

WITHDRAWAL AND RETURN OF FEDERAL TUITION ASSISTANCE (FTA) FUNDS POLICY

I. Policy Section

10.0 Tuition, Fees, Scholarships and Loans

II. Policy Subsection

10.6 Withdrawal and Return of Federal Tuition Assistance (FTA) Funds Policy

III. Policy Statement

Federal Tuition Assistance (FTA) funds are awarded under the assumption that a student will remain in classroom attendance for the entire period (semester) for which funds were awarded. If a FTA recipient withdraws from school after beginning attendance, the amount of FTA earned by the student must be determined. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned to the applicable military branch.

IV. Reason for the Policy

The Department of Defense requires schools to provide student veterans information on their policy regarding return of Federal Tuition Assistance funds.

V. Entities Affected by this Policy

All GRCC student veterans using Federal Tuition Assistance funds or MyCAA funds

VI. Who Should Read this Policy

All GRCC student veterans using Federal Tuition Assistance funds or MyCAA funds

VII. Contacts

Policy Owner: Registrar

VIII. Definitions

FTA – Federal Tuition Assistance for current military service members (Active Duty, National Guard, Reserve)

MyCAA – My Career Advancement Account (spouses of Active Duty military service members)

DoD – Department of Defense

IX. Procedures

A. Conditions

The Department of Defense set forth rules governing the treatment of FTA funds when a student withdraws from an institution. In accordance, Grand Rapids Community College calculates how much FTA a student has earned if that student:

1. completely withdraws, or
2. stops attending before completing the semester, or
3. is enrolled in a Job Training (clock hour) program and receives an unsuccessful grade of W (withdrawal) or U (unsuccessful).

Based on this calculation, students who receive FTA and do not complete their classes during a semester could be responsible to repay a portion of the aid they received. Students who do not begin attendance in classes are not eligible for FTA and must repay all assistance received.

FTA covered under this regulation includes assistance paid for by the MyCAA, Army, the Navy, the Air Force, the Marines, and/or the Coast Guard.

B. Calculations

The amount of FTA a student earns is determined on a prorated basis. The Student Records Office uses the same calculation as the Financial Aid Office regarding R2T4 return of funds. The calculation is based on the following Department of Education formula to determine the percent of unearned aid that has to be returned to the appropriate military branch:

1. For Students in Credit Hour Programs:
 - a. The percentage earned is equal to the number of calendar days completed up to the withdrawal date, divided by the total calendar days in the payment period (less any scheduled breaks that are at least 5 consecutive days long).
 - b. The percent unearned is equal to 100 percent minus the percent earned.
 - c. If more than 60% of the payment period or semester has been completed by the student, no FTA is required to be returned.
2. For Students in Job Training (Clock Hour) Programs:
 - a. For students who withdraw, the percent earned is equal to the number of hours attended divided by the total hours in the enrollment period. If the student completed more than 60% based on the above calculations, no Title IV aid is required to be returned.

C. Withdrawal Date

The withdrawal date used in a return of funds calculation of a student's FTA is the actual date the student officially drops class(es) or the last date of attendance reported by the instructor(s), whichever is earlier. Students may officially drop classes online using the Online Student Center or in person at the GRCC Enrollment Center. If a student unofficially withdraws or stops attending classes without notifying the College, the withdrawal date will be the last date of attendance as officially reported by the instructor(s). Instructors are required to report a last date of attendance for students who have failing grades in their classes.

D. Return of Funds

1. The College and the student are both responsible for returning unearned FTA to the appropriate military branch. The college must return the total amount of unearned aid as determined by the calculations.
2. If the student owes any money to the College resulting from the return of federal funds used to cover tuition and fees, the student will be billed by the Grand Rapids Community College Cashier's Office.
3. A hold will be placed on a student's account if he or she fails to pay any tuition and fee balance owed to the College, as a result of the College returning unearned FTA funds. Students will not be permitted to register for classes (or, in some cases, remain enrolled) or receive transcripts until the balance is paid.

E. Institutional Collection Standards

1. Students with an outstanding balance with GRCC who would like to make a payment arrangement can do so by submitting a Payment Agreement Form, along with the required initial payment, to the Cashier's Office. If the payment agreement is not honored, the account balance will be turned over to a collection agency at an additional cost to the student.

X. Effective Date

June, 2017

XI. Policy History

New - June, 2017
Revised - June, 2021

XII. Next Review/Revision Date

June, 2025