

RETURN OF TITLE IV POLICY

Defiance College

Federal Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which assistance is awarded. Students receiving financial aid who withdraw or stop attending may be required to return a portion of financial aid received. Once notified of a total withdrawal, the institution is required to apply a federally mandated formula to determine how much of the federal funding was “earned” by the student up to the time of withdrawal. This review and recalculation is called a “Return of Title IV Aid Calculation.”

Student financial aid and dropping or withdrawing from classes

Dropping classes or withdrawing may result in a reassessment of your university charges and/or a recalculation of your financial aid for the term. The exact consequences to you depend on a number of factors, including the type and amount of aid you have and the official date on which you drop classes or withdraw.

The consequences for each of these academic actions are different and are addressed in this policy.

Official Withdrawals

A student may request withdrawal from Defiance College by contacting the Registrar’s Office. A withdrawal allows the student the opportunity to re-enroll at Defiance College at a later date. The withdrawal date is the date of notification to the Registrar’s Office. Students who receive financial aid and choose to withdraw from the College must follow the federal refund policy according to the federal regulations. The adjustments in charges for a student withdrawal may result in an outstanding balance on the student’s account that will be due and payable at the time of withdrawal. Failure to follow the withdrawal policy forfeits the student’s right to an honorable dismissal or to any refund of tuition and fees paid.

Unofficial Withdrawals

In the case of an unofficial withdrawal or an unapproved leave of absence (or a student’s failure to return at the end of an approved leave of absence), the withdrawal date is the date the Registrar’s Office becomes aware that the student ceased attendance. The withdrawal date for a student who withdrew without providing notification will be within 30 calendar days from the earlier 1) the end of the payment period 2) end of the academic year or 3) end of the student’s educational program.

Leave of Absence

A student may be granted an approved leave of absence if: 1. the student has made a written request for the leave of absence, 2. the leave of absence will not exceed 30 days, 3. the College has granted only one leave of absence to the student in any 12-month period, and 4. approval is received from instructors and the Chief Academic Officer.

Hour drops - What happens when you withdraw from some but not all classes?

Financial aid awards and the cost of attendance (COA) that correspond with the financial aid awards are based on the assumption students will enroll full time during each term. Even though some students may not be enrolled full time at the start of any given term, students may add/drop/change classes in accordance with the Registrars deadlines each term to achieve full-time enrollment.

If by the term's census date, (typically the Friday of week one autumn and spring, while summer term and sessions within autumn and spring terms will vary), a student is not enrolled full time (either having been initially, then dropping or having never been enrolled full time), adjustments will be made to financial aid received and the cost of attendance for the term. If changes are required, a student's financial aid awards may be unavailable to view while adjustments are being made.

After the Student Financial Aid census date

Most financial aid will not be adjusted for hour drops after the Student Financial Aid census date. All hours for which you are enrolled as day after census or which you schedule thereafter, will be counted as "hours attempted" for determination of whether you are making Satisfactory Academic Progress for financial aid. Hours dropped after the refund period count as hours unsuccessfully completed.

Federal Work-Study recipients

Students will be ineligible to work at any point in the term that you drop below half-time enrollment.

Financial impact

The overall consequences of dropping courses depend on EACH of the following:

- the aid you have been awarded
- the number of credits you retain
- the point in the term you drop and the tuition refund period in effect

As a result of the adjustments to aid, you could owe additional money to the university (which would be due immediately) or have funds credited to your statement of account resulting in a refund. In some cases, you could have aid adjusted for future terms.

As with dropping a class, the specific financial consequences for you depend on several factors:

- the amount and type of financial aid you have been awarded for the term
- the amount of initial charges, as well as adjusted charges
- the point in the term you withdraw (including the refund period in effect)

As a result of the adjustments to aid, you could owe additional money to the university (which would be due immediately) or have funds credited to your statement of account resulting in a refund. In some cases, you could have aid adjusted for future terms.

The following institutional policy references should help you gain an understanding of the consequences for you if you withdraw from all classes during the term.

Withdrawal - What happens when you withdraw from all classes?

A withdrawal from all classes is an academic action that should occur only through a formal meeting with an academic advisor in your college office. Whether done through the formal process or through you dropping all of your classes online, a withdrawal from all classes can result in the reassessment of your university charges and the recalculation of your financial aid.

Institutional refund policy

If a student finds it necessary to completely withdraw from the College before the end of the semester, the withdrawal process begins in the Registrar's Office where the student obtains an application to withdraw. The official withdrawal date is the date of notification to the Registrar's Office.

The Defiance College refund policy treats all students the same, regardless of the type of financial aid being received or the absence of such. The College follows federal regulations to determine the amount of Title IV program assistance that the student has earned if the student withdraws prior to the end of the semester. Title IV funds include: subsidized and unsubsidized Federal Direct Loans, Federal Perkins Loans, Federal PLUS Loans, Federal Pell Grants, and Federal SEOG. Federal work study funds are excluded from the refund calculation.

The credit of tuition, housing and meals, along with the return of unearned federal Title IV Funds, is calculated on a per diem basis up to the 60 percent point in the semester. The amount earned is determined by dividing the number of days enrolled by the number of days in the enrollment period including weekends and holidays, except Thanksgiving break and spring break. Housing and meal charges will be credited at 100% the first week, 75% the second week, 50% the third week, and 25% the fourth week. After the fourth week of the semester, meals and housing is charged in full. DC Need Based (DC Scholarship will be factored the same for residential students. After the 60 percent point in the semester, tuition and housing are charged in full and Title IV aid is considered to be 100 percent earned.

A student will not be issued a cash refund on any credit balance until the refund calculation process is complete. Any credit balance remaining on the student's account that is from institutional funds will not be issued as a refund to the student.

Any outstanding balance on the student's account is due immediately. The student will also be responsible for any library fines and room damage fines. A withdrawal fee of \$50 is assessed for withdrawing at any time from the institution.

The following items are non-refundable: Activity fee, Audit fee, Course related fees, Deferred payment plan fees, Finance charges, Late fees (payment plan or registration), Parking fee, Returned check/dishonored electronic transaction fee, Residential charges damages or fines, Technology fee Transient student registration fee, Withdrawal fee, All other institutional fees.

WITHDRAW FROM COURSE: Students who withdraw from a course prior to the drop/add deadline of the semester receive full tuition credit. After the drop/add deadline, there will be no calculation of tuition credits unless the student withdraws from the college.

Students enrolled in classes held in a sub term, a shorter term that starts later in the semester (such as the second summer session) will only be eligible for a tuition credit if the student drops the course prior to the drop/add deadline for the sub term.

Consequences of withdrawal

Aid source	Example aid programs	Effects of withdrawal on term aid
Federal Title IV	Pell Grant, SEOG, Federal Direct Loans (Subsidized, Unsubsidized and PLUS), TEACH Grant	Though your aid is posted to your account at the start of each term, you earn the funds as the semester progresses. For withdrawals prior to the 60 percent point of the term, a calculation must be done to determine the amount of aid that must be returned to the aid programs. After the 60 percent point of the term, all aid is considered earned and you may be due a post withdrawal disbursement.
Federal Title IV	Federal Work-Study	Once you withdraw at any point in the term, you are no longer eligible to work on a Federal Work-Study job.

Return of Title IV Funds process for federal aid

The federal government mandates that students who withdraw from all classes may keep only aid earned up to the time of withdrawal. If you have federal Title IV aid (see table above) and you fail to complete at least 60 percent of a term, Student Financial Aid must determine how much of your aid, if any, must be returned to the federal aid programs based on the percent of the term you completed. Once you complete 60 percent of the term, you are considered to have earned 100 percent of your aid. The term length is defined as the first day of classes through the last day of finals.

When a student is considered to have withdrawn, as described above, during an enrollment period in which they have begun attendance and received federal Title IV financial aid, Defiance College is required to determine the amount of earned and unearned Title IV aid. A student is only eligible to retain the percentage of Title IV aid disbursed that is equal to the percentage of the enrollment period that was completed by the student (calculated daily).

The unearned Title IV aid must then be returned to the appropriate federal aid program(s) as soon as possible but no later than **45 days** after the date of the determination of your withdrawal.

The federal regulations determine how the order of program funds are returned. Funds returned to the federal government are used to reimburse individual federal programs. Financial aid returned (by the University and/or the student/parent) is allocated, in the following order, up to the net amount disbursed from each source:

1. Federal Unsubsidized Direct Loan, Federal Subsidized Direct Loan
2. Federal Direct PLUS (Parent) Loan or Grad PLUS Loan
3. Federal Pell Grant
4. Federal Supplemental Educational Opportunity Grant (FSEOG)
5. Other Federal Loan or Grant Assistance

Example of a Return to Title IV Calculation

1. The percentage of Title IV, HEA aid the student earned is determined by taking the number of calendar days completed in the period of enrollment and dividing by the total calendar days in the period of enrollment (excluding breaks of 5 days or more and days the student was on an approved leave of absence)
 - Example: $20 \text{ completed days} / 100 \text{ total days} = 20 \text{ percent of aid earned}$
2. The dollar amount of Title IV aid the student earned is determined by multiplying the percentage of Title IV, HEA aid earned by the total of the Title IV aid disbursed plus the Title IV aid that could have been disbursed for the period of enrollment.
 - Example:
 - $20 \text{ percent} \times (\$2000 \text{ disbursed} + \$500 \text{ that could have disbursed}) = \500 aid earned
3. If this percentage is greater than 60 percent, the student earns 100 percent of the disbursed Title IV, HEA funds or aid that could have been disbursed.
4. If this percentage is less than 60 percent, then the percentage earned is equal to the calculated dollar amount earned.
5. Aid to be returned is equal to unearned percentage (100 percent minus the Percent earned) multiplied by the amount of aid disbursed toward institutional charges. If a student earned less aid than was disbursed, the institution is required to return a portion

of the funds and the student may be required to return a portion of the funds. All Title IV fund returns must be completed no later than 45 calendar days after the date of determination that the student withdrew.

6. Funds are returned to the appropriate federal program based on the percentage of aid earned and the order of return dictated by the U.S. Department of Education.
7. When Title IV, HEA funds are returned, the student may owe a balance to the institution.

Post-Withdrawal Disbursement:

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement.

- Grant funds must be disbursed within **45 days**.
- If your post-withdrawal disbursement includes loan funds, they will be offered to you within **30 days**. Defiance College must obtain your permission within 14 days in order to disburse the loan funds to you. You may choose to decline some or all of the loan funds so that you don't incur additional debt.

All post-withdrawal disbursements are applied to a student's account first towards outstanding tuition, fees, and room and board charges (as contracted with the school).

If you receive (or Defiance College or parent receive on your behalf) excess Title IV program funds that must be returned, Defiance College must return a portion of the excess equal to the lesser of:

1. your institutional charges multiplied by the unearned percentage of your funds, or
2. the entire amount of excess funds.

Defiance College must return this amount even if it didn't keep this amount of your Title IV program funds.

Financial aid withdrawal time frame

- A Return to Title IV calculation must be completed within **30 days**.
- Grant funds must be disbursed within **45 days**.
- Loan funds will be offered within **30 days** and subject to permission within 14 days.
- If the R2T4 calculation results in a credit balance on the student's account, the credit balance will be disbursed as soon as possible but no later than **14 days** after the calculation of R2T4.
- If the R2T4 calculation results in an amount to be returned that exceeds the school's portion, Defiance College will return the amount to the federal programs on behalf of the student and the student must repay the funds to Defiance College.

Steps in Federally Mandated Process

1. Determine the withdrawal date. If the student officially withdraws, the withdrawal date is the date the College determines the student either began the withdrawal process, or the

date the student provided official notification to the College, in writing or verbally, of his or her intent to withdraw. If the student does not provide official notification of his or her intent to withdraw, the withdrawal date will be determined as the date Defiance College became aware the student was not attending class. If a student does not return from an approved leave of absence, the withdrawal date is the date the College determines the student began the leave of absence. If a student takes a leave of absence that does not meet the requirements of an official leave of absence, the withdrawal date is the date the student began the leave of absence.

2. Calculate the percentage of enrollment period completed. The percentage of enrollment period completed is determined by dividing the total number of calendar days in the enrollment period into the number of calendar days completed in that period as of the withdrawal date. The total number of calendar days in a payment period includes all days (including weekends) within the period. Scheduled breaks of at least five consecutive days are excluded from the total number of calendar days in the enrollment period and the number of calendar days completed in that period.
3. Calculate the amount of Title IV aid earned. If the withdrawal date is equal to or greater than 60 percent of the enrollment period (semester) the student has earned 100 percent of the Title IV funding disbursed for that semester. If the withdrawal date is less than 60 percent of the semester, the amount of Title IV funding the student has earned is calculated by using the federally mandated calculation to determine the percentage of Title IV funds that have been earned by the student for that semester. This percentage is then applied to the total amount of Title IV funding that was disbursable for the semester as of the withdrawal date.
4. Determine the amount of Title IV aid unearned. The amount of Title IV funding the student has not earned is calculated by subtracting the amount of Title IV funding the student earned from the total Title IV funding disbursed/or was disbursable.
5. Allocate unearned aid. Defiance College is required to return the lesser of the total amount of Title IV funds the student has not earned or an amount equal to the charges if the total amount to be returned exceeds the charges incurred by the student. Charges include tuition and fees, and can include other education-related expenses assessed by the College.
6. Unearned Title IV funds must be returned within 45 days of the student's withdrawal. Defiance College will return the student's unearned Title IV funding on his or her behalf and consider the returned funds as the student's debt to the College. Students must make arrangement with the Students Accounts Office for repayment of the debt. Consequences of non-payment include blocks on re-enrollment, transcript and diploma holds, and student account placement with Collections. Title IV loan amounts to be returned by Defiance College will be credited to the appropriate programs in the following order: Unsubsidized Federal Direct loans, Subsidized Federal Direct Loans, and Pell Grant. If amounts to be returned remain after repayment of all outstanding loan amounts, the remaining excess must be credited to any amount awarded for the semester for which a return of funds is required. Federal Work Study is excluded from this policy.

7. Communication of return of funds. Students for which a portion of Title IV aid must be returned will receive a communication from the Financial Aid Office sent to their Defiance College email address indicating an adjustment has been made and funds have been returned on the student's behalf. This communication further instructs any resulting balances on the student account must be paid by the student and arrangements for payment must be made directly with the Students Accounts Office.

Return of Title IV: Module Courses

A module is any class that does not span the entire length of the semester/term. A student may be enrolled in modules if a class is shorter than the length of the full semester. A student is considered withdrawn if they do not complete/attend all days scheduled for the payment period or period of enrollment.

Determining Whether a Student Has Withdrawn for Return to Title IV (R2T4) Purposes: Module Courses

1. After beginning attendance in at least one class, did the student stop attending or fail to begin attendance in a scheduled course used to determine the student's eligibility for Title IV aid?
 - a) No – Student has not withdrawn.
 - b) Yes – Continue to question 2
2. When the student stopped attending or failed to begin attendance in a schooled course, was the student currently attending any other classes in the semester used to determine the student's eligible for Title IV aid?
 - a) No – Continue to question 3
 - b) Yes – Student has not withdrawn. Aid may need recalculated based on current enrollment.
3. Do any of the following apply for Title IV eligible classes?
 - a) Did the student complete all requirements for graduation?
 - b) Did the student successfully complete (a grade of an A, B, C, or D) one module or a combination of modules that equals 49% percent or more of the countable of days for the semester?
 - c) Did the student successfully completed (a grade of an A, B, C, D) modular courses equal to or greater than half-time enrollment (undergraduate – 6 credit hours, graduate – 5 credit hours) for the period of enrollment?
 - d) Did the student confirm attendance in writing (email) for a course in a later module in the same semester that begins no later than 45 calendar days after then end of the current withdrawn module?

Yes - Student has not withdrawn. Aid may need recalculated based on current enrollment.

No – Student has withdrawn. A Return to Title IV Funds calculation will be processed. Aid may be first recalculated for classes that the student never attended.

Percentage of Title IV Earned: Module Courses

The percentage of aid earned is calculated by dividing the number of days completed (numerator) by the number of days in the payment period (denominator). Scheduled breaks of less than five consecutive days, including those that take place between modules, are included in the total number of days in the period, and breaks longer than five days within or between modules are subtracted.

For module enrollment the total number of days in the payment period (denominator) of the R2T4 calculation will only include the days in a module if the student attended the module or if the student's classes in that module was used to determine the amount of the student's eligibility for Title IV funds for the payment period.

Questions?

If you are considering withdrawing and have any questions about the financial aid consequences, please contact Financial Aid at 419-783-2376 or financialaid@defiance.edu.