

## **RETURN TO TITLE IV FUNDS POLICY**

When a student applies for financial aid, a statement is signed that the funds will be used for educational purposes only. Therefore, if a student withdraws before completing the program, a portion of the funds received may have to be returned. The School will calculate the amount of tuition to be returned to the Title IV, HEA Federal fund programs according to the policies listed below.

### **WITHDRAWAL POLICY**

#### **“Official” Voluntary Withdrawal**

Students who need to withdraw from the College must do so officially. An official Withdrawal must be completed by the student and authorized officials, and presented to the Office of the Registrar or Academic Dean. A student is considered to be “Officially” withdrawn on the date the student notifies the Office of the Registrar or Academic Dean in writing of their intent to withdraw. Failure to adhere to this procedure will result in the letter grade "F" for the semester and possible financial obligations to the College.

The date of the termination for Return to Title IV, HEA funding and the school refund policy will be the date the student provided official notification of intent to withdraw in writing. A student will be permitted to rescind his notification in writing and continue the program if he so chooses.

Federal regulations require schools participating in Title IV, HEA programs to use a specific Return to Title IV, HEA process when a student ceases enrollment.

#### **Unofficial Withdrawal**

A student who stops attending class or leaves the College without following the official procedures for withdrawal from a course or resignation from the College is subject to receiving a grade of “F” posted on his/her academic record for each course in question and/or denial of permission to reenter the College.

Any student that does not provide official notification of his or her intent to withdraw and is absent for more than 14 consecutive calendar days, fails to maintain satisfactory academic progress, fails to comply with the school’s attendance and /or conduct policy, does not meet financial obligations to the school, or violates conditions mentioned in Saint Joseph Seminary College’s contractual agreement, will be subject to termination and considered to have unofficially withdrawn.

Within two weeks of the student’s last date of academic attendance, the following procedures will take place.

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1. When a student receives all F's, I's, or FA's, or a combination of these grades for a semester, he or she may be defined as "unofficially withdrawn" for Title IV, HEA purposes.
2. At the end of each term, students who have been identified as unofficially withdrawn will be notified in writing. The student will have 10 business days to document the last date of attendance, if applicable.
3. The Registrar will make three attempts to notify the student regarding his/her enrollment status.
4. Determine and record the student's last date of attendance as the last recorded date of academic attendance on the attendance record.
5. The student's withdrawal date is determined as the date the day after 14 consecutive calendar days of absence.
6. Notify the student in writing of their failure to contact the school and attendance status resulting in the current termination of enrollment.
7. Saint Joseph Seminary College calculates the amount of Federal funds the student has earned and, if any, the amount of Federal funds for which the school is responsible.
8. Calculate Saint Joseph Seminary College refund requirement (see school refund calculation).
9. Saint Joseph Seminary College's Financial Aid administrator will return to the Federal fund programs any unearned portion of Title IV, HEA funds for which the school is responsible within 45 days of the date the withdrawal determination was made and note return on the student's ledger card.
10. If applicable, Saint Joseph Seminary College will provide the student with a refund letter explaining Title IV, HEA requirements:
  - a. The amount of Title IV aid the student has earned based upon the length of time the student was enrolled and scheduled to attend in the program and the amount of aid the student received.
  - b. Advise the student in writing of the amount of unearned Title IV, HEA aid and tuition and fees that he/she must return, if applicable.

If the last date of attendance cannot be determined, the student is assumed to have attended 50% of the enrollment period and the Return of Title IV, HEA calculation will be based on this length of attendance. Unofficially withdrawn students will be billed for resulting institutional charges and repayments of Federal Student Aid (FSA).

### **Withdraw Before 60%**

Saint Joseph Seminary College must perform a R2T4 to determine the amount of earned aid through the 60% point in each payment period (semester). Saint Joseph Seminary College will use the Department of Education's prorated schedule to determine the amount of the R2T4 funds the student has earned at the time of withdrawal.

## Withdraw After 60%

After the 60% point in the payment period, a student has earned 100% of the Title IV, HEA funds he or she was scheduled to receive during this period. Saint Joseph Seminary College must still perform a R2T4 to determine the amount of aid that the student has earned.

## Example of Calculation: - CREDIT HOUR SCHOOL

1. Determine the percentage of Title IV, HEA aid earned by the student by taking the calendar days completed in the payment period, divided by the total calendar days in the payment period (excluding breaks of 5 days or more *and* days the student was on an approved LOA.

$$\frac{18 \text{ (completed days)}}{70 \text{ (total days)}} = 26.0\% \text{ (% of completed calendar days)}$$

70 (total days)

2. Determine the amount of Title IV aid earned by the student by multiplying the percentage of Title IV, HEA aid earned times the total of the Title IV aid disbursed **plus** the Title IV aid that could have been disbursed for the payment period.

$$26.0\% \times \$2805.00 = 729.30 \text{ (Amount of aid earned by student)}$$

3. If this percentage is greater than 60%, the student earns 100% of the disbursed Title IV, HEA funds or aid that could have been disbursed.
4. If this percentage is less than 60%, then the percentage earned is equal to the calculated value.
5. Funds are returned to the appropriate federal program based on the percent of Percentage of aid earned = the number of scheduled hours in the payment period completed unearned aid using the following formula:
6. Aid to be returned = (100% 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 would be required to return a portion of the funds and the student may be required to return a portion of the funds. All Title IV funds that the institution must return will be made no later than 45 calendar days after the date the school determines that the student withdrew.
7. When Title IV, HEA funds are returned, the student may owe a balance to the institution.

The amount of Title IV, HEA Funds to return to the applicable federal programs will be determined by using the date that the student initiates an official withdrawal, the last date of

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academic related activity, or the mid-point (unofficial withdrawal) to calculate the percentage of the enrollment period for which the student did not complete. Schedule breaks of five or more consecutive days are excluded. Saint Joseph Seminary College will remit the percentage of unearned Title IV, HEA Funds that were disbursed or could have been disbursed to the federal programs. The funds will be returned no more than 45 days from the official withdrawal date or, if there is no official withdrawal date (Unofficial withdrawal), no more than 45 days from the date of determination. Saint Joseph Seminary College will return the lesser of the total unearned aid or an amount equal to the institutional charges multiplied by the percentage of unearned aid. The student will be responsible for repaying any remaining unearned portion that was disbursed.

### **Post Withdrawal Disbursement**

The institution will offer any post-withdrawal disbursement of loan funds within 30 days of the date it determines the student withdrew.

The institution must disburse any Title IV, HEA grant funds a student is due as part of a post-withdrawal disbursement within 45 days of the date the school determined the student withdrew and disburse any loan funds a student accepts within 180 days of that date.

Post-withdraw disbursements will occur within 90 days of the date that the student withdrew.

If you did not receive all of the funds that you have earned, you may be due a post-withdraw disbursement. Saint Joseph Seminary College may use a portion or all of your post-withdraw disbursement for tuition and fees (as contracted with Saint Joseph Seminary College). For all other school charges, Saint Joseph Seminary College needs your permission to use the post-withdraw disbursement. If you do not give permission, you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt at the school.

### **Order of Return**

Saint Joseph Seminary College is authorized to return any excess funds after applying them to current outstanding Cost of Attendance (COA) charges. A copy of the Institutional R2T4 work sheet performed on your behalf is available through the office upon student request.

In accordance with Federal regulations, when Title IV, HEA financial aid is involved, the calculated amount of the R2T4 Funds" is allocated in the following order:

1. Unsubsidized Direct Loan
2. Subsidized Direct Loan
3. Direct PLUS Loan (Graduate)
4. Direct PLUS Loan (Parent)
5. Federal Pell Grant for which a Return is required
6. Iraq and Afghanistan Service Grant for which a Return is required
7. Federal Supplemental Educational Opportunity Grant (SEOG)
8. Other Title IV Assistance

9. Other State Tuition Assistance Grants, Private, Institutional Aid Programs
10. The Student

## **Earned AID:**

Title IV, HEA aid is earned in a prorated manner on a per diem basis (calendar days or clock hours) up to the 60% point in the semester. Title IV, HEA aid is viewed as 100% earned after that point in time. A copy of the worksheet used for this calculation can be requested from the financial aid director.

## **Time frame for returning an unclaimed Title IV, HEA Credit Balance**

If a school attempts to disburse the credit balance by check and the check is not cashed, the school must return the funds no later than 240 days after the date the school issued the check. If a check is returned to a school or an EFT is rejected, the school may make additional attempts to disburse the funds, provided that those attempts are made not later than 45 days after the funds were returned or rejected. When a check is returned or EFT is rejected and the school does not make another attempt to disburse the funds, the funds must be returned before the end of the initial 45-day period.

The school must cease all attempts to disburse the funds and return them no later than 240 days after the date it issued the first check.

## **Institution Responsibilities**

Saint Joseph Seminary College's responsibilities in regards to Title IV, HEA funds follow:

- Providing students with information in this policy;
- Identifying students who are affected by this policy and completing the return of Title IV funds calculation for those students;
- Returning any Title IV, HEA funds due to the correct Title IV, HEA programs.

The institution is not always required to return all of the excess funds; there are situations once the R2T4 calculations have been completed in which the student must return the unearned aid.

## **Overpayment of Title IV, HEA Funds**

Any amount of unearned grant funds that you must return is called overpayment. The amount of grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You must make arrangement with Saint Joseph Seminary College or Department of Education to return the amount of unearned grant funds.

## Student Responsibilities in regards to Return of Title IV, HEA funds

- Returning to the Title IV, HEA programs any funds that were dispersed to the student in which the student was determined to be ineligible for via the R2T4 calculation.
- Any notification of withdraw should be in writing and addressed to the appropriate institutional official.
- A student may rescind his or her notification of intent to withdraw. Submissions of intent to rescind a withdraw notice must be filed in writing.
- Either these notifications, to withdraw or rescind to withdraw must be made to the official records/registration personal at your school.

## Refund vs. Return to Title IV, HEA Funds

The requirements for the Title IV, HEA program funds when you withdraw are separate from any refund policy that Saint Joseph Seminary College may have to return to you due to a cash credit balance. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Saint Joseph Seminary College may also charge you for any Title IV, HEA program funds that they were required to return on your behalf.

If you do not already know what Saint Joseph Seminary College refund policy is, you may ask your Central Business Office.

## Return to Title IV, HEA questions?

If you have questions regarding Title IV, HEA program funds after visiting with your financial aid director, you may call the Federal Student Aid Information Center at 1-800-4-fedaid (800-433-3243). TTY users may call 800-730-8913. Information is also available on student aid on the web [www.studentaid.ed.gov](http://www.studentaid.ed.gov).

**\*This policy is subject to change at any time, and without prior notice.**