

# Withdrawal and Return to Title IV Policy

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**Approved by:** Office of Financial Aid

**Policy Owner:** Fiscal Affairs

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Title IV funds are awarded to a student under the assumption the student will attend school for the entire period for which the assistance is awarded. When a student withdraws the student may no longer be eligible for the full amount of the Title IV funds the student was originally scheduled to receive. The Office of Financial Aid of Oklahoma Panhandle State University (OPSU) in accordance with 34 CFR Sec. 668.22 calculates the return of Title IV funds for any student who receives Title IV aid and subsequently withdraws before sixty percent of the semester.

## **Official Withdrawals**

An official withdrawal form, email, or verbal request by the student to the registrar's office will be forwarded to the Office of Financial Aid notifying the department of the student's withdrawal. The student withdrawal date will be determined by the Office of Financial Aid based on: the official withdrawal form provided by the registrar's office with the date of withdraw; the date the withdrawal request was received by email; or the date the verbal request was received and documented.

Should a student cancel enrollment as opposed to withdrawing, no Return of Title IV calculation will be performed. Instead, all aid disbursed will be canceled and returned to the appropriate aid programs.

## **Unofficial withdrawals**

Students who cease attendance in all of their classes but fail to complete the official withdrawal paperwork are referred to as unofficial withdrawal students. At the end of each semester, the Office of Financial Aid will identify all the Title IV students who received no passing grades. These students are then processed under the unofficial withdrawal policy. The Office of Financial Aid will utilize the last day of attendance for registered courses, as supplied by instructors, as the withdrawal date to determine the amount of Title IV aid to return to the federal aid programs for the semester.

## **Return to Title IV Calculation:**

The Office of Financial Aid will complete the Return to Title IV within 30 days of the date the withdrawal date was determined. The student's award letter and statement of account for that semester will be used to input award amounts received and expenses incurred to calculate any federal funds not earned by the student. Institutional charges allowed to be used in the calculation are tuition, fees, room and board and any other educationally-related expenses assessed by the institution.

## **Federal Aid Programs in which Return to Title IV Applies**

The following types of aid will be considered in the official and unofficial withdrawal Return to Title IV calculations: Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal Direct Loans including subsidized, unsubsidized, and parent loans.

The type and amount of aid to be returned to the aid programs is directly based on the percentage of aid considered to have been earned at the point of withdrawal. The percentage of earned aid is calculated first by dividing the number of calendar days attended in the semester, excluding calendar breaks of five or more days, by the number of days in the semester. Once the earned percentage has been calculated it is then subtracted from 100 to get the unearned percentage. The unearned percentage is then multiplied by the Title IV assistance received to determine the amount of Title IV aid which is unearned and must be returned.

Based on the calculation, if the percentage of payment period or period of enrollment completed calculation is sixty percent or greater, the student has earned their federal aid. Less than sixty percent of the payment period, the student has not earned all their assistance and the amount calculated must be returned.

## **Return of Funds**

Any unearned aid will be returned to the federal aid programs by the Office of Financial Aid. A charge is placed on the student's bursar account for the amount of aid required to be returned. The Office of Financial Aid will mail notification via USPS of the overpayment of funds as a result of their withdrawal to the student. The student must make payment arrangements with the business office for the amount charged against the student's account.

The Office of Financial Aid will return the funds as soon as possible but no later than 30 days from the student's withdrawal to the impacted federal aid program received during the withdrawal term in the following order: unsubsidized direct loans, subsidized direct loans, direct PLUS loans, Federal Pell Grant and Federal SEOG grant.

## **The Effects of Withdrawing**

Students who are considering withdrawing from their classes should be aware that federal funds may not cover all unpaid institutional charges due upon complete withdrawal. To fully understand the withdrawal process and its impact, students should consult with their advisors and professors, the Office of Academic Records, and the Office of Financial Aid. Students who withdraw from classes may be obligated to repay a portion of their federal aid. In addition, federal loan borrowers who completely withdraw from all classes within a semester will enter into their grace period or may be required to begin repayment of federal loans received if their grace period has elapsed.