



OKLAHOMA WESLEYAN UNIVERSITY

Return of Title IV Funds (R2T4) Policy

The U.S. Department of Education requires institutions to review a student's federal aid eligibility when a student withdraws from a class(es). Title IV aid programs include Federal Pell Grants, TEACH Grants, Federal Supplemental Educational Opportunity Grants, Direct Loans, and Direct PLUS Loans.

The requirements for Title IV funds when you withdraw may be separate from Oklahoma Wesleyan University's refund policy. Therefore, you may still owe funds to the school to cover unpaid institutional charges. Oklahoma Wesleyan University (the "University" or "OKWU") will charge the student for any Title IV funds that the University was required to return.

A student who withdraws after the 60% point of a term is entitled to retain all Title IV aid for that term. However, if the student withdraws up to the 60% point of the term, unearned Title IV funds as determined by the federal policy, must be returned to the various programs. These funds must be returned even if the University provides no refund to the student. This means the student could owe the University and/or the U.S. Department of Education a significant amount.

Post-Withdrawal Disbursement

If the student did not receive all the funds that were earned prior to withdrawing, a post-withdrawal disbursement may be due. If the post-withdrawal disbursement includes loan funds, the student must give permission before the funds can be disbursed. OKWU may automatically use all or a portion of the post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges. Permission is required to use the post-withdrawal grant disbursement for all other school charges. Students will be notified of post-withdrawal disbursement eligibility within 30 days of the date of withdrawal determination. The school must return the Title IV funds within 45 days of the date the school determines the student withdrew.

Documenting Attendance

Before processing a Return to Title IV Funds, the University must verify the student began attendance in all classes used to determine financial aid eligibility. The University will review to see if there is a Last Day of Attendance listed. If a faculty member or software indicates that a student never attended, the University will first adjust the disbursed aid if there is a resulting change in eligibility and then calculate

the Return of Title IV Funds. As a result, the student may end up owing the institution for unearned aid. If the student never attended any classes, all aid will be canceled, and the student billed for all outstanding charges.

Determining Earned Aid

Although aid is posted to a student's account approximately 30 days after the start of each term, the funds are earned as the student completes the term. Title IV aid is earned by the calendar day, not class day. This includes weekends, holidays, and breaks of less than five consecutive days. The University is required to determine the amount of Title IV aid the withdrawing student has earned and then either disburse any additional funds the student may be entitled to up to the amount earned or return funds in excess of the amount earned which the student has already received.

When a student receiving Federal Title IV aid withdraws from OKWU during the enrollment period, the amount of Title IV funds (not including Federal Work-Study) that the student earned during the enrollment period is calculated as of the student's withdrawal date.

Title IV funds are earned at a fixed rate on a per day basis up to the 60% point in the enrollment period. Title IV funds are 100% earned if the withdrawal date is after the 60% point in that term.

If the date a student withdraws from OKWU is prior to or on the 60% point of the term, OKWU is required to determine the portion of the aid disbursed that was "earned" by the student before the withdrawal date. The "unearned" Title IV funds must be returned to the respective federal aid programs. Unearned aid is the amount of disbursed Title IV aid that exceeds the amount of Title IV aid earned based on attendance in the enrollment period.

Example: If \$1,000 in federal aid is disbursed, and the student withdraws at the 30% point of the term, \$700 of the aid is unearned and needs to be returned to the identified aid program.

The following formula is used to determine the percentage of unearned aid that must be returned to the federal government:

The percent earned is equal to the number of calendar days completed up to the withdrawal date, divided by the total calendar days in the payment period (less any scheduled breaks that are at least five days long).

The payment period is the entire term. For students enrolled in modules (courses which are not scheduled for the entire term), the payment period only includes those days for the modules(s) in which the student is registered.

The percent unearned is equal to 100% minus the percent earned.

Order of Aid to be Returned

In accordance with federal regulations and OKWU policy, if you are eligible for a refund of tuition and fees and housing/meal plan costs, and you are a Title IV aid recipient for the enrollment period, the refund will be returned to the student aid programs. Returned Title IV Funds are allocated in the following order:

- Direct Unsubsidized Loans
- Direct Subsidized Loans
- Direct PLUS Loans (Parent)
- Federal Pell Grants
- Federal SEOG
- TEACH Grant
- Iraq Afghanistan Service Grant
- Other Federal Sources of aid
- Other State, Private, and Institutional Aid

Grant Overpayment

Any amount of unearned grant funds that the student is liable for is called an overpayment. While OKWU absorbs the overpayment amount instead of using the Department of Education Overpayment Process, the student is responsible for paying his/her outstanding student account balance.

Notification to Student

Once the Return to Title IV Funds calculation has been performed, the Office of Financial Aid will notify the student via email of the calculation's results and if any aid was returned. The Student Accounts Office will notify the student of any outstanding balance now due to the institution as a result.

Unofficial Withdrawals

Title IV aid recipients who fail to provide OKWU official notification of their intent to withdraw will be considered unofficial withdraws. For an academic unofficial withdrawal, OKWU calculates the "earned" amount of aid based on the Last Day of Attendance of the semester or 50% mark. For Graduate and Professional Studies students, OKWU also has an attendance unofficial withdrawal in addition to the academic unofficial withdrawal. This occurs when the student fails to begin attendance in two consecutive

courses and withdrawal is initiated by OKWU. Unofficial withdrawals are processed within 30 days of determining the student was an unofficial withdrawal.