



Office of Financial Aid & Scholarships Return of Title IV Policy

Attending & Withdrawing from Classes

Before withdrawing or stopping attendance in classes, the student should be aware of the proper procedure for withdrawing from classes and the consequences of withdrawing or stopping attendance. Official withdrawal is the responsibility of the student. Questions on Return of Title IV Funds may be addressed to the Office of Financial Aid and Scholarships. Questions on withdrawal should be addressed with the student's Academic Advisor or Registrar's Office.

Return of Title IV Financial Aid Funds Policy

Students receiving financial aid who withdraw or stop attending will, in most cases, be required to return a portion of financial aid received. The Higher Education Act, as reauthorized and signed into law on October 7, 1998, established the Return of Title IV Funds Policy.

The concept behind the policy is that the college and the student are allowed to retain only the amount of Title IV (federal) aid that is earned. If a student withdraws or stops attending classes, whether any credits have been earned for the term or not, a portion of the aid received is considered to be unearned and must be returned to the Title IV programs from which it was received. For Title IV purposes, the withdrawal date is the last date of attendance as determined by attendance records.

If a student attends through 60 percent of the term, all Title IV aid is considered earned. However, withdrawing will affect a student's satisfactory academic progress and eligibility for additional financial aid.

Definitions

Return to Title IV (R2T4) calculation – a required calculation to determine the amount of aid earned by the student when the student does not attend all days scheduled to complete within a payment period or term. (Student is considered to be a withdrawal, whether any credits were completed or not).

Overaward [not the same as a Return to Title IV calculation] – a required recalculation of Pell Grant and other types of aid types due to student dropping or not attending credits required for the status awarded (full-time, three-quarter time, half-time, less than half-time); required at any point when information is received that changes the student's enrollment status. Reduction in aid will always be required for students whose status changes due to dropping classes and classes not attended.

Clarification of New Regulations

- A student who attends and completes at least one course that spans the entire term will have earned the aid for that term (after adjustments for dropped classes or classes not attended).
- School must be able to demonstrate that student actually attended each class, including any class with a failing grade. Attendance must be "academic attendance" or "attendance at an academically-related activity." Documentation of Attendance must be made by the school. A student's self-certification of attendance is NOT acceptable unless supported by school's documentation. Examples of attendance include:

- Physical class attendance where there is direct interaction between instructor and student
 - Submission of an academic assignment
 - Study group assigned by the school
 - Examination, interactive tutorial, or computer-assisted instruction
 - Participation in an online discussion about academic matters
 - Initiation of contact with instructor to ask question(s) about academic subject
 - Logging in to an on-line class does NOT count as attendance.
- A student who withdraws from a part-of-term class within the term must still be attending another class or is considered to be a withdrawal, even if registered for future classes starting in the term. The student must – at the time of withdrawal from a part-of term class, if they are not attending another class – provide a written statement to the college indicating their intent to attend a future class within that term, or the student is a withdrawal; a Return to Title IV calculation must be completed. (If student doesn't actually attend that future class, a Return to Title IV calculation is still required; withdraw date/last date of attendance dates back to originally confirmed date).

Questions to Ask

1. Did the student stop attending a class that he/she was scheduled to attend?
 - If yes, go to question 2
2. At the time the student stopped attending this course was he/she continuing to attend other courses?
 - If yes, the student is not a withdrawal ○ If no, go to question 3
3. At the time of withdrawal, did the student provide written confirmation of anticipated attendance in a later starting, registered course within the term?
 - If no, student is considered a withdrawal, and a Return to Title IV calculation must be completed
 - If yes, no Return to Title IV calculation is required unless the student doesn't attend or quits the future part of term class

Remember: Recalculation of aid for enrollment-status changes due to dropped or never attended classes is required before any Return to Title IV calculation is completed.

The Return to Title IV Process

Step 1) The first step is a series of formulas to determine the amount of aid which must be returned. Following the determination of the last date of attendance, the school must calculate the number of days attended and the total number of days the student was scheduled to complete within the term; weekends count and any periods of no classes which are five days in length or greater are excluded. Days attended are then divided by the days in the term the student was scheduled to complete to calculate percentage completed. The percentage is multiplied by total aid for which the student is eligible to determine the amount of aid earned ($\% \text{ completed} \times \text{total aid} = \text{earned aid}$). $\text{Total aid} - \text{earned aid} = \text{unearned aid (aid to be returned)}$.

Step 2) The next step is for the school to determine total institutional charges and multiply that figure by the percentage of unearned aid ($100\% - \% \text{ completed} = \% \text{ unearned}$). It makes no difference which type of resource actually paid the school bill; the law assumes that Title IV aid goes first to pay the institutional charges. $\text{Institutional charges} \times \% \text{ unearned} = \text{amount returned by school}$.

The school must then return the amount of unearned aid, up to the maximum received, to each of the Title IV programs in the following order:

- 1) Unsubsidized Direct Stafford Loan
- 2) Subsidized Direct Stafford Loan
- 3) Federal Perkins Loan (SUSLA does not participate)
- 4) Direct PLUS Loan
- 5) Federal Pell Grant
- 6) Federal Supplemental Education Opportunity Grant (SEOG)

Step 3) The school then calculates the amount for which the student is responsible by subtracting the amount returned by the school from the total amount which is unearned. That remaining amount is the student's share and is allocated in the same order as above. $\text{Total amount unearned} - \text{amount returned by school} = \$ \text{ amount the student is required to return to Title IV funds}$.

Important Information

Once the school determines the dollar amounts owed the student will be notified of what he or she owes. Funds that must be returned by the student to the loan programs can be paid in accordance with normal loan repayment terms. For grant dollars that must be paid, the amount due from a student is limited to the amount by which the original grant overpayment amount due from the student exceeds half of the total Title IV grants funds received by the student. A student has 45 days to make repayment and does not have to repay a grant overpayment of \$50 or less. Unpaid balances will be reported to NSLDS, the National Student Loan Data System, and turned over to the U.S. Department of Education for collection. Until overpayments are repaid or satisfactory repayment arrangements have been made, students will be ineligible for further Title IV aid at any institution.

This policy is separate from the institutional refund policy. Unpaid balances due to Southern University at Shreveport that result from amounts returned to Title IV programs and other sources of aid will be charged back to the student. The student is also responsible for uncollected tuition to Southern University at Shreveport.

If a student does not begin attendance in all classes or ceases attendance during the 100% refund period, aid may have to be reduced to reflect appropriate enrollment status prior to recalculating Return of Title IV Funds.