



Return of Title IV Funds Policy

Effective Date: March 7, 2013 Revised Date:
Responsible Office: Student Accounts and Student Financial Aid
Division: Finance and Enrollment Management

I. PURPOSE/OBJECTIVE

The Grambling State University Financial Aid Office is required to administer a return of federal student aid funds policy that complies with the Higher Education Act Reauthorization of 1998. Title IV funding includes Federal Pell Grant, Supplemental Educational Opportunity Grant (SEOG), Academic Competitiveness Grant (ACG), National SMART Grant, Perkins loan, Direct Stafford Loans, Graduate PLUS loans, and PLUS loans.

II. STATEMENT OF POLICY

Title IV funds are awarded when a student has enrolled and began attendance in each class for which the assistance is awarded. When a student withdraws, the student may no longer be eligible for the full amount of Title IV funds that the student was originally scheduled to receive.

III. CALCULATION PROCEDURES

- a.** Student Financial Aid reviews the attendance report from ARGOS and pays/disburse aid to students based on class attendance. Students who have not begun attendance in each class will not be eligible to receive Title IV funds. The attendance report is based on the census date, which is the 14th (Fall/Spring terms) or 7th (Summer terms) class day, as mandated by the Board of Regents of the State of Louisiana.
- b.** Student Financial Aid Office will adjust student records and disburse aid when a student becomes ineligible to receive original Title IV funds because of non-attendance or fall below eligibility requirements for Pell and Direct Loans. This adjustment is made by the Financial Aid Office before the Return of Title IV (R2T4) calculation is performed by the Student Accounts Receivable/Bursar Office.

- c. Student Accounts Receivable/Bursar will perform R2T4 calculations for students, who fail to attend, drop out, resign (officially or unofficially), or are dismissed prior to completing greater than 60% of the enrollment period. The enrollment period is computed from the “date classes begin” to the “last day of classes”. Calculations are based on the percent of aid earned using the following formula:

$$\frac{\text{Number of days completed}}{\text{Total days in the Enrollment Period}} = \text{percent earned}$$

- d. **The Registrar’s Office should run the unofficial withdrawal report five days after the final grades have been posted in Banner.** The school must determine that a student has unofficially withdrawn 30 days after the end of each semester as outlined in the Federal Student Financial Aid Handbook. Prior to the 30 days, the Provost Office shall review the report for accuracy and to ensure proper documentation are available to support attendance dates and grades entered into the Banner system by faculty. The report is then submitted to Student Accounts Receivable/Bursar to complete the unofficial R2T4 calculation based on the last attendance date.

The official withdrawal R2T4 calculations are done when the Registrar’s Office submits the withdrawal slips to the Student Accounts Receivable/Bursar Office. The official withdrawals should be done on a daily/weekly basis. The school must determine that a student has officially withdrawn within 14 as outlined in the Federal Student Financial Aid Handbook. The Student Accounts Receivable/Bursar Office will run the official withdrawal report as the withdrawal slips are received to ensure that all calculations have been performed on the students who have officially withdrawn from the university.

The university must return all applicable Title IV funds no later than 45 days after the date of determination that the student withdrew.

- e. The University must return any unearned aid that was applied to institutional charges. The student then owes the University the amounts returned to the federal aid programs. The student may also be required to return/pay some portion of the federal aid received as a refund to the student. For example, if a student was enrolled for 30% of the enrollment period, the student is entitled to only 30% of the aid received; thus, 70% of the aid must be returned.

- f.** Students who stop attending after greater than 60% of the enrollment period has passed do not owe immediate paybacks at all. Please be aware that students must have attended at least one class after 60% of the enrollment period. If this date occurs after the completion of greater than 60% of the enrollment period, the student is considered to have earned 100% of the Title IV aid received

- g.** After the Student Accounts Office/Bursar completes the R2T4 calculations for (official and unofficial) withdrawals, they are submitted to the Financial Aid Office in a timely manner.

IV. NOTIFICATION

- a.** Upon receipt of the R2T4 calculation, the Financial Aid Office will make the necessary adjustments to the student record. The Financial Aid Staff will also return funds to the Department of Education within 3-5 days of receipt of calculation.

- b.** The Financial Aid Staff will send correspondence to the student notifying them of return of Title IV funds within 5 days.