

RETURN OF TITLE IV AID FUNDS

Any student who completely withdraws from the University and is a recipient of Federal Title IV Financial Aid is subject to the following policy regarding refund and repayment of those funds (34 CFR 668.22). This policy will apply to students who discontinue enrollment in **ALL** classes on or after the first day of the term. John Carroll must include in the R2T4 calculation all funds of Title IV aid that were disbursed or could have been disbursed.

WHAT IS TITLE IV AID?

Title IV aid, as defined by the Higher Education Act of 1965, includes the following programs:

- **FEDERAL DIRECT PLUS LOANS**
- **FEDERAL PELL GRANT**
- **FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT (FSEOG)**
- **FEDERAL DIRECT SUBSIDIZED AND UNSUBSIDIZED STAFFORD LOANS**
- **FEDERAL TEACH GRANT**
- **FEDERAL DIRECT GRADUATE PLUS LOANS**
- **FEDERAL IRAQ AND AFGHANISTAN SERVICE GRANT**
- **FEDERAL WORK-STUDY**

WHEN THE STUDENT WITHDRAWS

When a student withdraws from the University, the federal government mandates a **RETURN OF THE TITLE IV AID** calculation. This policy does not apply to students who cancel their registration prior to the first day of classes or to students who drop some but not all of their classes. However, students should notify the Office of Student Enrollment and Financial Services (SEFS) of any changes made to their schedule to ensure eligibility of aid is not affected. See Future Aid Eligibility section.

Students who withdraw from the University must file a **COMPLETE WITHDRAWAL FORM** with an Enrollment Services Counselor in the Student Enrollment and Financial Services office. The form for students, is available on the Registrar's website at: webmedia.jcu.edu/registrar/files/2019/04/Withdrawal-Leave-of-Absence-Form.pdf

Return of the Title IV Aid

When a student completely withdraws, SEFS must calculate the amount of financial aid earned prior to withdrawing. Any Title IV aid received in excess of the earned amount is considered unearned and must be returned back to the respective Federal Aid program. Non-Title IV aid programs (such as scholarships, grants and state aid) are not part of the Return of Title IV aid calculation; however, this aid may still be subject to reduction. For instance, if the student withdraws within the first 4 weeks of classes when tuition is refunded, the Non-Title IV aid will be adjusted.

JCU will return any unearned funds within 45 days of notification of withdrawal. A notification of the change in aid will be sent to the student reflecting these adjustments and will display the balance owed to the university due to the withdrawal.

Cancellation of Registration

If student's registration is canceled prior to the beginning of the semester the student will not be considered enrolled for that semester. If this occurs, no form of financial aid can be received during the semester; aid will be canceled and returned to the appropriate programs.

DO NOT LEAVE SCHOOL WITHOUT OFFICIALLY WITHDRAWING

If the student “walks away” and does not pass any classes, they will be considered an unofficial withdrawal. Federal regulations require SEFS to recalculate the financial aid eligibility based on the last day of attendance. The date is determined as either the last date of documented academic attendance or the mid-point of the period of enrollment. A Return of Title IV Aid calculation will be performed based on this date. See the previous section.

CALCULATING FINANCIAL AID

EARNED AID is determined by taking the number of days attended (all calendar days are counted, including weekends) divided by the total number of days in the term (first day of classes until the last day of finals). If a student withdraws after the 60% point of the term, there are no unearned funds. The calculation of the Return of Title IV aid only applies to students who withdraw up to the 60% point of the term. Withdrawal after this point in time will not result in any adjustments UNLESS it is later determined that the student stopped attending classes and unofficially withdrew prior to the 60% point of the term.

UNEARNED AID is calculated by subtracting the earned percentage from 100%

CALCULATING RETURN OF TITLE IV AID AMOUNT

Once the earned and unearned aid percentages are determined, the Office of SEFS calculates the dollar amount of **TOTAL UNEARNED AID** that must be returned. The **RETURN OF AID AMOUNT** is determined by multiplying the unearned aid percentage by the total of all Title IV aid received.

[Example] student withdraws in Week 6 of Fall semester.

Unearned Aid Percentage - 36.9%

X *Total of all Title IV Aid Received - \$9495*

TOTAL UNEARNED AID - \$3504 must be returned to the Federal Programs

ORDER OF RETURN OF TITLE IV FUNDS

Aid will be returned in the following order, up to the net amount disbursed from each source:

- Federal Direct Unsubsidized Loans;
- Federal Direct Subsidized Loans;
- Federal Direct Graduate PLUS Loans;
- Federal Direct PLUS Loans;
- Federal Pell Grants;
- Federal SEOG;
- Federal TEACH Grants; and
- Federal Iraq and Afghanistan Service Grant

FUTURE AID ELIGIBILITY

Withdrawing may affect student’s eligibility to receive financial aid in subsequent terms. Upon withdrawal, the student should notify SEFS when they plan to return so JCU can make necessary adjustments to the financial aid award. Students should also review the **SATISFACTORY ACADEMIC PROGRESS** requirements which can be found on our website:

<https://jcu.edu/sites/default/files/2020-12/SAP%20Policy%20updated%202020.pdf>

POST-WITHDRAWAL DISBURSEMENTS

If a student withdraws from a term and receives less federal student aid than the amount earned, then the student is entitled to a post-withdrawal disbursement. The student must have met all of the conditions for a late disbursement prior to the date the student became ineligible (date of withdrawal). If the student or parent is eligible for a post-withdrawal from Title IV loans funds, SEFS will notify the student or parent in writing prior to making any post-withdrawal disbursement, whether those loan funds will credit the student's account or be disbursed directly to the student or parent. The written notification must be made within 30 days to confirm in writing that the student or parent wants the post-withdrawal disbursement. If no confirmation is received, the loan will be canceled.