Financial Aid – Return to Title IV (R2T4) Policy

This policy describes the conditions under which Title IV funds (federal student aid that includes Unsubsidized Direct Loans and Direct Graduate PLUS Loans) need to be returned to the U.S. Department of Education. Title IV funds are awarded under the assumption that the student will attend school for the entire period for which the assistance is offered. Federal regulations mandate the return of financial aid funds if a student withdraws within a certain time frame during the enrollment period. Since a student begins earning Title IV funds on the first day of attendance, the school may be required to perform a return calculation if the student withdraws. This process is called the Return of Title IV and uses the number of days in attendance and the total days in the enrollment period to determine and return a percentage of funds.

Other non-Title IV aid may be contingent upon enrollment status and credit hours. These non-Title IV awards may be adjusted as a result of withdrawal, leave of absence, or less-than part-time status.

Calculating Title IV Returns
If a student has completed more than 60% of the enrollment period, they will be considered to have earned 100% of the Title IV aid for that period, and no funds would need to be returned. The school will still determine whether the student is eligible for a post-withdrawal disbursement.

For students who have completed less than 60% of the enrollment period, the amount of Title IV aid that the student has earned will be calculated by the Financial Aid Office using the Department of Education worksheet Treatment of Title IV Funds When a Student Withdraws from a Credit-Hour Program. The seminary must return unearned Title IV aid as soon as possible, but no later than 45 days from the determination of a student’s withdrawal and within 14 days of completing the return calculations for the student.

Funds will be returned in this order: Unsubsidized Direct Loans, Graduate PLUS Loans.

Post-Withdrawal Disbursement
If a student did not receive all of the Title IV funds that they have earned, they may be due to receive a post-withdrawal disbursement. If the post-withdrawal disbursement included federal student loan funds, they may choose to decline the loan funds in order to not incur additional student loan debt. The seminary may automatically use all or a portion of a post-withdrawal disbursement (including student loan funds), if you accept them for tuition, fees, and room and board charges (as contracted with the school). For any other school charges, the seminary needs your permission to use the post-withdrawal disbursement. If you do not grant this permission, you will be offered the funds. However, it may be in your best interest to allow the school to keep the funds to reduce your debt to the school.
**Determining Withdrawal Date**
An official withdrawal date is set when a student submits a request to officially withdraw with the Registrar's Office or starts the process to withdraw. A Return of Title IV funds calculation will be made within 45 days of an official withdrawal.

For purpose of Title IV aid, a leave of absence during an enrollment period is considered an official withdrawal.

An unofficial withdrawal is when a student stops attending classes or has not completed the work required for all classes and consequently receives all 'W's or 'F's for an enrollment period. The student will be considered to have withdrawn at the end of the enrollment period. A Return of Title IV funds calculation will be made within 45 days of the end of the enrollment period.