state grant.
5. Official withdrawals or verified last date of attendance repayment calculation:

State grant award amount multiplied by the percent of unearned state grant multiplied by the 50% reduction equals the state grant repayment due.

6. The 50% reduction applied at the end of the repayment computation addresses un-reimbursable start up education costs and reduces the barrier for students intending to return to school.
7. Repayments of less than \$50 should not be returned to the Washington Student Achievement Council.
8. Institution repayment refund policy:

The student has 45 days to use the College as a conduit to repay that amount before it is turned over to the Washington Student Achievement Council for collections. These are not funds owed to the College. They are owed back to the State of Washington, and will not show on any billing owed to the College. This return of State Need Grant applies only through the 50% point in the quarter, unlike the other aid thru the 60% point in the quarter.

## 2. Tuition Waivers

Any Waiver provided by the College cannot be converted to cash equivalent. Any refund of institutional costs paid by a Waiver will reduce the Waiver amount by an equal amount. Exceptions can be made when a waiver amount is not greater than the tuition charge that remains on the bill. These exceptions can be made at the discretion of Financial Aid, Enrollment Services, or the department responsible for administering the waiver.

Examples:

- A. 100% Waiver of tuition & fees and 100% refund of tuition & fees. 100% of the Waiver is canceled.
- B. 100% Waiver of tuition & fees and 50% refund of tuition & fees. 50% of the Waiver is canceled.
- C. 50% Waiver of tuition & fees and 100% refund of tuition & fees. 100% of the Waiver is canceled.
- D. 50% Waiver of tuition & fees and 50% refund of tuition & fees. 0% of the Waiver is canceled.

## 3. Institutional Scholarships

Return of institutional scholarships is at the discretion of the Associate Vice President of Enrollment Services.

## 4. External Scholarships & Gift (non loan) Aid

Return of external aid is at the discretion of the provider.

## 5. Alternative Loans

Alternative Loans are the responsibility of the borrower to repay to the lender. The College is not required to return any disbursed alternative loan funds.

## 6. Americorps

Disbursed funds are those of the student and will not be returned to the Americorps program.

## 7. Other State Financial Aid

Equal Opportunity Grant, Washington Scholars, Vocational Excellence (WAVE), and College Bound Scholarships follow the same return procedures as State Need Grant.

## 8. Evergreen Need Grant (ENG)

ENG will follow the Federal Title IV formula **without** the 50% Federal Grant Protection Allowance