

Policy Number	303.000
Policy Title	FINANCIAL AID REFUND POLICY (Institutional and Title IV Refund)
Responsible Officers	Financial Aid Director
Responsible Offices	Financial Aid Office
Summary	The following policy outlines procedures for returning Title IV federal funds, state, and institutional aid when a student withdraws from courses after the published drop/add date.
Definitions	
Approving Body	Academic Council; Administrative Council
Approval Date	April 3, 2017; March 13, 2017
Last Revision	
Re-evaluation Date	Fall 2022
Departmental Impact	Financial Aid Office; Accounting; Registrar's

Failure to follow the following policy may result in disciplinary action, including termination of employment.

Policy Statement

The Financial Aid Office (FAO) will adjust Title IV financial aid and SC Tuition Grant in accordance with the federal Return of Title IV (R2T4) regulations when a student withdraws from the University or is subject to an unofficial withdrawal. The Financial Aid Office will adjust university and state scholarship aid based on the tuition refund schedule.

Types of withdrawals:

1. A student withdraws from the University after beginning attendance, official withdrawal.
2. A student earns no passing grades. This is considered an unofficial withdrawal as of the latter of either the last day of attendance or the midpoint of the semester.

Rationale

In an effort to make institutional aid available to as many eligible students as possible, CIU follows a refund policy for students who withdraw before the end of an academic term. A Return of Title IV Funds Policy is a requirement of the Department of Education and is necessary in order for CIU to remain compliant with federal regulations.

Policy Procedures

Official Withdrawal

1. The Registrar's office notifies the FAO of an official withdrawal, noting the effective date. If the withdrawal date is after the 60% mark of the semester, all aid is considered to be earned by the student and no return of funds is required.
2. The FAO determines if student has aid (disbursed or that could be disbursed). Check in PowerFAIDS.
3. If the student drops all classes before the census date (drop/add date) and no charges are incurred, all financial aid is cancelled.
4. If the student has Title IV aid, perform R2T4:
 - a. Check PowerFAIDS for Title IV aid that could have been disbursed. If funds were not yet disbursed satisfy requirements as needed. (Loans will not be originated after the withdrawal date if we are missing the MPN or Entrance Counseling requirements.)
 - b. Check the student account statement in EX for the original charges according to federal definition.
 - c. Add "Return to Title IV calculation" to student record in PowerFAIDS. Select the Period of Enrollment (POE) in which the withdrawal occurred. Add "official withdrawal" in description box and click SAVE. Add the date the Registrar's Office notified the Financial Aid Office that the student withdrew. Click on Step 2 and add the date of withdrawal. Click on Step 5 and enter the original institutional charges for the period. Print repackaging worksheet for student file.

5. Adjust federal financial aid on packaging screen in PowerFAIDS according to the return amounts as indicated on the repackaging worksheet. The worksheet will contain the net amounts to return. (The PowerFAIDS repackaging worksheet tab will give the revised net and gross amounts needed to make adjustments).
 - a. On the packaging screen enter revised gross amount on disbursed loans. For fall withdrawals, remove spring loan and change loan period if needed.
 - b. On the packaging screen enter revised amount of Pell Grant and lock award.
6. If the student had SC Tuition Grant use the percentage of unearned Title IV aid to determine amount of SCTG that will need to be returned.
 - a. On the packaging screen enter revised amount of SC Tuition Grant.
7. If the student had a SC scholarship. HOPE, LIFE, or Palmetto Fellows the school returns the amount of scholarship equal to the percentage of tuition refund given, if any. If the student did not receive a tuition refund no adjustment to the SC Scholarship is required.
 - a. On the packaging screen revise amount of SC Scholarship.
8. Run Disbursement Authorization out of PowerFAIDS which removes aid from student account in Jenzabar EX.
 - a. Pell Grant funds are returned by sending maintenance file out of PowerFAIDS to COD.
 - b. Loans are returned by sending maintenance file out of PowerFAIDS to COD.
 - c. SC Tuition Grant is returned by check to the SC Tuition Grant Commission.
 - d. State scholarship funds are returned by check to the SC Commission of Higher Education.
9. Notify Human Resources (FWS Coordinator) if student receives FWS.
10. Notify student by email of the fund(s) returned and direct them to the Accounting Office for payment of their student account balance. Notification includes instructions on how to complete Federal Student Loan Exit Counseling online (if applicable).
11. Registrar's Office reports official withdrawal date to NSLDS through National Student Clearinghouse.

Unofficial Withdrawals

1. After the semester grades are finalized, the FAO identifies students with federal aid and/or SCTG who earned no passing grades.
2. Perform R2T4 calculation using last day of attendance as reported by the professors or the midpoint of the semester, whichever is the latter of the two. If the last date of attendance is past the 60% mark of the semester all aid is considered to be earned by the student and no return of funds is required.
 - a. Add "Return to Title IV calculation" to student record in PowerFAIDS. Select the Period of Enrollment (POE) in which the withdrawal occurred. Add "unofficial withdrawal" in description box and click SAVE. Click on Step 2 and add the unofficial withdrawal date. Check the box "Student withdrew without notification". Click on Step 5 and enter the original institutional charges for the period. Print repackaging worksheet for student file.
3. Adjust federal financial aid on packaging screen in PowerFAIDS according to the return amounts as indicated on the repackaging worksheet. The worksheet will contain the net amounts to return. (The PowerFAIDS repackaging worksheet tab will give the revised net and gross amounts needed to make adjustments).
 - a. On the packaging screen enter revised gross amount on disbursed loans. For fall withdrawals, remove spring loan and change loan period if needed.
 - b. On the packaging screen enter revised amount of Pell Grant and lock award.
4. Adjust SC Tuition Grant (if applicable). Use the percentage of unearned Title IV aid to determine amount of SCTG that will need to be returned.
 - a. On the packaging screen enter the revised amount of SC Tuition Grant.
5. Run Disbursement Authorization out of PowerFAIDS which removes aid from student account in Jenzabar EX.
 - a. Pell Grant funds are returned by sending maintenance file out of PowerFAIDS to COD.
 - b. Loans are returned by sending maintenance file out of PowerFAIDS to COD.
 - c. SC Tuition Grant is returned by check to the SC Tuition Grant Commission.

6. Notify student by email of the fund(s) returned and direct them to the Accounting Office for payment of their student account balance. Notification includes instructions on how to complete Federal Student Loan Exit Counseling online (if applicable).
7. Registrar's office reports official withdrawal date to NSLDS through National Student Clearinghouse.

Hyperlinks

www.ciu.edu/policy