

(16) Return of Title IV Funds

Returning Title IV Funds

I. Policy:

The Federal Return to Title IV compliance requirement is a process involving cooperation and coordination between several University offices. The Federal Return to Title IV calculation process relies on accurate and timely information from various University offices and is not to be confused with the Institutional Refund Policy.

Martin University (MU) adheres to the following policies and procedures to ensure proper accountability of federal financial aid funds when a student withdraws from the institution.

Official Withdrawal

Official Notification

Official notification of a student's intent to withdraw, either from an individual course or completely from the University, including dismissal, has been provided when the student or faculty has provided written notification on the designated form (Formal Withdrawal Form) to the Registrar's Office and followed all established procedures. Official notification of withdrawal or termination will be associated with a specific date. Under certain circumstances, MU may use a documented last date of attendance at an academically related activity as a student's withdrawal date, if this date more accurately reflects the student's last date of attendance. For example, a student officially notifies MU and follows established procedures, but participates in an academically related event after the date of official notification (i.e. takes a final exam, submits a class project).

A student should be aware of the distinction between withdrawal from a course ("dropping" a class) and complete withdrawal from the University (no longer enrolled at all during that semester). The rules for this R2T4 policy apply only when a student withdraws from the institution (is no longer enrolled at all during that semester); they do not apply when a student drops a course.

Official Withdrawal from a Course or Courses

An official withdrawal from a course occurs when a student withdraws from one or more, but not all, of his or her courses and follows official withdrawal procedures, or via an administrative withdrawal (dismissal) initiated by the University. The timing of an official withdrawal from a course may affect how academic progress is determined for the student, affecting the student's pace for SAP purposes. The student's enrollment status and aid eligibility for Title IV aid purposes may also be affected if the student does not remain enrolled in the minimum number of eligible courses attributable to his/her

enrolled program of study. When a course withdrawal affects the amount of aid for which the student is/was eligible, the aid is adjusted based on the revised enrollment status (i.e. $\frac{3}{4}$ time). However, this required adjustment is not considered a Return to Title IV calculation.

Official Withdrawal from the University

An official withdrawal from the University occurs when a student withdraws from all courses by following the Official Notification procedures above, or when a student has been dismissed by the University. A Return to Title IV calculation is required for Title IV aid (federal financial aid) recipients to determine the amount of aid earned by the student for his/her attendance under these circumstances.

- When MU dismisses a student for academic performance or misconduct, the student is considered administratively withdrawn and is not required to complete a formal withdrawal form.

Financial Aid Office Notification of Official Withdrawal

The Financial Aid Office is notified via a Formal Withdrawal Form received from the Registrar. When a financial aid recipient withdraws from all courses or is dismissed, an R2T4 calculation is required to determine the percentage of Title IV aid earned by the student.

- *Effective beginning with the Spring 2020* semester; the 3D Technologies' consultant wrote a report in CAMS that is titled "**Withdrawn Reason and LDA Report**" which captures the students who have withdrawn, their reason, and their last date of attendance. This report is term-specific and is accessible under the "Reporting Services Reports" link in CAMS for those who have access.
- For Financial Aid purposes, the FA Office team will incorporate in their process a weekly review of this report for any updates and process R2T4 accordingly.

Unofficial Withdrawal from the University

An unofficial withdrawal from the University (i.e. "stopped attending") occurs when a student fails to satisfactorily complete all of his/her registered courses and does not follow the Official Notification policy established by the University. Since we are not an attendance-taking school, instructors are not required to submit attendance in CAMS.

- Beginning Spring 2021-week one attendance verification will be recorded in CANVAS by all faculty. The purpose of week one attendance verification is to validate Title IV aid eligibility prior to disbursements.

Faculty should notify the Student Success staff of any student who, after the first week of classes, has ceased attendance or a student's last date of an academic related activity in their class.

When a grade of F is reported in all classes for a student as a midterm and final grade, the Registrar or Student Success will contact the faculty to determine the last date of academic-related activity. If the last date of academic related activity cannot be determined, the midpoint of the semester will be used as the unofficial withdrawal date. The Financial Aid Office is notified via the Registrar's grade and withdrawal report. For Return to Title IV (R2T4) calculation purposes, the most accurate date will be used to determine the date the student "unofficially withdrew" from the semester in order to determine the amount of aid earned by the student. The timing of an unofficial withdrawal from the program may affect how progress is determined for the student, affecting the student's pace for SAP purposes. SAP must be evaluated at the point in the future when the student seeks re-entry into the program.

Beginning with the Fall 2020 semester, the "unofficial withdrawal" policy will remain the same with the following changes:

- Fall '20 begins the two 8-week sessions. Student Success "Early Alert" will occur after week 4 of each session and attendance verification will be required from all instructors at that time.
- Students whose attendance cannot be verified at the midpoint will be considered as "unofficially withdrawn" from that session.
 - If a student withdraws "officially or unofficially" from all courses within Session A, and is subsequently registered for Session B, he/she will be dropped from Session B classes unless the student provides written confirmation of intent to attend Session B.
 - If a student withdraws from all courses in Session A and later withdraws (officially or unofficially) from Session B, that student will be considered "withdrawn" for R2T4 purposes and a calculation will be required.

Withdrawal Without Official Notification

Per federal regulation, there are two circumstances in which a special rule applies that defines a withdrawal date for a student who withdraws due to circumstances beyond the student's control:

1. When a student who would have provided *official notification* to the school was prevented from doing so due to those circumstances.
2. When a student withdrew due to circumstances beyond the student's control and a second party provided notification of the student's withdrawal on the student's behalf.

MU may determine the withdrawal date that most accurately reflects when the student ceased academic attendance due to circumstances beyond the student's control. This date would not necessarily have to be the date of the occurrence of the circumstance.

Withdrawal Date When a Student Dies

When MU is informed that a student has died, it must determine the withdrawal date for the student under Federal regulation 34 CFR 668.22(c)(1)(iv). This regulation provides that if MU determines that a student did not begin the withdrawal process or otherwise provide official notification of his or her intent to withdraw because of illness, accident, grievous personal loss, or other such circumstances beyond the student's control, the withdrawal date is the date that the institution determines is related to that circumstance.

Attendance Requirements and Determining Withdrawal Dates

Martin University strongly encourages students to attend and participate as appropriate in all scheduled classes. While some instructors may take attendance, the University does not have a policy that requires faculty to take attendance.

Time Frame for the Determination of a Withdrawal with Official Notification

For a student who provides official notification of his or her intent to withdraw by following the school's withdrawal process or for whom a dismissal has been submitted, the withdrawal date is ordinarily the date the student began the school's withdrawal process (i.e. provided official notification) or the date of dismissal.

Time Frame for the Determination of a Withdrawal without Official Notification

To ensure that Title IV funds are returned within the required period of time, a school must determine the withdrawal date (for a student who withdrew without providing notification) within 30 calendar days from the earlier of (1) the end of the payment period or period of enrollment, as applicable, (2) the end of the academic year, or (3) the end of the student's educational program.

Earned and Unearned Title IV Funds

If a recipient of Title IV grant or loan funds withdraws from the University after beginning attendance, the amount of Title IV grant and/or loan assistance earned by the student must be determined. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she may be eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

Students who attend beyond the 60% mark in any period of enrollment have earned 100% of Title IV aid disbursed or scheduled to disburse, to pay for that period of enrollment. Return to Title IV calculations are performed to determine if the student attended beyond the 60% mark of any course or program.

Federal regulations stipulate that for institutions not required to take attendance (Martin University falls into this category), Return to Title IV calculations may be performed

using the 50% mark of the semester to determine earned aid for Unofficial Withdrawals, unless the school has evidence that the student withdrew before or after that time (i.e. documented participation in an academically related activity).

R2T4 Calculation Requirements

The Financial Aid Office is required by federal statute to recalculate federal financial aid eligibility for students who withdraw from the institution, whether officially, unofficially, or administratively. Federal Title IV financial aid program eligibility must be recalculated in each of these situations to determine the amount of aid earned by the student.

Order of Title IV Fund Adjustments

The Financial Aid Office utilizes the withdrawal date to determine the percentage of aid earned by dividing the number of days in the payment period or period of enrollment, up to and including the withdrawal date utilized, by the total number of days scheduled in the payment period or period of enrollment. A student has earned 100% of eligible aid if they attend *beyond* the 60% point in time of a payment period or period of enrollment.

In the event that funds must be returned, federal regulations require that institutions return funds in a specific order, which happens to be most beneficial to students. Loan funds are returned before grants, and interest-bearing loans are returned before interest-free loans. Federal funds must be returned in the following sequence:

1. Federal Direct Unsubsidized Loan
2. Federal Direct Subsidized Loan
3. Federal Direct PLUS
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant

Date Reviewed	Reviewer	Title	Revisions
06/2019	Michael Campbell	HEAG consultant	
	Karyn Wright-Moore	HEAG, VP Compliance	
11/8/2021	Qiana Hall	MU Director of Financial Aid	Unofficial W/from the University