

**RETURN OF TITLE IV FUNDS** 34 CFR 668.22(l), 668.22(a), 34 CFR 668.22(c), 34 CFR 668.22(d), 34 CFR 668.22(e), 34 CFR 668.22(f), 34 CFR 668.22(g), 34 CFR 668.22(h), 34 CFR 668.22(i), 34 CFR 668.22(j)

### **Process Overview & Applicability**

At any time a student may officially withdraw from the University by dropping all of their courses in myStThom (PeopleSoft student portal). Students can also withdraw in the Registrar's office. The date that the student drops all classes online or begins the official withdraw process is the official withdrawal date.

The Office of Scholarships and Financial Aid calculates return of Title IV funds (R2T4.) The University uses PeopleSoft, an integrated computer system to identify students who have withdrawn. The Registrar's Office reports the withdrawal date through SSCR reporting to update external agencies. The financial aid office ensures the proper amounts are returned to the appropriate Title IV programs in a timely manner, and notifies the student of his or her obligation to repay funds. The Business office also notifies the student of his or her obligation to repay funds, via a monthly e-bill. The Business office tracks repayment. The financial aid office monitors the timing and responsibility for referring overpayments to ED.

Students can repay any funds owed through the Business office. The Business office accepts cash and checks. American Express, Discover, MasterCard and e-checks are available online at myStThom.

Students who owe a balance to the University will have a hold placed on their student record. The hold can be released by the Business Office when the balance has been satisfied.

Students who have an overpayment will be reported to NSLDS by the Office of Scholarships and Financial Aid.

The Office of Scholarships and Financial Aid will send the student a letter offering any earned post withdrawal disbursement, including when a response is due. If the student does not respond to the letter in the designated time period, the post withdrawal offer is considered declined.

The University must determine the withdrawal date no later than 45 days after the end of the earlier of the payment period or the period of enrollment (as applicable). To accommodate this requirement, the Office of Scholarships and Financial Aid runs a query in PeopleSoft every 2 weeks to find students who have withdrawn and completes the R2T4 calculation.

The Office of Scholarships and Financial Aid takes the following steps in calculating a student's R2T4:

**Step 1:** Determine the student's withdrawal date

**Step 2:** Determine the percentage of aid earned

**Step 3:** Determine the amount of aid earned

**Step 4:** Determine the amount of aid unearned

**Step 5:** Determine the school and student shares of unearned aid

**Step 6:** Allocate unearned aid

#### **If disbursed aid exceeds earned aid:**

1. Determine the amount of unearned aid by subtracting earned aid from disbursed aid
2. Distribute the responsibility for returning unearned aid between the school and the student
3. If unearned funds must be returned, allocate unearned aid to programs from which student was funded
4. Return the institution's share and any funds repaid by the student (or refer the overpayment to ED)

#### **If earned aid exceeds disbursed aid:**

1. Determine the amount of a post-withdrawal disbursement by subtracting disbursed aid from earned aid
2. If a post-withdrawal disbursement is due, determine the sources from which it will be funded and credit any grant portion towards allowable and/or authorized unpaid charges
3. Offer and obtain the student's, or parent's in the case of a parent PLUS, authorization to credit the loan portion of the post-withdrawal disbursement towards allowable and/or unpaid charges
4. Directly disburse to the student any amount of a post-withdrawal disbursement of grant funds which is not credited toward allowable and/or authorized unpaid charges
5. Offer student (or parent PLUS borrower) any portion of the post-withdrawal disbursement of loan funds not credited towards unpaid charges and make the post-withdrawal disbursement if the offer is accepted

## ***Policies***

Only students who have withdrawn from all classes are subject to the return of Title IV funds formula. In addition, a student who has completed at least one class within the semester, but drops other classes is treated as having changed enrollment status – the student is not considered to have completely withdrawn from school under the return of Title IV funds requirements. If the withdraw occurs after the student completed more than 60% of the payment period or period of enrollment, the percentage earned is 100%.

Below is a list of financial aid programs to which the return to Title IV funds requirement apply:

- Pell Grant
- Iraq and Afghanistan Service Grant
- TEACH Grant
- FSEOG
- Direct Loan
- Perkins Loan (the university has not awarded any Perkins loans for the 2017-2018 school year)

## ***Procedures***

Students who are withdrawn are identified in the PeopleSoft system. For students who withdraw during the semester, a query is run by financial aid office that identifies students who have applied for federal aid and have completely withdrawn. At the close of the semester, a query is run that identifies students who have applied for federal aid and have all failing grades (all “F” or combination of “F and W”).

## **Withdrawal Date**

### ***Policies***

The University is **not** required to take attendance. Therefore, the withdrawal date is determined by the date that the student begins the official withdraw process, or, drops all classes online.

If a student ends the term with grades of all “F” or combination of “F or W” they are considered to have unofficially withdrawn and the midpoint for the semester is the withdrawal date, unless the student can provide the last dates of attendance in academically-related activities (e.g. completed exam or assignment.) In the case of official withdrawal the Registrar’s Office determines the withdrawal date. In the case of unofficial withdrawal, the Office of Scholarships and Financial Aid determines the withdrawal date.

If a student rescinds his or her withdrawal notification and is permitted to rejoin courses, no R2T4 is necessary. However, if that student finishes the semester with grades of all “F” or combination of “F or W” they are considered to have unofficially withdrawn. In order to rescind his or her withdrawal notification, the student must provide the Registrar’s Office with a written statement stating his or her intent to remain in academic attendance through the end of the semester. If the student subsequently withdraws after rescinding intent to withdraw, the withdrawal date is the date the student first provided notification to the school or began the school’s withdrawal process, unless the student can document a last date of attendance at an academically related activity.

The University does not have a Title IV-approved leave of absence policy.

### ***Procedures***

Students who are withdrawn are identified in the PeopleSoft system. For students who withdraw during the semester, a query is run every two weeks by the financial aid office that identifies students who have applied for federal aid and have completely withdrawn. At the close of the semester, a query is run that identifies students who have applied for federal aid and have all failing grades (all “F” or combination of “F and W”).

If a student is determined to have unofficially withdrawn and wants to provide the last dates of attendance in academically-related activities (e.g. completed exam or assignment) we would ask for documentation from the faculty member teaching the course.

## **Formula Calculations**

### ***Policies***

An Assistant Director in the financial aid office performs the R2T4 calculation. The calculation is done using Return to Title IV Funds on the Web <https://fafsa.ed.gov/privacyR2T4.htm> Once the calculation is complete the completed worksheet is printed and kept with any other documentation including the correspondence (letter) sent to the student. The letter sent to the student directs them to complete Exit Loan counseling online at studentloans.gov if they are a loan borrower.

The calculation occurs after a student is identified as withdrawn (using a PeopleSoft query).

### ***Procedures***

The R2T4 calculation occurs after a student is identified as withdrawn (using a PeopleSoft query). The Assistant Director enters the correct values into the Web based application such as:

- Start and schedule end date
- Withdrawal date
- The amount of Title IV aid disbursed
- The amount of Title IV aid that could have been disbursed
- Institutional charges

After completing the calculation in PeopleSoft, the completed worksheet is printed and filed in the students file, along with any communication (letter) sent to the student regarding the R2T4 calculation. Also, notes about the R2T4 are entered into PeopleSoft and any adjustments are made to aid.

\* Unless a student subject to verification has provided all required verification documents in time for the University to meet the Return deadlines, the University includes as Aid Disbursed or Aid That Could Have Been Disbursed in the Return calculation only those Title IV funds **not** subject to verification.

## **Post-Withdrawal Disbursements**

### ***Policies***

As a result of the required Return of Title IV Refund Calculation, there may be instances where a student is eligible for a post-withdrawal disbursement. In that case the student must decide if they want anticipated earned aid to be applied to their account. In such instances, the Office of Scholarships and Financial Aid will send a letter to the student. Students must reply by the specified deadline to benefit from a post-withdrawal disbursement.

### ***Procedures***

Student (or parent, for parent loan) is notified by letter about R2T4 calculation. If eligible for a post-withdrawal disbursement, they are asked to decide if they want anticipated earned aid to be applied to their account. The student (or parent) is asked to respond in writing within ten days. However, if such a response is received within thirty days it will be processed. Post-withdrawal disbursement notification and authorization is tracked by Assistant Director of Financial Aid. If student (or parent) responds in writing requesting post-withdrawal disbursement, it is processed within two business days.

## **Returning Unearned Funds**

### ***Policies***

Describe the determination of the institutional and student shares of unearned aid, and the order of returning those funds to the appropriate Title IV program.

When the R2T4 calculation determines that unearned aid must be returned, it is returned in the following order:

- Direct Unsubsidized Loan

- Direct Subsidized Loan
- Perkins Loan (However, UST has made no Perkins Loans for the 2017-2018 academic year)
- Direct Grad PLUS Loan
- Direct PLUS Loan (parent)
- Pell Grant
- FSEOG
- TEACH Grant
- Iraq and Afghanistan Service Grant

***Procedures***

When the student is notified, by letter, of the R2T4 calculation they are informed of any balance owed to the school and directed to contact the Business office to make payment arrangements. If a student fails to repay their debt to the University a hold is placed on their record by the Business office that prevents the student from registering for future semesters or receiving an official transcript.

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