Return of Title IV Refund Policy

Return of Title IV Funds

Withdrawing or stopping attendance may result in financial debt for the student and may also make the student ineligible for future financial aid, including loans. We strongly urge students to consult with an academic advisor and a financial aid counselor to help them with decisions about withdrawing.
Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the assistance is awarded. It is the policy of HGTC to determine the amount of earned and unearned portions of Title IV aid as of the date the student ceases attendance. During the first 60 percent of the enrollment period, a student "earns" Title IV funds in direct proportion to the length of time he or she remains enrolled. A student who remains enrolled beyond the 60 percent point earns all of his or her aid for the period. If earned aid exceeds disbursed aid, additional funds may be disbursed to the student in the form of a late disbursement. Additional disbursements are subject to federal eligibility requirements, including post-withdrawal disbursement rules, and are not solely based on a comparison of earned and disbursed aid.

Repayment of Unearned Aid

The responsibility to repay unearned aid is shared by the institution and the student in proportion to the aid each is assumed to possess. The institution's share is the lesser of the total amount of unearned aid or the institutional charges multiplied by the percentage of aid that was unearned. The student's share is the difference between the total unearned amount and the institution's share.

The institution's share is allocated among the Title IV programs, in an order specified by federal regulation, before the student's share. After the student's share is fully allocated among the Title IV programs, students only owe grant overpayment if the overpayment exceeds 50% of the Title IV grant aid received.
Students are not required to return grant overpayments of $50 or less.

Refunds and repayments will be distributed to the appropriate Title IV, Higher Education Act programs in the following order:

1. Direct Unsubsidized Loan
2. Direct Subsidized Loan
3. Direct PLUS Loan
4. Federal Pell Grant
5. Federal SEOG Grant
6. Other Title IV assistance

Time Frame for Returning Funds

The institution must return its share of unearned Title IV funds no later than 45 days after it determines that the student withdrew. HGTC will complete the Return of Title Iv Funds (R2T4) calculation within 30 days of the date of determination that the student withdrew.

Notification to the student will be sent stating what the institution will be returning and their obligations. Students return their share of unearned aid attributable to a loan under the terms and conditions of the promissory note.

Students have 45 days once notified to resolve any grant overpayment by one of the following two ways:

1.) repay the overpayment in full to the institution or

2.) entering into a satisfactory repayment arrangement in accordance with Federal requirements.

If the overpayment is not resolved within 45 days, a hold will be placed on the student's records at HGTC, and their institutional balances will be turned over to a collection agency. HGTC will also refer Title IV grant overpayments to the U.S. Department of Education, in accordance with Federal regulations, and the student will lose Title IV eligibility until the overpayment is resolved.

Post-withdrawal Disbursements of Aid

A student who earned more aid than was disbursed prior to withdrawal could be due a post-withdrawal disbursement. Disbursements must be made from available grant funds before loans. HGTC may credit grant disbursements toward unpaid institutional charges for the current payment period only. HGTC will contact a withdrawn student prior to making a post-withdrawal disbursement of loan funds and do the following:

Explain the student's obligation to repay the funds

1. Confirm that the loan funds are still required by the student. Students will be encouraged to cancel the loan.
2. Obtain authorization from the student (or parent, for PLUS Loans) before disbursing loan funds
3. HGTC will document the student's (or parent, for PLUS Loans) decision in their file.

Any portion of a post-withdrawal disbursement not credited to the student's account will be offered (in writing or electronically) as a cash disbursement to the student within 30 days of the determination of the withdrawal. The student has 14 calendar days to respond to the Financial Aid Office. HGTC will return the post-withdrawal disbursement to the Department of Education if no response is received from the student or parent (in the case of a Parent Plus Loan), or funds are declined by the student or parent, or response is not received within the 14-day time frame. An eligible student, who withdraws from HGTC prior to completing their file, should check with the Office of Financial Aid to determine if they would qualify for a Post-withdrawal Disbursement once the file is complete.

Determination of Withdrawal Date

HGTC is an institution that requires attendance taking; therefore, the withdrawal date as determined in accordance with federal regulations is the student's last date of academic attendance (LDA) documented in the institution's official attendance records.

HGTC will document the date of determination that the student withdrew no later than 14 days after the student's last date of attendance.

HGTC uses the last date of attendance to calculate the "earned" and "unearned" portions of Title IV aid.

If the last date of attendance cannot be determined from attendance records, HGTC will use the best available documentation of academically related activity to establish the withdrawal date.

For students who receive all grades of F or a combination of F, WF, and W, HGTC will assume the student has unofficially withdrawn and will perform a Return of Title IV Funds calculation based on the last date of attendance documented by the instructor. If no last date of attendance is provided, HGTC may use the midpoint of the payment period.

Withdrawal Exemptions from Return of Title IV (R2T4) Calculations

EARLY IMPLEMENTATION PROVISION Beginning with May 11, 2026, the Summer 2026 semester

In accordance with federal regulations and guidance provided in the March 27, 2026, Electronic Announcement, HGTC elected to implement withdrawal exemptions that allow certain students to

not be considered withdrawn for Title IV purposes, and therefore no Return of Title IV Funds (R2T4) calculation is required.

HGTC may, on a case-by-case basis, apply the **full refund withdrawal exemption** if all of the following conditions are met:

- HGTC treats the student as if the student **never began attendance** in any courses for the payment period;
- All Title IV funds disbursed for the payment period, including any credit balance, are **returned to the U.S. Department of Education**;
- HGTC **fully refunds all institutional charges** for the payment period; and
- Any remaining balance for the payment period is **written off or canceled** by HGTC.

This exemption is optional and will be applied consistently in accordance with institutional policy and documented for each affected student.

HGTC will maintain documentation supporting the application of any withdrawal exemption and will ensure that all applicable federal reporting requirements are met. HGTC will also evaluate all applicable R2T4 withdrawal exemptions under federal regulations, including those related to programs offered in modules, prior to performing an R2T4 calculation.

HGTC Responsibilities

1. Providing each student with HGTC's Return of Title IV Refund policy
2. Identifying students affected by this policy and completing the Return of Title IV Funds calculation owed to the College as a result of a return of funds
3. Returning any unearned Title IV aid that is due to the Title IV programs and, if applicable, notification of the withdrawal date for federal loan funds
4. Notifying student and/or PLUS borrower of eligibility for a Post-Withdrawal Disbursement.

Student Responsibilities

1. Become familiar with the Return of Title IV funds policy and how withdrawing from all his/her courses effects eligibility for current and future Title IV aid
2. Resolving any outstanding balance owed to HGTC resulting from a required return of unearned Title IV aid

The refund requirements for Title IV funds when you withdraw are separate from HGTC's Tuition and Fee Refund Policy. Therefore, you may still owe funds to the school to cover unpaid institutional charges. HGTC will charge you for any Title IV funds that the school was required to return that did not qualify under HGTC's refund policy.

HGTC Tuition and Fee Refund Policy

	Tuition	Fees
Before classes begin	100%	100%
During Add/Drop	100%	100%
Period after Add/Drop equal to the length of Add/Drop*	50%	n/a

*For all semesters including the ones that are shorter than full term the 50% refund period is equal to the same length of the Add/Drop period for that semester.

Example regarding the application of the Return of Title IV Funds policy

(for illustration purposes only)

1. Sally Smith received the following financial aid:

Sub Direct Loan	$ 1,742
UnSub Direct Loan	$ 1,635
Federal Pell Grant	$ 1,388
Federal SEOG	$ 500
Total Aid	**$ 5,265**
Less Tuition, Fees & Books	-$ 1,307
Sally's Refund Check	$ 3,958

Sally's institutional charges are as follows:

Tuition	$ 786
Fees	$ 97
Books	$ 424
Total Institutional Charges	$ 1,307

2. Sally withdrew on the 10th day of an 89 day term, or 11.2%. Federal law states that she received or would have been eligible to receive:

Aid Disbursed (100%)	$ 5,265
Less Aid Earned (11.2%)	-$ 590
Unearned Aid (88.8%)	$ 4,675

3. HGTC and Sally share the responsibility of returning 88.8% of unearned aid to federal programs. According to federal policy, HGTC's intuitional share is determined by multiplying the total charges ($1,307) by the unearned percentage (88.8%); in this case, $1,161. In this example, HGTC will return this amount to Sally's lender (Dept of Education) to reduce her Unsubsidized Federal Direct Loan balance owed. The amount paid by HGTC back to the lender will be added to Sally's account balance due to the College.

4. Sally is then responsible for the remaining balance due to Dept of Education, calculated as:

Unearned Aid	$ 4,675
Less HGTC's Share	-$ 1,161
Sally's Unearned Share (Repay)	$ 3,514

5. The initial amount of unearned aid due from student is $3,514 but Sally's portion for loans and grants is calculated as:

Loan Repayment

Total Loans Disbursed	$ 3,377
Less HGTC's Share	-$ 1,161
Sally's Loan Share to Return	**$ 2,216**

Grant Repayment

Sally's Unearned Share	$ 3,514
Less Sally's Loan Repayment	-$ 2,216
Initial Grant Repayment	$ 1,298
Total Grants Disbursed	$ 1,888
50% Protection Allowance	x .50
Amount Protected	$ 944
Initial Grant Repayment	$ 1,298
Protected Grant Amount	-$ 944
Sally's Grant Share to Return	**$ 354**

Sally's repayment obligation for grant funds is calculated by taking her total unearned share, subtracting her share to return for loans ($3,514 - $2,216 = $1,298) then multiplying total grants received by half which is the grant protection allowance ($1,888 x .50 = $944). Since the grant obligation is larger than the protected amount Sally owes a Pell repayment of the difference ($354).

6. Repayment allocation back to federal programs for Sally's student portion (3,514) is as follows:

Unsubsidized Federal Direct Loan	$ 1,635
Subsidized Federal Direct Loan	$ 581
Federal Pell Grant (after protection allowance)	$ 354
	$ 2,570

(HGTC's Share = $1,161, Sally's Share = $2,570)

Federal policy allows Sally to repay the loan portion of the Return to Title IV funds in accordance with the terms of the Master Promissory Note that she signed.

Sally will have to make arrangements to pay the $354 grant portion. In addition, Sally received a 50% refund according to HGTC institutional refund policy of $393. This amount will be applied to the $1,161 the school was obligated to return thus leaving a balance owing to HGTC of $768.

Payment Arrangements and Payments

Students will receive notification from the Student Accounts Office detailing what the student owes. Students have 45 days to make payment arrangements or pay in full. Failure to resolve a Title IV grant overpayment will result in HGTC referring the overpayment to the U.S Department of Education. Once satisfactory repayment arrangements have been made with the HGTC Student Accounts Office or the U.S. Department of Education, students are eligible to enroll in future semesters and receive additional federal funding and/or State funding (over payments affect eligibility for all state aid).

However, students may not register for HGTC classes until the Student Accounts Office debt has been paid in full or enrolled and actively paying in a prior balance payment plan. If a student wishes to make payment arrangements with the Student Accounts, he/she should contact the Student Accounts Office. If a student is late on any payment, HGTC reserves the right to refer institutional debt to a collection agency. Only Title IV grant over overpayments, not institutional debts, are referred to the U.S. Department of Education for Collection.

Payment arrangements and payments should be made with HGTC's Student Account Office below:

Horry-Georgetown Technical College
Student Accounts Office
PO Box 261966
Conway, SC 29568
(843) 349-5310