



REFUND – RETURN OF FUNDS POLICY

REFUND POLICY

Students are charged tuition and fees on a quarterly basis during which they attend classes. Refer to the Catalog Addendum for the most recent published Tuition and Fee Schedule. This refund policy is intended for those students who withdraw from all classes at the college. For those who withdraw (drop) and individual course but remain in other courses, their financial aid may need to be reevaluated to determine a possible refund. If this is the case, see the Financial Aid Department.

Ohio Business College uses the State of Ohio's refund policy. The refund policy is based on credit hour programs. Refunds are to be made within thirty days after the school has determined that a student has withdrawn or been notified of the student's cancellation. The date of determination of withdrawal is defined as the last date of physical attendance and participation in an academic activity at the college.

A student who withdraws or is withdrawn after the commencement of classes is subject to the following refund policy:

- ❖ A student who starts class and withdraws during the first full calendar week of the quarter (DROP/ADD week) shall not be obligated for tuition and fees for that quarter.
- ❖ During the second full calendar week of the quarter shall be obligated for fifty per cent of the tuition and refundable fees for that academic term plus the registration fee.
- ❖ During the third full calendar week of the quarter shall be obligated for seventy-five per cent of the tuition and refundable fees for that academic term plus the registration fee.
- ❖ During the fourth full calendar week of the quarter will not be entitled to a refund of any portion of the tuition or refundable fees.

A student withdrawing from school during the first week of classes may return unmarked textbooks that were purchased from Ohio Business College to the Student Accounts Office to receive a refund credit on their account. For a full refund, books must be returned within the first two weeks of the quarter. Lab and supply fees are charged in addition to the tuition and are refunded on a pro-rated basis.

If a student withdraws from school, the amount of monies disbursed for non-institutional educational expenses will be based on the expenses incurred by the student up to the time of withdrawal, based on established budgets. No overpayment will result after half of the payment period has been completed.

RETURN OF TITLE IV FUNDS POLICY

The Federal Department of Education specifies how Ohio Business College must determine the amount of Federal Student Aid (FSA) assistance a student earns if he/she withdraws from school. The FSA programs available at OBC that are covered by this law are: Federal Pell Grants, Stafford Loans, and PLUS Loans. For state grant aid, the amount earned when a student withdraws is equal to the % of tuition and fees earned according to OBC's

institutional refund policy. When a student withdraws or is terminated, the funds returned to Title IV programs will take place in the following order:

- ❖ Federal Direct Student Loan-Unsubsidized
- ❖ Federal Direct Student Loan-Subsidized
- ❖ Federal Direct Plus Loan
- ❖ Federal Pell Grant
- ❖ Federal Supplemental Education Opportunity Grant
- ❖ Other grants or loan assistance

Because Ohio Business College is a school that is required to take attendance, the law specifies that OBC must routinely monitor attendance records to determine in a timely manner when a student has withdrawn. This determination must be made no later than two weeks (14 calendar days) after the last date of attendance according to the schools attendance records. Even though OBC has a policy that states a student who is absent more than 30% of the scheduled class meetings before dismissal is a consideration, the date of withdrawal determination will never be more than two weeks after the last date of attendance. If a student provides notification of withdrawal earlier than the two weeks after the last date of attendance, and there is no class or activity participation after that notification, the withdrawal determination date will be the date the student provided notification. Although, the last date of attendance is always used to determine refund amounts. All refunds will be calculated and made by 30 days after the withdrawal determination date.

When a student withdraws during a quarter, the amount of FSA program assistance that has been earned up to his/her last date of attendance is determined by a specific formula. If the student received (or his/her parent received on his/her behalf) less assistance than the amount that he/she earned, he/she may be able to receive those additional funds. If he/she received more assistance than he/she earned, the excess funds must be returned by the school and/or he/she.

The amount of assistance that he/she has earned is determined on a pro-rata basis. For example, if he/she completed 30% of the quarter, he/she earned 30% of the assistance he/she was originally scheduled to receive for that quarter. Once he/she has completed 60% or more of the quarter, he/she earned all the assistance that he/she was scheduled to receive for that quarter.

If he/she did not receive all of the funds that he/she earned, he/she may be due a post-withdrawal disbursement. If the post-withdrawal disbursement includes loan funds, he/she may choose to decline the loan funds so that he/she doesn't incur additional debt. Ohio Business College may automatically use all or a portion of his/her post-withdrawal disbursement (including loan funds, if he/she accepts them) for tuition, fees, and book charges. For all other school charges, his/her permission to use the post-withdrawal disbursement is assumed unless he/she tells OBC otherwise. Unless he/she tells OBC otherwise within 14 days, it is also assumed that he/she will want to reduce any outstanding loan debts if he/she has a credit balance on his/her account.

There are some FSA funds that he/she was scheduled to receive that he/she cannot *earn* once he/she withdraws because of other eligibility requirements. For example, if a loan has not been certified or originated prior to his/her withdrawal, he/she will not earn any FFEL or Direct loan funds that he/she would have received had he/she remained enrolled.

Any amount of unearned grant funds that he/she must return is called an *overpayment*. The amount of a grant overpayment that he/she must repay is half of the unearned amount. He/she must make arrangements with the school or the Department of Education to return the unearned grant funds.

The requirements for FSA program funds when he/she withdraws are separate from any refund policy that OBC adheres to. Therefore, he/she may still owe funds to the school to cover unpaid institutional charges. OBC may also charge him/her for any FSA program funds that the school was required to return. If he/she doesn't already know what his/her school's refund policy is, he/she can ask the Admissions Representative for a copy.

Example of student financial aid refund:

Jane is a second year student who begins winter quarter 2013 on January 7, 2013. Her last date of attendance was January 31, 2013 and she completed 25 days of the quarter. Her institutional charges are as follows:

Tuition and fees for 2 classes	\$1,800.00
Books with taxes	<u>\$ 93.68</u>
Total charges	\$1,893.68

Jane's financial aid package includes the following amounts:

Federal Direct Student Subsidized Loan	\$1,486.00
Federal Direct Student Unsubsidized Loan	\$ 0.00
Federal Pell Grant	<u>\$ 925.00</u>
Total student financial aid	\$2,411.00

Percentage of payment period enrollment completed is calendar days completed divided by total number of calendar days in period:

25 completed days / 75 total days = 33.3% earned and 66.7% unearned

Jane's 66.7% adjusted financial aid package according to regulations:

Federal Direct Student Subsidized Loan	\$ 223.00
Federal Pell Grant refund according to regulation	<u>\$ 925.00</u>
Total financial aid after refund	
Adjustments	\$1,148.00

Jane's total 66.7% adjusted school institutional charges are **\$1,893.68**

Jane's total federal financial aid after adjustments is (rounded) **\$1,148.00**

Jane will owe the college this amount because she did not complete 60% of the term **\$ 745.68**