

WITHDRAWAL AND RETURN OF TITLE IV POLICY

Approved by Administrative Council 7/01/17

Effective date 7/01/17

Federal Student Aid funds are awarded on the assumption that a student will attend school for the entire period for which the assistance is awarded. Any student receiving Title IV funds (Pell Grant, SEOG, or Direct Loans) who withdraws from the program must have a return of Title IV funds (R2T4) calculation performed. The R2T4 calculation will determine the amount of Title IV funds earned by the student during the payment period.

Title IV funds disbursed in excess of the earned amount must be returned by the University or student to the federal government. This situation could result in the student owing aid funds to the University, the government, or both.

To determine the amount of aid the student has earned up to the time of withdrawal, the financial aid staff will divide the number of calendar days from the beginning of the payment period to the withdrawal date, by the total number of calendar days in the payment period (less any scheduled breaks of five days or more).

If the resulting percentage is less than 60.0%, the resulting percentage is then multiplied by the total federal funds which were disbursed during the payment period. That amount is the amount of earned funds (e.g., if the percentage is 45%, the student will have earned 45% of the aid disbursed). If the resulting percentage is equal to or greater than 60.0%, financial aid earned is 100% and no refund of federal funds is requirement from the University or the student.

Any unearned funds must be refunded to the appropriate program. Unearned funds will be returned in the following order:

1. Direct Unsubsidized Loan
2. Direct Subsidized Loan
3. Direct PLUS/Grad PLUS Loan
4. Federal Pell Grant
5. Federal SEOG

If a student has earned more Title IV funds than have been disbursed, the University must offer, as a post-withdrawal disbursement, the amount

intent to withdraw;

