

University of Central Arkansas

Office of Student Financial Aid

Federal Return of Title IV, HEA Policy

(Federal Aid Recipients Withdrawing)

When you apply for federal financial aid through the Free Application for Federal Student Aid (FAFSA), you agree that you will use the funds for educational purposes only. Though your federal financial aid is posted to your account at the start of each term, the assumption is that you will enroll and attend through the end of the term. Therefore, if you withdraw or stop attending before the end of the term, a portion of the funds you received may have to be returned. UCA will calculate the amount of aid to be returned based on the federal formula.

To Whom Does This Policy Apply?

This policy applies to students who receive federal financial aid who withdraw officially or unofficially (stop attending).

What Financial Aid Programs Are Included?

The funds covered by this law include Federal Pell Grants, Iraq and Afghanistan Service Grants, Federal Supplemental Educational Opportunity Grants, TEACH Grant, Direct Loans, and Direct PLUS Loans.

How Does the Calculation Work?

The amount of aid earned is based on the amount of time you are enrolled and attending coursework during the term. The amount of aid that you have earned is determined on a prorated basis. For example, if you completed 30% of your payment period or period of enrollment, you earn 30% of the assistance you were originally scheduled to receive. Once you have completed more than 60% of the payment period or term, you earn all the federal assistance that you received for that term.

How Will I Know If This Affects Me?

You may look at the chart below to determine if your date of official or unofficial withdrawal will require a Return of Title IV Funds. Once the Office of Student Financial Aid is notified of your withdrawal, the process to calculate whether a repayment is due and the amount to be repaid will begin.

Term	Term Dates	Number of Days	Must Attend Through To Avoid Repayment	Must Withdraw On Or After To Avoid Repayment
May Intersession	5/10 - 5/28	19	May 21	May 22
Eight Week	5/10 - 7/2	51	June 09	June 10
Ten Week	6/1 – 8/6	67	July 11	July 12
Summer I	6/1 – 7/2	32	June 20	June 21
Summer II	7/6 – 8/6	32	July 25	July 26
All Summer	5/10 – 8/6	86	July 3	July 4

Results: The calculation will have three possible results:

1. No Repayment or Post-Withdrawal disbursement will exist.
2. You will be entitled to a Post-Withdrawal Disbursement.
A Post-Withdrawal disbursement may occur if you withdraw from a term and remain entitled to funds that have not yet disbursed. You have 14 days from the date of notification to accept any Post-Withdrawal disbursement.
3. You will owe a repayment of federal funds.

Official Withdrawal Date

- **Undergraduate Students:** The official withdrawal date for undergraduate students is the date the Office of the Registrar receives written notification of intent to withdraw unless evidence of non-attendance is received by the Financial Aid Office. In the case of an unofficial withdraw (you stopped attending) the mid-point of the term (50%) will be used unless otherwise documented.
- **Graduate Students:** The official withdrawal date for graduate students is the date the Graduate Dean's Office receives written notification of intent to withdraw from the student unless evidence of non-attendance is received by the Financial Aid Office. In the case of an unofficial withdraw (student stopped attending) the mid-point of the term (50%) will be used unless otherwise documented.

Upon receipt of the official withdrawal information, UCA will complete the following:

1. Three calculations are performed to determine
 - The amount of federal funds you have earned for your period of enrollment.
 - The amount of funds you are required to repay directly to the federal government.
 - The amount of funds UCA is required to repay directly to the federal government.
 - Please note, UCA will require reimbursement from the student if funds must be returned in this calculation.
3. UCA will return the amount for any unearned portion for which the school is responsible within 45 days of the date the official notice was provided.
4. UCA will provide you a letter outlining these calculations including the amount that must be returned and timelines.

Decision to Rescind Withdrawal:

In the event you decide to rescind your official notification to withdraw, you must provide a signed and dated written statement you are continuing your program of study, and intend to complete the payment period. Financial aid will continue as originally planned. If you subsequently fail to attend or ceases attendance without completing the payment period, your withdrawal date is the original date of notification of intent to withdraw.

Please note that if you do not officially withdraw but receive a combination of withdrawal, incomplete and/or failing grades at the end of any enrollment period, we will require verification of attendance to confirm whether you unofficially withdrew.

Post-Withdrawal Disbursement

If you did not receive all of the funds that you earned, you may be due a post-withdrawal disbursement. If your post-withdrawal disbursement includes loan funds, UCA must get your permission before it can disburse them. You may choose to decline some or all of the loan funds so that you don't incur additional debt. UCA may automatically use all or a portion of your post-withdrawal disbursement of grant funds for tuition, fees, and room and board charges (as contracted with the school).

UCA needs your permission to use the post-withdrawal grant disbursement for all other school charges. If you do not give your permission, you will be offered the funds. However, it may be in your best interest to allow UCA to keep the funds to reduce your debt to UCA.

Post-withdrawal disbursements will occur within 90 days of the date you withdraw.

Example of Calculation:

Term	118 total days
Attended	18 days
Percentage Completed	15.3%
Total Federal Aid Received	\$2,805.00
Amount of Aid Earned	\$429.17
Amount of Aid to be Returned	\$2,375.83

Order of Return

UCA is authorized to return any excess funds after applying them to current outstanding Cost of Attendance (COA) charges. A copy of the Institutional R2T4 work sheet performed on your behalf is available through the office upon student request.

In accordance with Federal regulations, when Title IV, HEA financial aid is involved, the calculated amount of the R2T4 Funds" is allocated in the following order:

- Unsubsidized Direct Stafford loans (other than PLUS loans)
- Subsidized Direct Stafford loans
- Direct Graduate PLUS loans
- Direct Parent PLUS loans
- Federal Pell Grants for which a Return is required
- Federal Supplemental Educational Opportunity Grant for which a Return is required
- TEACH Grant
- Iraq and Afghanistan Service Grant for which a Return is required