

# The University of Findlay Office of Financial Aid Return of Title-IV Policy

## **Background**

The U.S. Department of Education requires that institutions provide financial aid to eligible applicants for periods of enrollment. When a student receives federal financial aid for an enrollment period, it is expected that the student would complete the entire period of enrollment. When a student does not complete an entire period of enrollment, regardless of reason, in which they were enrolled and received federal aid, the Department of Education requires the institution perform a return calculation. This process is called 'Return of Title-IV funds'.

**Federal Student Aid Handbook, Volume 5**  
**Chapter 1, Withdrawals and Return of Title IV Funds**  
**34 CFR 668.22 (a), (b), (c), (d)**  
**34 CFR 668.22 (e), (f), (g), (h), (i), (j), (k), (l)**  
**34 CFR 668.164**  
**34 CFR 668.167**  
**34 CFR 668.21**

## **Definitions**

*Academically-related activity* – Activity which can include submitting an academic assignment, taking an exam, participating in an interactive tutorial or computer-assisted instruction, study group assigned by the institution, online discussion about academic matters, and initiating contact with faculty about academic content. Questions to the institution about non-academic matters, e.g. housing, meal plans, accessing online courses without accessing content, are not considered academically-related activities.

*Aid Disbursed* – Aid that is disbursed as of the date the student withdrew as long as the disbursement was not an inadvertent overpayment.

*Aid that Could Have Been Disbursed* – Aid that was disbursed prior to the student's withdraw that In general, any undisbursed aid for the payment period being evaluated is considered 'aid that could have been disbursed' if the requirements for a late disbursement were met prior to the withdraw date. Late disbursement regulations require:

- An ISIR with a valid EFC for all federal aid types,
- That all grant awards were made prior to a student's withdrawal,
- That federal loans were originated prior to withdraw and a master promissory note was completed prior to the return calculation.

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*Date of the institution's determination of withdrawal* – The University of Findlay can become aware of a student's intent to withdraw a variety of ways based on the method of withdraw.

- Undergraduate, on-campus students withdraw through the Oiler Success Center. The date the workflow document is created is the notification date.
- Undergraduate and graduate online students withdraw through Heather Riffle. The date the workflow document is created is the notification date.
- Students that are allowed to withdraw themselves or are manually withdrawn contact the Registrar's Office. The date of notifying the Registrar's Office is used.
- For students that are considered unofficial withdraws the date of determination is based on the last day of an academically-related activity as determined by the faculty members.

*Date of withdrawal* - For students who notify the University of their Intent to withdraw or take a leave of absence, the official date of withdrawal or leave of absence is the earliest of:

- Date the student began the withdrawal or leave of absence process;
- Date the student provides official notification of intent to withdraw;
- Last day of an academically-related activity determined by faculty.

*Withdrawal Type* – There are two types of withdraws for return of title-IV funds purposes. Students can be either an official withdraw or an unofficial withdrawal.

- Official Withdraw– Students that provide notification of intent to withdraw or begin the withdraw process with appropriate office prior to term end.
- Unofficial Withdraw – Students that withdraw without providing notification to the University of Findlay, the institution determines the withdrawal date using the defined criteria. This category of withdrawals includes students that drop out and students that do not earn a passing grade.

*Inadvertent overpayment* – A disbursement made to a student after the student ceased attendance but prior to the date of the institution's determination that the student withdrew (FSA HB page 5-41, June 2017) is included as 'aid that could have been disbursed' for return of title IV funds.

*Institutional Charges* – Charges that were originally assessed and any revisions to those charges as a result of enrollment changes that occurred prior to the date of the student's withdraw.

*Modules* – This term is used when a student attends courses offered in sessions that are contained within a semester such as blocks I and blocks II for degree completion and certain graduate programs.

*Percentage of aid earned* – The amount of title IV aid earned by the student is determined by the percentage of the payment period completed. This is calculated by dividing the number of calendar days completed in the payment period or period of enrollment, as of the day the student withdrew, by the total number of calendar days in the same period less any scheduled breaks.

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*Payment Period* – The payment period is defined as an academic term. The University of Findlay currently offers fall, spring, and summer terms for standard programs and then offers a fall, winter, spring, and summer term

*Post-Withdrawal Disbursement* - Students may be eligible for disbursement of Title-IV funds if at the time of withdraw they had meet after they

*Scheduled Breaks* – All breaks of five consecutive days must be removed from the total number of days in the payment period. The total number of calendar days from the last day before break and the day before classes resume are considered part of the break.

*Title-IV recipient* – A student who was registered and commenced attendance in a payment period in which they did or were entitled to receive Title IV funds.

*Withdraw date* – This is the date the student is determined to have stopped attendance. The University of Findlay is not required to take attendance and will utilize the earlier date of the following:

- The date the institution becomes aware, or
- The student's last date of an academically related activity.

#### **Process Overview**

Circumstances arise that may cause students to withdraw from The University of Findlay. This policy and procedural statement pertains to those students that receive federal student aid and are not able to complete a period of enrollment for which federal student aid was provided.

The University of Findlay has three means for a student to withdraw. Undergraduate students taking classes on-campus who intend to withdraw are required to meet with the Director of the Oiler Success Center to initiate the withdraw process. Undergraduate and graduate students taking classes online who intend to withdraw are required to contact the Director of Graduate Operations and Coordinator of Online Delivery. Any programs that allow students with withdraw themselves and those students that do not earn a passing grade in any class for the given term are processed by the Registrar's Office. The Office of Financial Aid receives documentation in all of the above processes.

All documentation submitted to the Office of Financial Aid will contain the date the student initiated the withdraw process and the last date of an academically-related activity for any course in the given term. The academically-related activity for all courses are obtained directly from faculty members.

The Registrar's Office is responsible for tracking and communicating enrollment and withdraw information to the National Clearinghouse which is then communicated to all relevant federal and private loan agencies.

The Office of Financial Aid is responsible for performing all return of Title IV calculations within 30 days of being notified that a student intends to withdraw and returning funds to the appropriate Title IV

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program within 45 days of the student's notification. The University of Findlay utilizes Common Origination & Disbursement (COD) website for determining whether a return is required. As a result of this calculation:

- The Office of Financial Aid is responsible for notifying students subject to a return of Title IV funds of the amount to be returned, reporting any student overpayments to NSLDS, and overseeing the post-withdrawal disbursements (refer to 'Post-).
- The Business Office is responsible for placing a 'hold' on the student account when the return of Title IV aid results in a balance owed to the University of Findlay and working with families to resolve these balances. Acceptable payments include check and cash paid directly to the Business Office, by electronic check or credit card via their Workday portal. If it is determined that the student

In general, officially withdrawn students who have attended less than 60% of the period of enrollment aid, in general, will be pro-rated based on the number of days in attendance. This proration is determined by subtracting the amount of aid returned by the school from the total amount of unearned Title IV funds to be returned by the student. The student is responsible for repaying any outstanding loans, as per their promissory note agreement, less any loan funds returned by the school as determined per the R2T4 calculation. Federal regulations limit the amount a student must repay of Federal grants, to the amount by which the original overpayment amount exceeds 50% of the total grant funds disbursed to or that could have been disbursed to the student for the payment period or period of enrollment.

Students who officially withdraw after the 60% point in the payment period have earned 100% of the Title IV funds he or she was scheduled to receive. Unofficially withdrawn students will be evaluated on a case-by-case basis at the end of the term.

#### **General Withdrawal Policies**

The Office of Financial Aid is required to complete an R2T4 calculation under certain circumstances. Students that satisfy the following conditions will be reviewed to determine if aid must be returned:

- Any student that withdraws from all courses prior to term end,
- Any student that received a failing and/or unsatisfactory grade for all courses during a period of enrollment in which federal aid was disbursed,
- Any student in a program offered in modules who drops all courses in the current module and who is not registered for a future module,
- Any student in a program offered in modules who drops all courses in the current module and who is registered for a future module which starts more than 45 days registered for a future module and does not provide written notification of intent to continue enrollment,
- Any student that receives a failing and/or unsatisfactory grade for all courses taken during a module in which federal aid was disbursed.

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The Office of Financial Aid is not required to complete an R2T4 calculation under the following circumstances:

- Any student that fails to commence attendance in any class in a given enrollment period in which aid was awarded,
- Any student that earns at least one passing grade during the period of enrollment,
- Any student who completes all the requirements for graduation from their program before completing the days in the period that they were scheduled to complete,
- Any student in a program offered in modules who is currently taking classes drops all courses in a future module that has not yet started,
- Any student in a program offered in modules successfully completes one module that includes 49 percent or more of the number of days in the payment period, excluding scheduled breaks of five or more consecutive days and all days between modules,
- Any student in a program offered in modules successfully completes coursework equal to or greater than half-time for the payment period,
- Any student in a program offered in modules who drops all courses in the current module and who is registered for a future module which starts no later than 45 days after the end of the module the student ceased attending provides written notification of intent to continue enrollment.

#### **Module Policies**

If a student who is registered in a program offered in modules is considered to have withdrawn, all the modules for which that student was registered will be included in the total number of days in the payment period. Total of calendar days completed will be based on the student's last date of an academically related activity; an R2T4 freeze date is not used.

Institutional charges, aid that was disbursed, and aid that could have been disbursed are determined based on the date the institution was notified. Changes to charges and aid would be incorporated into the calculation before the date of determination that a student withdrew. Changes to charges that occur after the date of determination the student withdrew based on institutional policy are not considered for return of aid calculations.

Students that successfully complete block I and drop block II prior to the start date are not considered withdrawn. Students in this case will have, however, be subject to a cost of attendance recalculation based on actual enrollment. Tuition and fees will be adjusted to actual charges. Room and Board will not be extended to those in less-than-half-time status. All aid will be adjusted to say within a students updated cost of attendance.

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#### **Leave of Absence/Withdrawal Process**

A student may leave the University of Findlay by either taking a leave of absence (leaving the university temporarily with the firm and stated intention of returning) or by withdrawing from the university (leaving the university with no intention of returning). Students choosing to take a leave of absence should first contact their academic advisor to discuss their plans while on leave and to work out any conditions that may be necessary for a smooth return to the University of Findlay. A student deciding to leave the university should take the following steps:

- Visit the Oiler Success Center, located in Old Main, Room 117
- Complete the Leave of Absence or Withdrawal Form

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

A step in the return of Title IV funds process is to calculate how much aid a student has earned. In some cases it may be determined, by the Department of Education, that a student has earned more aid than was disbursed to them prior to withdrawing from the period of enrollment. If the student has taken all necessary steps required by the Department of Education to receive a late disbursement, the student may be eligible for a 'post-withdrawal' disbursement offered within 30 days of the date of the school's determination that the student has withdrawn.

In the case where the Office of Financial Aid is required to offer a post-withdrawal, the following steps will be taken:

- A Department of Education 'Post-Withdrawal Tracking Sheet' will be used to track post-withdrawal disbursements. This will be done for any term a student is eligible for a post-withdrawal disbursement.
- Post-withdrawal grant funds will automatically applied to a student's account to cover any current outstanding charges from tuition, fees, or room and board. Any additional grant funds will be disbursed to the student within 45 days of the school's determination.
- Post-withdrawal loan funds will not be automatically applied to a student's account regardless of any existing balance. The Office of Financial Aid will notify a student of their eligibility and the student must actively confirm the use of those loan funds.
- If accepted by the student, the PWD of the loan funds will occur no later than 180 days.

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The Office of Financial Aid will provide a letter of notification when a student is eligible to receive a post-withdrawal disbursement of loan funds. This letter will include:

- The types and amounts of loan funds the student is eligible to receive,
- A disclosure that students and/or parents can accept none, part, or all of the loan funds described in the notification letter,
- A statement reminding borrowers that any disbursed loan funds come with the obligation to be repaid,
- That any funds a student or parent accepts as a disbursement may be used to satisfy a current balance at The University of Findlay and may not necessarily be directly disbursed to the borrower, and
- A specific 14-day timeline in which a student and/or parent can actively accept a post-withdrawal of loan funds.

Although a student that is eligible for a post-withdrawal disbursement of loan funds is given a 14-day period to actively accept these funds, the Office of Financial Aid reserves the right to honor late responses up to 14-days after the term ends for the term in which the student was eligible for this disbursement.

## **Treatment of Credit Balances**

Any credit balance, as determined by the R2T4 calculation, will be paid directly to the student or parent as soon as possible, but no later than fourteen days after the calculation of the R2T4.

## **Returning Unearned Funds and Overpayments**

The Office of Financial Aid will return all unearned funds and overpayments to the Department of Education. Any unearned funds will be returned in the following order:

- Unsubsidized Federal Direct loans
- Subsidized Federal Direct loans
- Federal Direct PLUS received on behalf of the student
- Federal Pell grant
- Iraq and Afghanistan Service Grants
- FSEOG Program aid
- TEACH Grants

Any overpayment will be considered a receivable, and UF's responsibility to collect from the student. UF will not assign/report any overpayment to the U.S. Department of Ed.