

## **CANCELLATION/REFUND POLICY**

### **Texas Workforce Commission, Career Schools and Colleges (TWC) and Institutional Refund Policy**

**CANCELLATION POLICY:** A full refund will be made to any student who cancels the enrollment contract within 72 hours (until midnight of the third day excluding Saturdays, Sundays and legal holidays) after the enrollment contract is signed and a tour of the facilities and inspection of the equipment is made by the prospective student or within the student's first three scheduled class days (does not apply to Seminars).

1. Refund computations will be based on scheduled course time of class attendance through the last date of attendance. Leaves of absence, suspensions, and College holidays will not be counted as part of the scheduled class attendance.
2. The effective date of termination for refund purposes will be the earliest of the following:
  - a) The last day of attendance, if the student is terminated by the College
  - b) The date of receipt of written notice from the student
  - c) Eight school days following the last date of attendance
3. If tuition and fees are collected in advance of entrance, and if after expiration of the 72 hour cancellation privilege the student does not enter College, not more than \$100 in nonrefundable administrative fees shall be retained by the College for the entire residence program or synchronous distance education course.
4. If a student enters a residence or synchronous distance education program and withdraws or is otherwise terminated, the College may retain not more than \$100 in nonrefundable administrative fees for the entire program. The minimum refund of the remaining tuition and fees will be the pro rata portion of tuition, fees, and other charges that the number of hours remaining in the portion of the course or program for which the student has been charged after the effective date of termination bears to the total number of hours in the portion of the course or program for which the student has been charged, except that a student may not collect a refund if the student has completed 75 percent or more of the total number of hours in the portion of the program for which the student has been charged on the effective date of termination.
5. Refunds for items of extra expense to the student, such as books, tools, or other supplies should be handled separately from refund of tuition and other academic fees. The student will not be required to purchase instructional supplies, books and tools until such time as these materials are required. Once these materials are purchased, no refund will be made. For full refunds, the school can withhold costs for these types of items from the refund as long as they were necessary for the portion of the program attended and separately stated in the enrollment agreement. Any such items not required for the portion of the program attended must be included in the refund.
6. A full refund of all tuition and fees is due and refundable in each of the following cases:
  - a) An enrollee is not accepted by the College
  - b) If the course of instruction is discontinued by the College and this prevents the student from completing the course
  - c) If the student's enrollment was procured as a result of any misrepresentation in advertising, promotional materials of the College, or representations by the owner or representatives of the College

*A full or partial refund may also be due in other circumstances of program deficiencies or violations of requirements for career schools and colleges.*

#### **Refund Policy for Students Called To Active Military Service**

A student of the College who withdraws from the College as a result of the student being called to active duty in a military service of the United States or the Texas National Guard may elect one of the following options for each program in which the student is enrolled:

1. If tuition and fees are collected in advance of the withdrawal, a pro rata refund of any tuition, fees, or other charges paid by the student for the program and a cancellation of any unpaid tuition, fees, or other charges owed by the student for the portion of the program the student does not complete following withdrawal.

2. A grade of incomplete with the designation "withdrawn-military" for the courses in the program, other than courses for which the student has previously received a grade on the student's transcript, and the right to re-enroll in the program, or a substantially equivalent program if that program is no longer available, not later than the first anniversary of the date the student is discharged from active military duty without payment of additional tuition, fees, or other charges for the program other than any previously unpaid balance of the original tuition, fees, and charges for books for the program

3. The assignment of an appropriate final grade or credit for the courses in the program, but only if the instructor or instructors of the program determine that the student has:

- a) Satisfactorily completed at least 90 percent of the required coursework for the program
- b) Demonstrated sufficient mastery of the program material to receive credit for completing the program

4. The payment of refunds will be totally completed such that the refund instrument has been negotiated or credited into the proper account(s) within 60 days after the effective date of termination

### **Date of Termination**

The effective date of termination will be:

- The day following maximum 10 days
- The date the student fails to return from a military leave of absence
- The date the student notifies the school of withdrawal
- The last day of attendance if the student is terminated from the school for any other purposes

*If tuition is collected in advance of entrance and if after expiration of the 72-hours cancellation privilege the student does not begin class, not more than \$100 shall be retained by the school.*

The student will be issued instructional supplies, books or materials at the time these materials are required by the program. However, if a student does not qualify for any tuition assistance, enrolls in individual courses and/or withdraws from the institution before payment has been made books will be billed accordingly to the student. Once these materials have been issued "used" no refund will be granted.

A refund of tuition and fees is due and refundable in each of the following cases:

- An applicant is not accepted for enrollment
- The student's enrollment was procured as a result of any misrepresentation in advertising, promotional materials of the school, or misrepresentations by the owner or representative of the school
- A program is discontinued

Refunds will be totally consummated within 45 days after the effective date of termination for students who withdraw or who are terminated by the school. Upon request by a student or any state or federal department the institution shall provide an accounting for such amounts retained within five workdays. Refunds for graduates and completed students will be consummated within 60 days.

*Note: The school shall provide a full refund if educational service is discontinued by the school preventing a student from completing the program.*

### **RETURN OF TITLE IV FUNDS - DEPARTMENT OF EDUCATION/VISTA COLLEGE**

The Return of Title IV Funds regulations do not dictate an institutional refund policy. Instead, a school is required to determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student spent in attendance or, in the case of a clock-hour program, was scheduled to be in attendance. Up through the 60% point in each payment period or period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the payment period or period of enrollment, a student has earned 100% of the Title IV funds he or she was scheduled to receive during the period.

For a student who withdraws after the 60% point-in-time, there are no unearned funds. However, a school must still determine whether the student is eligible for a post-withdrawal disbursement (PWD) using the Return of Title IV calculation.

Since Return of Title IV Funds regulations do not prohibit a school from developing its own refund policy, Vista College must comply with refund policies required by state or other outside agencies. Vista College uses the Texas Workforce Commission, Career Schools and Colleges (TWC) refund policy as it is most advantageous to students. These policies will not affect the amount of Title IV Aid the student has earned under the Return calculation even though the institution, state or other agency refund policy will determine the charges a student may owe after withdrawing.

Definitions:

R2T4 – Return of Title IV Funds - Calculation that is required when student either withdraws, drops or does not fully complete their program and is eligible for Federal Title IV Funds to assist in funding their education.

Title IV Funds – T4

Federal Pell Grant

Federal Supplemental Educational Opportunity Grant (FSEOG)

Federal Direct subsidized/Unsubsidized Loan

Federal Plus Loan

Iraq and Afghanistan Service Grants

BOM – Business Office Manager

COS – Change of Status

NOT – Notice of Termination

Withdrawal “*student initiated*”- Officially enrolled students who decide to cease attending any or all courses.

Dismissal “*school initiated*”- Student who has been dismissed from the institution for either failing to meet Satisfactory Academic Progress or Attendance requirements.

Official or Unofficial – A Withdrawal is always Official. A Dismissal is Official if you are dismissing the student for any reason other than 8 days out. Dismissals for 8 days out are always unofficial.

DOD – The Date of Determination for a Withdrawal/Drop should always be the day the student made the campus aware of their intent to withdraw or the date the school determined the student was no longer in attendance.

LDA – The student’s last day of attendance

NSLDS WDRWL Date – The students last day of attendance

DJA – Deborah Johns and Associates – Third-party servicer Education Futures Group/Vista College contracts with to assist in our financial aid processing

PWD – Post-withdrawal disbursement

### **FINANCIAL AID R2T4 PROCESS – VISTA COLLEGE**

The Registrar, upon notification that a student is requesting to be withdrawn from the school and their program or has determined that a student must be withdrawn, must complete a *Change of Status Form* and *Notice of Termination*.

This form will be forwarded to the Financial Aid Office once the student has concluded their meeting with the Registrar or School Director. At this time, the Registrar will send over the withdrawal paperwork to the Financial Aid Office.

The Financial Aid Representative will conduct the exit loan interview with the student. The Financial Aid Representative will direct the student to complete the *Rights and Responsibilities Summary Checklist – Exit*

*Counseling* and the *Student Contact Information* forms. The student will be notified during the exit interview that they will be contacted within 1 to 2 weeks by the Business Office Manager with the exact amount they may owe the institution as a result of the Return of Title IV Calculations and with the amount of any returns made by the R2T4 calculation. In the case of an unofficial withdrawal – the student will be notified by e-mail to complete the exit counseling and complete the Student Contact information forms when they are notified of their withdrawal calculations and amounts owed or returned.

The financial aid specialist will process the R2T4 paperwork and calculations in the CampusVue management system. They will then forward R2T4 form to DJA. DJA will in turn review and complete R2T4 calculations and return it back to the corporate office within 3 to 7 days of receiving from the institution. Once received back from DJA, The financial aid specialist will review to ensure that the DJA paperwork and the CampusVue calculations agree and will process any Returns necessary according to the calculations. Corporate Accounting will monitor the fiduciary bank account activity to ensure that returns are cleared timely and accurately. They will post the R2T4 return to the students account in CampusVue. Once the withdrawal calculation has been performed, funds will be returned electronically to the appropriate Title IV program indicated below in #10 within 45 of the date of determination. As noted above, students will be notified by mail of their withdrawal calculation and any returns or balances to the institution.

The R2T4 calculation will be performed in accordance with the regulations and requirements of the Department of Education as follows:

Return to Title IV Formula: To determine the amount of earned and unearned Title IV Financial Aid the following operations must be performed.

- 1) Determine Amounts Disbursed and Amounts that Could Have Been Disbursed for each applicable Title IV Aid Fund.
- 2) Determine percentage of Title IV Aid Earned
- 3) Determine amount of Title IV Aid Earned by the student
- 4) Determine the Amount of Title IV Aid to be Disbursed or Returned
- 5) Determine the institutional charges for the payment period or period of enrollment
- 6) Amount of Unearned Title IV Aid Due from the School
- 7) Initial Amount of Unearned Title IV Aid Due from the Student
- 8) Determine if a post withdrawal disbursement is due the student
- 9) The school must return the lesser of:
  - The amount of Title IV funds that the student does not earn - or -
  - The amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of funds that was not earned.
- 10) Return of Funds by the School for the payment period which they are earned and disbursed are returned in the following order:
  - Direct Unsubsidized Loans
  - Subsidized Loans
  - Federal PLUS Loans
  - Federal Pell Grant
  - Federal SEOG (Supplemental Educational Opportunity Grant)
  - Iraq and Afghanistan Service Grants
- 11) Initial Amount of Unearned Title IV Aid Due from the Student. The student is responsible for all **unearned** Title IV program assistance that the school is not required to return. The initial amount of unearned federal student aid due from the student (or parent, for Direct PLUS Loan funds) is determined by subtracting the amount returned by the school from the total amount of unearned Title IV funds to be returned. This is called the initial amount due from the student because a student does not have to return the full amount of any grant repayment due. Therefore, the student may not have to return the full initial amount due.

Repayment of the Student's Loans: The student loans that remain outstanding consist of the loans disbursed to the student minus any loans the school repaid. These outstanding loans are repaid by the student according to the terms of the student's promissory notes.

Grant Funds to be Returned: The regulations limit the amount a student must repay to the amount by which the original overpayment amount exceeds 50% of the total grant funds **disbursed or could have been disbursed** by the student for the payment period or period of enrollment. The initial amount of unearned Title IV grant aid due from the student is found by subtracting the loans to be repaid by the student from the initial amount of unearned aid due from the student. The amount of grant overpayment due from a student is limited to the amount by which the original grant overpayment exceeds half of the total Title IV grant funds disbursed and could have been disbursed to the student.

Return of Grant Funds by the Student: The student is obligated to return any Title IV overpayment in the same order that is required for schools.

Grant overpayments may be resolved through full and immediate repayment to the institution, repayment arrangements satisfactory to the school, or overpayment collection procedures negotiated with Debt Resolution Services.

The above determinations are calculated using the approved R2T4 Department of Education worksheet and in accordance with regulations.

#### **Post-Withdrawal Disbursements**

If the student receives less federal student aid than the amount earned, the school must offer a disbursement of the earned aid that was not received. This is called a post-withdrawal disbursement. If the student receives more Title IV Aid than the amount earned, the school, the student, or both must return the unearned funds in a specified order. Post-withdrawal disbursements must be made from available grants before loans. Post-withdrawal disbursement of loan funds must be offered within 30 days of the date the school determined the student withdrew. Post-withdrawal disbursement of grant funds must be disbursed within 45 days of the date the school determined the student withdrew. The school may credit post-withdrawal disbursements toward unpaid institutional charges and disburse any loan funds a student accepts within 180 days of the date the school determined the student withdrew. Any portion of a post-withdrawal disbursement not credited to the student's account must be offered as a disbursement to the student (or parent in the case of a PLUS loan). All post-withdrawal disbursements must be made from eligible disbursements in accordance with regulations and verification requirements.

***Reference: 2015/2016 Student Financial Aid Handbook Volume 5 Withdrawals and the Return of Title IV***