

Summary of the Return of Title IV Funds Policy

Treatment of Title IV Aid when you withdraw from all your classes

The law (34 CFR 668.22) specifies how Beloit College must determine the amount of Title IV aid that you earn if you withdraw from school. The Title IV programs that are covered by this law are Federal Pell Grants, Iraq and Afghanistan Service Grants, TEACH Grants, Direct Loans, Direct PLUS Loans, and Federal Supplemental Educational Opportunity Grants (FSEOGs).

Though your aid is posted to your account at the start of each semester, you earn the funds as you complete the semester. If you withdraw during the semester, the amount of Title IV aid that you have earned up to that point is determined by a specific formula. If you (or Beloit College or your parent received on your behalf) received more aid than you earned, the excess funds must be returned to the U.S. Department of Education by Beloit College and/or you. If you received less aid than the amount that you earned, you may be able to receive those additional funds in a **post-withdrawal disbursement**.

The amount of aid that you have earned is determined on a pro-rata basis. For example, if you completed 30% of the semester, you earn 30% of the aid you were originally scheduled to receive. Once you have completed more than 60% of the semester, you earn all the aid that you were scheduled to receive during that semester.

In order to determine how much Title IV aid you have earned, the Financial Aid Office must calculate the percentage of the semester you attended. This percentage is based on your last date of attendance (LDA). Your LDA is based on whether you **officially** withdraw or **unofficially** withdraw.

An **official** withdrawal occurs when you begin the official withdrawal process or otherwise provide official notification of your intent to withdraw. Official notification is any official notification that is provided in writing, or orally, to a designated campus official while acting in his/her official capacity. **The designated offices for students to contact to officially withdraw from all courses, or from the school, are the Dean of Students Office and the Registrar's Office.** When a student contacts either of these offices s/he may choose to either take a vacation term or withdraw from the college completely.

An exit interview (**this is different than the exit interview for Financial Aid**) is required with the Associate Dean of Students, Joy de Leon or the Director of Learning Enrichment and Disability Services, Angi Olesen. They will help you with all procedures. Withdrawals from the college must be approved by the Dean of Students (or their designee) and the Registrar. Having been approved, you must officially withdraw from your classes through the Registrar's Office. Failure to do so may result in the posting of "Fs" for all classes not officially dropped.

The Financial Aid Office must treat both a vacation term and a complete withdrawal in the same manner. A Return to Title IV funds (R2T4) calculation is required in both instances.

The Dean of Students Office as well as the Registrar's Office will notify the Financial Aid Office of your LDA. The LDA is defined as the last date of attendance at an academically-related activity. These activities include but are not limited to:

- Physically attending a class where there is an opportunity for direct interaction between the instructor and students;
- Submitting an academic assignment;
- Taking an exam, completing an interactive tutorial, or participating in computer-assisted instruction (merely logging in does not constitute attendance);
- Attending a student group that is assigned by the school;
- Participating in an online discussion about academic matters; and
- Initiating contact with a faculty member to ask a question about the academic subject studied in the course.

Academically-related activities do **not** include activities where a student may be present but not academically engaged, such as:

- living in institutional housing,
- participating in the school's meal plan,
- participating in academic counseling or advisement.

An **unofficial** withdrawal occurs when you do not notify any office of your intent to withdraw. If the Registrar's Office receives notification from your instructors that you have stopped attending all your classes, the Financial Aid Office will perform a R2T4 calculation. In addition, if you have a 0.0 term GPA at the end of a semester, we will assume you withdrew from school and will perform a R2T4 calculation. In these cases, we will use your last date of attendance, if we have one. If not, we will use the midpoint of the semester as your withdrawal date.

Once the Financial Aid Office determines your LDA or the midpoint of the semester, we calculate the number of calendar days since the beginning of the semester. We also calculate the number of calendar days in the semester, deducting any breaks of five or more days. We then divide the number of days you have attended by the number of days in the semester. This number is the percentage of the semester that you have attended. The percentage of aid you have earned is equal to the percentage of the semester you have attended.

We then add up all the Title IV aid that was disbursed to you (and that could have been disbursed) and multiply that total by the percentage of Title IV aid you earned. This is the amount of Title IV aid you have earned and may keep. If the amount you may keep is less than the amount that was disbursed (and that could have been disbursed) the excess funds must be returned to the U.S. Department of Education.

If you receive (or Beloit College or your parent receive on your behalf) excess Title IV program funds that must be returned, Beloit College must return a portion of the excess equal to the lesser of:

1. your institutional charges multiplied by the unearned percentage of your funds, or
2. the entire amount of excess funds.

Beloit College must return this amount even if it didn't keep this amount of your Title IV program funds. If the college is required to return any excess funds, it must return them to the U.S.

Department of Education within 45 days of the date the school determined you withdrew. The funds must be returned in this order:

- Unsubsidized Direct Loans (other than Direct PLUS)
- Subsidized Direct Loans
- Direct PLUS
- Federal Pell Grants
- FSEOG
- Iraq and Afghanistan Service Grants

If Beloit College is not required to return all of the excess funds, you must return the remaining amount.

For any **loan funds** that you must return, you (or your parent for a Direct PLUS Loan) repay in accordance with the terms of the promissory note. That is, you make scheduled payments to the holder of the loan over a period of time, once your repayment period begins.

Any amount of unearned **grant funds** that you must return is called an overpayment. The maximum amount of a grant overpayment that you must repay is half of the grant funds you received or were scheduled to receive. You do not have to repay a grant overpayment if the original amount of the overpayment is \$50 or less. You must make arrangements with the Department of Education to return the unearned grant funds for which you are responsible.

If you did not receive all of the funds that you earned, you may be due a **post-withdrawal disbursement**. If your post-withdrawal disbursement includes **loan funds**, the Financial Aid Office must get your permission before it can disburse them. The college must send notification that you (or your parent) are eligible for a post-withdrawal disbursement within 30 calendar days after the date of the school's determination that you withdrew. You and/or your parent will have 14 days to respond regarding whether you want the loan and how much. You may choose to decline some or all of the loan funds so that you don't incur additional debt.

Beloit College may automatically use all or a portion of your post-withdrawal disbursement of **grant funds** for tuition, fees, room and board charges. The Financial Aid Office needs your permission to use the post-withdrawal grant disbursement for all other institutional charges. If you do not give your permission, you will be offered the funds. However, it may be in your best interest to allow Beloit to keep the funds to reduce your debt at the school.

The requirements for Title IV program funds when you withdraw are separate from Beloit College's refund schedule for tuition, room, board and fees. Therefore, you may still owe funds to Beloit College to cover unpaid institutional charges. Beloit College may also charge you for any Title IV program funds that the school was required to return. If you aren't familiar with Beloit's tuition, fees, room and board refund schedule, you may review it in its entirety on the [Bursar's website](#).

If you have questions about the R2T4 calculation please call the Financial Aid Office at 608-363-2663 to make an appointment with either Betsy Henkel or Deb Dew. We will be able to walk you through the calculation and answer any questions you may have.

If you have questions about your Title IV program funds, you can call the Federal Student Aid Information Center at 1-800-4-FEDAID (1-800-433-3243). TTY users may call 1-800-730-8913. Information is also available on Student Aid on the Web at www.studentaid.ed.gov.