



OFFICE OF FINANCIAL AID AND VETERANS AFFAIRS

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Creating Opportunities. Changing Lives.

Return to Title IV Policy and Procedures

If any student completely withdraws from Randolph Community College, he or she must return unearned student aid. Unearned aid is the amount of disbursed Title IV aid that exceeds the amount of Title IV aid earned. During the first 60% of the semester, a student earns funds in direct proportion to the length of time he or she remains enrolled. The period of time during which a student is enrolled is the percentage of aid earned by the student. A student who remains enrolled at or beyond the 60% point is deemed to have earned all aid for the term.

The percentage of the period that the student remained enrolled is determined by dividing the number of days the student attended by the number of days in the entire semester. Calendar days are used in the determination of percentages. Breaks of 5 consecutive days or longer are excluded in the calculations. If the amount of Title IV funds disbursed is greater than the amount of Title IV funds earned by the student, a return of Title IV funds is necessary. Both RCC and the student may be responsible for returning a percentage of the unearned aid. Any percentage of unearned aid returned by RCC resulting from a student withdrawal from all courses will be reflected on the student account as a debt owed to RCC. The student must pay all debt owed to the College in order to return in subsequent terms. The College will begin North Carolina Community College System collection procedures immediately.

Students who find that they must withdraw from RCC should do so by officially withdrawing from all courses through the Office of Records, Registration and Admissions. Students who do not complete the official withdrawal process will be unofficially withdrawn by his or her professors and receive a grade that is punitive to the student GPA. The Office of Financial Aid and Veterans Affairs will then determine if the student withdrawal, official or unofficial, results in any unearned aid resulting in an overpayment. Students who owe overpayments to either RCC or the U.S. Department of Education must pay all debts owed. While arrangements may be established that permit a student to continue enrollment in a subsequent term for those debts owed directly to the U.S. Department of Education, outlined below, debts owed to RCC must be paid before a student is able to enroll in subsequent terms. Students who owe RCC should visit the RCC Business Office located in the A/E building on the main campus or call (336) 633-0292.

Students who owe overpayments to the U.S. Department of Education, as a result of a complete withdrawal, will initially retain their eligibility for Title IV funds for a maximum of 45 days from the earlier of the –

- date the school sends the student notice of the overpayment,
- or
- date the school was required to notify the student of the overpayment.

There are two positive actions a student can take to extend his or her eligibility for Title IV funds beyond 45 days.

- a. The student may repay the overpayment in full to the school.
- b. The student may sign a repayment agreement with the Department of Education

If the student takes no positive action during the 45-day period, RCC will report the overpayment to the National Student Loan Database System (NSLDS) and Borrower Services immediately after the 45-day period has elapsed.

Borrower Services is unable to respond to a student initiated request to negotiate a repayment arrangement until a school has referred the student's account for collection. In addition, Borrower Services uses the information about the student in the NSLDS while conversing with a student. In order to ensure a student overpayment has been reported and referred to the Dept. of Education, when the school is communicating with a student about making repayment arrangements with the Dept. of Education, RCC will make it clear that the student should contact the school before contacting the Department of Education. Repayment agreements with the Department of Education will include terms that permit students to repay overpayments while maintaining their eligibility for Title IV funds.

There are exceptions to the recommendation that a school wait the full 45 days before reporting a student overpayment through NSLDS. If during the 45-day period a student indicates that he or she cannot repay his or her debt in full and wishes to negotiate a repayment agreement with the Department of Education, the school will immediately report the overpayment to NSLDS and refer the overpayment to Borrower Services. Likewise, if a student contacts RCC and indicates that he or she cannot pay the overpayment within the 45 days, the school will immediately report the overpayment to NSLDS and refer the overpayment to Borrower Services. So that Borrower Services will have time to receive and record an overpayment before a student contacts Borrower Services, RCC will tell a student to wait ten days before contacting Borrower Services.

After a school has reported and referred a student's overpayment, RCC will provide the student with the phone number and postal address for Borrower Services. A student can contact Borrower Services by calling 800-621-3115 or by writing Borrower Services at the following address:

**U.S. Department of Education
Student Loan Processing Center – Overpayments
P.O. Box 4157
Greenville, Texas 75403**