

# ***Withdrawing and/or Failing - The Impact on Financial Aid***

## ***RETURN OF TITLE IV FUNDS (R2T4)***

**FEDERAL REGULATION: The Higher Education Amendments of 1998, Public Law 105-244**

A student earns aid based solely on the length of time he/she attends. Until a student has passed the 60% point in the term, only a portion of the student's disbursed aid has been earned.

\* Basically, if YOU, as a student:

- Withdraw completely (down to ZERO credit hours for a given term), OR
- Fail all courses (receiving ZERO credit hours for a given term), OR
- Any combination of the above two circumstances, then:

Colleges are required to determine how much of the Federal aid you received must be Returned (Repaid) to the Federal Title IV aid programs, according to a defined Federal calculation and process.\*\*

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TWO circumstances can happen as a result of this Federal calculation:

**1. Colleges are required to Return (Repay) a portion of your Title IV aid funds (both grants and loans) originally used to pay your bill at IHCC.**

When this happens, you will then owe Indian Hills for that part of the cost of your tuition, fees, room & board, books, etc., formerly covered (paid for) by the Federal aid the school had to return (send back) to the Department of Education. You will receive a bill/statement if you owe Indian Hills.

**2. In addition, you could be required to Return (Repay) all or a portion of your Federal grants.**

You will be notified if you must return (repay) Federal grant funds. Failure to repay this, or to make satisfactory arrangements for payment, will result in your becoming ineligible for Federal Title IV funds at any school, college or university.

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\*\*Simply stated, the Federal government (the Dept. of Education) wants something for their money. They helped you buy credit hours, an education. They invested in YOU and your future. If you receive NO credit hours for that term's investment, then they want some of it back, pure and simple. If you use someone else's money, they have the right to want something in return for it.

The message: Study hard, stay in school, pass your classes, graduate and enhance your future with a better job and greater income.