

## Withdraw and R2T4 Policy

### **Official Withdrawal Policy**

When a student chooses to officially withdraw from Trine University, prior to the end of an academic term, they must first complete the “Withdrawal from the University” form. The student should obtain this form from the Executive Director of Student Success and Retention.

### **Return of Title IV Funds (R2T4)**

Federal regulations require Title IV financial aid funds to be awarded under the assumption that a student will attend the institution for the entire period in which federal assistance was awarded. When a student withdraws from all courses for any reason, including medical withdrawals, the student may no longer be eligible for the full amount of Title IV funds that they were originally scheduled to receive. A school is required to complete a federal calculation to determine if an adjustment should be made to a student’s Title IV aid if that student ceases enrollment after beginning attendance in at least one class. This calculation is specific to Title IV aid only and has no connection to a student’s institutional charges. This is called a Return of Title IV Funds calculation or R2T4.

The Return of Title IV funds is based upon the premise that students earn their financial aid in proportion to the amount of time in which they are enrolled. A pro-rated schedule is used to determine the amount of federal student aid funds they will have earned at the time of the withdrawal. The percentage of aid earned is calculated by taking the number of calendar days completed in the payment period as of the day the student withdrew divided by the total calendar days in the payment period (excluding institutionally scheduled breaks of 5 or more consecutive days). Thus, a student who withdraws in the first month of classes has earned less of their financial aid than a student who withdraws in the seventh week. Once 60% of the semester is completed, a student is considered to have earned all of their financial aid and will not be required to return any funds.

As part of the Higher Education Amendments of 1998, Congress passed provisions governing what must happen to federal financial assistance if a student completely withdraws from school in any term. The policy governs all federal grant and loan programs including the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, TEACH Grant, Federal Perkins Loan, Federal Direct Subsidized and Unsubsidized Loans, the Federal PLUS Loan and any new programs introduced in the future. This Return of Title IV Funds Policy does not affect the Federal Work-Study Program.

### **Return of Veteran’s TA Benefit**

In accordance with Change 3, DoDI 1322.25 (July 07, 2014) Veterans TA benefits are subject to the same calculation and 60% of the semester must be completed before a student will be considered to have earned the full amount. If a student withdraws prior to the 60% period then the unearned portion of TA funds will be returned.

### **Official Date of Withdrawal**

For purposes of this policy, Trine University defines a student’s last date of attendance as the date which the student signs the “Withdrawal from the University” form. If the student is physically unable to sign the form, the last date of attendance shall be when the University officially completes the withdrawal form on behalf of the student.

### **Unofficial Date of Withdrawal**

For a student who discontinues their attendance without completing the official “Withdrawal from the University” form, the last date of attendance will be determined by the Registrar’s Office and/or Vice President of Academic Affairs. This is considered an unofficial withdrawal. This also applies to students who are dismissed or removed for academic or disciplinary reasons. In this instance, the student will be administratively dropped from their courses and the date this happens will be used to perform the R2T4 calculation.

### **Additional Loan Information to Consider When Withdrawing**

Important: Anytime a student is enrolled less than part-time, their six-month grace period begins. The student's grace period for loan repayment for Federal Direct Subsidized and Unsubsidized Loans will begin on the day of the withdrawal from the school. If the student is not enrolled part-time for more than 6 months, the loans will go into repayment. The student must complete Exit Loan Counseling at [www.studentloans.gov](http://www.studentloans.gov) and contact their lender(s) to make payment arrangements. Loans must be repaid by the loan borrower (student/parent) as outlined in the terms of the borrower's promissory note. The student should contact the lender if they have questions regarding their grace period or repayment status.

### **Returned Title IV Funds Allocation**

Funds that are returned to the federal government are used to reduce the outstanding balances in individual federal programs. Financial aid returned by you and/or your parent or the college must be allocated in the following order:

1. Federal Unsubsidized Direct Loan
2. Federal Subsidized Direct Loan
3. Federal Direct Parent Loan (PLUS)
4. Federal Pell Grant
5. Federal Supplemental Educational Opportunity Grant (SEOG)
6. Teacher Education Assistance for College and Higher Education (TEACH) Grant

### **Post-Withdrawal Disbursements**

A post-withdrawal disbursement (a type of late disbursement) may apply to a student who withdraws completely from Trine University. The amount of the disbursement is determined by the Return of Title IV Funds (R2T4) calculation required when a student withdraws from school.

If the total amount of Title IV grant and/or loan assistance that the student earned as calculated under the Return of Title IV Funds calculation is greater than the total amount of Title IV grant and/or loan assistance that was disbursed to the student on or on behalf of the student in the case of a PLUS loan, the student may be eligible to receive a post-withdrawal disbursement.

### **Timeline for Return of Title IV funds**

Trine University must return the funds for which it is responsible as soon as possible but no later than 45 days after the date of its determination that the student withdrew. If the student completed an official withdraw this is 45 days after the date you signed the "Withdrawal from the University" form. We will determine the withdrawal date for a student that does not provide notification to the institution (unofficial withdraw) no later than 30 days after the payment period or period of enrollment, whichever is earlier.

Trine will notify a student in writing via all email addresses (student and parent) provided on the FAFSA or via a letter mailed to the primary home address if no email address is provided within 30 days of the institution's determination that:

- the student owes a Title IV or HEA overpayment
- the student owes funds to Trine
- the student is eligible for a post-withdrawal disbursement

If the student is eligible for a post withdrawal disbursement, we will notify the student in writing via all email addresses (student and parent) provided on the FAFSA or via a letter mailed to the primary home address if no email address is provided and they will have 14 calendar days to accept this. If a response is not received from the student within the allowed timeframe or the student declines the funds, the institution will return any earned funds to the Title IV, HEA programs.