

Return of Title IV Funds (R2T4 Policy)

Students who received financial aid or could have received financial who do not complete at least one course in the semester will be reviewed for a Return of Title IV Funds calculation. This includes students who drop, withdraw, are dismissed, or take a leave of absence. Marian University's financial aid leave of absence policy is separate from the academic leave of absence policy. Therefore, a Marian University leave of absence after the semester starts may be treated as a federal withdrawal and could be subject to Title IV return of funds calculation.

Return of Title IV funds is based on students earning financial aid for each calendar day they attend class. For example, if a student attends 42 of 100 calendar days they will have earned 42% of their aid. Scheduled breaks of 5 or more consecutive days are not counted in the total semester calendar days.

Students subject to calculation who complete more than 60% of the semester are considered to have earned 100% of the financial aid.

Return of Title IV Funds policy is separate from the university's refund/reduction of charges due to withdrawal from university policy. A student may be required to return unearned Title IV financial aid funds and may then owe Marian University for institutional charges. Refer to the course catalog for the policy on refund/reduction of charges due to withdrawal from university.

For an official withdrawal, by which the student completes the Withdrawal from University Form, the withdrawal date used in the Return of Title IV Funds calculation is the actual date indicated on the form. For unofficial withdrawals, by which the student just stops attending classes without notification, the withdrawal date will be the midpoint of the semester or the last date of documented academic activity determined by Marian University. Additional documentation supporting the last date of academic activity may be provided by the student, if they verify a later date of attendance than determined by Marian University.

Return of Title IV Funds does not apply to federal work-study, Indiana State grants, any Marian University aid, or any outside scholarship. Please contact the Office of Financial Aid for the consequences of dropping classes for any of these types of aid.

The Office of Financial aid will begin the calculation of Return of Title IV Funds immediately upon receipt of the completed official Withdrawal from University Form or the notification of an unofficial withdrawal.

The following summarizes the steps in the Return of Title IV Funds policy:

Step 1: Student's Title IV aid determination

The Office of Financial Aid will determine:

- A. The total amount of Title IV aid disbursed for the semester in which the student withdrew. The student's Title IV aid is counted as aid disbursed in the calculation if it has been applied to the student's account on or before the date the student withdrew.

- B. The total amount of Title IV aid disbursed plus the Title IV aid that could have been disbursed for the semester in which the student withdrew.

Step 2: Percentage of Title IV aid earned

The Office of Financial Aid will calculate the percentage of Title IV aid earned as follows:

The number of calendar days completed by the student divided by the total number of calendar days in the semester in which the student withdrew. The total number of calendar days in a semester shall exclude any scheduled breaks of five days or more.

$$\text{Days Attended} \div \text{Days in Enrollment Period} = \text{Percentage Completed}$$

If the calculated percentage completed exceeds 60%, then the student has “earned” all the Title IV aid for the enrollment period.

Step 3: Amount of Title IV aid earned by the student

The Office of Financial Aid will calculate the amount of Title IV aid earned as follows:

The percentage of Title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or that could have been disbursed for the term in which the student withdrew (Steps 1A&B).

$$\text{Total Aid Disbursed} \times \text{Percentage Completed} = \text{Earned Aid}$$

Step 4: Amount of Title IV aid to be disbursed or returned

- If the aid already disbursed equals the earned aid, no further action is required.
- If the aid already disbursed is greater than the earned aid, the difference must be returned to the appropriate Title IV aid program.

$$\text{Total Disbursed Aid} - \text{Earned Aid} = \text{Unearned Aid to be Returned}$$

- If the aid already disbursed is less than the earned aid, then Office of Financial Aid will calculate a post-withdrawal disbursement.
- Marian University will notify a student or parent in writing prior to making any post withdrawal disbursements within 30 days of the date Marian University determined that a student has withdrawn.
- If the post-withdrawal disbursement calculation indicates that a post withdrawal disbursement is due from grant funds and the student has outstanding institutional charges, the funds are automatically applied to the student’s billing account. If the calculation indicates that a post-withdrawal disbursement is due from loan funds or grant funds remain available after being applied to outstanding institutional charges, the student/parent is sent a letter notifying him/her of the amount available. The student/parent is asked to return the

letter within 14 days indicating whether he/she wishes to receive the aid and if so, the amount.

The order of return of any federal aid funds is as follows:

- Federal Direct Loan - Unsubsidized
- Federal Direct Loan - Subsidized
- Federal Perkins Loans
- Federal Direct Grad PLUS Loans
- Federal Direct Parent PLUS Loans
- Federal Pell Grant
- Federal Supplemental Educational Opportunity Grant (FSEOG)
- TEACH Grant

After a Return of Title IV Funds calculation is performed, the student will receive a revised award letter from the Office of Financial Aid and a revised billing statement from the Business Office. Marian University will return funds on the student's behalf to the appropriate federal and institutional aid program(s). Any balance due must be paid to the Business Office in accordance to the terms of their billing. Marian University is required to return unearned funds as soon as possible but no later than 45 days after the date of determination of a student's withdrawal.

The Office of Financial Aid will notify students if they owe federal funds back to the U.S. Department of Education (ED). Amounts that must be returned by the student will first be applied to federal loans. The student/parent will be permitted to repay loans based on the terms of the Master Promissory Note (MPN) which usually consists of scheduled payments to the servicer of the loan over a period of time. Any grant overpayment the student has to return to the federal government must be repaid within 45 days after the student receives notification from the Office of Financial Aid. If the grant overpayment cannot be paid in full, a repayment plan may be arranged with the ED.