Return of Title IV Financial Aid Procedures

Withdrawing while on Financial Aid

A student who is withdrawing and has received financial aid assistance for the current semester should visit the financial aid office to see if the amount of aid received is more than the actual assistance that he or she has earned. All students must complete the Notice of Withdrawal form in the Admissions/Registrar’s Office. For more information contact the financial aid office at (361) 354-2238 or toll free (866) 722-2838 Ext. 2238.

According to federal regulation (HEA, Section 484B34CFR668.22), when a student withdraws during a payment period the amount of financial aid assistance earned up to that point is determined by a specific federal formula. Students receiving less assistance than the amount earned will be able to receive those additional funds. Students receiving more assistance than the amount actually earned must pay back the excess funds.

The percentage of the refund is equal to the number of days attended divided by the number of days in the semester. For example, the students who complete 30 percent of the payment period earn 30 percent of the assistance they were originally scheduled to receive. Students who complete more than 60 percent of the payment period have earned all of their assistance.

Coastal Bend College must return a portion of the excess funds equal to the lesser of:

- Student institutional charges multiplied by the unearned percentage of student funds; or
- The entire amount of the excess funds

If CBC is not required to return all of the excess funds, the student must return the remaining amount. Coastal Bend College will return the unearned aid for which the school is responsible by repaying funds to the following sources in order, up to the total net amount disbursed from each source:

- William D. Ford Federal Direct Unsubsidized Loan
- William D. Ford Federal Direct Subsidized Loan
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)

Students who receive more financial aid than they have earned must return the excess funds. Students are allowed 45 days to return the excess funds in full or make arrangements with Coastal Bend College or the Departments of Education to return the funds. Any unearned amount is considered a grant overpayment. A student having an overpayment is no longer eligible for federal financial aid at CBC or any other institution. A hold will be placed on the student’s account preventing them from ordering transcripts and registering until the federal funds are repaid in full.