

WESTERN MICHIGAN UNIVERSITY – REPAYMENT POLICY (RETURN OF TITLE IV AID)

The federal government mandates that students withdrawing from all classes may keep only the financial aid (federal "Title IV" grant and loan assistance) they have "earned" up to the time of withdrawal. Students are awarded Title IV funds with the idea that the student will attend the semester in its entirety. If the student withdraws, this may impact the student's eligibility for Title IV funds. The school is then responsible for calculating the amount of aid the student has "earned," and the amount of aid that must be returned by the University and/or the student.

The "Return of Title IV Funds" procedures will apply to students who were offered federal grant or loan funds and who have completely withdrawn from all classes after the first day of the semester. For students who completely withdraw prior to the 60% point in each payment period, the percentage of funds they have earned will be calculated. Students who withdraw after the 60% point in the payment period will have been considered to have earned 100% of their funds. For students who completely drop all of their classes before the first day of the semester, 100% of the financial aid funds they received will be returned, since these students will not have attended any classes. Students who notify the Financial Aid Office using the Tuition Refund form will also be billed back 100% of their aid if they indicate they never attended classes.

Students who withdraw from some, but not all, of their classes are considered to have changed enrollment but not completely withdrawn, and hence are not subject to the Return of Title IV formula unless the rest of their enrollment includes courses that have been repeated 2 or more times. If coursework has been repeated 2 or more times, the coursework cannot be counted towards enrollment, for these purposes. Students who were awarded only Federal Work-study are also not considered in the formula.

The Registrar's Office identifies the official withdrawal date. An automated system program creates a report that identifies students who completely withdraw from their semester's classes and the program also applies the return of Title IV funds formula for federal recipients of aid. The Financial Aid staff adjusts the student's offers, notifies students of their obligations to return funds and offers students any earned post-withdrawal disbursements. After the semester ends and grades are posted, the report includes students who unofficially withdraw from classes (have "X" and "W" grades only). The calculation and billing is performed no later than 45 days after the student's official withdrawal date. If our office receives information that a student stops attending class or never attended any or all of their classes, financial aid eligibility may need to be recalculated.

If the University retroactively withdraws a student, then we assume the student never attended and 100% of their aid will be billed back, unless the student is in the military and has been called to active duty. In this situation, we will look at the date of the retroactive withdrawal was approved as the official withdrawal date as they have attended classes.

Students who leave the University are considered officially or unofficially withdrawn. Students who receive an incomplete status for coursework are expected to complete the coursework within a reasonable timeframe after the semester is over. Such students are not considered withdrawn from courses since Western has determined the student will likely complete the required coursework.

If the student has loans, the Financial Aid Office will send exit counseling materials to the student and

document on the system. The written withdrawal policy and the refund policy is available for students through the Registrar's website and in the catalog for each term's schedule of classes.

Officially Withdraw

Students are required to officially withdraw through the Registrar's Office. They may notify the Registrar's Office of their withdrawal through the telephone registration system, the web or by letter. Once a student officially withdraws from the University, they cannot have their classes reinstated. For students who officially withdraw through the Registrar's Office, the date of withdrawal is based on the official date of notification with the Registrar's Office.

The Registrar's Office will document the official date of withdrawal on the University computer system. Students may later appeal and submit appropriate documentation of an academically related activity (exam, academic counseling, assignment, University tutoring, etc.) and the amount of financial aid funds to be returned will be calculated based on the date of the academically related activity in relation to the remaining days in the semester.

Effective Fall 2012, students who officially withdraw from some of their classes and unofficially withdraw from rest of their classes will have the amount of the financial aid funds to be returned calculated based on the latest documented date of attendance from either their E, X, or W grades as documented through the Registrar's Office, whichever is later.

Unofficially Withdraw

For students who unofficially withdraw from the University, the amount of the financial aid funds to be returned is calculated based on the latest documented date of attendance from either their E, X, or W grades as documented through the Registrar's Office, whichever is later. For students who pass away, we will use the date of the official withdrawal.

Tuition Refund Appeal

If a student files a tuition refund appeal, we will calculate the information based on the official withdrawal date. The tuition refund appeal may allow a student to have their tuition charges effective with the last day of the drop/add period. Unless the student indicates in their appeal they have never attended a class or classes, official withdrawal date is the date to be used. If the student indicates they have never attended a class or classes, then we will re-calculate their eligibility based on the new 'enrollment' status.

If the last date of attendance for an X or E grade or the withdrawal date for a W grade is changed after the report is run or the calculation has occurred, then additional written documentation needs to be collected to note the reason for the change in date and to verify the previous date was not accurate. Changes in date can occur if additional information on academic activity more accurately represents the new date for last day of attendance or withdrawal date. A new calculation based on the more accurate date can then occur.

R2T4 and Online Courses

The registration period for online courses is the same as main campus courses. The start date is the beginning of the semester of registration and students can register for courses that begin through the last day of the semester. Student's courses will show up during these registration periods. Students have a combination of online and regular courses or online courses alone.

The student has four months to completely withdraw and six months from start date to complete the online course.

The student has eight days from the start date of their registration to completely drop their course and receive 100% refund of courses.

If paid solely on online courses and the R2T4 calculation has occurred and then student registers for more courses, there will not be a new calculation conducted during the semester. If at the end of the semester, the student completely withdraws or has X for course, then a new R2T4 calculation will occur on the new courses. The 60% period is 180 days (180 x 60%).

R2T4 and Repeat Coursework

Students who completely withdraw from most of their courses and only have courses that have been repeated 2 or more times are still considered a complete withdrawal. As the coursework that has been repeated 2 or more times is not eligible to be considered as enrolled, then the student has completely withdrawn for R2T4 purposes. A report is created identifying students who have repeated courses 2 or more times with federal aid and a review occurs after each term's grades are posted to identify if anyone falls into this situation.

Return of Funds Policy for Title IV Aid Recipients Who Withdraw

The Higher Education Amendments of 1998, as well as the program integrity regulations in 2010, set forth regulations governing the treatment of Title IV funds when a student withdraws from an institution.

There are two types of withdrawals that fall under the return to Title IV (R2T4) federal calculation regulations:

1. Official Withdrawals – Students are required to officially withdraw through the Registrar's Office. They may notify the Registrar's Office of their withdrawal through the telephone registration system, the web, or by letter.
2. Unofficial Withdrawals - If a student begins to attend class, receives federal Title IV aid, but then ceases to attend class without providing official notification to the University, the Federal Government considers this to be an "unofficial withdrawal". For students who unofficially withdraw from the University, the amount of the financial aid funds to be returned is calculated based on the latest documented date of attendance from either their E, X, or W grades as documented through the Registrar's Office, whichever is later. However, if the University determines that a student did not provide official notice of the intent to withdraw due to illness, accident, grievous personal loss or other circumstances beyond the student's control, the University may use a date that is related to that circumstance. The refund rules for Title IV aid recipients who withdraw are then followed to determine the unearned portion of Title IV aid that must be returned to the appropriate aid program(s).

When a student is considered to have withdrawn, as described above, during an enrollment period in which they have begun attendance and received federal Title IV financial aid, Western Michigan University is required to determine the amount of earned and unearned Title IV aid. A student is only eligible to retain the percentage of Title IV aid disbursed that is equal to the percentage of the enrollment period that was completed by the student (calculated daily). The unearned Title IV aid must then be returned to the appropriate federal aid program(s). If more than 60% of the enrollment period has been completed by the student, no Title IV aid needs to be returned.

According to University policy, when a student withdraws prior to the quarter of the semester and/or

receives a 100% tuition refund from the University, all of that semesters Federal Title IV grant aid (SEOG, Pell Grant, Federal Teach Grant, Iraq and Afghanistan Service Grant) will be billed back to the students account. Most non-federal aid will also be billed back to the students account. All Title IV aid will be included in the calculations outlined below. Depending on the results of the calculations, some or all of the federal grant aid may be re-disbursed to the student account.

The following steps will be followed when determining the amount of Title IV aid to be returned upon withdrawal:

1. Determine percentage of enrollment period completed by student. Divide the number of days attended by the number of days in the enrollment period. If the calculated percentage exceeds 60%, then the student has earned all Title IV aid for the enrollment period.
2. Calculate the amount of earned Title IV aid. Multiply the percentage of the enrollment period completed by the total Title IV aid disbursed (or could have been disbursed as defined by late disbursement rules).
3. Determine amount of unearned aid to be returned to Title IV aid program accounts. Subtract the amount of earned federal aid from the total amount of federal aid disbursed. The difference must be returned to the appropriate Title IV aid program(s).
4. Return of Title IV funds by institution and student:
 - WMU will return unearned Title IV aid up to an amount that is equal to the total institutional charges for the payment period multiplied by the percentage of the Title IV aid that was unearned. Generally, a student's tuition and fee refund and/or University Housing refund will satisfy this liability. On occasion, however, particularly when the student remains in University housing beyond the withdrawal date, a bill will result.
 - The student will be responsible for the balance of unearned Title IV aid. In most cases, this will be the amount of federal aid funds a student received in the form of a refund for non-institutional expenses multiplied by the percentage of Title IV aid that was unearned.
 - If the student's portion of aid to be returned is a loan, then the student is not immediately required to repay the loan. The terms of the original loan repayment agreement will apply.
 - If the student's portion of aid to be returned is an overpayment of a grant, the student is required to only repay the amount exceeding 50% of the total grants. WMU will restore the grant funds to the appropriate federal account, with a resulting charge to the students account. The student will be responsible for repaying WMU for the grant overpayment.
5. Unearned Title IV Funds will be returned to federal programs in the following order:
 1. Unsubsidized Federal Stafford Loans
 2. Subsidized Federal Stafford Loans
 3. Federal Perkins Loans
 4. Federal Parent PLUS Loan
 5. Federal Pell Grants
 6. Federal Supplemental Educational Opportunity
 7. Federal Teach Grants
 8. Iraq and Afghanistan Grant
 9. Other Grants

Timeframe for the Return of Title IV Funds: As per federal regulations associated to the Higher Education Act, WMU must return the amount of Title IV funds for which it is responsible (see the section “Return of Funds Policy for Title IV Aid Recipients Who Withdraw”) as soon as possible, but no later than 45 days after the date of the institution’s determination that the student withdrew (as defined in that same section).

An institution must determine the withdrawal date for a student who unofficially withdraws no later than 30 days after the end of the earlier of the:

1. Payment period or period of enrollment as appropriate
2. Academic year in which the student withdrew; or
3. Educational program from which the student withdrew.

Student Notification: Western Michigan University will notify a student in writing within 30 days of the institution’s determination that the student withdrew and either owes a Title IV or HEA overpayment or owes funds to Western.

Note: The procedures and policies listed above are subject to change without advance notice based on changes to federal laws, federal regulations, or school policies. If changes are made, students must abide by the most current policy. The Federal Refund Policy (R2T4) is very encompassing and this is intended to be an overview of the policies and procedures that govern regulations pertaining to Title IV Refund (R2T4). For further guidance on R2T4 policies and procedures, please see the reference material found in Volume 5 of the Federal Student Aid (FSA) Handbook under “Withdrawals and the Return of Title IV Funds”. You may access this online at <https://ifap.ed.gov/fsahandbook/1516FSAHbkVol5.html> or see the Student Financial Aid Office.