

## 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 Aid (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 is called a Return of Funds calculation or R2T4. The return of 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. 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 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

Note: State Aid and institutional merit aid may be subject to similar calculations. It’s best to check with the Financial Aid office before officially withdrawing to see how your aid will be affected.

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 Aid 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)

### **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 (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 Program 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 must determine the amount of aid that was earned and how much was unearned; the unearned aid is returned to the appropriate agency. If you must return any federal financial aid funds received, you will be notified via email within 45 days of the date that Trine determines you have not earned your aid. The amount of unearned aid will be returned, which can create a balance due to Trine University. This is posted as a charge to your account and must be repaid to the university immediately. The loan you borrowed will be reduced by this amount, so when your loan enters repayment the total amount borrowed will be lower.