

Chatham University

Return of Title IV Funds (effective 7-1-2021)

The U. S. Department of Education requires that the university determine the amount of Federal Title IV aid earned by a student who withdraws or fails to complete the period of enrollment. The university must determine the earned and unearned portions of Title IV aid as of the date the student ceased attendance based on the amount of time the student has spent in attendance. Unless the student meets one of the exemptions below in items 1 – 4, up through the 60% point in the period of enrollment, a pro rata schedule is used to determine the amount of Title IV funds the student has earned at the time of withdrawal. After the 60% point in the period of enrollment a student has earned 100% of the Title IV funds they were scheduled to receive. For a student who withdraws after the 60% point-in time, there are no unearned funds.

Effective July 1, 2021, there are four ways in which a student enrolled in a program delivered in modules** is exempt from the normal rules for return of Title IV funds (R2T4) mentioned above, and thus is not considered to be a withdrawal. Even though a student may meet one of the exemptions for R2T4, a student's cost of attendance and financial aid may need to be reduced if the student does not attend all periods of enrollment for which Title IV aid has been determined. The 4 exemptions are:

1. If the student has completed all requirements for graduation within the payment period or period of enrollment;
2. If the student successfully completes Title IV-eligible coursework in one module or a combination of modules that equals 49% or more of the number of countable days** in the payment period or period of enrollment; or
3. If the student successfully completes Title IV-eligible coursework equal to or greater than what the school considers to be half-time enrollment (18 units) for the payment period or period of enrollment.
4. If a student who has dropped all classes except for classes in a future module within the semester has provided written confirmation to the school of their intention to return within 45 days within the same semester. Pre-registration does not constitute written confirmation.

*A student is considered to be enrolled in a program delivered in modules in any semester in which the student is enrolled in any class that does not span the entire semester.

**Countable days for calculating the 49% exemption include the first day of classes up to and including the last day of classes in the student's individual enrollment period (semester or mini), including days between modules and excluding breaks of 5 or more days. All courses for which the student is registered AND courses for which the student has begun attendance are considered when determining the 49% exemption, even those courses that have been dropped.

Title IV funds are awarded to a student under the assumption that 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 Title IV funds that the student was originally scheduled to receive.

If a recipient of Title IV grant or loan funds withdraws from a school after beginning attendance, the amount of Title IV grant or loan assistance earned by the student must be determined. Additionally, if a recipient of Title IV grant or loan funds who is enrolled in a program delivered in modules does not attend all scheduled modules or withdraws from a module, the school must determine whether the student is considered to be a Title IV withdrawal and must determine the amount of Title IV grant or loan assistance earned by the student. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned. If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, the student is eligible to receive a Post-withdrawal disbursement of the earned aid that was not received.

Chatham University determines the Withdrawal Date and Date of Determination to complete the return of funds calculation. A student's withdrawal date and date of determination varies depending on the type of withdrawal. When a student provides official notification to Chatham University through the Withdrawal Process, the withdrawal is defined as an official withdrawal. When the student does not complete the Withdrawal Process and no official notification is provided by the student, it is considered an unofficial withdrawal.

Withdraw Process:

Students who choose to withdraw from the University should take the following steps:

- Complete the "Withdraw from the University Form"
- Form must contain all signatures
- Return the completed form to:
 - Office of the Registrar; Braun Hall; Woodland Road; Pittsburgh PA, 15232
 - registrardeptgroup@chatham.edu
 - 412-365-1643 (Fax)

Official Withdraw:

When a student has officially withdrawn the Financial Aid Office is notified in the following manner:

- Automatic e-mail notification from the Office of the Registrar
 - Withdraw paperwork is scanned into CampusVue Document tracking in which prompts e-mail trigger Financial aid distribution list
 - Automatic nightly e-mail job runs to identify any student whose status has changed to withdrawn and is sent to Financial aid distribution list
 - Nightly Registration action report runs and automatically e-mailed daily of registration actions the prior day including withdraws

For students who notify the University of their intent to withdraw, the official date of withdraw is the earliest of:

- Date the student began the withdrawal process
- Date the student notified their department
- Date the student notified their dean
- Date the student notified the Dean of Students

Unofficial Withdraws:

When a student has unofficially withdrawn the Financial Aid Office is notified in the following manner:

- Nightly job runs that tracks any W grades processed from the previous business day
 - Would identify students who would withdraw from individual courses (potentially all) but may not officially withdraw from the University
- If a student fails all classes, they would be checked as part of the Satisfactory Academic Progress Review at the end of each semester
 - To identify the Unofficial withdrawals the IT Department has developed a custom report which will identify the following:
 - Semester Credits attempted
 - Semester Credits earned
 - Semester GPA
 - Follow-up will also be conducted with the academic divisions to determine if the student actually completed the semester and earned the grades (0.0) or failed to complete the semester and did not notify the University of their status.

Students who stop attending all classes without officially withdrawing will be subject to a return of Federal student aid funds at the end of the semester based on mid-point date/withdrawal date/last documented date of attendance as determined by Chatham University.

Date of Determination:

Chatham University is not required to take attendance and the date of determination that a student withdrew varies depending upon the type of withdrawal: Official or Unofficial.

1. For withdrawals where the student **provided Official Notification** the date of determination is the student's withdraw date, or the date of determination, whichever is later.
2. For withdrawals where the student **did not provide Office Notification** the date of determination is the date the institution became aware the student has ceased attendance.

For a student who withdraws without providing notification to the institution, the institution must determine the withdrawal date no later than 30 days after the end of the payment period.

Calculation of Earned Title IV Assistance:

The withdrawal date is used to determine the point in time in that the student is considered to have withdrawn so the percentage of the payment period completed by the student can be determined. The percentage of Title IV earned is equal to the percentage of the payment period completed. Unless a student who is considered to have withdrawn meets one of the 4 exemptions listed above, the amount of Title IV federal aid earned by the student is determined on a pro-rata basis up to the end of 60% of the semester.

Once a student has completed more than 60% of a term, all awarded aid (100%) has been earned. The percentage of federal aid earned and the order in which the unearned aid is returned are defined by federal regulatory requirements

The following earned Federal aid is included in a Return of Title IV Funds Calculation if disbursed or could have been disbursed to the student for the payment period in which the Return calculation is being performed:

- Federal Pell Grant
- Iraq and Afghanistan Service Grant
- TEACH Grant
- Federal SEOG
- Direct Loans
- Federal Perkins Loans

Institutional Charges:

Institutional charges are used to determine the portion of unearned Title IV aid that the University is responsible for returning. Charges for tuition, fees, room, and board, as well as, all other applicable institutional charges are included in the Return calculation. Institutional charges do not affect the amount of Title IV aid that a student earns when they withdraw. The institutional charges used in the calculation are the charges that the student was originally assessed for the payment period. Initial charges are only adjusted by those changes the institution made prior to the withdrawal (for example, for a change in enrollment status unrelated to withdrawal). If after a student withdraws, and the institution changes the amount of the institutional charges, or decides to eliminate those charges, that will affect neither the charges nor the aid earned in the calculation.

Return of Funds:

If the total amount of Title IV grant and/or loan assistance that was earned as of the withdrawal date is less than the amount that was disbursed to the student, the difference between the two amounts will be returned to the Title IV program(s) and no further disbursements will be made. If a student has received excess funds, the College must return a portion of the excess equal to the lesser of the student's institutional charges multiplied by the unearned percentage of funds, or the entire amount of the excess funds. The unearned portion of Federal student aid funds will be returned to the appropriate aid program(s), within 45 days from the date of determination that a student withdrew. The funds are returned in the following order as prescribed by federal regulations:

- Unsubsidized Direct Loans
- Subsidized Direct Loans
- Federal Perkins Loan
- Direct PLUS Loans
- Federal Pell Grants for which a return is required
- Federal SEOG Grant for which a return is required
- TEACH Grants for which a return is required
- Iraq and Afghanistan Service Grant, for which a return is required

Post-Withdrawal Disbursement:

If the total amounts of the Title IV grant and/or loan assistance earned as of the withdrawal date is more than the amount that was disbursed to the student, the difference between the two amounts will be treated as a post-withdrawal disbursement. If a post-withdrawal disbursement of grant funds is due the student, and they have outstanding current charges on their account, the grant funds will be applied to their student account to pay the outstanding charges, and/or disbursed directly to the student.

In the case of a post-withdrawal of loan funds, the student or parent would be notified in writing within 30 days of the date that the institution determined that the student withdrew. The written notification would identify the type and amount of loan funds, explanation, that student or parent can accept, reduce, or decline the loan, as well as their obligation to repay the loan funds. It would also be explained that the loan funds would be applied to the student account. If the student did not owe a balance to the school, the student would be encouraged to cancel, the loan and reminded it is a loan, and they have to repay it.

Upon receipt of a timely response from the student or parent (in the case of a PLUS loan), the University will disburse the funds as soon as possible, but no later, then 180 days from the date of determination.

Overpayments:

In the case of an overpayment, Chatham University will return both federal grant funding so no overpayment exists for the student. If federal funds are returned to the US Department of Education on the student's behalf in lieu of an overpayment, it may result in a balance owed to the University. Students are able to enroll in a monthly payment plan to make the balance owed more manageable.