

Section 11: Return of Title IV Funds

11.1 Process Overview & Applicability

Title IV funds are awarded to a student under the assumption that the student will attend school for the entire period for which the aid is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

Only students who have withdrawn (Official or Unofficial) from or failed all classes are subject to the return of Title IV funds calculation.

If a recipient of Title IV grant or loan funds withdraws after beginning attendance, the amount of Title IV grant or loan assistance earned by the student must be determined.

Students earn their Title IV federal financial aid by attending class. If the student is not enrolled long enough to earn all of their aid, the “unearned” portion must be returned to the appropriate Title IV program.

Note: Federal Work-Study earnings are not affected by Title IV regulations concerning the return of unearned federal financial aid. Only grants and loans are affected by this regulation.

Situations that would **not** require college to perform a return of Title IV funds calculation include, but are not limited to a student who: was awarded Federal Work-Study only; dropped classes but did not completely withdraw; never began attendance in any classes; or for whom the institution cannot document at least one day of class attendance.

A list of financial aid programs to which the return of Title IV funds requirements apply include the following:

- Federal Pell Grants
- Federal SEOG
- Federal Direct Subsidized Loan
- Federal Direct Unsubsidized Loan
- PLUS Loan

Last updated: 06/28/2017

Policies

Students may initiate the withdrawal process by visiting the Office of the Assistant Vice President that oversees each course for which the student is enrolled, completing the personal information on the form, obtaining the required faculty signatures, and returning the completed form to the One Stop Center (Student Services) for processing.

Last updated: 07/27/2017

Procedures

1. Student withdraws from classes.
2. The Financial Aid Office runs a BRIO report every week to identify financial aid students who have completely withdrawn from classes.
3. FA completes R2T4 calculation on complete withdrawals via the Banner system.
4. FA sends an email to Business Office with students who have withdrawn and may owe money back after the recalculation was done.
5. FA sends a letter and email notification to student with the results of the calculation.

Last updated: 07/27/2017

11.2 Return of Title IV Policy

When a student withdraws from all classes prior to completing 60 percent of the period/semester for which federal aid (Title IV) was provided, the following policy will apply:

A student is considered to earn 100% of their aid once they attend beyond the 60% point of the semester.

The Return of Title IV Funds calculation is based on earned versus unearned financial aid. The earned financial aid percentage is determined by taking the days attended in the period by the total days in the period (i.e., student withdraws on the 5th day of the semester which has 100 days in its period, $5/100 = 5$ percent earned). **Subtracting earned aid from aid that was awarded and disbursed gives you the amount of unearned aid that must be returned.**

The student will be billed from Business Office for any account balance created when the college is required to return funds. The balance due would be the result of charges that are no longer being covered by the unearned aid or unearned aid that the student received in a financial aid check.

Under this policy, the programs are reimbursed in the following order: Unsubsidized Direct Loan, Subsidized Direct Loan, Federal Perkins Loan, Direct PLUS Loan, Federal Pell Grant, and Federal Supplemental Educational Opportunity Grant.

Funds are returned to the appropriate federal program based on the percentage of calculated unearned aid (see above for example).

If a student earned less aid than was disbursed, the institution would be required to return a portion of the funds and the student would be required to return a portion of the funds.

Keep in mind that when Title IV funds are returned, the student may owe a debit balance to ENMU-Roswell.

If a student earned more aid than was disbursed to him/her, the institution would owe the student a post-withdrawal disbursement which must be paid within 180 days of the student's withdrawal.

The institution must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of the determination of the date of the student's withdrawal.

Funds are returned to the appropriate financial aid account in the following order:

- Unsubsidized Federal Stafford Loan

- Subsidized Federal Stafford Loan

- Federal Pell Grant

- Federal Supplemental Educational Opportunity Grant (FSEOG)

- Other Federal Aid Programs

- The student

11.2.1 Official Withdrawal Date

Policies

The college must determine the student's official date of withdrawal.

ENMU-Roswell is not required to take attendance and does not have an approved leave of absence policy.

For all students the official date of withdrawal is the date the student began the withdrawal process.

Last updated: 10/31/2012

Procedures

The withdrawal date is determined by the earlier of the date on which student officially withdraws from their classes or the student submits their intent to withdraw.

Last updated: 10/31/2012

11.2.2 Unofficial Withdrawal Date

Policies

ENMU-Roswell is not required to take attendance and does not have an approved leave of absence policy.

A student who began attendance in his/her classes, but have not officially withdrawn and fail to earn a passing grade in at least one of his/her classes is considered to have unofficially withdrawn. These students are typically identified at the end of the semester after grades have been posted.

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Procedures

Once a student is identified as having unofficially withdrawn, FA will process the withdrawal via the BANNER system. ENMU-Roswell uses the midpoint of the semester as the date of the unofficial withdrawal. The SFAWDRL screen will show the withdrawal date that was entered in the Banner system on SFAREGS. If a last date of attendance is submitted with a failing grade, that date will determine whether or not, the student completed at least 60% of the semester.

If no last date of attendance is reported by the instructor, the FAO will contact the instructors to report a last date of attendance. The unofficial withdrawal date is determined by the presence of an academic related activity as confirmed by the instructor.

Academic related activity - When a student unofficially withdraws from a college that is not required to take attendance, the college may use either the student's last date of attendance at an academically related activity or the midpoint of the period as the student's withdrawal date. ENMU-Roswell uses the midpoint of the semester to recalculate aid for All F's.

Examples of academically related activities include:

- Examinations or quizzes
- Completing an academic assignment, paper, or project,
- Attending a study group required by the institution

More information related to academically related activities can be found in the FSA Handbook.

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