

Return of Federal Financial Aid Policy

ZSC students who receive Federal financial aid and do not complete their classes may be responsible to repay a portion of the aid received according to federal law. The following information is to help students understand what could happen if they withdraw or stop attending classes before the end of the enrollment period.

The Return of Title IV Aid Calculation does not affect ZSC's institutional refund policy; however, the amount of tuition and fees is considered in the calculation. See [tuition refund policy](#) for more information.

What is the law?

According to the Higher Education Amendment, section 484B, if a student officially or unofficially withdraws, or stops attending classes before completing 60% of the semester, ZSC must calculate how much federal financial aid the student has earned. The federal financial aid (Title IV funds) covered under this regulation include the following: Unsubsidized and Subsidized Federal Direct Loans, Federal Direct PLUS Loans, and Federal Pell Grant.

A student who withdraws from courses for the semester and has a "term" class that begins later in the semester will be subject to the Return of Title IV Aid Calculation unless the student submits, at the time of withdrawal, a written confirmation of intent to attend the term course. However, the student must attend and complete the term course to earn all aid for the semester.

If a student withdraws from all Title IV eligible courses during the semester and continues to attend course(s) that he/she is repeating for which he/she may not receive Title IV aid during that semester, the student is a withdrawal for Title IV purposes.

*Non-attendance in any class is considered a reduction of hours and aid will be adjusted prior to completing the Return of Title IV Aid Calculation.

Who does this regulation apply to?

This regulation applies to students who received federal financial aid (which includes Federal Direct Loans) and withdrew or stopped attending classes before completing 60% of the enrollment period. This regulation does not apply to students who withdraw, drop out, or are dismissed from the college before the first day of class; and it does not apply to students who never attend any classes. In these situations, the students have not earned any of their financial aid and all funds are returned to the federal government.

How is the financial aid calculated?

Students must "earn" the financial aid received by staying enrolled in school and attending classes. The amount of financial aid assistance earned is determined on a pro-rata basis. If a student withdraws or stops attending classes during the semester, he may be required to return some of the financial aid awarded. For example: a student who completes 30% of the semester has earned 30% of his aid. This means that 70% of the aid is unearned and must be returned to the federal government. If the student withdraws before all Title IV funds have been disbursed, the student may be due a disbursement based upon the amount of aid "earned". This post withdrawal disbursement will be refunded to the student no later than 45 days after the date of the school's determination that the student withdrew.

The following formula is used to determine the unearned aid that must be returned:

Percent earned = number of calendar days completed up to the withdrawal date/last date of attendance divided by total calendar days in the payment period (less any scheduled breaks that are at least 5 days or more).

Percent unearned = 100 percent minus percent earned.

What is the withdrawal date?

When a student reduces his enrollment to zero credit hours, he has withdrawn from the college. A student may withdraw from his classes on My ZSC or he may speak to a staff member in Student Services in Zanesville or in Cambridge. If a student does not officially withdraw, but it is determined that he stopped attending classes and receives all failing grades (unofficial withdrawal), the calculation is based on the last date of attendance reported by the instructor(s).

Who returns the unearned funds?

ZSC and the student are **both** responsible for returning unearned funds to the appropriate programs in the following order: Unsubsidized Federal Direct Loans, Subsidized Federal Direct Loans, Federal Direct PLUS, and Federal Pell Grant. The return of unearned Title IV funds must be made no later than 45 days after the date the school determined the student withdrew. ZSC must return the lesser of:

- 1) the total amount of unearned aid; **OR**
- 2) institutional charges multiplied by the unearned percentage.

Loan borrowers will be permitted to repay their portion of the loans based on the terms of the promissory note.

****THE STUDENT WILL BE BILLED FOR ANY AMOUNT DUE TO ZSC RESULTING FROM ZSC'S RETURN OF FEDERAL AID FUNDS.** For example, if ZSC is required to return \$500 of federal aid per the Return of Title IV Aid Calculation, then the student is required to pay that \$500 to ZSC because that money was used towards the student's tuition and fees and the student possibly received a refund from his financial aid that he did not "earn".

How do I repay unearned funds?

If a student owes money to ZSC resulting from the Return of Title IV Aid Calculation, the student will receive a bill from the Business Office. Payment arrangements must be made with the Business Office in College Hall on the Zanesville Campus in person, by calling (740) 588-1211, or by emailing businessoffice@zanestate.edu. Loan repayment arrangements may be made by contacting the Direct Loan Servicing Center at (800) 848-0979.

What happens if I don't repay ZSC?

If a student does not repay ZSC for the charges resulting from the Return of Title IV Aid Calculation, his records will be placed on hold. This means the student will not be permitted to register for classes or receive transcripts until the balance is paid. Outstanding balances due to ZSC will be reported to the Ohio Attorney General's Office which may result in the garnishment of wages and/or state tax refunds. There will also be associated late and collection cost expense charges for which the student will be liable.

Enrollment Change Policy

The Student Financial Aid Enrollment Change Policy requires a student to complete all of his **add/drop** changes by the census date of each course. (Contact the Office of Financial Aid for specific dates.) If a student adds or drops classes anytime up to and including the census date, financial aid will be adjusted. If changes are made after this date, financial aid will not be adjusted (***unless it is a total withdrawal***). Students receiving Federal Direct Loans *should* maintain 6 credit hours throughout the semester.

Financial Aid is awarded on the basis of full-time enrollment. If a student plans to enroll less than full-time, he should expect his financial aid awards to be reduced or cancelled. The amount of aid a student is eligible for has no relationship to institutional charges or other incurred costs of attendance.

A student's institutional bill will reflect adjustments to financial aid as a result of any hour changes or withdrawals. If an hour drop occurs during the institutional refund period, there will be an adjustment in fees. A balance is due to ZSC when the adjusted fees exceed the adjusted financial aid. Owing a balance could result in a drop for nonpayment of tuition. Otherwise, a hold will result until the balance due to ZSC is paid. A student owing a balance from a prior or current semester will not be able to register for future terms.

At the time of packaging, aid will be awarded at full time unless the student is packaged after the census date when the award must be based upon actual enrollment and attendance in class(es). For a prior semester, the aid must be based upon the number of hours completed and attended.

Important Notes regarding withdrawing and reduction of hours

- Non-attendance in classes is considered a reduction of hours and aid will be adjusted. Students not attending courses for which they registered must formally withdraw on My Z-Online or at One Stop in College Hall, or the Student Services Center in Cambridge. Aid will be adjusted if a student is not attending classes which may create a balance due on his institutional bill.
- Students who received financial aid over and above the cost of tuition and fees (i.e. received a refund) and withdraw from classes may be required to return all or part of the refund.
- Since there are consequences, it is recommended that every student see a Financial Aid Advisor BEFORE withdrawing or dropping hours.
- In addition to the above mentioned financial consequences, dropping, not attending and withdrawing from classes will affect a student's Satisfactory Academic Progress as monitored by the Office of Financial Aid in accordance with Federal Regulations. Failure to meet Satisfactory Academic Progress can result in the cancellation of Federal, State and Institutional aid. Please refer to the [SAP policy](#).

What if a class is cancelled?

A 100% tuition refund of fees is given if a class is cancelled. Because of this, financial aid eligibility will be reduced accordingly. To prevent a reduction in financial aid, it is the student's responsibility to add classes that will bring him/her up to the required minimum hours by the "Census Date" and the additional classes must be part of the program or plan of study.