

# Return of Title IV Funds/ Withdrawals

*Last updated January 2023.*

**REPAYMENT OF FEDERAL FUNDS** Students receiving financial aid or scholarships should check with the Financial Aid Office before withdrawing or dropping any classes after the semester has begun. It would be best if you never stopped attending classes.

If a student receives federal aid, the expectation is that the student will attend the entire enrollment period. If students only complete a portion of the semester, they have only earned a portion of their federal financial aid. Suppose a Title IV recipient (Pell Grant or Direct Loans) completely withdraws (either officially or unofficially) from the College after beginning attendance. In that case, the financial aid office must determine the federal aid the student can keep. This review process is known as Return of Title IV Funds (R2T4).

## Types of Withdrawals:

### **PARTIAL WITHDRAWALS**

Partial withdrawals are when a student withdraws from one or more classes (but not all) during a semester. Classes dropped before the drop deadline will not show on the student's transcript. Students who withdraw after the drop deadline may receive a "W," which will show on the student's transcript and impact the student's aggregate completion rate (see [Satisfactory Academic Progress](#) for more information).

### **TOTAL WITHDRAWALS**

Students who withdraw from all classes during a semester may be required to repay all or part of the financial aid received. Ensign College strongly encourages students to talk to the financial aid office before deciding to withdraw for the term.

### **UNOFFICIAL WITHDRAWALS**

Unofficial withdrawals are when a student stops attending all classes during a semester but never officially withdraws with the Registration Office. These students will receive I, E, or UW grades **in all classes** for a semester or module. Unofficial withdrawal reviews begin after final grades are available for the term.

These students often lose financial aid eligibility for future semesters and may have to repay aid already received for that semester. [Satisfactory Academic Progress](#) details the conditions under which a student will lose eligibility to receive financial aid.

## Determining the Date of Withdrawal

The date used for this review will be when the student submits the request to withdraw from their courses or when the student notified the school of their intent to withdraw. Students who withdraw from their courses may be eligible for a tuition refund percentage. [You can review the Tuition Refund Policy for more information.](#)

The Financial Aid office will use the semester mid-point date when calculating financial aid eligibility for unofficial withdrawals.

## Proof of Academic Participation or Attendance

Federal regulations require that we document proof of the student's attendance/participation in classes. Participation includes (but is not limited to): class attendance, completion of an assignment, completion of exams or quizzes, participation in an online discussion, etc.

This participation is reviewed by:

- Using the last date of academic participation as noted by the teacher, or
- Use Canvas (or Learning Management Software) to see the last date of academic participation or roll call attendance information.

## Federal Financial Aid Calculations

After a student withdraws for the term, Ensign College must determine the amount of Title IV aid earned. The financial aid office completes this calculation within 30 days when the school determines the student has withdrawn. The financial aid office returns unearned funds within 45 days.

The percent of earned aid is equal to the number of calendar days completed up to the withdrawal date and divided by the total number of calendar days in the semester or payment period. Breaks of five days or longer are not included in the count of total days.

$$\text{Earned Percent} = \text{Number of Days Completed} / \text{Total Days in Payment Period}$$
$$\text{Unearned Percent} = 100\% - \text{Earned \%}$$

The financial aid office performs a federal Pell grant recalculation before the R2T4 calculation if a Pell grant recipient does not begin attending a class. Loan recipients must begin attending/participating in at least one class.

If the calculation results in a credit balance on the student's account, it will be disbursed as soon as possible and no later than 14 days after the calculation.

Once a student has completed 60% of the term, they have earned all the financial aid they were awarded and will not have to repay any funds. Conversely, If a student never begins attending a class, the financial aid office must return all aid the student received for that class.

When Ensign College returns the funds to the Department of Education, students will have a balance owed. Students can contact the Cashier's Office ([cashier@ensign.edu](mailto:cashier@ensign.edu) or 801-524-8143) to see what payment options are available.

## Order of Return for Federal Aid Programs

As is mentioned in federal regulations, unearned aid will be returned to the federal programs within 45 days of a student's withdrawal in the following order:

- Federal Direct Unsubsidized Loan
- Federal Direct Subsidized Loan
- Federal Direct Parent PLUS Loan
- Federal Pell Grant

## Post-Withdrawal Disbursements

If the amount disbursed to the student is less than the amount the student earned and for which the student is otherwise eligible, they can receive a post-withdrawal disbursement. This calculation considers how far into the semester the student participated in their classes. All post-withdrawal disbursements are applied to the student's account first, and any resulting credit balance is issued within 14 days.

### **Pell Grants & Post-Withdrawal Disbursement**

Pell Grant-eligible students will receive a post-withdrawal disbursement that will automatically disburse to their account. Students will receive a refund for excess funds. This post-withdrawal disbursement is processed within 45 days from when the institution determines the student withdrew.

### **Direct Loans & Post-Withdrawal Disbursement**

Students with an accepted loan, have completed the Master Promissory Note (MPN) and entrance counseling, and are eligible will be given the option to accept all or part of the post-withdrawal disbursement. Students will receive this notification within 30 days of the date of the determination of the withdrawal. They will have 14 days from this notification to respond.