

**Title: #VI-10C. Withdrawal and Return of Title IV Financial Aid**

**Date: May 30, 2019**

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## **A. Statutory Guidance**

Federal regulations, HEA Sec. 484(c), 34 CFR 668.164 and 34 CFR 668.22(C) explain how Title IV funds are handled when a recipient of those funds ceases to be enrolled (100% withdrawal) prior to the end of a payment period or period of enrollment. These requirements do not apply to a student who does not actually begin attendance or a student with a change in enrollment status. An example of a change in enrollment status is when a student reduces their course load from 12 credit hours to 9 credit hours.

## **B. Definitions**

- 1. Return Calculation** – A calculation required by Title IV where WVUP determines the amount of financial aid earned by a student who officially or unofficially withdrawals or takes a leave of absence prior to completing 60% of the term for which they are enrolled.
- 2. Official Withdrawal** – A student provides notification to the college of their intention to withdraw from some or all of their classes and either completes the Withdrawal Form or logs into the On-Line Student Information System (OL SIS) and withdraws.
- 3. Unofficial Withdrawal** – An unofficial withdrawal occurs when a student stops attending class or completing assignments but does not officially notify the college that they have stopped attending classes.

## **C. General Provision**

The Title IV regulations specify how West Virginia University at Parkersburg (WVUP) must determine the amount of Title IV program assistance that a student earns if they withdraw from school. The Title IV programs covered by this Law are:

Federal Pell Grants  
Federal Supplemental Educational Opportunity Grants (FSEOGs)  
Federal Direct Loans (Subsidized and Unsubsidized)  
PLUS Loans

These provisions also apply to all programs funded by the state of West Virginia, including but not limited to the programs listed below. For these programs, unearned funds are returned to the state of West Virginia.

WV Invests Grant  
WV Higher Education Grant  
PROMISE Scholarship

## Higher Education Assistance for Part-time Students (HEAPS) Grant

Funds will be returned to the programs based on a concept of earned versus unearned aid. The Return of Title IV funds rule assumes that a student earns his or her aid based on the period of time he or she remained enrolled. If a student formally or informally withdraws from 100% of the classes in which they are enrolled, the WVUP Financial Aid Office is required by federal regulations to determine how much financial aid was earned by the student. WVUP must complete this calculation for all students who are dismissed, withdraw, drop out, or take a leave of absence prior to completing 60% of a payment period or term. For a student who completely withdraws after the 60% point-in-time, all federal funds are considered to be earned and no amount will need to be returned. However, WVUP must still complete a Return Calculation form (R2T4) in order to determine whether the student is eligible for post-withdrawal disbursement.

Unearned Title IV funds, other than Federal Work Study, must be returned. Unearned aid is the amount of aid disbursed to the student that exceeds the amount of Title IV aid earned. During the first 60% of the enrollment period, a student earns Title IV funds in direct proportion to the length of time he or she remains enrolled in at least one credit hour. A student who remains enrolled beyond the 60% point earns all aid for that period. The Return Calculation is based on the percentage of earned aid using the following Federal Return of Title IV funds formula:

***Percentage of payment period or term completed = the number of days completed up to the withdrawal date divided by the total days in the payment period or term. (Any break of five days or more is not counted as part of the term.) This percentage is also the percentage of earned aid.***

For a student who officially withdraws, the date of WVUP's determination that the student withdrew is the earlier of the withdrawal date or the date of the student's notification to the WVUP Center for Student Services or their academic advisor. In order to complete an official withdrawal from school, a student must complete a [Withdrawal Form](#) and submit it to the WVUP Center for Student Services or faculty advisor. If the student does not complete the Withdrawal Form or notify the Center for Student Services, the date of WVUP's determination that the student unofficially withdrew is the date that WVUP becomes aware that the student ceased attendance. If WVUP is unable to determine the last date of attendance, the faculty-reported last date of attendance or the mid-point of the payment period, whichever is earlier, will be used as the withdrawal date.

The responsibility to repay unearned aid is shared by WVUP and the student. WVUP's share is the lesser of the total amount of unearned aid or the institutional charges multiplied by the percentage of aid that was unearned. The student's share is the difference between the total unearned amount and WVUP's share.

A student who earned more aid than was disbursed prior to withdrawal is owed a post-withdrawal disbursement which must be paid within 120 days of the student's withdrawal. Post-withdrawal disbursements must be made from available grants before loans. WVUP will credit post-withdrawal disbursements toward unpaid institutional charges. Any portion of post-withdrawal disbursement not credited to the student's account will be offered to the student (or parent in the case of a PLUS loan) as a cash disbursement.

WVUP must return the amount of Title IV funds for which it is responsible no later than 45 days after the date of determination of the date of the student's withdrawal. Funds are returned to the appropriate federal program based on the percentage of unearned aid using the following formula:

***Aid to be returned = (100% of the aid that could be disbursed minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the payment period or term.***

WVUP's refund policy differs from the Return of Title IV Funds policy. As provided in Answer Book #VI-11B, [Tuition and Fees](#), WVUP's refund policy is as follows:

### **Refunds**

The Fall, Spring, and Summer refund schedules apply to tuition only and do not apply to special fees. Refunds are issued only on **complete withdrawals from the college**. No refund will be issued for dropping individual courses until registered credit hours are zero. Tuition refund for complete withdrawals to student according to the following penalty schedule:

#### **Fall or Spring Semester**

0% penalty will be assessed for classes canceled by the college or dropped by the student before 4:00 p.m. Friday the first week of classes.

10% penalty will be assessed on complete withdrawals during the second week of classes.

30% penalty will be assessed on complete withdrawals during the third week of classes.

50% penalty will be assessed on complete withdrawals during the fourth week of classes.

No tuition refunds will be provided beginning with the fifth week of classes.

#### **Summer Sessions and Nontraditional Periods**

0% penalty will be assessed for classes canceled or dropped during the first 6% of the term.

10% penalty will be assessed on complete withdrawals during the first 7 to 13% of the term.

30% penalty will be assessed on complete withdrawals within the period of 14% to 19% of the term.

50% penalty will be assessed on complete withdrawals within the period of 20% to 25% of the term.

No refunds will be provided after 25% of the term is completed.

#### **Notes:**

- Refunded tuition must be returned in accordance with the requirements of the Higher Education Act whenever Title IV funds are involved.
- Reduced refunds are given for students making installment payments. Refunds are reduced by the applicable outstanding balance of WVUP institutional charges owed.

**Responsible Administrator: Director, Financial Aid, 304-424-8310**