Eastern Mennonite University

Return of Title IV Program Funds Policy

The Financial Assistance Office is required by federal regulations to recalculate Title IV (federal) financial aid for a student who withdraws from all classes, drops out (unofficial withdrawal), is dismissed (suspended) or granted a medical leave of absence, prior to completing 60% of an enrollment period. Additionally, if a student receives failing grades for all classes in a given enrollment period, EMU is required to determine whether the student unofficially withdrew. Unofficial withdrawals also require use of the Return of Title IV Funds Policy.

The official withdrawal date is the date a student requests the institutional withdrawal form (currently housed in the Student Life Office) or notifies the school of intent to withdraw, the last date of attending any class or class related activity, or the midpoint of the enrollment period whichever is later.

The recalculation of financial aid is based on a percentage of aid earned by using the Federal Return of Title IV Funds formula: number of days completed in the enrollment period divided by the total days in the enrollment period (a break of 5 or more days is not counted in the total number of days) = percentage of aid earned. Students who complete more than 60 percent of the enrollment period are considered to have earned 100 percent of student assistance received.

Federal aid funds are returned to the appropriate program based on the percentage of unearned aid using the formula: (100% minus the percentage of earned aid) multiplied by the total amount of aid that could have been disbursed during the enrollment period = unearned aid/aid to be returned. Aid is to be returned to the federal programs in this specified order: Unsubsidized FDSL, Subsidized FDSL, Perkins Loan, FDSL PLUS Loan, Pell Grant, Supplemental Educational Opportunity Grant, TEACH Grant, Iraq and Afghanistan Service Grant. The return of unearned aid funds must occur within 45 days after the determination of a student's official withdrawal date.

If a student did not receive all federal aid funds that were earned, a post-withdrawal disbursement may be required. If a post-withdrawal disbursement includes loan funds, permission must be obtained from the student prior to disbursement. The student is given 14 days to provide permission.

A student may have a balance owed after the return of Title IV funds is completed. The Return of Title IV Program Funds Policy is separate from the EMU Tuition & Refund Policy (refer to pages 37-40 of student handbook at
http://emu.edu/studentlife/undergraduate-student-handbook/student-handbook2014-

15.compressed.pdf). Payment of a balance should be arranged with the Student Accounts Office.

A student considering withdrawal should be advised of both the Return of Title IV Program Funds Policy and the Tuition Refund Policy. The following chart and example provide information about the Tuition Refund Chart and a withdrawal scenario.

Adjustment & Refund Percentages

Time	Fall Semester	Spring Semester	%
First day of classes	Aug 26	Jan 5	100
1st week of classes	Aug 27-Sept 2	Jan 6-12	98
2nd week of classes	Sept 3-9	Jan 13-19	93
3rd week of classes	Sept 10-16	Jan 20-26	86
4th week of classes	Sept 17-23	Jan 27-Feb 2	80
5th week of classes	Sept 24-30	Feb 3-9	73
6th week of classes	Oct 1-7	Feb 10-16	67
7th week of classes	Oct 8-14	Feb 17-23	60
8th week of classes	Oct 15-21	Feb 24-Mar 2	54
9th week of classes	Oct 22-27	Mar 3-13	47
After 9th week	Oct 28	March 14 and later	0

Scenario:

Shenandoah Landis enrolls at EMU for the fall semester, beginning on August 26, as a full time student living on campus. The Student Accounts Office applied charges for Tuition & Fees ($15,330 and $70) and Room & Meals ($2,810 and $2,120) to her EMU account. The total of fall semester charges was $20,330.

Shenandoah received the following aid based on the FAFSA results:
Federal Subsidized Direct Loan $1732*
Federal Unsubsidized Direct Loan $990*
Federal Perkins Loan $850
Federal Pell Grant $1890
Federal Need-Based Grant $750
EMU University Scholarship $5500
EMU Need-Based Grant $2513
Virginia Tuition Assistance Grant $1550
Federal Direct Parent PLUS Loan $4903*
Total $20,678

*Both of the Federal Direct Student Loans and the Parent PLUS Loan have an origination fee withheld before the funds are disbursed. The Federal Direct Loans are assessed a 1.072% fee and the Federal PLUS loans a 4.288% fee.

At the beginning of the semester, Savannah has a credit balance of $348 which is required to be refunded to her. However, she chooses to charge her books to her EMU student account at the Campus Bookstore and uses all the funds.

On September 20, Shenandoah decides to withdraw from EMU due to personal reasons and contacts the Student Life Office. The official withdrawal date is September 20.

Determination of percentage of semester completed:
*Calendar days in fall semester =104 (8/26/14-12/12/14 minus Thanksgiving Break)
*Calendar days enrolled (including date of withdrawal) = 26
*Percentage of semester completed = 25 % (26 days divided by 104 total days)

Earned aid:
*Percentage of Title IV aid (federal) earned based on completion of semester = 25%
*Amount of Title IV Aid earned = $2779 ($11115 federal aid X 25% = $2779)

Unearned aid:
*Percent = 75% (100% - earned aid 25%)
*Amount of Title IV aid unearned =$8336 ($11115 federal aid - $2779 earned aid)

Shenandoah's unearned Title IV funds will be returned as follows:

Unsubsidized Direct Loan - $990
Subsidized Direct Loan - $1732
Perkins Loan - $850
Fed Direct PLUS Ln - $4765 (eligible to retain $139)

Student Accounts Office & Financial Assistance Office transaction summary:
Sept 20 balance owed – $0

Charge Adjustments (credits):	Financial aid adjustments (debits):
Tuition refund (80%) – $12264	Title IV aid returned (75%) $8336
Room refund (80%) – $2248	EMU aid returned (75%) $6410
Meals refund (80%) – $1696	VTAG returned (100%) $1550
Total of charges refunded – $16208	Total of "unearned" aid = $16296

Shenandoah will owe $88 for the fall semester because her "unearned" financial aid (refunded to the appropriate aid programs) exceeded the amount of charges that were reversed. EMU financial aid is earned at the same rate as the required Title IV calculations. However, Shenandoah was not eligible to "earn" any of the VA Tuition

Assistance Grant award because she withdrew prior to the fall semester census date (VTAG regulations.)

NOTE: Shenandoah was informed of the refund policies of the Student Accounts Office and the Financial Assistance Office when she withdrew. After the calculations were made, Shenandoah was notified of the required Title IV refunds and was told about the small amount of Federal PLUS Loan that was “earned.” Her parents were given the option to return the entire fall disbursement rather than retain $139 of the loan. Her parents decided not to keep the $139 which increased the balanced owed to $227.