



Financial Aid
Policy Regarding
Return of Title IV Funds (R2T4)

Reference: 34 CFR 668.22

The Department of Education requires institutions participating in the Title IV Federal Financial Aid programs to maintain a written policy regarding federal financial aid recipients who withdraw or otherwise fail to complete the semester for which their financial aid was disbursed.

Title IV Federal financial aid is awarded to students under the assumption the student will attend school for the entire period for which the assistance is offered. When a student withdraws, they may no longer be eligible for the full amount of Title IV funds they were originally scheduled to receive. Title IV funds include Pell grant, Supplemental Education Opportunity Grant (SEOG), Iraq Afghanistan Service Grant, TEACH Grant, and Federal Direct Loans (subsidized, unsubsidized, parent PLUS, and grad PLUS)

For Return of Title IV funds (R2T4) and institutional purposes, a student is considered enrolled until he or she has completed and submitted an Add/Drop/Withdrawal form, UMary exit survey, or until the end of the semester has been reached, whichever comes first. Students who wish to withdraw from all semester courses (fall, spring, or summer) must submit a completed Add/Drop/Withdrawal form to the Office of Registrar or complete a UMary exit survey. Failure to attend scheduled courses does not constitute an official withdrawal.

If students enrolled in modular courses withdraws from the University before completing his or her of the course(s), an R2T4 calculation is performed based on all courses enrolled. A calculation will be performed for any student who withdraws from a modular course and fails to indicate they plan to return for a modular course scheduled later in the semester.

Upon receiving notification of a student's complete withdrawal from the Office of Registrar, the Office of Financial Aid will complete an R2T4 calculation as soon as possible, and within 45 days from date of withdrawal. The financial aid office will confirm the last date of academically related activity with the student's instructors and use this date as the return date. The last date of academically related activity may include, but is not limited to class attendance, turning in an assignment, taking an exam, tutorial or computer assisted instruction, participating in an online discussion, or initiating contact with a faculty member regarding course material. Living in campus housing, participating in the school's meal plan, logging into an online course without any other evidence of participation, and academic counseling or advising do not constitute examples of academically related activity.

Unearned funds will be returned as required by the school. When funds are returned from a student's account, the student will be responsible for any balance due. The Office of Student Accounts will bill for any unpaid charges.

If a student has completed all requirements for disbursement of aid prior to complete withdrawal and before receiving a federal aid disbursement, they are eligible for a post-withdrawal

disbursement to their student account. Post-withdrawal funds will be included in the return calculation.

- If the post-withdrawal disbursement includes federal direct loan funds, a notice will be sent to the student requiring acceptance of loan funds. Students must respond to the post-withdrawal notice within 14 business days. No post-withdrawal federal loan funds will be disbursed without student acceptance.
- If the post withdrawal disbursement includes federal grant funds, such as a Federal Pell Grant, the funds may be disbursed to the student account without additional acceptance.

All post withdrawal disbursements, whether comprised of grants or loans, must be disbursed to a student's account within 180 days of the date of withdrawal determination.

Students completing 60% or more of the payment period (a.k.a. semester) are considered to have earned all funds disbursed.

Students who fail all semester courses attempted are assumed to have ceased attendance and a return calculation is required. The University of Mary is not required to take attendance. In order to benefit our students, the Office of Financial Aid checks with instructors for last date of academically related activity when completing a review of all failing courses.

The Office of Financial Aid notifies students when a federal return calculation is performed, the amount of and programs federal funds were returned to, and their obligation to repay any account balance incurred as a result of the federal return calculation. This notification is mailed to the student's legal, permanent address on file with the Office of Registrar.

This policy does not apply to students who cancel their registration prior to the first day of classes or students who drop some by not all their classes. In these cases, the Office of Financial Aid may have to recalculate a student's financial aid offer based on their revised enrollment status.

Federal Return of Title IV Funds (R2T4) Calculation

The amount of federal Title IV funds earned is based upon the percentage of the period of enrollment (semester) completed. The percentage is calculated by dividing the number of days completed (as of the date the student discontinues enrollment) by the total number of days in the semesters as determined by the Office of Financial Aid in compliance with federal regulations. The percentage is applied to the aid received to determine earned and unearned aid. If any aid is determined to be unearned, it must be returned to the appropriate financial aid program within 45 days of calculation. The amount return cannot exceed the amount the student received from that program.

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

1. Federal Direct Unsubsidized Loan
2. Federal Direct Subsidized Loan
3. Parent or Graduate PLUS Loans

4. Pell Grant
5. SEOG
6. Other Title IV programs such as TEACH Grant or Iraq Afghanistan Service Grant