

Ozarka College

Return of Title IV Funds and Enrollment Reporting

Policies and Procedures

The following governs the return of Title IV funds (R2T4) disbursed for students at Ozarka College and enrollment status reporting according the Department of Education (34 CFR 682.610). This policy applies to students receiving any Title IV funds, which includes, but is not limited to, the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work-Study (FWS), and Federal Direct Loans (Subsidized and Unsubsidized) who officially withdraw, stop attending, drop out, expelled, take a qualified leave of absence or fail to return from an approved leave of absence.

Withdrawals

Withdrawal removes a student from all courses and must be completed by the end of the thirteenth week of the semester (or before the day preceding the final examination during the summer term).

A student who wishes to withdraw from school during a semester is required to follow the official withdrawal procedure, which requires completion of an electronic withdraw request through the student's myOzarka. A notification of the request is sent to the student's instructor and advisor, each of whom have an opportunity to acknowledge the request. The withdrawal is processed by the Registrar after the request has either been acknowledged by both the instructor and advisor, or after the 8th day following the request for a Fall or Spring term, or after the 5th day following a summer term. Students with circumstances preventing them from withdrawing electronically, will be provided with a paper withdrawal form which will be manually processed by the Registrar's office.

A student who withdraws without following this required procedure will be recorded as having withdrawn unofficially, and grades will be recorded as "F". If a balance is owed to the college, the student must set up payment arrangements before withdrawing with the Vice President of Finance. Failure to attend class or failure to follow the official withdrawal procedures could cause a student to receive a letter grade of "F" in all courses. In this case, the Return to Title IV Funds Policy would apply once an official last date of attendance is established.

If a student withdraws unofficially from school during the final two weeks of a semester, the Vice President of Academic Affairs may waive the requirement that grades of "F" be recorded if the circumstances forcing a withdrawal justify special consideration.

Students who withdraw from school prior to the 60% completion point of any semester will require a R2T4 calculation to determine how much of their financial aid was earned and how much must be paid back to the school and/or federal government.

Post-Withdrawal Disbursements

Post-withdrawal disbursement will be completed if a student withdraws from all classes and had a valid award on their account before the withdrawal. These disbursements will be made in accordance with Federal Regulations. If a student is due a post-withdrawal disbursement, the disbursement must be made from available grant funds before available loan funds. The disbursement must be made within 45 days of the institution's determination that the student withdrew. After the eligible post-withdrawal disbursements are credited to the student's outstanding current semester charges, the institution will offer the remaining balance to the student. Students are notified by email when the business office processes the post withdrawal to their account.

Determining Withdrawal Date

A student's withdrawal date is:

- a. the date the student began the institution's withdrawal process or officially notified the institution in writing of the intent to withdraw;
- b. the midpoint date of the period for a student who leaves without notifying the institution;
- c. the student's last date of attendance at a documented academically-related activity;
or
- d. the date the institution determines is related to special circumstances if those special circumstances prevent a student from beginning the withdrawal process.

Students who unofficially withdraw are identified as having all failing grades (F's) on their semester grade report. At the end of each semester, the financial aid office will pull a report of students who failed all classes and will send them a letter requesting documentation of last day attended.

For a student who provides notification to the institution of his or her withdrawal, R2T4 is determined by the student's withdrawal date or the date of notification of withdrawal, whichever is later. For a student who did not provide notification of his or her withdrawal to the institution, the date that the institution becomes aware that the student ceased attendance.

Procedures for Calculation

The Director performs the R2T4 calculations using the Department of Education return of Title IV funds software found on the main menu of the FAA Access at the CPS Online website:

<https://faaaccess.ed.gov/FOTWWebApp/faa/faa.jsp>

The treatment of title IV grant or loan funds if a student withdraws must be determined on a payment period basis for a student who attended a standard term-based (semester, trimester, or quarter) educational program.

There are a series of steps involved in any R2T4 calculation:

Step 1: Determine the percentage of aid earned by calculating the percentage of the period that the student completed. This can be derived from the withdrawal date.

Step 2: Determine the amount of earned aid by applying the percentage to the total Title IV aid that was or could have been disbursed.

Step 3: Determine the amount of unearned aid by subtracting earned aid from disbursed aid **or** determine the amount of a post-withdrawal disbursement by subtracting disbursed aid from earned aid

Step 4: If unearned funds must be returned, determine the school's and the student's shares; **or** if a post-withdrawal disbursement is due, determine the sources from which it will be funded

Step 5: If unearned funds must be returned, allocate unearned aid to programs from which student was funded; **or** if a post-withdrawal disbursement is due, send student applicable notification

Step 6: Return the institution's share and any funds repaid by the student or refer the student to ED; **or** make the post-withdrawal disbursement

R2T4 funds should be returned using the following priority:

1. Unsubsidized Federal Direct Loans
2. Subsidized Federal Direct Loans
3. Federal Pell Grant
4. Federal Supplemental Education Opportunity Grant
5. Other Federal Title VI assistance
6. Other Federal sources of aid

Timeframe of the Returns

The responsibility for returning unearned aid is allocated between the college and the student according to the portion of disbursed aid that could have been used to cover college charges and the portion of disbursed aid that could have been disbursed directly to the student once college charges were covered. Ozarka College will distribute the unearned aid back to the Title IV program as specified by law. The student will be billed for the amount the student owed to the Title IV programs and any amount due to the college resulting from the return of Title IV funds used to cover college charges.

Ozarka College must return the amount of title IV funds for which it is responsible as soon as possible but no later than 45 days after the date of the institution's determination that the student withdrew.

An institution must determine the withdrawal date for a student who unofficially withdraws no later than 30 days after the end of the earlier of the period of enrollment.

National Student Loan Data System (NSLDS) Reporting

The Financial Aid office will ensure that student enrollment status changes are reported accurately and timely to NSLDS, the guarantor and the lender/servicer. The Registrar's office will provide the Financial Aid staff with all withdrawal and drop forms completed by the students. Once the forms are received, the financial aid staff will determine if the student has dropped below six credit hours. If the student has dropped below six credit hours, the Financial Aid staff will report the withdrawn date in the NSLDS database. Also, the Registrar's office will submit files to the Clearing House four times a semester to ensure that enrollment is reported in a timely and accurate manner.