

UNDERGRADUATE STUDENTS

INSTITUTIONAL REFUND

When a student registers for courses, a seat in one or more classes is reserved for him/her, and tuition and fee costs are incurred. These charges must either be paid by the student or charged to his/her financial aid. It is the responsibility of the student to take advantage of the instructional services that have been reserved. If a student does not want to remain in a particular class and does not want to be liable for the tuition and fees for the course, then he/she must officially drop the course within the drop/add period (100% of tuition will be refunded). If the course is not dropped within the drop/add period, tuition is refunded on the basis of the following schedule:

Withdrawal Occurring	Percent of Tuition Charged	Percent of Tuition Refund
On or Before First Day of Class	0%	100%
During Drop/Add Period	0%	100%
After Drop/Add Period	100%	0%

RETURN OF TITLE IV FUNDS POLICY

A student who is receiving any Title IV financial aid funds is subject to the Return of Title IV Fund policy if the student withdraws from Peirce College after the beginning of the semester and before the semester is completed. This policy is mandated by Federal Regulation (HEA, Section 484B; 34 CFR Part 668; 34 CFR Part 682) and affects those students who received any Title IV funds during the semester of withdrawal (Federal Pell Grant, Federal SEO Grant, Federal Stafford Loan, Federal Perkins Loan, Federal PLUS Loan, and Graduate PLUS Loan).

This Return of Title IV Funds (R2T4) Policy applies to any student who receives federal financial aid, has begun classes, and subsequently either withdraws from the courses the student was scheduled to complete and/or receives all unearned failing grades during the payment period.

(We have three payment periods at Peirce College: summer semester, fall semester, and spring semester.)

State grant awards may also be decreased or eliminated if a student meets any of these three criteria.

Overview of the R2T4 Policy

When a student withdraws from his/her courses, for any reason including medical withdrawals, he/ she may no longer be eligible for the full amount of Title IV funds the student was originally scheduled to receive. Peirce College follows the federally prescribed policies and procedures for calculating whether the student has earned all or a portion of their federal financial aid.

For students in accelerated courses (sessions) within the 16 week payment period, such as 8 week session 1, 8 week session 2, 8-week session 1 or session 2 interim, and/or any other variable length course that is not scheduled to run the entire term, we are required to review each session individually. This means that even if a student successfully completes one session and subsequently withdraws from a later session within the same payment period, we still must review eligibility under the most recent federal guidance.

Peirce College is required to return all unearned federal aid attributed to school charges. This means that a portion of the student's tuition and fees is no longer covered by financial aid, and the student is

liable for paying the balance of school charges. This amount will be subject to immediate repayment and no further registration activity will be allowed and official transcripts will not be released until the balance is paid in full.

Return of Title IV Funds Process

The office of Student Financial Services follows the instructions outlined in the federal worksheet when calculating Title IV earnings according to the following steps.

Step 1: Student's Title IV Aid Information:

- The total net amount of Title IV aid disbursed (if any) for the payment period in which the student withdrew. A 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 or ceased to attend. If aid was disbursed after the student ceased attendance but prior to the date Peirce College determined the student withdrew, this aid would be considered aid that could have been disbursed and is required to be reversed from the student's account.
- The total net amount of Title IV aid disbursed plus the aid that could have been disbursed (if any) for the payment period in which the student withdrew.

Step 2: Percentage of Title IV Aid Earned

The office of Student Financial Services will calculate the percentage of aid earned as follows:

- For students attending non-accelerated courses, the number of calendar days completed by the student divided by the total number of calendar days in the payment period (weekends included) in which the student withdrew minus any scheduled breaks of 5 days or more.

Days Attended (minus scheduled breaks if attended through that period) / Days in Payment Period (minus scheduled breaks) = Percentage Completed

- For students attending accelerated courses within the payment period, the number of calendar days completed by the student divided by the total number of calendar days in the payment period (weekends included) in which the student withdrew minus any days the student was not scheduled to attend (unscheduled breaks) and any scheduled breaks of 5 days or more.

Days Attended (minus scheduled breaks if attended through that period) / Days in Payment Period (minus scheduled or unscheduled breaks) = Percentage Completed

PLEASE NOTE: If the calculated percentage exceeds 60%, then the student has "earned" all aid for that period to the extent that it has been applied to the student's account. If all aid has not been disbursed to the student's account prior to the last date of attendance the student would be entitled to all originally scheduled Title IV aid less second or subsequent direct loan disbursements.

Step 3: Amount of Title IV Aid Earned by the Student

The office of Student Financial Services will calculate the amount of aid earned as follows:

- The percentage of Title IV aid earned (Step 2) multiplied by the total amount of Title IV aid disbursed or by what could have been disbursed for the payment period in which the student withdrew (Step 1).

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

Step 4: Amount of Title IV Aid to be Returned or Disbursed

- 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 in accordance with the federal guidelines. Go to Step 5.
- If the aid already disbursed is less than the earned aid, the office of Student Financial Services will calculate a Post-Withdrawal Disbursement. If this post withdrawal disbursement contains loan funds, the student will be notified and will need to accept or decline these funds. If the student fails to respond to Peirce College within 14 days of receiving the notification, Peirce College will apply the loan funds to cover any outstanding tuition and fee charges due to the College and will cancel any remaining loan funds. (A student should evaluate the situation as not to incur additional debt unnecessarily.)

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

Step 5: Amount of Unearned Title IV Aid to be returned by the School

- Add the total of institutional charges for the period.
- Multiply the percentage of unearned aid by the institutional charges.
- Calculate the lesser amount of the Title IV aid to be returned with the amount of unearned charges. This equals the amount of Title IV funds to be returned by the school.

Step 6: Order of Returned Funds by the School

The order of return of funds is proscribed by the Department of Education regulations as follows:

1. Unsubsidized Federal Direct Loans
2. Subsidized Federal Direct Loans
3. Federal PLUS Loans (both Parent and Graduate)
4. Federal Pell Grants
5. Federal Supplemental Educational Opportunity Grants (FSEOG)

The student's grace period for loan repayments for Federal Unsubsidized and Subsidized Direct Loans and Federal Perkins Loans will begin on the day of the withdrawal from the College. The student should contact the servicer if he/she has questions regarding the grace period or repayment status. If the student is not returning to Peirce College, exit counseling should be completed online at http://www.nsls.ed.gov/nsls_SA/.

Step 7, 8, 9, &10: Unearned Title IV Funds Due Directly from the Student

- Subtract the amount of Title IV aid being returned by the school from the amount of Title IV aid to be returned. If the amount is greater than zero, subtract the total loan funds the school must return from the total amount of net loans disbursed to the student. If the amount is less than or equal to the total, the school will notify the holder of the loan and Federal Direct loan funds are paid back to the lender by the student in accordance with the terms of the borrower's promissory note.
- If the amount is greater than the total, subtract the unearned Title IV aid due from the student with the amount of loans to be repaid by the student. Multiply the amount of Title IV grant aid that was or could have been disbursed by 50%, this is the amount of grant protection available. Subtract the initial amount of Title IV grant funding for the student to return with the grant protection. If this amount is less than or equal to zero, no further action is necessary.

If the amount is greater than zero, the student must return the funds as proscribed by the Federal guidelines.

Notification

Students will receive a notification indicating the actions taken by the office of Student Financial Services including any information on funds that may have been returned to the federal aid program(s) on behalf of the student if the student has a balance due.

Example of Return of Funds Calculations

In the following example the student's institutional charges will be adjusted by the amounts that must be returned to the Title IV programs. Please note that charges used in these examples may not reflect true College charges. In this example the student is enrolled in two session 2 classes. The session runs from 10/31 to 12/18.

Tuition and all fees: \$3,745

Student's financial aid package consists of:

Federal Pell Grant	\$1,388
Federal SEOG	\$200
Subsidized Direct Loan	\$1,742
Unsubsidized Direct Loan	\$2,988
Total financial aid package	\$6,315
College charges paid	\$3,745

Amount of excess funds to student \$2,570

The student withdraws on 11/15. This is day 16 out of 49 days in the session. $16/49 = 32.7\%$ of Title IV funds earned by the student. Title IV funds total = \$6,315.00, therefore, $\$6,315.00 \times 32.7\% = \$2,065$ Title IV funds earned.

Title IV funds to be returned: $\$6,315 - \$2,065 = \$4,250$ to be returned to Federal Programs. Unearned Title IV funds due from the College: Institutional charges = \$3,745.00; unearned Title IV = 67.3% (100%

- 32.7%); $\$3,180 \times 67.3\% = \$2,520.00$. (This will become a balance due on the student account since Return of Title IV Funds calculation is required.)

Peirce College must return \$2,520.00 of the Title IV funds. The office of Student Financial Services will reduce the Unsubsidized Federal Direct Loan by this amount since this type of aid is ahead of Subsidized Direct Loan, Federal Pell Grant, and Federal SEOG on the federal order list. (The amount of overall student loan debt is reduced.)

Unearned Title IV funds to be returned by the student: Unearned Title IV aid to be returned - amount returned by Peirce College = amount to be returned by student: $\$4,520 - \$2,520 = \$2,207.00$ to be returned by the student.

NOTE: Loans amounts to be returned by student (or parent in the case of a PLUS loan) are returned in accordance with the terms of the promissory note. The loan amount will be returned in accordance with the terms of the promissory note.

How can a student attending accelerated courses (terms) determine if they are a withdrawal for Title IV purposes?

1. After beginning attendance in the payment period, did the student cease to attend or fail to begin attendance in a course he or she was scheduled to attend? If the answer is no, this is not a withdrawal. If the answer is yes, go to question 2.
2. When the student ceased to attend or failed to begin attendance in a course he or she was scheduled to attend, was the student still attending any other courses? If the answer is yes, this is not a withdrawal; however other regulatory provisions concerning recalculation may apply. If the answer is no, go to question 3.
3. Did the student confirm attendance in a course in a session beginning later in the payment period? If the answer is yes, this is not a withdrawal, unless the student does not return. If the answer is no, this is a withdrawal. Take, for example, a student who is a recipient of Title IV program funds who is scheduled to complete two courses in each of the two sessions within the payment period (8 week session 1 and 8 week session 2).

Scenario 1: The student begins attendance in both courses in the first session, but ceases to attend both courses after just a few days and does not confirm that he/she will return to any courses in session 2. The student is a withdrawal because he or she ceased to attend courses he/she was scheduled to attend (Yes to question 1); was not still attending any other courses (No to question 2); and did not confirm attendance in a course in a session beginning later in the period (No to question 3).

Scenario 2: The student begins attendance in both courses in the session 1, but withdraws from just one of the courses after just a few days. The student is not a withdrawal. Although the student ceased to attend a course he or she was scheduled to attend (Yes to question 1), the student was still attending another course (Yes to question 2).

Scenario 3: If the student completes both courses in session 1, but officially drops both courses in session 2 while still attending the courses in session 1, the student is not a withdrawal. Because the student officially dropped both courses in session 2 before they began and prior to the end of session 1, the student did not cease to attend or fail to begin attendance in a course he or she was scheduled to

attend (No to question 1). However, because the student did not begin attendance in all courses, other regulatory provisions concerning recalculation may apply.

Scenario 4: If the student completes both courses in session 1, but is administratively dropped or officially drops both courses in session 2 after completing the courses in session 1, the student is a withdrawal. Although the student successfully completed the first session, because the student dropped both courses in session 2 after the end of session 1, the student ceased to attend courses he or she was scheduled to attend (Yes to question 1); was not still attending any other courses (No to question 2); and did not confirm attendance in a course in a session beginning later in the period because there are no later sessions within that term (No to question 3).

Scenario 5: If the student completes both courses in session 1, starts attending both courses in session 2 but withdraws from both of these courses, the student is a withdrawal. Although the student successfully completed the first session, the student ceased to attend courses he or she was scheduled to attend (Yes to question 1); was not still attending any other courses (No to question 2); and did not confirm attendance in a course in a session beginning later in the period (No to question 3).

Intent to Enroll: Confirmation of Attendance in a Future Module during the Payment Period

As mentioned in the above scenarios, when it is determined that a student has withdrawn, students must confirm attendance in a future course within the same payment period, even if the student is already registered for future courses. This action allows us to suspend the Return of Title IV Funds Calculation. As long as the student successfully completes the future course(s) within the current payment period, no other action will be necessary.

GRADUATE STUDENTS

RETURN OF TITLE IV FUNDS WITHDRAWAL

A student who is receiving any Title IV financial aid funds is subject to the Return of Title IV Fund policy if the student withdraws from Peirce College after the beginning of the term and before the term is completed. This policy is mandated by Federal Regulation (HEA, Section 484B; 34 CFR Part 668; 34 CFR Part 682) and affects those students who received any Title IV funds during the term of withdrawal (Federal Pell Grant, Federal SEOG Grant, Federal Direct Loan, Federal Perkins Loan, and Federal PLUS Loan).

When a student registers for courses, a seat in one or more courses is reserved for him/her, and tuition and fee costs are incurred. These charges must either be paid by the student, with financial aid or by a combination of the two. It is the responsibility of the student to take advantage of the instructional services that have been reserved. If a student does not want to remain in a particular course and does not want to be liable for the tuition and fees for the course, then he/she must officially drop the course within the drop/add period (100% of tuition will be refunded). If the course is not dropped within the drop/add period, tuition is refunded on the basis of the following schedule:

Withdrawal Occurring	Percent of Tuition Charged	Percent of Tuition Refund
On or Before First Day of Class	0%	100%
During Drop/Add Period	0%	100%
After Drop/Add Period	100%	0%

Return of Title IV Funds

A statutory schedule is used to determine the amount of Student Financial Aid (SFA) program funds a student has earned when he or she ceases attendance based on the period the student was in attendance. As a result, the order of return of unearned funds includes funds from SFA programs. Students who completely withdraw at or before 60 percent of the term will be processed through a Return of Title IV Funds Calculation. The withdrawal date is the date determined from attendance records. If attendance records are not available, the College will use the following:

- The date the student began the withdrawal process prescribed by Peirce College.
- The date the student otherwise provided official notification to Peirce College of the intent to withdraw.

Calculation of Amount of SFA Program Assistance Earned

Percentage completed equals the number of days completed as of the withdrawal date divided by the number of days in the term or payment period. This percentage is also the percentage of aid earned. Multiply the percentage of aid earned by the total amount of aid that could have been awarded to the student during the term or payment period. The resulting dollar amount is the actual dollar amount of earned aid. Compare the actual dollar amount of earned aid to the amount of aid that had been disbursed to the student.

- If the amount disbursed is less than the amount earned, the student must receive a post-withdrawal disbursement of the unpaid earned aid within 120 days of the date of withdrawal. Earned funds in excess posted to the student's account must be provided to the student. Written

notification will be sent to the student and/or parent including the information necessary for the student and/or parent to make an informed decision as to whether the student or parent would like to accept any of the disbursement. This notification will be provided for post-withdrawal disbursements of both Title IV grant and loan funds that are available for direct disbursement. Peirce will send the notification as soon as possible, but no later than 45 calendar days after the date that the College determines that the student withdrew. The notice will identify the type and amount of the Title IV funds that make up the post-withdrawal disbursement and explain that the student and/or parent may decline all or a portion of those funds. In the notification, the College will advise the student and/or parent that he/she has 14 calendar days from the date the school sent the notification to accept a post-withdrawal disbursement. If the information is not received, the College may disburse the funds.

- If the amount disbursed to the student is greater than the amount earned, the difference must be paid back to the Title IV programs. The restorations of monies to Title IV programs will be in the following order:
 1. Federal Direct Unsubsidized Stafford Loans
 2. Federal Direct Subsidized Stafford Loan
 3. Federal Perkins Loan
 4. Direct parent or Grad PLUS loans
 5. Federal Teach Grants (as of 7/1/2008)

Return of Title IV Formula Using the Worksheet

A statutory schedule is used to determine the amount of Student Financial Aid (SFA) program funds a student has earned when he/she ceases attendance based on the period the student was in attendance. As a result, the order of return of unearned funds no longer includes funds from sources other than SFA programs. The Return of Federal Funds Worksheet and instructions may be requested from Office of Student Financial Services.

Return of Title IV Frequently Asked Questions

1. What if I am registered for a course in session 1 and session 2 but decide to withdrawal from or drop my session 2 class?

If you withdrawal or drop the session 2 course before the session 1 class is over, then you are not subject to a Return of Title IV (R2T4) calculation, but you may have a balance based upon the charges for your session 1 course. If you withdrawal or drop the session 2 course after session 1 has ended, then an R2T4 will be performed to determine the amount of financial aid you are eligible to receive.

2. What if I am going to withdrawal from my session 1 course but will return for session 2?

You will need to speak with your advisor and complete a withdrawal form. At the bottom of the form, you will need to indicate your return for the next session (in this case session2). A Return of Title IV calculation will not be performed at this time. Should you cease enrollment in the session 2 course prior to the end of session 2 then an R2T4 will be performed and you may incur a balance.

3. If I am not sure how my financial aid will be affected by a change in my schedule with whom should I speak?

Please contact the Office of Student Financial Services via email at Financialaid@peirce.edu or call 215.670.9370 and a Financial Aid Specialist will assist you.