

Withdrawal and Return of Title IV Funds (R2T4) Policy

How a Withdrawal Affects Financial Aid

Federal Student Aid, (Title IV funding), is awarded under the assumption that a student will complete course(s) for the entire trimester or payment period for which the funds were awarded. When a student ceases attendance, officially or unofficially, in a course, regardless of the reason, they may no longer be eligible for the full amount of Title IV funds originally awarded.

If a recipient of Title IV funds stops attending UMass Global after beginning attendance, the amount of Title IV assistance earned by the student must be determined. If the amount disbursed to the student is greater than the amount the student earned, the unearned funds must be returned to the federal program(s). If the amount disbursed to the student is less than the amount the student earned, and for which the student is otherwise eligible, he or she is eligible to receive a post-withdrawal disbursement of the earned aid that was not received.

If a student withdraws during the first 60 percent of their "period of enrollment," as measured in days federal law requires that financial aid funds be returned to the government.

Financial aid that is processed for a student who never begins attendance in any class will be canceled.

Period of Enrollment

The period of enrollment is the trimester if the student is enrolled in both sessions. If the student enrolled in only one session in a trimester, the period of enrollment is the session. If the student registers for both sessions and withdraws from the second session while still attending the first session, the period of enrollment will be the first session instead of the trimester. Consequently, if the student wants to complete session one but drop session two classes, it would be to the student benefit to drop session two classes before session two starts in order to avoid a return of financial aid funds. Dropping some or all of the student classes at any time may still require an adjustment to a grant or scholarship award.

Earned versus Unearned TIV Funding

The percent of aid earned is equal to the number of calendar days completed up to the withdrawal (officially or unofficially) date divided by the total number of calendar days in the trimester/payment period.

$$\text{Earned Percent} = \text{Number of Days Completed} \div \text{Total Days in Payment Period}$$

$$\text{Unearned Percent} = 100\% - \text{Earned Percent}$$

As a result of a withdrawal, students who received federal funds will be required to repay unearned aid.

A trimester is 16 weeks, or 112 days, in length. If a student were to withdraw at the end of the third week (21 days), they would have missed 91 days of the trimester. Dividing 91 days missed by 112 days in the trimester equals 81 percent. UMass Global would be required to return 81 percent of their financial aid to the government.

This federal policy has several implications. In the previous example, the student withdrew after the deadline for receiving a tuition and fee refund. They would thus be charged for the entire amount of tuition, but 81 percent of the student's financial aid would be returned to the government, making them personally liable for paying at least 81 percent of the tuition charges. It would be in this student's best interest not to withdraw until 60 percent of the trimester (68 days of instruction) had passed so that all financial aid could be retained to cover the tuition charges.

A student who withdraws during the first two weeks of school will receive a partial tuition refund, but this refund will not offset all the financial aid that must be returned to the government. If they are a financial aid recipient and withdraw during the first 60 percent of a period of enrollment, the student likely will owe additional money to pay for tuition charges and other expenses.

Recalculation of Aid for Non-Attended Courses

If a student does not begin attendance in a course, that course must be taken out of consideration for Title IV grants, state grants and institutional scholarship funds. The funds will be recalculated excluding that course. Students who do not plan to attend and will not be participating in a course should drop the class prior to the start of the term.

Order of Return to Federal and State Aid Programs

Federal financial aid funds will be returned to the accounts from which the student received assistance, up to the amount received from that account, in the following order:

- Unsubsidized Federal Direct Loans
- Subsidized Federal Direct Loans
- Federal PLUS Loans
- Federal Pell Grants
- Cal Grants
- Federal Supplemental Education Opportunity Grants
- Federal TEACH Grant
- Iraq and Afghanistan Service Grant

Withdrawal Procedure and Date of Withdrawal

Unofficial Withdrawal

An “unofficial” withdrawal occurs when a student leaves school without notifying Student Services. Specifically, students unofficially withdraw when they: earn no units in a session; have no incomplete or satisfactory progress (SP) grades; and receive at least one failing grade (F, FW, or NP).

Students will not be considered to have unofficially withdrawn if they provide the financial aid office with documentation indicating they attended classes through the end of the session. Documentation is needed within 60 days of the last day of the session.

In cases of unofficial withdrawal, the federal government requires that half of the student’s financial aid be returned. Since the student’s tuition charges would not change, students who unofficially withdraw will become liable for paying at least half of their tuition, and perhaps more if their financial aid was greater than their tuition charges.

Official Withdrawal

An “official” withdrawal occurs when a student notifies Student Services that he or she is leaving UMass Global. The preferred means of contacting Student Services are as follows:

- www.MyUMassGlobal.edu
- In-person: Student Services is located on the Irvine campus
- By mail: Student Services, UMass Global 16355 Laguna Canyon Road Irvine, California 92618
- By email from the student university email address to the student campus One Stop Specialist
- By fax: (866) 659-1146
- By phone: (949) 341-7696
- By an authorized university official: Each UMass Global campus has at least one staff member who is authorized to notify Student Services of the student decision to withdraw by entering the withdrawal information into the UMass Global computer system. When communicating about the student withdrawal, please provide the student name and student ID number.

Determination of Withdrawal Date

The return of TIV funds process begins when the student officially and/or unofficially withdraws from or stops attending courses. The withdrawal date used in the return calculation of a student’s federal financial aid is the date the student began the official withdrawal process and/or the date of the student’s notification that they wish to withdraw. If a student stops attending classes without notifying UMass Global, the withdrawal date will be the midpoint of the trimester or payment period.

How the student informs UMass Global about the student decision to withdraw is important. If the student state that the student are “considering” withdrawing, “might” withdraw, or “have been thinking” about it, the withdrawal will not be processed because the student are contemplating the options. The student will be withdrawn only when they state unequivocally that they want to withdraw.

Establishing an official withdrawal date is critical for determining the size of tuition refund (if the withdrawal is prior to the end of the first two weeks of school) and for determining the amount of financial aid that must be returned to federal and state government. The federal government requires that the official withdrawal date be the date Student Services is informed about the student intent to withdraw either directly by the student or indirectly through an authorized school official.

UMass Global is not permitted to accept a date in the future as the withdrawal date. For instance, if the student states during the fourth week of classes that they intend to

withdraw during the twelfth week (in order to avoid losing some of their financial aid), UMass Global is required to use the date the student makes the announcement as the withdrawal date. Federal regulations require that the withdrawal date be the date the student states their intentions, not the date the student completes the withdrawal process.

Student Services can be advised verbally or in writing. If an authorized university official withdraws the student, the withdrawal date will be the date the withdrawal is entered into the computer system. Should the student visit Student Services in-person, the date of their visit will be the withdrawal date. If the student emails or faxes Student Services, the date of the communication will be the withdrawal date even if the communication is made outside normal business hours. If the student notifies Student Services through the postal service, the student withdrawal date will be the date the student notification is received by Student Services. Lastly, if the student withdraws using MyUMass Global, the date the student electronically submits the withdrawal will be the withdrawal date.

Although it is more convenient for the student to withdraw using one of the preferred means of communication, the student also can withdraw by phone. Such withdrawals must be made during normal business hours and by speaking directly to an official of Student Services. Since withdrawing may have financial and academic consequences, it is vital to establish the student identity on the telephone. The student should be prepared to provide considerable information including, but not limited to, the name, identification number, date of birth, and current class schedule. The easiest way to withdraw is by using www.MyUMassGlobal.edu

Exceptions to Policy

Federal law requires return of financial aid funds for students who unofficially withdraw or who withdraw during the first 60 percent of a period of enrollment. The law does not allow for any exceptions.

Student Notification of Repayment

UMass Global will return funds on the student's behalf to the appropriate federal programs and subsequently will bill the student for any balances owed back to UMass Global as a result of the return of Title IV funds. A letter showing the adjustment to the student's Title IV funds will be sent to the student. The student is responsible for any outstanding balance resulting from a Return of Title IV calculation. Students are encouraged to contact their campus One Stop to make arrangements for any outstanding and/or past due balance owed to UMass Global.

Consequences of Non-Repayment

Students who owe the institution because of the return of Title IV funds calculation will not be eligible to register for subsequent trimesters or receive academic transcripts until the balance is paid in full.

Exit Counseling

Students who have borrowed federal loans or who have received a TEACH Grant, must complete exit counseling at www.studentloans.gov. Loans must be repaid by the loan borrower as outlined in the terms of the promissory note. The student should contact their servicer if they have questions regarding their grace period or repayment status.

Student Loan Repayment

The six month grace period for loan repayment begins the day the student enrollment status drops below half-time. If the grace period for a loan has already elapsed due to a prior period of non-enrollment, loan repayment will begin immediately. Contact the student loan servicer to make payment arrangements. The student can find their loan servicer by reviewing their loan borrowing history on www.NSLDS.gov

How a Withdrawal Affects Future Financial Aid Eligibility

Refer to the Satisfactory Academic Progress Policy in the Financial Aid Information Guide ([https://www.UMass Global.edu/tuition-and-aid/tuition-and-aid-forms-and-resources](https://www.UMassGlobal.edu/tuition-and-aid/tuition-and-aid-forms-and-resources)) to determine how a withdrawal impacts a student's future financial aid eligibility.

Adjustments to Institutional Scholarships:

Students who receive a 100% tuition refund will have their institutional scholarships cancelled. If the student withdraws after beginning attendance and receives a partial tuition refund, the scholarship may be prorated.